

# NOTICE OF MEETING

## + SCHEME BOOKLET

For a scheme of arrangement between Smartpay Holdings Limited and its shareholders in relation to the proposed acquisition of all of the fully paid ordinary shares in Smartpay Holdings Limited at a price of NZ\$1.20 per share by Shift4 Holdings Limited

Your Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares

### The special meeting of Shareholders will be held:

Date	Tuesday, 14 October 2025
Time	12:30pm NZDT (10:30 am AEDT)
Attend in Person	Ionic Room, Sydney Masonic Centre 66 Goulburn Street Sydney NSW 2000 Australia
Attend Virtually	Computershare Meeting Services web platform <a href="https://meetnow.global/nz">https://meetnow.global/nz</a> .

### IMPORTANT

This is an important document and requires your immediate attention. You should carefully read it in its entirety before deciding whether or not to vote in favour of the Scheme. If you are in any doubt as to any aspect of the Scheme, you should seek advice from your financial, taxation or legal advisers. If you have sold all of your shares in Smartpay, please disregard this Scheme Booklet and hand it and the accompanying Proxy/Voting Form to the purchaser or the agent (e.g., the broker) through whom the sale was made, to be passed onto the purchaser.

An Independent Adviser's Report on the merits of the Scheme accompanies this Scheme Booklet. This Scheme Booklet should be read carefully in conjunction with the Independent Adviser's Report.

SMARTPAY HOLDINGS LIMITED

# Important Information

## Purposes of this Scheme Booklet

The purposes of this Scheme Booklet are to:

- provide you with information about the proposed acquisition of Smartpay by Shift4;
- explain the material terms, conditions and effect of the Scheme;
- explain the manner in which the Scheme will be considered by Shareholders and, if approved, implemented;
- provide you with information that could reasonably be expected to be material to your decision whether to vote in favour of, or against, the Scheme; and
- provide you with the information required by the Takeovers Panel in relation to the Scheme.

This Scheme Booklet is not a product disclosure statement.

## Your decision

This Scheme Booklet does not take into account your individual investment objectives, financial situation or needs. You must make your own decisions and seek your own advice in this regard.

The information and recommendations contained in this Scheme Booklet do not constitute, and should not be taken as constituting, financial advice, financial product advice, tax advice or legal advice.

If you are in any doubt as to what you should do, you should seek advice from your financial, taxation or legal adviser before making any decision regarding the Scheme.

## Not an offer

This Scheme Booklet does not constitute an offer to Shareholders (or any other person), or a solicitation of an offer from Shareholders (or any other person), in any jurisdiction.

## Laws of New Zealand

This Scheme Booklet has been prepared in accordance with New Zealand law. Accordingly, the information contained in this Scheme Booklet may not be the same as that which would have been disclosed in this Scheme Booklet if it had been prepared in accordance with the laws and regulations of another jurisdiction.

## Forward-looking statements

This Scheme Booklet contains certain forward-looking statements. You should be aware that there are risks (both known and unknown), uncertainties, assumptions and other important factors that could cause the actual conduct, results, performance or achievements of Smartpay to be materially different from the future conduct, market conditions, results, performance or achievements expressed or implied by such statements or that could cause future conduct to be materially different from historical conduct.

Deviations as to future conduct, market conditions, results, performance and achievements are both normal and to be expected.

Forward-looking statements generally may be identified by the use of forward-looking words such as 'aim', 'anticipate', 'believe', 'estimate', 'expect', 'forecast', 'foresee', 'future', 'intend', 'likely', 'may', 'planned', 'potential', 'should', or other similar words.

Neither Smartpay nor any other person gives or makes any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Scheme Booklet will actually occur. You are cautioned against relying on any such forward-looking statements.

## Privacy and personal information

Smartpay, Shift4 and their respective directors, officers, employees and advisers may collect personal information in the process of implementing the Scheme. Such information may include the name, contact details and shareholdings of Shareholders and the name of persons appointed by those persons to act as a proxy or corporate representative at the Scheme Meeting. The primary purpose of the collection of personal information is to assist Smartpay and Shift4 to conduct the Scheme Meeting and implement the Scheme. Personal information may be stored in hard copy form or electronic form, including with third party data storage facilities and in cloud storage located inside or outside New Zealand.

Personal information of the type described above may be disclosed to Computershare, print and mail service providers, proxy solicitation firms, Related Companies of Smartpay and Shift4, and Smartpay's and Shift4's service providers and advisers.

Shareholders have certain rights to access personal information that has been collected. Shareholders who wish to access their own personal information should contact Computershare in the first instance. Shareholders who appoint a named person to act as their proxy or corporate representative should make sure that person is aware of these matters.

The address details for Smartpay and Shift4 are set out in the Directory.

## No internet site forms part of this Scheme Booklet

Any references in this Scheme Booklet to any website are for informational purposes only. No information contained on any website forms part of this Scheme Booklet.

To the maximum extent permitted by law, Smartpay, Shift4, Shift4 Payments and their respective directors, officers, employees and advisers do not assume any responsibility for the contents of any website referenced in this Scheme Booklet.

## Timetable and dates

All references to times in this Scheme Booklet are references to New Zealand time, unless otherwise stated. Any obligation to do an act by a specified time in New Zealand time must be done in any other jurisdiction by the specified New Zealand time.

All references to expected dates and times in this Scheme Booklet in respect of procedural aspects of the Scheme are indicative only and, among other things, are subject to obtaining all necessary approvals from the High Court.

## Currency

Unless expressly specified, all references to currency in this Scheme Booklet are to New Zealand dollars.

A reference to A\$ is a reference to Australian dollars.

## Diagrams, charts, maps, graphs and tables

Any diagrams, charts, maps, graphs and tables appearing in this Scheme Booklet are illustrative only and may not be to scale.

## Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, actual calculations may differ from amounts set out in this Scheme Booklet.

## Responsibility for information

Smartpay is responsible for this Scheme Booklet other than, to the maximum extent permitted by law:

- the Shift4 Information which has been prepared by, and is the responsibility of, Shift4 Payments. Smartpay, its Related Companies and their respective directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the Shift4 Information. Shift4, its Related Companies and their respective directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of any information in the Scheme Booklet other than the Shift4 Information; and
- the Independent Adviser's Report contained in Annexure A, which has been prepared by, and is the responsibility of, the Independent Adviser. Smartpay, Shift4, their Related Companies and their respective directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the Independent Adviser's Report.

## Notice of the Final Court Hearing

If you wish to oppose the Scheme at the Final Court Hearing, which is expected to be at 10:00am (NZDT) on 24 October 2025 at the High Court, 24 Waterloo Quadrant, Corner Waterloo Quadrant & Parliament Street, Auckland, you must file in the High Court a notice of appearance or a notice of opposition together with supporting documents on which you wish to rely in the manner set out in Section 5.19 of this Scheme Booklet.

The deadline for such filing will be 5:00pm on 17 October 2025 or any later date announced by Smartpay on the NZX and ASX. See Section 5.19 of this Scheme Booklet for more details.

## Role of the Takeovers Panel and High Court

The fact that the Takeovers Panel has provided a letter of intention indicating that it does not intend to object to the Scheme (or subsequently issues a no objection statement in respect of the Scheme), or that the High Court has ordered that a meeting be convened, does not mean that the Takeovers Panel or the High Court:

- has formed any view as to the merits of the proposed Scheme or as to how Shareholders should vote (on this matter Shareholders must reach their own decision); or
- has prepared, or is responsible for the content of, the Scheme Booklet or any other material.

## Non-GAAP Measures

Non-Generally Accepted Accounting Practice measures (**Non-GAAP Measures**) have been included in this Scheme Booklet as Smartpay believes it provides useful information for readers to assist in understanding the Smartpay Group's financial performance. Non-GAAP Measures are not prepared in accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) and are not uniformly defined. Therefore, Non-GAAP Measures reported in this Scheme Booklet may not be comparable with those that other companies report and should not be viewed in isolation or considered as a substitute for measures reported in accordance with NZ IFRS.

The only Non-GAAP Measure used in this Scheme Booklet is Normalised EBITDA.

## Defined terms

Capitalised terms set out in this Scheme Booklet have the meanings given to them in the Glossary in Section 10.

## Date of this Scheme Booklet

This Scheme Booklet is dated 18 September 2025.

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## Part A: Key information about the Scheme and the Scheme Meeting

# 1. Chair's letter

### Dear Shareholder,

On behalf of the Smartpay Board, I am pleased to provide you with this Scheme Booklet which contains important information regarding the proposed acquisition of all of the Smartpay Shares by Shift4.

This proposed acquisition is being implemented by way of a scheme of arrangement under the New Zealand Companies Act. If the proposed Scheme is approved by the requisite majorities of Shareholders and by the High Court, all other Conditions are satisfied or waived (if capable of waiver) and the Scheme Implementation Agreement is not terminated, Shift4 will acquire all of the Smartpay Shares and you will be paid the Consideration of NZ\$1.20 in cash for each Smartpay Share that you hold on the Record Date. Your Smartpay Shares will be acquired, and you will be paid, on the Implementation Date, which is currently anticipated to be 4 November 2025.

I encourage you to read this Scheme Booklet, including the Independent Adviser's Report, carefully before you vote on the Scheme.

**The Smartpay Directors unanimously recommend that you vote IN FAVOUR of the Scheme in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares.<sup>1</sup>**

Each Director has undertaken to vote all the Smartpay Shares he or she holds or controls IN FAVOUR of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares.<sup>2</sup>

The Scheme is the culmination of a process that began with the receipt of various unsolicited, non-binding indicative proposals for the acquisition of Smartpay in early 2025. The Smartpay Board formed an Independent Committee comprising Smartpay's independent directors, appointed external advisers and undertook a comprehensive process, with a view to exploring opportunities to enhance shareholder value (including the possibility of continuing to implement Smartpay's current growth strategy as a publicly listed company). Smartpay, with the assistance of its external financial advisers, identified, actively approached and attracted interest from a number of parties as part of that process.

On 25 April 2025, Smartpay received a revised conditional, non-binding indicative proposal from Shift4 Payments to acquire all of the Smartpay Shares for a cash price of NZ\$1.20 per share. A condition of that revised proposal was that Shift4 Payments be granted a limited period of exclusivity. After careful consideration of that revised proposal and other proposals received, the Smartpay Board determined that it was in the best interests of shareholders to grant Shift4

Payments a limited period of exclusivity in order to progress the revised proposal and determine if an acceptable binding transaction could be agreed with Shift4 Payments. The Scheme is the culmination of that process.

After a thorough assessment of the risks and rewards of alternative strategic options, the Smartpay Board determined that the Scheme represents the most compelling value for Shareholders. The Directors consider that NZ\$1.20 per share is an attractive price for your Smartpay Shares and unanimously believe, in the absence of a Superior Proposal, the reasons for you to vote in favour of the Scheme outweigh the reasons for you to vote against. The reasons for the Directors' view and recommendation include (further detail is set out in Section 5.8):

- **The Consideration of NZ\$1.20 per Scheme Share represents a material premium to the pre-announcement trading price of Smartpay Shares**

The Consideration of NZ\$1.20 per Smartpay Share represents:

- a **90.5%** premium to Smartpay's undisturbed share price of NZ\$0.63 per share on the NZX Main Board on 14 March 2025 (being the last day of trading prior to the announcement by Smartpay of receipt of non-binding and indicative proposals);
- a **96.1%** premium to the 1-month volume weighted average price on the NZX Main Board (**VWAP**) to 14 March 2025 of NZ\$0.61 per Smartpay Share;
- a **102.2%** premium to the 3-month VWAP to 14 March 2025 of NZ\$0.59 per Smartpay Share; and
- a **74.3%** premium to the 6-month VWAP to 14 March 2025 of NZ\$0.69 per Smartpay Share.

- **The Consideration of NZ\$1.20 per Scheme Share is within the Independent Adviser's valuation range of NZ\$1.07 to NZ\$1.43 per share**

Smartpay engaged Calibre Partners to provide an Independent Adviser's Report on the merits of the Scheme. Calibre Partners has assessed the value of Smartpay to be in the range of NZ\$1.07 to NZ\$1.43 per Smartpay Share. The Consideration is near the midpoint of that range (the midpoint being \$1.25).

- **The Scheme provides an opportunity to realise certain value for your Smartpay Shares now for 100% cash consideration**

The Consideration of NZ\$1.20 per share is all-cash. It provides Shareholders with the opportunity to realise certain value for all your Smartpay Shares (if the Scheme is completed). If the Scheme does not proceed (and Smartpay remains listed on the NZX Main Board and ASX), there is no assurance that you will be able to achieve returns equivalent to or better than the Consideration of NZ\$1.20 per Smartpay Share in the future.

1. The Independent Adviser's Report is attached as Annexure A. The Independent Adviser has the ability to issue an updated, replacement or supplementary report prior to the Scheme Meeting. As at the date of this Scheme Booklet, no such update, replacement or supplement is expected to be issued.

2. In the case of Carlos Gil, the representative director of one of Smartpay's largest shareholders, Microequities Asset Management Group Limited (**Microequities**), such intention to vote all of the Smartpay Shares that he holds or controls in favour of the Scheme does not extend to Smartpay Shares held or controlled by Microequities, its associated entities or any funds of, or managed by, Microequities or its associated entities. See Sections 5.6 and 5.7 of this Scheme Booklet for further details.

• **You will no longer be exposed to the risks associated with Smartpay's operating performance over time**

Risks that may adversely impact Smartpay's future financial performance include:

- Significant competitive pressures that pose material risks to customer retention and market share in Australia and New Zealand. This is in particular:
  - traditional point-of-sale (POS) system provider expansion into payment processing; and
  - large international payment processors entering the New Zealand and Australian markets.

Further detail on these competitive pressures is set out in Section 5.8(d);

- The potential for slower than expected merchant growth and penetration in Australia;
- The transition of Smartpay's New Zealand business model from solely an EFTPOS terminal provider into an acquirer (meaning Smartpay can settle card payments on behalf of merchant customers) may take longer to materialise and/or only achieve lower margins than currently expected or may not be successfully implemented to the extent expected. The New Zealand acquiring opportunity represents a significant growth opportunity if successful, but there is substantial execution risk in converting rental customers to acquiring customers in a highly competitive environment; and
- Regulatory changes affecting the payments industry in New Zealand and/or Australia which are adverse to Smartpay (further detail is set out in Section 5.8(d)).
- **The Consideration represents an acquisition multiple of approximately 14.2x EBITDA based on Smartpay's FY25 Normalised EBITDA<sup>3</sup> of NZ\$21.5 million**

The Consideration of NZ\$1.20 per share represents an enterprise value of NZ\$305.6 million / A\$282.6 million,<sup>4</sup> implying an acquisition multiple of approximately 14.2x of FY25 Normalised EBITDA of NZ\$21.5 million.

- **Smartpay's share price will likely fall if the Scheme is not implemented**
  - While your Directors are unable to predict the price at which Smartpay Shares will trade in the future, your Directors believe that if the Scheme is not implemented, and in the absence of a Superior Proposal, the Smartpay Share price will likely fall to a price below the Consideration of NZ\$1.20 per Smartpay Share that is being offered by Shift4.
  - As mentioned above, the Smartpay Share price on the NZX Main Board on the last day of trading prior to the announcement by Smartpay of receipt of non-binding and indicative proposals on 17 March 2025 was NZ\$0.63 per share and the VWAP over the three months ending 14 March 2025 was NZ\$0.59 per share.
- **The Scheme is the result of a comprehensive competitive process, and the Directors are satisfied that the Scheme is the most attractive option for Shareholders coming out of that process**

As noted above, the Scheme is the outcome of a comprehensive process to investigate third-party interest

in acquiring Smartpay. As a result of that process and having regard to the Independent Adviser's valuation range and the Directors' own view of value and assessment of Smartpay's business risks, the Directors have assessed that the Scheme is in the best interests of Shareholders compared to any other currently available option.

• **No Superior Proposal has emerged since the Scheme was announced**

- Since the announcement of the Scheme by Smartpay to NZX and ASX on 23 June 2025, and up to the date of this Scheme Booklet, no Superior Proposal has emerged.
- The Board retains the discretion under the Scheme Implementation Agreement to consider any other transaction proposal that is, or is reasonably likely to become, a Superior Proposal if it is necessary to respond to such a proposal in order for the Board to comply with any Director's fiduciary or statutory duties (subject always to Shift4 Payments' right to match the Superior Proposal). However, there can be no expectation or assurance that any further proposals will emerge at any time.
- If another transaction proposal did emerge, the Board would also need to take into account the reimbursement fee of NZ\$2.96 million payable to Shift4 Payments in certain circumstances, referred to in Section 5.10(d).

• **The Scheme has the support of Smartpay substantial shareholder, Microequities**

- The Microequities Entities intend to vote all Smartpay Shares held or controlled by them as at the time of the Scheme Meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares. The Microequities Entities have reserved the right to sell any Smartpay Shares held or controlled by them at any time, including prior to the time of the Scheme Meeting.
- As at the date of this Scheme Booklet, the Microequities Entities hold or control approximately 13.3% of the Smartpay Shares on issue.

<sup>3</sup> "FY25 Normalised EBITDA" means Smartpay EBITDA for the financial year ended 31 March 2025 excluding NZ\$4.9m associated with the launch of the New Zealand acquiring opportunity (for example, investment in headcount and marketing). FY25 EBITDA has been normalised for these launch costs as it would otherwise represent these costs but not the associated revenue expected to be generated by the New Zealand opportunity in FY26 and beyond.

<sup>4</sup> Using an NZD:AUD currency exchange rate of 0.9248 as at 19 June 2025, net debt of NZ\$9.5 million as at 31 March 2025, and ordinary shares outstanding of 241,943,464 (excluding 169,931 shares held as treasury stock) and Share Performance Rights of 4,845,144.



## Reasons why Shareholders may choose to vote against the Scheme

The Directors have also carefully considered the reasons why Shareholders may decide to vote against the Scheme. These reasons could include:

- You may consider that Smartpay could have greater value over the longer term than you will receive under the Scheme.
- You may disagree with the Independent Adviser's value range for the Smartpay Shares or the Independent Adviser's assessment of the merits of the Scheme.
- You may consider that there is a possibility that a Superior Proposal could emerge.
- You may wish to maintain an investment in a publicly listed company with the specific characteristics of Smartpay in terms of industry, operations, profile, size and capital structure.

Further details of reasons why you may choose to vote against the Scheme are set out in Section 5.9. As noted above, your Directors unanimously believe, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares, the reasons for you to vote in favour of the Scheme outweigh the reasons for you to vote against the Scheme.

## Independent Adviser's Report

The Directors appointed Calibre Partners, with the approval of the Takeovers Panel, as the Independent Adviser to assess the merits of the Scheme. The Independent Adviser has concluded that the Consideration of NZ\$1.20 per Smartpay Share is within its valuation range for the Smartpay Shares of NZ\$1.07 to NZ\$1.43.

The Independent Adviser's Report is included as Annexure A to this Scheme Booklet. I encourage you to read that Report carefully and in full before deciding how to vote in regard to the Scheme.

## No increase to the Consideration, in the absence of a Competing Proposal

Shift4 Payments has stated that the Consideration is its best and final price, in the absence of a Competing Proposal. Shift4 Payments acknowledges that this is a "last and final" statement within the meaning of section 5 of the Takeovers Panel's Guidance Note on Misleading and Deceptive Conduct (1 November 2023). This means that Shift4 cannot increase the Consideration except where there is a Competing Proposal.

## Your action is required

The Scheme will be implemented if it is approved by the required majorities of Shareholders at the Scheme Meeting, all other Conditions are satisfied or waived (if capable of waiver) and the Scheme Implementation Agreement is not terminated. If the Scheme is implemented, your Smartpay Shares will be transferred to Shift4 regardless of whether or how you voted. **It is therefore very important that you take this opportunity to have your say on the Scheme by voting, no matter how many Smartpay Shares you own.**

The Scheme Meeting is to be held on Tuesday, 14 October 2025. You can vote by attending the Scheme Meeting in person or online. Alternatively, you can exercise your right to vote by using the Voting/Proxy Form to appoint a proxy to attend the Scheme Meeting and vote on your behalf.

There are instructions for online attendance and voting, and appointment of a proxy, in the Notice of Meeting in Section 4 of this Scheme Booklet. A personalised Voting/Proxy Form accompanies this Scheme Booklet, but a proxy can also be appointed online at Computershare's website by following the instructions on the website: [www.investorvote.co.nz](http://www.investorvote.co.nz). You will be required to enter the meeting control number, your CSN/Holder Number and postcode (or country if outside of New Zealand) for security purposes.

## Further Information

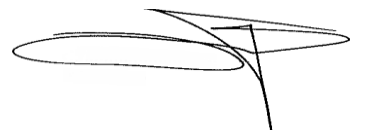
Please read this Scheme Booklet (including the Independent Adviser's Report) carefully and in full. It will assist you in making an informed decision on how to vote. You may also wish to seek independent financial, taxation, legal or other professional advice regarding the Scheme.

If you have any questions regarding the Scheme or the Scheme Booklet, you should ask your professional adviser, email [corporateactions@computershare.co.nz](mailto:corporateactions@computershare.co.nz) or call Smartpay's shareholder information line on 0800 650 034 (toll free within New Zealand) or +64 9 488 8793 (if outside New Zealand) Monday to Friday between 8:30am and 5:00pm (New Zealand time) (excluding public holidays).

## Conclusion

On behalf of the Smartpay Board, I would like to reiterate our support for the Scheme. We encourage you to vote and to vote **IN FAVOUR** of the Scheme. We look forward to your participation either at the Scheme Meeting at 12:30pm (NZDT) (10:30am (AEDT)) on Tuesday, 14 October 2025 or through your proxy vote.

Yours sincerely



**Gregor Barclay**  
Chair of the Board

## 2. What do Shareholders need to do?

### 2.1 Read this Scheme Booklet and seek advice if you are in doubt

Please read this Scheme Booklet, including the Independent Adviser's Report, carefully and in full. It will assist you in making an informed decision on how to vote on the Scheme Resolution.

If you are in doubt as to what you should do, you should seek advice from your financial, taxation or legal advisers.

### 2.2 Vote on the Scheme

**It is very important that you vote.**

Voting is how you have your say in determining the future of your investment in Smartpay.

For the Scheme to proceed, it is necessary that **BOTH** of the two voting thresholds are met, being:

- 75% or more of the votes of Shareholders in each interest class **who are entitled to vote and who actually vote** must be voted in favour of the Scheme Resolution; and
- more than 50% of the total number of Smartpay Shares on issue must be voted in favour of the Scheme Resolution.

Smartpay has one class of shares, all of which are fully paid up ordinary shares with identical voting rights. At the date of the Scheme Booklet, there is one interest class. This is expected to remain the case at the time of the Scheme Meeting. However, if for any reason there is more than one interest class at the time of the Scheme Meeting, only one Scheme Meeting will be held (and not separate meetings for each interest class).

The Scheme Meeting will be held both online and in person:

<b>Date</b>	Tuesday, 14 October 2025
<b>Time</b>	12:30pm NZDT (10:30am AEDT)
<b>Attend in Person</b>	Ionic Room, Sydney Masonic Centre 66 Goulburn Street Sydney NSW 2000 Australia
<b>Attend Virtually</b>	Computershare Meeting Services web platform <a href="https://meetnow.global/nz">https://meetnow.global/nz</a>

If you are a Shareholder on the Voting Eligibility Date (7:00pm NZDT (5:00pm AEDT) on Saturday, 11 October 2025), you are entitled to vote on the Scheme.

You can vote at the Scheme Meeting in person or online, by proxy or, if you are a company, by a corporate representative. If your share broker or financial adviser holds Smartpay Shares as custodian on your behalf, we encourage you to instruct your broker or adviser how to

vote. The fastest way for you to vote is to complete your Voting/Proxy Form online. Alternatively, you may return your Voting/Proxy Form by email, mail or in person or attend and vote in person or online at the Scheme Meeting.

Information on how to appoint a proxy or corporate representative, and how to ask questions before the Scheme Meeting, is set out in the Procedural Notes part of the Notice of Meeting in Section 4 of this Scheme Booklet.

### 2.3 If you are in favour of the Scheme

If you are in favour of the Scheme, you should vote in favour of the Scheme Resolution at the Scheme Meeting in person, online or by proxy.

### 2.4 If you are not in favour of the Scheme

If you are not in favour of the Scheme, you can vote against the Scheme Resolution at the Scheme Meeting in person, online or by proxy. As a Shareholder, you also have the right to appear and be heard at the Final Court Hearing, provided you file a notice with the High Court. Further details on how to do this are set out in Section 5.19.

If you do not want to participate in the Scheme, you are free to sell your Smartpay Shares on the NZX Main Board or ASX at any time up to the close of trading on the Trading Halt Date. However, if you sell your Smartpay Shares on the NZX Main Board or ASX, the sale price may be less than the Consideration of NZ\$1.20 cash per Scheme Share, and you may incur brokerage charges on the sale. You should seek your own professional advice to determine if your individual financial or taxation circumstances may make it preferable for you to do so.

Regardless of whether you vote for or against the Scheme, abstain or do not vote, the Scheme will still be implemented if it is approved by Shareholders by the requisite majorities and by the High Court, the other Conditions are satisfied or waived (to the extent capable of waiver), and the Scheme Implementation Agreement is not terminated.

### 2.5 You may need to provide your bank account details to Computershare

If the Scheme is implemented and you hold Scheme Shares on the Record Date, you will be paid the Consideration of NZ\$1.20 in cash for each of your Scheme Shares. See Section 5.14 for full details of how the Consideration will be paid. You may need to take the actions contemplated by that Section to ensure payment of the Consideration in your desired currency to your desired bank account.



### 3. Key indicative dates

Indicative date and time (NZDT)	Event
7:00pm on 11 October 2025	Voting Eligibility Date – for determining eligibility to vote at the Scheme Meeting
12:30pm on 12 October 2025	Closing time and date – for Voting/Proxy Forms for the Scheme Meeting to be submitted
12:30pm on 14 October 2025	Scheme Meeting held
<b>If the Scheme is approved by Shareholders, then the indicative dates for implementation of the Scheme are set out below</b>	
5:00pm on 17 October 2025	Latest time by which Shareholders may file a notice of appearance or notice of opposition – to be filed at the High Court and served on Smartpay
10:00am on 24 October 2025	Final Court Hearing – to approve the Scheme and grant the Final Orders
Close of trading on 29 October 2025	Trading Halt Date – Smartpay Shares will be suspended from trading on both the NZX Main Board and ASX
7:00 pm on 31 October 2025	Record Date – date for determining entitlements to the Consideration
4 November 2025	Implementation Date – date on which the Scheme Shareholders will be paid

All dates and times in the table above (and other references to such dates and times in this Scheme Booklet) are **indicative only** and, among other things, are subject to obtaining all necessary approvals from the High Court. Any reference to a time in this Scheme Booklet is, unless otherwise indicated, a reference to New Zealand daylight time.

Any changes to the above indicative timetable will be announced to NZX ([www.nzx.com](http://www.nzx.com)) (NZX code: SPY) and ASX ([www.asx.com.au](http://www.asx.com.au)) (ASX code: SMP) and notified on Smartpay's website ([www.smartpayinvestor.com](http://www.smartpayinvestor.com)).

## 4. Notice of meeting

Notice is given that a special meeting of Shareholders of Smartpay Holdings Limited (the **Scheme Meeting**) will be held:

<b>Date:</b>	Tuesday, 14 October 2025
<b>Time:</b>	12:30pm NZDT (10:30am AEDT)
<b>Attend in Person:</b>	Ionic Room, Sydney Masonic Centre 66 Goulburn Street Sydney NSW 2000 Australia
<b>Attend Virtually:</b>	Virtual webcast at Computershare Meeting Services web platform <a href="https://meetnow.global/nz">https://meetnow.global/nz</a> . Details of how to participate are provided in the Procedural Notes below.

### Agenda

#### Scheme Resolution

To consider and, if thought fit, to pass the following resolution:

*"That the Scheme (the terms of which are described in the Scheme Booklet) be and is hereby approved."*

The Scheme Resolution will be put as a single resolution for the purposes of confirming the approvals of each interest class and a simple majority of the votes of all Shareholders.

Voting will be by poll and Computershare will confirm whether or not each of the relevant voting thresholds have been met in respect of the Scheme Resolution (see Procedural Notes below). Computershare will also act as scrutineer in respect of the vote.

By order of the Board,



**Gregor Barclay**  
Chair of the Board  
18 September 2025

## PROCEDURAL NOTES

### Scheme Booklet and Voting/Proxy Form

- 1 This Scheme Booklet (which includes this Notice of Meeting) provides information in relation to the Scheme Resolution and the Scheme, how the Scheme will be implemented and the reasons for proposing the Scheme. In particular, Section 2 of the Scheme Booklet contains details about the actions you can take in respect of the Scheme. A Voting/Proxy Form accompanies this Scheme Booklet.

### Scheme of Arrangement

- 2 The Scheme is to be implemented by way of a High Court-approved scheme of arrangement under Part 15 of the Companies Act pursuant to the Scheme Plan included as Annexure B of this Scheme Booklet. The High Court has granted Smartpay the Initial Orders. The next significant step in the Scheme process is seeking the approval of the Shareholders by voting on the Scheme Resolution.

### Voting on the Scheme Resolution

- 3 The voting thresholds under the Companies Act for approval of the Scheme are:
  - a. 75% or more of the votes of Shareholders in each interest class **who are entitled to vote and who actually vote** must be voted in favour of the Scheme Resolution; and
  - b. more than 50% of the total number of Smartpay Shares on issue must be voted in favour of the Scheme Resolution.
- 4 Both of the voting thresholds set out in Procedural Note 3 above must be met for the Scheme Resolution to be approved. Smartpay has one class of shares, all of which are fully paid up ordinary shares with identical voting rights. As at the date of the Scheme Booklet, there is one interest class. This is expected to remain the case at the time of the Scheme Meeting. See Section 5.12(b) of this Scheme Booklet for more information about what an interest class is.

**Whether or not you are in favour of the Scheme, it is very important that you cast your vote.**

### Eligibility to vote on the Scheme Resolution

- 5 You are entitled to vote at the Scheme Meeting (including by proxy or representative) if you hold Smartpay Shares (as recorded in Smartpay's Share Register) on the Voting Eligibility Date.

### How to vote

- 6 If you are eligible to vote at the Scheme Meeting, you can vote:
  - a. **online:** Shareholders can vote online by attending the meeting virtually through the Computershare Meeting Platform at <https://meetnow.global/nz>. Please refer to the Virtual Meeting Guide available on the Investors' section of Smartpay's website [www.smartpayinvestor.com/agm/](http://www.smartpayinvestor.com/agm/) or at [www.computershare.com/vm-guide-nz](http://www.computershare.com/vm-guide-nz) for more information. You will need the latest version of Chrome, Safari or Edge to access the meeting.
  - b. **in person:** Shareholders attending the meeting in person can bring their Voting/Proxy Form (which accompanies this Scheme Booklet) with them to vote

or, alternatively, will be provided with voting papers, which can be completed and handed in at the conclusion of the meeting.

- c. **by proxy:** see Procedural Note 7 below.
- d. **by corporate representative:** a company which is a Shareholder may appoint a representative to vote on its behalf in the same manner as that in which it could appoint a proxy.

### How to appoint a proxy

- 7 You may appoint a proxy to attend, and vote at, the Scheme Meeting on your behalf. To do this, you can submit your completed Voting/Proxy Forms:
  - a. **online:** at Computershare's website by following the instructions on the website: [www.investorvote.co.nz](http://www.investorvote.co.nz). You will be required to enter the meeting control number, your CSN/Holder Number and postcode (or country if outside of New Zealand) for security purposes;
  - b. **by email:** [corporateactions@computershare.co.nz](mailto:corporateactions@computershare.co.nz) (please use "Smartpay Proxy Form" as the subject for easy identification);
  - c. **by mail:** Private Bag 92119, Victoria Street West, Auckland, 1142; or
  - d. **in person:** Level 2, 159 Hurstmere Road, Takapuna, Auckland, 0622.
- 8 If you appoint a proxy, you can either direct your proxy how to vote or let them decide on your behalf by ticking the box marked "proxy discretion". If you do not tick a box for the Scheme Resolution, then your proxy will be treated as having discretion on how to vote.
- 9 A proxy does not need to be a Shareholder but does need to be someone who can attend the meeting and vote on your behalf. You may, if you wish, appoint the Chair or any other Director as your proxy. The Chair and all other Directors intend to vote undirected proxies in favour of the Scheme Resolution, unless a majority of the Directors have changed their recommendation prior to the Scheme Meeting, in which case the Chair or that other Director of Smartpay will vote all undirected proxies he or she holds in a manner consistent with that changed recommendation (e.g., against the Scheme Resolution).
- 10 If, in appointing a proxy, you have inadvertently not named a person to be your proxy (either online or on the enclosed Voting/Proxy Form), or your named proxy does not attend the Scheme Meeting, the Chair of the Scheme Meeting will be your proxy and will vote in accordance with your express direction. If you have not included an express direction (either online or in the enclosed Voting/Proxy Form), the Chair of the Scheme Meeting will exercise your vote in favour of the Scheme, unless a majority of the Directors have changed their recommendation prior to the Scheme Meeting, in which case the Chair of the Scheme Meeting will vote undirected proxies he or she holds in a manner consistent with that changed recommendation (e.g., against the Scheme Resolution).
- 11 Once appointed, a proxy can be revoked or your voting directions to your proxy can be changed by lodging a new proxy online as set out in Procedural Note 7(a) above, or giving written notice to the address details set out in Procedural Notes 7(b), 7(c) or 7(d) above, if such online lodgement or notice is received before 12.30pm (New Zealand time) on Sunday, 12 October 2025. If you attend

the Scheme Meeting in person or online you may, but are not required to, revoke your proxy.

- 12 Despite Procedural Notes 7 and 11, Smartpay may in its discretion accept proxy appointments received after 12.30pm (New Zealand time) on Sunday, 12 October 2025 if it considers it to be in the best interests of Smartpay and Shareholders as a whole.

### How to ask questions

- 13 You are invited to submit questions to be addressed at the Scheme Meeting. Smartpay has discretion as to which, and how, questions will be answered during the Scheme Meeting. If you wish to submit a question, you may do so:
- a. **online:** at Computershare's website by following the instructions on the website: [www.investorvote.co.nz](http://www.investorvote.co.nz). You will be required to enter the meeting control number, your CSN/Holder Number and postcode (or country if outside of New Zealand) for security purposes;
  - b. **by email:** [corporateactions@computershare.co.nz](mailto:corporateactions@computershare.co.nz) (please use "Smartpay Question" as the subject for easy identification);
  - c. **by mail:** Private Bag 92119, Victoria Street West, Auckland, 1142;
  - d. **in person:** Level 2, 159 Hurstmere Road, Takapuna, Auckland, 0622; and
  - e. **on your Voting/Proxy Form:** see Procedural Note 7 for information on how to submit your Voting/Proxy Form.
- 14 There will also be an opportunity for Shareholders to raise questions during the Scheme Meeting in person or through the online platform at <https://meetnow.global/nz>.

### Defined terms

- 15 Capitalised terms used in this Notice of Meeting have the meanings given to them in the Glossary at Section 10 of this Scheme Booklet.

## Part B: Detailed information about the Scheme

# 5. Information about the Scheme

### 5.1 Summary of the Scheme

The Scheme is the proposed scheme of arrangement under Part 15 of the Companies Act for Shift4 to acquire all of the Scheme Shares in Smartpay for the Consideration of NZ\$1.20 in cash for each Scheme Share. Further information regarding the legal requirements and steps for implementation of the Scheme are set out in Section 5.12.

Shift4 Payments is a North American payment processing business. Its parent company, Shift4 Payments, Inc., is listed on the New York Stock Exchange. Shift4 is a directly or indirectly wholly owned subsidiary of Shift4 Payments and is incorporated in Malta. Further information about Shift4 is set out in Section 6 of this Scheme Booklet.

For the Scheme to be implemented, it needs to be approved by the required majorities of Shareholders, and by the High Court. The Scheme is also subject to the satisfaction or waiver (if capable of waiver) of all other Conditions, including the absence of a Material Adverse Change during the period commencing on the date that the Scheme Implementation Agreement was entered into (23 June 2025) and ending at 8:00am on the Implementation Date. For more information on the Conditions to the Scheme, see Section 5.13.

Under the Scheme Implementation Agreement, Smartpay agreed to propose a scheme of arrangement between Smartpay, Shift4 Payments (or its nominee) and Shareholders, the effect of which will be that all Smartpay Shares will be transferred to Shift4 and Shift4 will provide or procure the provision of the Consideration to Shareholders.

### 5.2 How the Scheme came about

The Scheme is the culmination of a process that began with the receipt of various unsolicited, non-binding indicative proposals for the acquisition of Smartpay in early 2025. On receipt of the first of these indicative proposals, the Board formed an Independent Committee comprising Smartpay's independent directors and that Independent Committee appointed external advisers, including Morgan Stanley as financial adviser and Bell Gully as legal adviser.

The Independent Committee undertook a comprehensive process to review the non-binding indicative proposals and test a broad range of other potentially interested parties and options, including the possibility of continuing to implement Smartpay's current growth strategy as a publicly listed company.

On 17 March 2025, in response to a press article, Smartpay made a market announcement confirming that it had received two separate, conditional, non-binding and indicative proposals. One of these proposals was from Tyro Payments Limited (**Tyro**) and the other from an "international strategic". The proposal from Tyro was to acquire 100% of the issued ordinary shares at an issue price of NZ\$1.00 per share, comprising a majority of Tyro shares as well as cash consideration. The "international strategic" was Shift4 Payments, but this was not disclosed at that time.

Smartpay allowed both Tyro and Shift4 Payments to conduct an initial limited period of commercial due

diligence on a non-exclusive basis. The purpose of permitting due diligence at this stage was to allow Smartpay to better assess the relative merits of each party's proposal and to give each party an opportunity to further improve their respective proposals based on the Smartpay information received.

During this period of due diligence, Smartpay also received conditional, non-binding indicative proposals from another third party.

On 5 May 2025, Smartpay provided a further update to the market that it had received a revised conditional, non-binding indicative proposal from the international strategic, which was Shift4 Payments, to acquire all of the Smartpay Shares for a price of NZ\$1.20 per share, comprising 100% cash consideration. A condition of that revised proposal was that Shift4 Payments be granted a limited period of exclusivity.

After careful consideration of the revised proposal from Shift4 Payments and the other proposals received, the Smartpay board determined it was in the best interests of Shareholders to enter into an exclusivity agreement with Shift4 Payments for a limited period in order to progress its proposal and determine if an acceptable binding transaction could be agreed. The exclusivity agreement provided exclusivity to Shift4 Payments from 2 May 2025 until 9 June 2025. Under the exclusivity arrangements, during the period of 2 May 2025 until 25 May 2025, Smartpay committed not to engage with any competing proposal (including a potentially superior proposal), however during the period from 26 May to 9 June Smartpay was permitted to engage with any competing proposal that was potentially a superior proposal.

Also on 5 May 2025, after Smartpay announced that it had entered into an exclusivity agreement with Shift4 Payments, Tyro made a market announcement that it was no longer participating in an acquisition process with Smartpay.

After a thorough assessment of the risks and rewards of the alternative strategic options, the Smartpay Board determined that the Scheme represents the most compelling value for Shareholders. The Scheme provides Shareholders with an opportunity to accelerate recognition of Smartpay's intrinsic value, while mitigating the risks and uncertainties that would otherwise be involved in executing Smartpay's strategic plan over time.

On 23 June 2025, Smartpay and Shift4 Payments entered into the Scheme Implementation Agreement, which sets out the terms and conditions on which Smartpay and Shift4 will implement the Scheme. A summary of the Scheme Implementation Agreement is set out in Section 9.

### 5.3 Consideration

If the Scheme is implemented and you hold Scheme Shares on the Record Date, you will be paid the Consideration of NZ\$1.20 in cash for each Scheme Share on the Implementation Date. See Section 5.14 for further details on how the Consideration will be paid.

## 5.4 Funding for the Scheme

Shift4 intends to use the existing cash of Shift4 Payments, Inc. and/or Shift4 Payments, Inc.'s revolving debt facility to meet the Consideration to be provided on implementation of the Scheme and to pay any debts incurred by Shift4 in connection with the Scheme.

The Scheme is not subject to any financing condition.

## 5.5 Your Directors unanimously recommend that you vote in favour of the Scheme

Your Directors unanimously recommend that you vote in favour of the Scheme Resolution at the Scheme Meeting to be held on Tuesday, 14 October 2025, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares.

In reaching their recommendation to vote in favour of the Scheme, your Directors have considered:

- the merits of the Scheme, including the matters in Sections 5.8, 5.9 and 5.10;
- the Consideration in relation to the Independent Adviser's valuation range and the Directors' own views on the value of Smartpay; and
- the prospects and risks of continuing to implement Smartpay's growth strategy as a listed company compared to realising value for shareholders now, the outlook for Smartpay's business and broader market conditions.

In reaching this conclusion, the Directors weighed up the potential opportunities available to the Smartpay Group's business (including the New Zealand acquiring opportunity) against the risks to the business (including increasing competitive pressures, the risk of not successfully executing the New Zealand acquiring opportunity and the regulatory uncertainty described in more detail in Section 5.8(d)). The Directors believe that the Consideration provides compelling, risk-adjusted value for Shareholders' Smartpay Shares.

All of your Directors who hold or control Smartpay Shares intend to vote all of the Smartpay Shares held or controlled by him or her in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares (subject to Sections 5.6 and 5.7 below).

**5.6** In the case of Carlos Gil, the representative director of one of Smartpay's largest shareholders, Microequities Asset Management Group Limited (**Microequities**), such intention to vote all of the Smartpay Shares that he holds or controls in favour of the Scheme does not extend to Smartpay Shares held or controlled by Microequities, its associated entities or funds of, or managed by, Microequities or its associated entities (together, **Microequities Entities**).

**5.7** The Scheme has the support of Microequities. As at the date of this Scheme Booklet, Microequities Entities hold or control 32,109,979 Smartpay Shares (representing approximately 13.3% of the Smartpay Shares). The Microequities Entities intend to vote all Smartpay Shares held or controlled by them as at the time of the Scheme

Meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares. The Microequities Entities have reserved the right to sell any Smartpay Shares held or controlled by them at any time, including prior to the time of the Scheme Meeting.

## 5.8 Reasons to vote in favour of the Scheme

Set out below are the key reasons why the Board unanimously recommends that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares.

### a) The Consideration of NZ\$1.20 cash per Scheme Share represents a material premium to the pre-announcement trading price of Smartpay Shares

The Consideration of NZ\$1.20 per Smartpay Share represents:

- a 90.5% premium to Smartpay's undisturbed share price of NZ\$0.63 per share on the NZX Main Board on 14 March 2025 (being the last day of trading prior to the announcement by Smartpay of receipt of non-binding and indicative proposals);
- a 96.1% premium to the 1-month volume weighted average price on the NZX Main Board (**VWAP**) to 14 March 2025 of NZ\$0.61 per Smartpay Share;
- a 102.2% premium to the 3-month VWAP to 14 March 2025 of NZ\$0.59 per Smartpay Share;
- a 74.3% premium to the 6-month VWAP to 14 March 2025 of NZ\$0.69 per Smartpay Share; and
- a 46.5% premium to the 90 trading day VWAP to 20 June 2025 of \$0.82 per Share<sup>5</sup>.

### b) The Consideration of NZ\$1.20 in cash per Scheme Share is within the Independent Adviser's valuation range of NZ\$1.07 to NZ\$1.43 per share

Calibre Partners has been appointed, with the prior approval of the Takeovers Panel, as the Independent Adviser to prepare an Independent Adviser's Report on the merits of the Scheme.

The Independent Adviser has assessed the value of Smartpay (including a premium for control) to be in the range of NZ\$1.07 to NZ\$1.43 per Smartpay Share. The Consideration of NZ\$1.20 cash per Scheme Share is near the midpoint of that range (the midpoint being NZ\$1.25).

The Independent Adviser's Report is set out in Annexure A to this Scheme Booklet. The Independent Adviser's assessment of the merits of the Scheme is set out in Section 7 of that report.

### c) The Scheme provides an opportunity to realise certain value for your Smartpay Shares now for 100% cash consideration

The all-cash Consideration of NZ\$1.20 per Scheme Share provides you with an opportunity to realise

<sup>5</sup> Period of 90 days of trading on the NZX between 10 February 2025 and 20 June 2025, excluding New Zealand public holidays.



certainty of value for your Smartpay Shares (if the Scheme is completed).

As alluded to in Smartpay's FY25 full year results, Smartpay is currently in the process of execution of its three-stage strategic growth plan. There is an uncertain range of possible outcomes, particularly concerning Smartpay's investment in New Zealand and transition to an acquirer business model, including timing, investment and future success from these initiatives.

The Consideration of NZ\$1.20 per Scheme Share provides you with certainty of value for your Smartpay Shares in cash (if the Scheme is completed) and an opportunity to mitigate the risks that are otherwise involved in delivering the opportunities from executing Smartpay's strategic plan over time. If the Scheme is completed, you will no longer be subject to the business risks, investment and other risks associated with an investment in Smartpay Shares.

Given these risks, if the Scheme does not proceed (and Smartpay remains as a publicly listed company), there is no assurance that you will be able to achieve returns equivalent to or better than the Consideration of NZ\$1.20 per Scheme Share in the future (especially given, as at the date of this Scheme Booklet, no Superior Proposal has been received).

**d) You will no longer be exposed to the risks associated with Smartpay's operating performance over time**

Smartpay-specific existing operational risks that may adversely impact Smartpay's future financial performance include:

- Smartpay faces significant competitive pressures that pose material risks to customer retention and market share in Australia and New Zealand, in particular from:
  - **POS provider expansion into payments.** Traditional POS system providers have increasingly integrated payment processing into their merchant solutions over the past two years. This bundled approach has had a negative impact on customer retention and new business acquisition for Smartpay. While Smartpay is developing competitive responses (including its POS payments bundle), there remains execution risk in successfully competing against these integrated solutions.
  - **Global payment provider market entry.** Large international payment processors are entering the Australian and New Zealand markets, directly threatening Smartpay's core addressable market. Major global competitors have entered both the Australian and New Zealand markets in recent times and, if not already actively competing, threaten to target small and medium-sized businesses in both markets. These competitors often price aggressively and offer alternative technical and product solutions, making them a significant competitive threat.
- Smartpay may experience slower than expected merchant growth and penetration in Australia.
- Transition of the New Zealand business model from solely an EFTPOS terminal provider into an acquirer (meaning Smartpay can settle card

payments on behalf of merchant customers) may take longer to materialise and/or may require greater investment or cost than is currently expected. The New Zealand acquiring opportunity represents a significant growth opportunity if successful, but there is substantial execution risk in converting rental customers to acquiring customers in a highly competitive environment.

External risks that may adversely impact Smartpay's future financial performance include:

- Regulatory changes affecting the payments industry in New Zealand and/or Australia which are adverse to Smartpay. The Reserve Bank of Australia released its preliminary decision paper on 15 July 2025 proposing the removal of the prohibition on schemes to ban surcharging. The Reserve Bank of Australia is also proposing changes to the cost of interchange imposed on transactions. The indicative timeframe for these changes (if enacted) to come into effect is 1 July 2026. In addition, the New Zealand Government recently announced its intention to legislate a ban on the surcharging of some card transactions. This change (if enacted) is intended to come into effect by May 2026. There is significant uncertainty as to how the bans on surcharging and any other regulatory changes will impact Smartpay's business and how its competitors will respond to the new regulatory conditions. Smartpay anticipates that a complete surcharge ban in Australia would result in a reduction in its Australian revenue of up to 10%, mitigated by a reduction in interchange fees. Smartpay does not anticipate a major impact on existing revenues in New Zealand but considers a surcharge ban is likely to have an impact on the New Zealand acquiring opportunity. However, the actual impact of these regulatory changes on Smartpay's business will depend on a range of factors, including what actions Smartpay takes in response to any changes, how Smartpay's competitors respond to any regulatory changes and any actions taken by Smartpay in relation to any such changes and, in the case of the proposed regulatory changes in Australia, what changes actually come into effect and the timing for when this occurs.
- Increased competitive pressure, which may cause Smartpay to lose customers. In its preliminary decision paper, the Reserve Bank of Australia has stated that it believes competition and efficiency in the payments system would be enhanced by removing surcharging on all designated debit, prepaid and credit card systems.

For more information on regulatory considerations, see Section 3.4 of the Independent Adviser's Report.

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**e) The Consideration represents an acquisition multiple of approximately 14.2x EBITDA based on Smartpay's FY25 Normalised EBITDA pre-NZ investment of NZ\$21.5 million**

The Consideration of NZ\$1.20 represents an enterprise value of NZ\$305.6 million / A\$282.6 million<sup>6</sup>, implying an acquisition multiple of ~14.2x of FY25 Normalised EBITDA pre-NZ investment of NZ\$21.5 million.

**f) Smartpay's share price will likely fall if the Scheme is not implemented**

While the Directors are unable to predict the price at which Smartpay Shares will trade in the future, the Directors believe that if the Scheme is not implemented, and in the absence of a Superior Proposal, it is likely that the Smartpay Share price will fall to a price below the Consideration of NZ\$1.20 per Scheme Share that is being offered by Shift4.

Smartpay Shares closed at NZ\$0.63 per share on the NZX Main Board on 14 March 2025, being the last day of trading prior to Smartpay's announcement of the receipt of non-binding and indicative proposals for the acquisition of Smartpay.

Since the announcement on 15 October 2024 regarding the Reserve Bank of Australia considering a review into payment surcharges, the price at which Smartpay Shares have traded on the NZX has generally trended downwards. While noting that a positive outcome of the review may see an improvement in Smartpay's share price, the Directors consider significant uncertainty remains as to whether Smartpay Shares will return to historical higher share price levels or how long this might take in the absence of the Scheme.

**g) The Scheme is the result of a comprehensive competitive process, and the Directors are satisfied that the Scheme is the most attractive option for Shareholders coming out of that process**

The Scheme is the culmination of a process that began with the receipt of various unsolicited, non-binding indicative proposals for the acquisition of Smartpay in early 2025. The Smartpay Board formed an Independent Committee comprising Smartpay's independent directors, appointed external advisers and undertook a comprehensive process, with a view to exploring opportunities to enhance shareholder value. Smartpay, with the assistance of its external financial advisers, identified, actively approached, and attracted interest from, a number of parties as part of this process.

As a result of that process and having regard to the Independent Adviser's valuation range and the Directors' own view of value and assessment of Smartpay's business risks, the Directors have assessed that the Scheme is in the best interests of Shareholders compared to any other currently available option.

**h) No Superior Proposal has emerged since the Scheme was announced**

Since the announcement of the Scheme by Smartpay to NZX and ASX on 23 June 2025, and up to the date of this Scheme Booklet, no Superior Proposal has emerged. The Board ran a comprehensive process to review the non-binding indicative proposals received and to test a broad range of other potentially interested parties and options, including the possibility of continuing to implement Smartpay's current growth strategy as a publicly listed company. More detail about how the Scheme came about is set out in Section 5.2. The Board is not aware of any Superior Proposal that is likely to emerge.

The Board retains the discretion to consider any other transaction proposal that is, or is reasonably likely to become, a Superior Proposal if it is necessary to respond to such a proposal in order for the Board to comply with any Director's fiduciary or statutory duties (subject always to Shift4 Payments' right to match the Superior Proposal). However, there can be no expectation or assurance that any further proposals will emerge at any time.

If another transaction proposal did emerge, the Board would also need to take into account the reimbursement fee of NZ\$2.96 million (including GST, if any) payable to Shift4 Payments in certain circumstances, referred to in Section 5.10(d).

**i) The Scheme has the support of Smartpay substantial shareholder, Microequities**

The Microequities Entities intend to vote all Smartpay Shares held or controlled by them as at the time of the Scheme Meeting in favour of the Scheme, subject to the rights and conditions outlined in Section 5.7, including in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares.

As at the date of this Scheme Booklet, the Microequities Entities hold or control approximately 13.3% of the Smartpay Shares on issue.

**j) No brokerage costs will be charged on the transfer of your Smartpay Shares to Shift4 if the Scheme proceeds**

This is in contrast to selling your Smartpay Shares on the NZX Main Board or ASX, where you may incur brokerage charges.

**5.9 Reasons you may not vote in favour of the Scheme**

**a) You may consider that Smartpay could have greater value over the longer term than you will receive under the Scheme**

Notwithstanding your Directors' view that if the Scheme does not proceed the Smartpay Shares will likely trade at a price below the Consideration, you may consider that you will receive greater value through your investment in Smartpay over the longer term than you could receive by reinvesting the Consideration elsewhere – for example, because you

<sup>6</sup> Using an NZD:AUD currency exchange rate of 0.9248 as at 19 June 2025, net debt of NZ\$9.5 million as at 31 March 2025, and ordinary shares outstanding of 241,943,464 (excluding 169,931 shares held as treasury stock) and Share Performance Rights of 4,845,144.

believe that Smartpay has strong long-term growth prospects and/or that the risks outlined in Section 5.8(d) of this Scheme Booklet are unlikely to adversely affect Smartpay's future financial performance compared to what is currently expected. You may therefore prefer to retain your Smartpay Shares and realise the value of your Smartpay Shares over the longer term.

If the Scheme is approved and implemented, it is expected to complete towards the end of 2025. This timeframe may not be consistent with your investment objectives.

**b) You may disagree with the Independent Adviser's value range for the Smartpay Shares or the Independent Adviser's assessment of the merits of the Scheme**

You may consider that the Independent Adviser's valuation range undervalues your Smartpay Shares or have a different view to the Independent Adviser on the merits of the Scheme.

**c) You may consider that there is a possibility that a Superior Proposal could emerge**

From the announcement of the Scheme on 23 June 2025 to the date of this Scheme Booklet, no Superior Proposal (or other change of control transaction proposal) has emerged. However, you may believe that a Superior Proposal is possible prior to implementation of the Scheme.

**d) You may wish to maintain an investment in a publicly listed company with the specific characteristics of Smartpay in terms of industry, operations, profile, size and capital structure**

If the Scheme is approved and implemented, you will be paid the Consideration in cash for all of your Scheme Shares, you will cease to be a Shareholder, Smartpay Shares will cease to be quoted on the NZX Main Board and ASX, and Smartpay will be delisted by NZX and ASX. As a result, you will no longer be able to participate in the benefits (or be exposed to the risks) of Smartpay's future financial performance or the future prospects of its ongoing business. However, as with all investments in listed securities, there is no guarantee as to Smartpay's future performance.

**e) The tax implications of the Scheme may not suit your current financial position**

If the Scheme is approved and implemented, it may potentially result in adverse tax implications for you, which may arise earlier than may otherwise have been the case. If you are in doubt about the potential tax implications of the Scheme, you should seek advice from your tax adviser.

**f) You may consider that the Scheme is subject to Conditions that you consider unacceptable**

The Scheme is subject to a number of Conditions, including Shareholder approval, High Court approval and no Material Adverse Change or Prescribed Occurrence arising.

All of the outstanding Conditions are summarised in Section 5.13. If these Conditions are not satisfied or

waived (if capable of waiver) by the End Date<sup>7</sup> (other than those Conditions that may only be satisfied at 8.00am on the Implementation Date), the Scheme will not proceed (even if it has been approved by Shareholders) and you will not receive the Consideration as contemplated by the Scheme, unless Smartpay and Shift4 Payments agree to extend this timeframe.

**g) You may consider that the Scheme is not in your best interests**

For any, or a combination, of the reasons set out above in this Section 5.9 and/or for reasons that are particular to you or your circumstances, you may believe that the Scheme is not in your best interests.

## 5.10 Additional matters for you to consider

**a) Independent Adviser's Report**

The Independent Adviser has prepared a report for Shareholders on the merits of the Scheme. The full Independent Adviser's Report is set out in Annexure A. You are encouraged to read that report carefully before making a decision in respect of the Scheme.

**b) You may sell your Smartpay Shares on the NZX Main Board or ASX at any time prior to suspension of Smartpay Shares from trading**

You should take into account that you may sell your Smartpay Shares on the NZX Main Board or ASX at any time prior to the Trading Halt Date if you do not wish to participate in the Scheme.

However, if you sell your Smartpay Shares on the NZX Main Board or ASX the sale price may be less than the Consideration of NZ\$1.20 per Scheme Share, and you may incur brokerage charges on the sale. You should seek your own professional advice to determine if your individual financial or taxation circumstances merit such action.

**c) The Scheme may be implemented even if you do not vote at the Scheme Meeting or you vote against the Scheme**

Regardless of whether you vote for or against the Scheme, abstain or do not vote at all, the Scheme may still be implemented if it is approved by the requisite majorities of Shareholders and by the High Court, the other Conditions are satisfied or waived (if capable of waiver), and the Scheme Implementation Agreement is not terminated.

If the Scheme is implemented and you hold Smartpay Shares on the Scheme Record Date, those Smartpay Shares will be transferred to Shift4, and you will be paid the Consideration for those Smartpay Shares on the Implementation Date.

**d) The reimbursement fee may be payable by Smartpay in some circumstances**

Smartpay may be required to pay the reimbursement fee of NZ\$2.96m (including GST, if any) to Shift4 Payments in certain circumstances if the Scheme does not proceed. Those circumstances include where:

7. If: (a) the High Court refuses to make the Final Orders (other than due to, in whole or in part, the lack of satisfaction of, or the potential timing for satisfaction or (if capable of waiver) waiver of any Condition); and (b) Smartpay appeals the High Court's decision; and (c) the End Date would otherwise occur before the appeal is finally determined, then the End Date will be automatically extended to the date that is 20 business days after the appeal from the decision is finally determined.

- At any time before the Scheme Implementation Agreement is terminated,<sup>8</sup> a Competing Proposal<sup>9</sup> is announced and within 12 months after the date of that announcement, the person making the Competing Proposal (or associates of that person) completes in all material respects a Competing Proposal.
- Any Smartpay Director withdraws or adversely revises, modifies or qualifies the recommendation of the Smartpay Directors in this Scheme Booklet to vote in favour of the Scheme, or makes a public statement that he or she no longer recommends the Scheme or to the effect that he or she supports, recommends or endorses a different transaction (including a Competing Proposal), other than:
  - as a result of the Independent Adviser issuing an Independent Adviser's Report which concludes that the Consideration is not within or above the Independent Adviser's valuation range for the Smartpay Shares; or
  - Smartpay receiving a Superior Proposal, subject to Smartpay's compliance with the provisions in the Scheme Implementation Agreement regarding Shift4 Payments' matching rights;
- Shift4 Payments terminates the Scheme Implementation Agreement due to a material breach of the Scheme Implementation Agreement by Smartpay or due to a Prescribed Occurrence occurring.
- Either party terminates the Scheme Implementation Agreement because Smartpay wishes to pursue a Competing Proposal and Shift4 Payments does not match that proposal.

Smartpay is not required to pay the reimbursement fee if the Scheme Resolution is not passed, provided none of the matters set out in this Section 5.10(d) occurs or has occurred.

**e) A reimbursement fee may be payable by Shift4 Payments in some circumstances**

Shift4 Payments may be required to pay a reimbursement fee of NZ\$2.96m (including GST, if any) to Smartpay in certain circumstances if the Scheme does not proceed. Those circumstances include where Smartpay terminates the Scheme Implementation Agreement due to a material breach of the Scheme Implementation Agreement by Shift4 Payments, insolvency of Shift4 Payments, or breach by Shift4 or Shift4 Payments of its payment obligations in connection with the Scheme.

**f) Smartpay's and Shift4 Payments' liability is limited**

Other than liability for fraud (which is not subject to a limitation):

- Smartpay's liability to Shift4 Payments under the Scheme Implementation Agreement and the Scheme (whether under the Scheme

Implementation Agreement, at law (including negligence) under any statute or regulation, in equity or otherwise) is limited to, and will not exceed, NZ\$2.96m.

- Shift4 Payments' liability to Smartpay under the Scheme Implementation Agreement and the Scheme (whether under the Scheme Implementation Agreement, at law (including negligence) under any statute or regulation, in equity or otherwise) is limited to, and will not exceed, NZ\$2.96m.

The limitations of liability described above do not prevent Smartpay or Shift4 Payments from seeking specific performance or equitable relief.

**5.11 What happens if the Scheme is not approved?**

If the Scheme is not approved by Shareholders, or by the High Court, or the other Conditions are not satisfied or waived (if capable of waiver), or if the Scheme Implementation Agreement is terminated:

- you will not be paid the Consideration;
- your Smartpay Shares will not be transferred to Shift4 (they will be retained by you);
- Smartpay will continue to operate as a stand-alone entity listed on, and with Smartpay Shares quoted on, the NZX Main Board and ASX;
- you will continue to be exposed to the benefits and risks associated with an investment in Smartpay and other general benefits and risks relating to any investment in a publicly listed company; and
- in the absence of a Superior Proposal, the Smartpay share price may fall.

**5.12 Key steps in the Scheme**

The Scheme is to be implemented by way of a scheme of arrangement under Part 15 of the Companies Act. The key steps in the process to implement the Scheme are summarised briefly below.

**a) Initial Orders**

Smartpay has applied to the High Court for, and on 17 September 2025 was granted, the Initial Orders. This was the first step in the Scheme process. The Initial Orders required Smartpay to convene the Scheme Meeting for Shareholders to consider, and vote on, the Scheme. A copy of the Initial Orders is available at <https://www.smartpayinvestor.com/stock-information/updates/>. In addition, the Initial Orders were released to NZX and ASX on 17 September 2025. You can access information released by Smartpay to NZX and ASX respectively, at [www.nzx.com](http://www.nzx.com) (under NZX code: SPY) and [www.asx.com.au](http://www.asx.com.au) (under ASX code: SMP).

The Scheme will only be implemented if:

- Shareholders approve the Scheme Resolution by the requisite majorities at the Scheme Meeting (see Section 5.12(b));

<sup>8</sup> Excluding where the Scheme Implementation Agreement is terminated due to material breach of the Scheme Implementation Agreement by Shift4 Payments, insolvency of Shift4 Payments, or breach by Shift4 or Shift4 Payments of its payment obligations under the Scheme Implementation Agreement, the Scheme Plan, the Escrow Agreement or the Deed Poll.

<sup>9</sup> For the purposes of this provision, "Competing Proposal" excludes any announced or completed on-market or off-market acquisition of a relevant interest in more than 10% (but not exceeding 20%) of the Smartpay Shares by a person or persons who are not acting in concert with, and were not advised, encouraged, or knowingly assisted by, Smartpay in connection with that acquisition.



- the High Court approves the Scheme and grants the Final Orders;
- the other Conditions are satisfied or waived (if capable of waiver); and
- the Scheme Implementation Agreement is not terminated in accordance with its terms.

#### b) Shareholder approval requirements

What are the voting requirements?

In order for the Scheme Resolution to be approved at the Scheme Meeting, it requires:

- 75% or more of the votes of Shareholders in each interest class **who are entitled to vote and who actually vote** to be voted in favour of the Scheme Resolution; and
- more than 50% of the total number of Smartpay Shares on issue to be voted in favour of the Scheme Resolution.

Each of these voting thresholds must be met for the Scheme Resolution to be approved. If the Scheme Resolution is approved by the requisite majorities of Shareholders at the Scheme Meeting, then Smartpay will apply to the High Court for orders approving the Scheme (being the Final Orders).

##### *What is an interest class?*

Shareholders whose rights are so dissimilar that they cannot sensibly consult together about a common interest will form a separate interest class for the purposes of voting on the Scheme Resolution.

Smartpay has one class of Shares, all of which are fully paid up ordinary shares with identical voting rights. As at the date of this Scheme Booklet, Shift4 and its associates do not hold or control any Smartpay Shares.

As at the date of this Scheme Booklet, all Shareholders currently form part of a single interest class. This is expected to remain the case at the time of the Scheme Meeting. However, if for any reason there is more than one interest class at the time of the Scheme Meeting, only one Scheme Meeting will be held (and not separate meetings for each interest class).

If Shift4, Shift4 Payments or any associates of Shift4 Payments own or control any Smartpay Shares at the Voting Eligibility Date, then they will be required to vote in a separate interest class. Shift4 Payments has agreed that, if it, Shift4 or associates of Shift4 Payments acquire ownership or control of any Smartpay Shares prior to the Scheme Meeting, it will undertake to vote, or procure that Shift4 or associates of Shift4 Payments vote, in favour of the Scheme Resolution at the Scheme Meeting. It would still be the case that only one Scheme Meeting will be held (and not two separate meetings for each interest class).

#### c) Takeovers Panel “no objection statement”

Under the Companies Act, Smartpay may request a statement from the Takeovers Panel indicating that the Takeovers Panel has no objection to the High Court making the Final Orders to approve the Scheme. This is commonly referred to as a “no objection statement”.

If the Scheme Resolution is passed at the Scheme Meeting by the requisite majorities, Smartpay will promptly apply for a no objection statement from the

Takeovers Panel. The Takeovers Panel does not typically issue no objection statements until just before documents are filed for the Final Court Hearing in respect of the Scheme.

The Takeovers Panel has granted a preliminary statement (called a “letter of intention”), indicating that, on the basis of the documents and information provided to it, it is minded to issue a final no objection statement on or before the Final Orders Date.

Even when a no objection statement is granted by the Takeovers Panel, the High Court still has the discretion to determine whether or not to approve the Scheme.

#### d) Final Court Hearing

If Shareholders approve the Scheme Resolution at the Scheme Meeting, Smartpay will apply to the High Court for the Final Orders.

The Final Orders, if granted by the High Court, will make the Scheme binding on Smartpay, all Shareholders (including Shareholders who did not vote for the Scheme), Shift4 and Shift4 Payments (subject to the satisfaction or waiver (if capable of waiver) of any of the Conditions which continue to apply until the implementation of the Scheme).

In considering the application for Final Orders, the High Court will consider whether:

- there has been compliance with the statutory provisions as to meetings, resolutions, the application to the Court, and the like;
- the Scheme has been fairly put to Shareholders, including whether the Scheme Booklet gives all the information reasonably necessary to enable Shareholders to consider and vote on the Scheme;
- Shareholders in each interest class are fairly represented by those Shareholders who attend the meeting and that the statutory majority are acting bona fide and are not coercing the minority in order to promote interests adverse to those of the class whom they purport to represent; and
- the Scheme is such that it might reasonably be approved by an intelligent and honest business person acting in that person's own interest. The High Court will also consider whether the Scheme is generally fair and equitable.

Each Shareholder has the right to appear at the Final Court Hearing if the Shareholder has taken the steps set out in Section 5.19.

The Scheme will be implemented in accordance with the Scheme Plan if the High Court approves the Scheme, all other Conditions have been satisfied or waived (if capable of waiver), and the Scheme Implementation Agreement is not terminated.

#### e) Record Date

If all of the Conditions to the Scheme are satisfied or waived (if capable of waiver) and you are a Shareholder recorded on the Share Register on the Record Date and the Scheme Implementation Agreement has not been terminated, on the Implementation Date, you will be paid the Consideration for all of the Smartpay Shares you hold as at the Record Date.

**I. Dealings on or prior to the Record Date**

Smartpay must, before 7.00pm on the Record Date, register registrable transmission applications for Smartpay Shares or registrable transfers of Smartpay Shares received, in either case, prior to close of trading on the Trading Halt Date.

For the purposes of determining entitlements under the Scheme, Smartpay will not accept for registration, nor recognise for any purpose (except a transfer of Smartpay Shares in accordance with the Scheme Plan or any subsequent transfer by Shift4), any transfer or transmission application or other request received after the close of trading on the Trading Halt Date, or received prior to such time but not in registrable or actionable form.

Smartpay intends to apply to NZX and ASX for Smartpay Shares to be suspended on the NZX Main Board and the ASX with effect from the close of trading on the Trading Halt Date (which is the date two Business Days after the Final Orders Date).

**II. Dealings after the Record Date**

You must not dispose of, or purport or attempt or agree to dispose of, any Smartpay Shares or any interest in them after 7.00pm on the Trading Halt Date, except under the Scheme Plan.

For the purpose of determining entitlements to the Consideration, Smartpay must maintain the Share Register in its form as at the Record Date (other than in respect of entries contemplated by the Scheme Plan) until the Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Consideration.

From 7.00pm on the Record Date, each entry of a Shareholder on the Share Register (other than entries on the Share Register contemplated by the Scheme Plan) will cease to have effect, except as evidence of entitlement to the Consideration in respect of the Smartpay Shares relating to that entry.

**f) Implementation Date**

The Implementation Date is the day on which Scheme Shareholders will be paid for their Scheme Shares. The Implementation Date is two Business Days after the Record Date (or such other date agreed between Smartpay and Shift4 Payments in writing).

By 5.00pm on the Business Day before the Implementation Date, Shift4 must pay into a trust account operated by Computershare the aggregate Consideration payable to Scheme Shareholders. The terms on which Computershare will receive and pay the aggregate Consideration will be set out in the Escrow Agreement to be entered into between Computershare, Smartpay and Shift4 (see Section 7.9 of this Scheme Booklet).

At implementation of the Scheme on the Implementation Date (which is currently expected to be on 4 November 2025), the Scheme Shares will be transferred to Shift4 without Scheme Shareholders needing to take any further action.

Immediately after the Scheme Shares are transferred to Shift4, Computershare will, on behalf of Shift4, pay from a trust account the Consideration to Scheme Shareholders.

See Section 5.14 for more details on payment of the Consideration to Scheme Shareholders.

**g) Deed Poll**

On 20 August 2025, Shift4 and Shift4 Payments executed the Deed Poll pursuant to which:

- Shift4 has undertaken in favour of each Scheme Shareholder to pay each Scheme Shareholder the Consideration to which they are entitled under the Scheme, subject to the Scheme becoming unconditional and the Scheme Implementation Agreement not being terminated; and
- Shift4 Payments has undertaken in favour of each Scheme Shareholder to guarantee the performance of the obligations of Shift4 described above.

The Scheme Plan appoints Smartpay as attorney of the Scheme Shareholders to enforce the Deed Poll.

A copy of the Deed Poll is set out in Annexure C to this Scheme Booklet.

**5.13 Conditions**

The Scheme is subject to certain Conditions being satisfied or waived (if capable of waiver). These Conditions include:

- a) approval of the Scheme by Smartpay's Shareholders;
- b) approval of the Scheme by the High Court;
- c) no judgment, order, restraint or prohibition enforced or issued by any government agency is in effect at 8.00am on the Implementation Date that prohibits, prevents or materially restricts the implementation of the Scheme;
- d) no Prescribed Occurrence occurring in respect of Smartpay prior to 8.00am on the Implementation Date; and
- e) no Material Adverse Change occurs, is announced or is discovered prior to 8.00am on the Implementation Date.

The Scheme Implementation Agreement also includes a Condition to protect Shareholders and which applies up until the date of the Scheme Meeting. That Condition requires the Independent Adviser's Report to conclude (and continue to conclude) prior to the Scheme Meeting that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares. The Independent Adviser's Report included as Annexure A satisfies this Condition. While the Independent Adviser can update the Independent Adviser's Report before the Scheme Meeting, Smartpay has no reason to believe that this will occur or that the Condition will not be satisfied.

The Conditions described at paragraphs (a) and (b) above must be satisfied by the End Date (being 23 March

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2026<sup>10</sup> or such other date as Smartpay and Shift4 Payments may agree). The Conditions described at paragraphs (c), (d) and (e) above must be satisfied at all times before 8:00am on the Implementation Date. If any of these Conditions (other than those Conditions that are satisfied on the Implementation Date) are not satisfied by the End Date the Scheme will not proceed (even if it has been approved by the requisite majorities of Shareholders) and you will not receive the Consideration unless Smartpay and Shift4 Payments agree to extend the End Date.

The High Court also has the power to make such other conditions to the Scheme as it sees fit.

Smartpay has no reason to believe that any of the Conditions will not be satisfied by the End Date (where applicable) to allow implementation of the Scheme as contemplated in this Scheme Booklet.

## 5.14 Payment of Consideration

If the Scheme is implemented, you will be paid the Consideration for your Scheme Shares on the Implementation Date, which is currently expected to be on 4 November 2025.

### a) New Zealand dollar payments

Except as contemplated by Sections 5.14(b) and 5.14(c) the Consideration will be paid by electronic funds transfer of New Zealand dollars into the New Zealand bank account you have provided to Computershare.

**If you wish to be paid the Consideration for your Scheme Shares in New Zealand dollars and you have already provided Computershare with your New Zealand bank account details, you do not need to provide your details to Computershare.**

If:

- you wish to change your bank account details; or
- you have not otherwise provided your New Zealand bank account details to Computershare and you wish to be paid in New Zealand dollars,

**please advise Computershare of your New Zealand bank account details as soon as possible and, in any event, before the Record Date.**

### b) Australian dollar payments

If your registered address with Computershare is in Australia **AND** you have, prior to the Record Date, provided to Computershare bank account details to enable payment of Australian dollars by electronic funds transfer, then except as contemplated by Section 5.14(c) (i.e., where you have requested the Consideration be paid in a currency other than New Zealand or Australian dollars using Hyperwallet), you will be paid the Consideration (less any applicable costs, exchange rate spread and fees) in Australian dollars to the bank account you have provided to Computershare.

**If your registered address with Computershare is in Australia AND you wish to be paid the Consideration for your Scheme Shares in Australian dollars and you have already provided Computershare with your**

**Australian bank account details, you do not need to provide your details to Computershare. Otherwise, please provide your Australian bank account details to Computershare as soon as possible and, in any event, before the Record Date.**

### c) Payments in currencies other than New Zealand dollars or Australian dollars

If you would like the Consideration paid in a currency other than New Zealand or Australian dollars, you must contact Computershare as soon as possible to arrange for a foreign currency payment through Hyperwallet Systems Inc. (**Hyperwallet**). Hyperwallet is a company incorporated under the federal laws of Canada. To receive a foreign currency payment through Hyperwallet, you must be registered with Hyperwallet before the Record Date.

If, before the Record Date, you have registered with Hyperwallet **AND** either:

- you have not provided Computershare with sufficient details to enable payment to be made as described in Section 5.14(a) or 5.14(b) above; or
- you have provided Computershare with sufficient details to enable payment to be made as described in Section 5.14(a) or 5.14(b) above, but you have notified Computershare in writing that you wish for your Consideration to be paid through Hyperwallet in a currency other than New Zealand or Australian dollars (and you have nominated the currency in which you wish for your Consideration to be paid),

then on the Implementation Date, Computershare will transfer the New Zealand dollar amount payable to you to Hyperwallet and instruct Hyperwallet to pay such amount, less applicable costs, exchange rate spread and fees, to you in the currency that you have nominated to Hyperwallet.

**If you wish to be paid the Consideration for your Scheme Shares in a currency other than New Zealand dollars or Australian dollars, please contact Computershare as soon as possible and, in any event, before the Record Date to request terms and conditions for using Hyperwallet. Section 5.14(d) sets out risks associated with payments in currencies other than New Zealand dollars.**

### d) Foreign currency payments are at your risk

**Any currency conversion from New Zealand dollars into a different currency, and any request that Hyperwallet pay you the Consideration in that currency other than New Zealand or Australian dollars, is solely at your risk.**

Shift4 has agreed to pay the Consideration in New Zealand dollars. Accordingly, if you have provided, or provide, Australian bank account details to Computershare (see Section 5.14(b)) or provide information to Computershare sufficient to enable the payment through Hyperwallet in a currency other than New Zealand or Australian dollars (see Section 5.14(c)) then:

<sup>10</sup> If: (a) the High Court refuses to make the Final Orders (other than due to, in whole or in part, the lack of satisfaction of, or the potential timing for satisfaction or (if capable of waiver) waiver of any Condition); and (b) Smartpay appeals the High Court's decision; and (c) the End Date would otherwise occur before the appeal is finally determined, then the End Date will be automatically extended to the date that is 20 business days after the appeal from the decision is finally determined.

- any currency conversion from New Zealand dollars into a different currency is solely at your risk; and
- neither Smartpay nor Shift4 will be responsible for, or have any liability in connection with, any currency conversion or any fees or other costs that you are required to pay, or which are deducted from the Consideration payable to you, in connection with facilitating the payment of the Consideration to you in a currency other than New Zealand dollars (including the exchange rate at which your Consideration is converted).

By registering with Hyperwallet you will be agreeing to Hyperwallet's terms and conditions. If you request that Hyperwallet pay you the Consideration, then any such payment will be subject to those terms and conditions, including in respect of the payment of costs and fees to Hyperwallet. You should understand those costs and fees before you request that Hyperwallet make payment in a currency other than New Zealand or Australian dollars. Smartpay and Shift4 do not have any contractual relationship with Hyperwallet and do not have any obligation to ensure that Hyperwallet makes any payment to you.

**e) What happens if you do not provide sufficient payment information?**

If you have not provided the bank account or payment information and/or taken the steps contemplated by Sections 5.14(a) to 5.14(c), Computershare will retain the Consideration owed to you in a trust account for 24 months after the Implementation Date. If your registered address with Computershare is in Australia, the Consideration owed to you will be converted into, and held on trust, in Australian dollars. In all other cases, the Consideration owed to you will be held on trust in New Zealand dollars.

If Computershare retains your Consideration, you may, before the expiry of that 24-month period, claim your Consideration by written request to Computershare. In connection with this request, you must provide the bank account or payment information, or take the steps, contemplated by Sections 5.14(a) to 5.14(c). If your registered address with Computershare is in Australia and you wish to be paid the Consideration owed to you in a currency other than Australian dollars or, in all other cases, if you wish to be paid the Consideration owed to you in a currency other than New Zealand dollars, you will need to register with Hyperwallet to facilitate such payment. The comments in the bullet points in, and the last paragraph of, Section 5.14(d) apply equally to any such currency conversion.

If you have not claimed your Consideration in accordance with the above paragraph by the expiry of the 24-month period, Computershare will pay your Consideration (and all other remaining, unclaimed Consideration) to Smartpay.

**f) How to contact Computershare to provide bank account details or payment information**

Computershare's contact details are set out in the Directory.

**5.15 Warranties by Shareholders**

Each Scheme Shareholder is deemed to have warranted to Shift4 on the Implementation Date that all their Smartpay Shares (including any rights and entitlements attaching to those shares) which are transferred under the Scheme will, at the time of transfer, vest in Shift4 free from all encumbrances and interests of third parties of any kind and that the Scheme Shareholder has full power and capacity to transfer their Smartpay Shares to Shift4 together with any rights and entitlements attaching to those Smartpay Shares.

**5.16 No dividends**

Smartpay has not previously paid dividends. Smartpay has agreed that it will not authorise or pay any dividends prior to implementation of the Scheme.

**5.17 Delisting of Smartpay**

Smartpay intends to apply for termination of the quotation of Smartpay Shares on, and the delisting of Smartpay from, the NZX Main Board and ASX from close of trading on the Implementation Date.

**5.18 Treatment of unlisted Smartpay Share Performance Rights**

As at the date of this Scheme Booklet, Smartpay has issued 4,845,144 Share Performance Rights to participants in the Smartpay Long Term Incentive Plan which remain outstanding.<sup>11</sup> No further Share Performance Rights will be issued prior to implementation of the Scheme.

Each Share Performance Right entitles the holder to acquire one Smartpay Share, subject to the terms of the Smartpay Long Term Incentive Plan. Share Performance Rights do not carry voting rights. Any Share Performance Rights that are not converted into Smartpay Shares will lapse and be cancelled prior to the Record Date such that, on the Implementation Date, there will be no Share Performance Rights on issue.

To ensure consistent treatment under the Scheme compared with the position that would have applied if the Scheme was instead implemented by way of a takeover offer under the Takeovers Code, the Smartpay Board has amended the terms of the Smartpay Long Term Incentive Plan to accelerate the outstanding Share Performance Rights as described in Section 8.13 of this Scheme Booklet.

**5.19 Shareholder objection rights**

If you do not support the Scheme, you can vote against the Scheme Resolution at the Scheme Meeting.

In addition, if you are a Shareholder, you have the right to appear and be heard at the application for Final Court Orders, which is expected to occur at 10:00am on 24 October at the High Court at Auckland. The High Court proceeding number is CIV-2025-404-2403.

To do so, you must file with the High Court at Auckland (24 Waterloo Quadrant, Corner Waterloo Quadrant &

11. Of the 5,024,541 Share Performance Rights issued on 19 August 2024, 179,397 have been forfeited due to employee departures and have lapsed prior to the date of this Scheme Booklet.

Parliament Street, Auckland) a notice of appearance or a notice of opposition, and any affidavits or memoranda of submissions on which you intend to rely, by the final date for objections (as described below). Your notice of appearance or notice of opposition must contain an address for service. You must serve a copy of your notice of appearance or notice of opposition on Smartpay at c/- Bell Gully at Level 5, Deloitte Centre, 1 Queen Street, Auckland 1010 or email [julian.brown@bellgully.com](mailto:julian.brown@bellgully.com) and [james.cooney@bellgully.com](mailto:james.cooney@bellgully.com). If you do this, Smartpay will serve you, at your address for service, a copy of all documents filed in support of the application for Final Orders by 5.00pm on the date that is three Business Days before the Final Court Hearing.

The final date for objections is 5:00pm on 17 October 2025 (or any later date announced by Smartpay on the NZX or ASX).

Any other person claiming to have a proper interest in the Scheme, who wishes to appear and be heard on the application for Final Orders, must file an application with the High Court at Auckland (24 Waterloo Quadrant, Corner Waterloo Quadrant & Parliament Street, Auckland) for leave to be heard and a notice of opposition (either or both containing an address for service), and any affidavits or memoranda of submissions on which such person intends to rely, by the final date for objections (see above). You must serve a copy on Smartpay at c/- Bell Gully at Level 5, Deloitte Centre, 1 Queen Street, Auckland 1010 or email [julian.brown@bellgully.com](mailto:julian.brown@bellgully.com) and [james.cooney@bellgully.com](mailto:james.cooney@bellgully.com). If you do this, Smartpay will serve upon any such person, at their address for service, a copy of the affidavits in support of the application for Final Orders by 5.00pm on the date that is three Business Days before the Final Court Hearing.

If the application for Scheme approval is opposed, oppositions will be heard by the High Court at the Final Court Hearing.

You may only appear and be heard at the Final Court Hearing if you are:

- a Shareholder who files a notice of appearance or a notice of opposition to the application for Final Court

Orders within the required timeframes (set out above); or

- any other person who claims to have a proper interest in the Scheme who files an application for leave to be heard and a notice of opposition to the application for Final Orders within the required timeframes (set out above), and who is subsequently granted leave to appear and be heard at the Final Court Hearing.

In addition, the Takeovers Panel may consider an objection by a Shareholder or other interested party to the Scheme when determining whether to provide its no objection statement (see Section 5.12(c) of this Scheme Booklet). Written objections can be submitted directly to the Takeovers Panel (whether or not a no objection statement is granted) by email to [takeovers.panel@takeovers.govt.nz](mailto:takeovers.panel@takeovers.govt.nz). The Takeovers Panel is also entitled to appear and be heard at the Final Court Hearing of the application for Final Orders.

There are no other dissent or buy-out rights for Shareholders who do not support the Scheme.

If you do not want to participate in the Scheme, you are free to sell your Smartpay Shares at any time before close of trading on NZX or ASX on the Trading Halt Date (see Section 5.10(b)). Smartpay intends to apply to the NZX and ASX for trading in Smartpay Shares to be suspended on the NZX Main Board and ASX from the close of trading on the Trading Halt Date, being the date that is two Business Days after the Final Orders Date. You will not be able to sell your Smartpay Shares on market after this time (see also the restrictions on transfer of Smartpay Shares described in Section 5.12(e)).

You should note that if you choose to sell your Smartpay Shares before the Trading Halt Date, the price you receive may differ from the Consideration of NZ\$1.20 for each Scheme Share under the Scheme, and you may incur brokerage charges on the sale. You should seek your own professional advice to determine if your individual financial or taxation circumstances would be better served by selling your Smartpay Shares before the Trading Halt Date.

## 6. Information about Shift4

This Section forms part of the Shift4 Information and has been prepared by, and is the responsibility of, Shift4 Payments. Smartpay, members of the Smartpay Group and their respective directors, officers and advisers do not assume any responsibility for the accuracy or completeness of the information set out in this Section 6.

### The Bidder

If the Scheme is implemented, Shift4 will acquire all of the Scheme Shares.

Shift4 is a limited liability company domiciled in Malta, and was founded in the British Virgin Islands in 2022 as Shift4 (BVI) Limited.

Shift4 is a directly or indirectly wholly owned subsidiary of Shift4 Payments.

Shift4 Payments is a limited liability company domiciled in Delaware, United States of America, and was founded in 1999 as United Bank Card.

Shift4 Payments is managed by its parent company, Shift4 Payments, Inc., which operates as a global provider of integrated secure payment processing solutions.

Shift4 Payments, Inc.'s shares are traded on the New York Stock Exchange (NYSE) (since 2020).

### Overview of Shift4 Group

Shift4 Group is a leading independent provider of software and payment processing solutions in the United States (based on total volume of payments processed) and offers services in countries around the world. Shift4 Group operates globally with offices in North America, South America, Europe, Asia and Australia.

In the first quarter of 2025, the Shift4 Group reported gross revenue of US\$848.3 million and gross profit of US\$240.7 million. Revenue is predominantly recurring due to the nature of the business model – the majority of revenue is derived from processing fees, which are charged either as a percentage of end-to-end payment volume and/or as a fee per transaction. Shift4 Group also generates subscription revenue from licensing its point of sale (POS) software, business intelligence tools, payment device management and other technology solutions.

Shift4 Group's mission is to redefine commerce by simplifying complex payments ecosystems around the world. At the heart of its business is its payments platform which is a full suite of integrated payment products and services that can be used across multiple channels (in-store, online, mobile and tablet-based) and industry vehicles. Services are distributed through a network of internal sales teams, as well as through its network of partners.

If the Scheme is completed, Smartpay will be Shift4 Group's first business operation in New Zealand. By combining Shift4's payment infrastructure with Smartpay's distribution capabilities, Shift4 believes it is well positioned to go-to-market at scale in the region.

More information about the Shift4 Group is available at [www.shift4.com](https://www.shift4.com).

## Part C: Statutory and other information

# 7. Shift4 information equivalent to Schedule 1 of the Takeovers Code

This Section contains information, to the extent applicable, equivalent to the information that would be provided by Shift4 in a takeover offer document in accordance with Schedule 1 to the Takeovers Code. Shift4 Payments has prepared, and is solely responsible for, the information in this Section. Shift4 Payments has not prepared, and is not responsible for, information which is referred to in this Section, but which is set out in another Section (other than Section 6) of this Scheme Booklet. Smartpay, members of the Smartpay Group and their directors, officers and advisers do not assume any responsibility for the accuracy or completeness of the information set out in this Section 7 other than information which is referred to in this Section, but which is set out in another Section (other than Section 6) of this Scheme Booklet.

### 7.1 Date

This Section 7 was prepared, and is current, as at 16 September 2025.

### 7.2 Shift4 and its directors

The name and address of Shift4 is:

**Postal address:**

Shift4 Holdings Limited  
80, Palazzo Homedes  
Strait Street  
Valletta, VLT 1436  
Malta

**Email:** investors@shift4.com

The directors of Shift4 are listed below:

- David Taylor Lauber; and
- Jordan Ross Frankel.

Shift4 is a directly or indirectly wholly owned subsidiary of Shift4 Payments.

As a limited liability company registered in Delaware, Shift4 Payments does not have directors. Instead, it has three officers, being:

- David Taylor Lauber (Chief Executive Officer)
- Nancy Jill Disman (Chief Financial Officer); and
- Jordan Ross Frankel (General Counsel & Secretary).

Shift4 Payments, Inc. is the sole manager of Shift4 Payments and its directors approve all decisions relating to Shift4 Payments and the Scheme. The directors of Shift4 Payments, Inc. are listed below:

- Jared Taylor Isaacman;
- David Taylor Lauber;
- Donald Isaacman;
- Christopher Nestor Cruz;
- Karen Roter Davis;
- Sarah Ann Goldsmith-Grover;
- Jonathan Scott Halkyard;
- Sam Bakhshandehpour; and
- Seth Dallaire.

As set out in Section 6, Shift4 Payments is a wholly owned subsidiary of Shift4 Payments, Inc., which is listed on the New York Stock Exchange (under the NYSE ticker: FOUR).

Jared Isaacman holds 76.08% of the voting rights in Shift4 Payments, Inc. through his ownership of common stock (including Class B and Class C common stock). If the Scheme becomes Effective, Jared Isaacman would therefore become the controller of an increased percentage of ordinary shares in Smartpay to the extent that he, directly or indirectly, has effective control of the voting rights to be held by Shift4 in Smartpay.

### 7.3 Scheme company

The name of the company to which the Scheme relates is Smartpay Holdings Limited.

### 7.4 Scheme Terms

The terms and conditions of the Scheme are set out in the Scheme Plan in Annexure B. A summary of the terms and conditions of the Scheme is included in Sections 5 and 9 of this Scheme Booklet.

### 7.5 Ownership of equity securities of Smartpay

None of the following persons hold or control any equity securities of any class of Smartpay as at the date of this Scheme Booklet:

- Shift4;
- any Related Company of Shift4;
- any person acting jointly or in concert with Shift4; and
- any director of any of the persons described in paragraphs (a) to (c) above.

Information about persons who hold or control 5% or more of any class of equity securities in Smartpay is set out in Section 8.5 of this Scheme Booklet.

### 7.6 Trading in Smartpay equity securities

None of the persons referred to in paragraphs 7.5(a) to (d) above have acquired or disposed of any equity securities in Smartpay during the six-month period ending on the date of this Scheme Booklet.

### 7.7 Agreements to vote in favour of Scheme

Except as set out below in this Section 7.7, no person has agreed, conditionally or unconditionally, or publicly announced an intention, to vote in favour of the Scheme.

In accordance with the Scheme Implementation Agreement, on 23 June 2025, Smartpay announced to NZX and ASX that all Directors who hold or control Smartpay Shares intend to vote all of the Smartpay Shares that they hold or control in favour of the Scheme, subject to the Consideration being within or above the



Independent Adviser's valuation range for Smartpay Shares and in the absence of a Superior Proposal.<sup>12</sup>

The Directors who hold or control Smartpay Shares have confirmed that they intend to vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares, as contemplated by the statements elsewhere in this Scheme Booklet.<sup>13</sup> The Directors' holdings of Smartpay Shares are set out in Section 8.5 of this Scheme Booklet.

Microequities has publicly announced that the Microequities Entities intend to vote all Smartpay Shares held or controlled by them as at the time of the Scheme Meeting in favour of the Scheme, in the absence of a Superior Proposal, and subject to the Independent Adviser concluding (and continuing to conclude) that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares. The Microequities Entities have reserved the right to sell any Smartpay Shares held or controlled by them at any time, including prior to the time of the Scheme Meeting. As at the date of this Scheme Booklet, the Microequities Entities hold or control 32,109,979 Smartpay Shares (representing 13.3% of the Smartpay Shares).

## 7.8 Arrangements to pay consideration

Shift4 confirms that resources will be available to it sufficient to meet the total Consideration to be paid to Scheme Shareholders on implementation of the Scheme and to pay any debts incurred by Shift4 in connection with the Scheme. Shift4 will use the existing cash of Shift4 Payments, Inc. and/or Shift4 Payments, Inc.'s revolving debt facility to meet the Consideration to be provided on implementation of the Scheme and to pay any debts incurred by Shift4 in connection with the Scheme.

Shift4 and Shift4 Payments have executed the Deed Poll under which:

- Shift4 undertakes in favour of each Scheme Shareholder to pay each Scheme Shareholder the Consideration to which they are entitled under the Scheme, subject to the Scheme becoming unconditional and the Scheme Implementation Agreement not being terminated (see Section 5.12(g) for further detail in relation to the Deed Poll); and
- Shift4 Payments undertakes in favour of each Scheme Shareholder to guarantee the performance of the obligations of Shift4 described above.

A copy of the Deed Poll is set out in Annexure C to this Scheme Booklet.

## 7.9 Arrangements between Shift4 and Smartpay

Except as set out below in this Section 7.9, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Shift4 or any associates of Shift4 and Smartpay or any Related Company of Smartpay, in connection with, in anticipation of, or in response to, the Scheme.

## Confidentiality Agreement

On 5 March 2025, Smartpay and Shift4 Payments entered into a confidentiality agreement under which Shift4 Payments agreed to keep information provided by Smartpay in connection with the Scheme confidential. The confidentiality agreement also restricts Shift4 Payments and its representatives (including its Related Companies) from:

- acquiring a relevant interest in Smartpay Shares other than under a potential transaction that is recommended by the Smartpay Board; or
- soliciting or offering to employ or engage any person employed or engaged by Smartpay, except with the prior written consent of Smartpay,

in each case, until 5 December 2025.

Smartpay also agreed under the confidentiality agreement to maintain confidentiality in respect of the fact of the Scheme and the existence and status of any discussions or negotiations relating to the Scheme except for such disclosure as may be required in order to comply with any listing rules that Smartpay is subject to and, if practicable, reasonable prior notice being given to Shift4 Payments of the proposed disclosure to allow Shift4 Payments to comment on the need for disclosure and its content.

## Exclusivity Agreement

On 2 May 2025, Smartpay and Shift4 Payments entered into an exclusivity agreement. The exclusivity period applied from 2 May 2025 to 9 June 2025. During this period, Smartpay could not:

- a) solicit, initiate or encourage any competing proposal or take any action that may reasonably be expected to encourage or lead to a competing proposal;
- b) participate in or continue any negotiations or discussions with any third party regarding a competing proposal or enter into any agreement to implement or that may reasonably be expected to lead to, develop or finalise a competing proposal; or
- c) make available to any third party, or cause or permit any third party to receive, any non-public information relating to Smartpay or any of its subsidiaries that may reasonably be expected to assist such third party in formulating, developing or finalising a competing proposal.

However, during the period from 26 May 2025 to 9 June 2025, Smartpay was permitted to do the things set out in paragraphs (b) and (c) above in respect of any competing proposal that the Board determined (after taking advice from its external financial adviser) would be reasonably likely to result in a more favourable outcome, taken as a whole, for Smartpay's Shareholders than the Scheme, and (after taking advice from its external legal adviser) that failing to do so would be reasonably likely to constitute a breach of any of the fiduciary or statutory duties of any Smartpay director.

If Smartpay had received a competing proposal during the term of the exclusivity agreement, it would have been required to notify Shift4 Payments of the key terms of the

12. In the case of Smartpay Director Carlos Gil, the representative director of one of Smartpay's largest shareholders, Microequities, such intention to vote all of the Smartpay Shares that he holds or controls in favour of the Scheme does not extend to any Smartpay Shares held or controlled by Microequities, its associated entities or any funds of, or managed by, Microequities or its associated entities.

13. See footnote 12 above in relation to Smartpay Director Carlos Gil.



competing proposal and, during the period from 2 May 2025 to 25 May 2025, Smartpay could not enter into a legally binding agreement to effect any competing proposal unless Shift4 Payments had first been offered the right to match or better the competing proposal.

Smartpay did not receive any competing proposals during the term of the exclusivity agreement.

#### **Scheme Implementation Agreement**

On 23 June 2025, Smartpay and Shift4 Payments entered into the Scheme Implementation Agreement. A summary of the key terms of the Scheme Implementation Agreement is set out in Section 9 of this Scheme Booklet.

#### **Deed Poll**

On 20 August 2025, Shift4 Payments and Shift4 entered into the Deed Poll which records that, under the Scheme Plan, Smartpay is appointed as attorney for the Scheme Shareholders. The terms of the Deed Poll are summarised in Sections 7.8 and 5.12(g) of this Scheme Booklet.

A copy of the Deed Poll is set out in Annexure C to this Scheme Booklet.

#### **Escrow Agreement**

Prior to Smartpay applying to the High Court for the Final Orders, Smartpay, Shift4 and Computershare will enter into the Escrow Agreement, which will set out detailed arrangements relating to completion of the Scheme. The Escrow Agreement will provide for Computershare to establish trust accounts into which Shift4 will deposit the total Consideration and in which any unclaimed Consideration will be held as described in Section 5.14(e). The Escrow Agreement will also set out the process for Computershare to follow to effect completion of the Scheme by transferring the Scheme Shares to Shift4 and paying the Consideration to Scheme Shareholders.

The form of the Escrow Agreement is set out in Annexure 4 to the Scheme Implementation Agreement, subject to certain amendments that have been agreed between the parties to that agreement.

### **7.10 Arrangements between Shift4 and Directors and Senior Managers of Smartpay**

Except as set out below in this Section 7.10, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Shift4 or any associates of Shift4 and any Director or Senior Manager of Smartpay or Related Company of Smartpay (including any agreement or arrangement providing for a payment or other benefit proposed to be made or given by way of compensation for loss of office or as to the Director or Senior Manager remaining in or retiring from office), in connection with, in anticipation of, or in response to, the Scheme.

#### **Indemnities for directors, officers and employees of Smartpay Group**

Under the Scheme Implementation Agreement, Shift4 Payments has agreed that it and its Related Companies (as defined in the Scheme Implementation Agreement) will:

- a) for a period of seven years from the Implementation Date, ensure that the constitutions of the members of the Smartpay Group continue to contain such rules as are contained in those constitutions as at the Agreement Date that provide for each member of the Smartpay Group to indemnify each of its current and former directors, officers and employees against any

liability incurred by that person in their capacity as a director, officer or employee of the Smartpay Group member;

- b) procure that the members of the Smartpay Group comply with the constitutional protections (referred to in paragraph (a) above) and any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and which were disclosed to Shift4 Payments in the due diligence materials made available to Shift4 Payments in connection with the Scheme;
- c) procure that the members of the Smartpay Group do not terminate any constitutional protection or indemnity (referred to in paragraphs (a) and (b) above), except with the consent of the relevant director or officer; and
- d) ensure that, if the member of the Smartpay Group which has provided a constitutional protection or indemnity is wound up, liquidated, has a receiver or other insolvency official appointed to it or over its assets, or is de-registered or otherwise unable to meet its obligations due to a restructuring of the assets of the relevant company, the Shift4 group will meet the relevant obligations under the constitutional protection or indemnity.

#### **Insurance for directors and officers of the Smartpay Group**

Under the Scheme Implementation Agreement, Shift4 Payments has agreed that:

- a) prior to the Implementation Date, Smartpay may enter into a run-off directors' and officers' liability insurance policy in respect of the directors and officers of each member of the Smartpay Group for a seven year period and pay all premiums required; and
- b) provided that the run-off directors' and officers' liability insurance policy is, to the extent practicable, obtained on normal commercial rates and the cover is no more favourable than those of Smartpay's directors and officers liability insurance at the Agreement Date, after the Implementation Date, Shift4 Payments will not vary or cancel, and will procure that no member of the Smartpay Group varies or cancels, the directors' and officers' run-off insurance policy or take any action (or omit to take any action within its control) that results in such policy being terminated or voidable.

#### **Benefit of the agreements**

The agreements summarised above in this Section 7.10 are given for the benefit of each person who is a current or former director, officer or employee of any member of the Smartpay Group.

#### **Treatment of Share Performance Rights**

For further information regarding the treatment of Share Performance Rights in connection with the Scheme and as agreed under the Scheme Implementation Agreement, see Sections 5.18 and 8.13 of this Scheme Booklet.

### **7.11 Financial assistance**

After the Consideration is paid and the Scheme has been implemented, the members of the Smartpay Group will

be wholly owned subsidiaries of Shift4 and be members of the Shift4 Group. Accordingly, members of the Smartpay Group may, after implementation of the Scheme, grant security over their respective assets to the financiers of the Shift4 Group.

Under the Scheme Implementation Agreement, Smartpay has agreed to provide reasonable co-operation and assistance to Shift4 Payments in connection with:

- a) the termination or continuation of the Smartpay Group's existing financial arrangements on and from the Implementation Date; and
- b) seeking to obtain any necessary consents (or agreeing any necessary amendments) required from any applicable issuing banks in respect of any bank guarantees, letters of credit, performance bonds or similar instruments issued on behalf of the Smartpay Group.

#### **7.12 Intentions about material changes to Smartpay**

This information is not applicable given that Smartpay will become a wholly owned subsidiary of Shift4 if the Scheme is implemented.

#### **7.13 No pre-emption rights clauses in Smartpay's constitution**

There is no restriction on the right to transfer equity securities to which the Scheme relates contained in the constitution of Smartpay which has the effect of requiring the holders of the securities to offer the securities for purchase to Shareholders of Smartpay or to any other person before transferring the securities.

#### **7.14 No escalation clauses**

There is no agreement or arrangement (whether legally enforceable or not) under which any existing holder of equity securities in Smartpay will or may receive in relation to, or as a consequence of, the Scheme any additional consideration or other benefit from Shift4 or any of its associates over and above the Consideration, or any prior holder of equity securities in Smartpay will or may receive any consideration or other benefit from Shift4 or any of its associates as a consequence of the Scheme.

For information regarding the acceleration of Share Performance Rights in connection with the Scheme and as agreed under the Scheme Implementation Agreement, see Sections 5.18 and 8.13 of this Scheme Booklet.

#### **7.15 Classes of securities**

The only financial products subject to the Scheme are the Smartpay Shares. Accordingly, no report is required to be obtained by Shift4 as to the fairness and reasonableness of the consideration and terms of the Scheme as between different classes of financial products.

## 8. Smartpay information equivalent to Schedule 2 of the Takeovers Code

The information in this Section 8 contains information, to the extent applicable, that would be provided by Smartpay in a target company statement under Schedule 2 of the Takeovers Code.

### 8.1 Date

This Scheme Booklet is dated 18 September 2025.

### 8.2 Scheme

This Scheme Booklet relates to a scheme of arrangement between Smartpay and its Shareholders in relation to the proposed acquisition of the Scheme Shares by Shift4.

### 8.3 Scheme company

The name of the company to which the Scheme relates is Smartpay Holdings Limited.

**Postal address:**

Smartpay Holdings Limited  
PO Box 100490  
North Shore Mail Centre,  
Auckland 0745  
New Zealand

**Email:** investor@smartpay.co.nz

**Phone number (for Computershare):** +64 9 488 8700

### 8.4 Directors of Smartpay

The names of the Directors of Smartpay are:

- Gregor Barclay (Chairman and Independent Director);
- Martyn Pomeroy (Chief Executive Officer and Managing Director);
- Matthew Turnbull (Independent Director);
- Geoffrey Carrick (Independent Director);
- Shelley Ruha (Independent Director); and
- Carlos Gil (Non-Executive Director).

## 8.5 Ownership of equity securities of Smartpay

### Ownership interests of directors and Senior Managers of Smartpay

#### Smartpay Shares

This table sets out the number and the percentage of Smartpay Shares held or controlled by each Director or Senior Manager of Smartpay and their associates as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet)<sup>14</sup>

Name	Description	Number of Smartpay Shares held or controlled	Percentage of total Smartpay Shares <sup>15</sup>
Gregor Barclay	Director	626,314	0.259%
Geoffrey Carrick	Director	22,564	0.009%
Microequities Asset Management Pty Limited	Associate of a Director (Carlos Gil)	32,109,979	13.272%
Martyn Pomeroy	Director and Senior Manager	5,638,433	2.330%
Cherise Barrie	Senior Manager	299,820	0.124%
Aidan Murphy	Senior Manager	486,276	0.201%

The information in the above table was provided on behalf of Directors or Senior Managers in response to questionnaires circulated by Smartpay after entry into the Scheme Implementation Agreement and is stated as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

#### Share Performance Rights

Smartpay operates a Long Term Incentive Plan for certain executive employees. Under the terms of the Smartpay Long Term Incentive Plan, all outstanding Share Performance Rights held by individuals who remain employed by Smartpay on the Business Day before the Record Date will vest and such holders will receive one Smartpay Share for each Share Performance Right. Further details in relation to the Share Performance Rights are set out in Sections 5.18 and 8.13 of this Scheme Booklet.

This table sets out the number and the percentage of Share Performance Rights held or controlled by each Director or Senior Manager or their associates as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

#### No other ownership of equity securities

Except as set out above, no other Director or Senior Manager, and no other associate of a Director or Senior Manager, holds or controls any equity securities of Smartpay as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

Name	Description	Number of Share Performance Rights held or controlled	Percentage of total Share Performance Rights
Martyn Pomeroy	Director and Senior Manager	3,422,820	70.644%
Cherise Barrie	Senior Manager	352,350	7.272%
Aidan Murphy	Senior Manager	352,350	7.272%

The information in the above table was provided on behalf of Directors or Senior Managers in response to questionnaires circulated by Smartpay after entry into the Scheme Implementation Agreement and is stated as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

<sup>14</sup> For the purposes of this Scheme Booklet, Smartpay has treated Martyn Pomeroy (Chief Executive Officer), Cherise Barrie (Chief Financial Officer) and Aidan Murphy (Chief Business Officer) as Smartpay's Senior Managers for the purposes of the Takeovers Code.

<sup>15</sup> Shares on issue as at the date of this Scheme Booklet (excluding any Smartpay Shares to be issued upon vesting of Share Performance Rights on the Business Day prior to the Record Date and the 169,931 Smartpay Shares held as treasury stock at the date of this Scheme Booklet, which will be cancelled prior to the Record Date).

### Ownership interests of holders or controllers of 5% or more of Smartpay Shares

This table sets out the number and the percentage of Smartpay Shares held or controlled by any other person holding or controlling 5% or more of the Smartpay Shares as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet), to Smartpay's knowledge.

Holder or controller of 5% or more of Smartpay Shares	Number of Smartpay Shares held or controlled	Percentage of total Smartpay Shares <sup>16</sup>
Anacacia Pty Limited	41,521,684	17.162%
JP Morgan Nominees Australia Limited <sup>17</sup>	41,021,078	16.955%
Milford Asset Management Limited	36,047,628	14.899%
Citicorp Nominees Pty Limited <sup>18</sup>	32,307,105	13.353%
Wilson Asset Management Global Limited	29,062,323	12.012%
HSBC Nominees (New Zealand) Limited <sup>19</sup>	27,435,067	11.339%
HSBC Custody Nominees (Australia) Limited <sup>20</sup>	16,927,599	6.997%

The information in the above table was taken from substantial product holder notices, the Share Register, or was provided on behalf of the named persons in response to questionnaires circulated by Smartpay after the entry into the Scheme Implementation Agreement and is stated as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

Except as set out above, to Smartpay's knowledge, as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet) no other person holds or controls 5% or more of a class of equity securities of Smartpay.

No Director or Senior Manager of Smartpay, and no associate of a Director or Senior Manager of Smartpay, and no person who (to Smartpay's knowledge) holds or controls 5% or more of the Smartpay Shares, has a relevant interest in a derivative for which the underlying is an equity security of Smartpay.

16. Shares on issue as at the date of this Scheme Booklet (excluding any Smartpay Shares to be issued upon vesting of Share Performance Rights on the Business Day prior to the Record Date and the 169,931 Smartpay Shares held as treasury stock at the date of this Scheme Booklet, which will be cancelled prior to the Record Date).

17. JP Morgan Nominees Australia Limited holds Smartpay Shares as custodian and bare trustee on behalf of other persons.

18. Citicorp Nominees Pty Limited holds Smartpay Shares as custodian and bare trustee on behalf of other persons.

19. HSBC Nominees (New Zealand) Limited holds Smartpay Shares as custodian and bare trustee on behalf of other persons. It holds 15,034,482 Smartpay Shares as custodian for a fund controlled by Milford Asset Management Limited.

20. HSBC Custody Nominees (Australia) Limited holds Smartpay Shares as custodian and bare trustee on behalf of other persons.

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**Issues of equity securities or obtaining of beneficial interest**

The number and price of equity securities of Smartpay (including Smartpay Shares):

- issued to any Director or Senior Manager, or their associates; or
- in which any Director or Senior Manager, or their associates, obtained a beneficial interest under any Smartpay employee share scheme or other remuneration arrangement (including the Smartpay Long Term Incentive Plan),

in the two year period ending on 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet) is set out in the following table.

Name	Description	Type of equity security	Number of equity securities	Issue price	Date of issue
Martyn Pomeroy	Director and Senior Manager	Smartpay Shares	2,239,380	Nil <sup>21</sup>	10 June 2024
Cherise Barrie	Senior Manager	Smartpay Shares	299,820	Nil <sup>21</sup>	10 June 2024
Aidan Murphy	Senior Manager	Smartpay Shares	486,276	Nil <sup>21</sup>	10 June 2024
Martyn Pomeroy	Director and Senior Manager	Share Performance Rights	3,422,820	Nil <sup>22</sup>	19 August 2024
Cherise Barrie	Senior Manager	Share Performance Rights	352,350	Nil <sup>22</sup>	19 August 2024
Aidan Murphy	Senior Manager	Share Performance Rights	352,350	Nil <sup>22</sup>	19 August 2024

The information in the above table was provided on behalf of Directors or Senior Managers in response to questionnaires circulated by Smartpay after entry into the Scheme Implementation Agreement and is stated as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

Except as set out above, no Director or Senior Manager of Smartpay, and no associate of a Director or Senior Manager of Smartpay, has, in the two year period ending on 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet):

- been issued with any equity securities of Smartpay; or
- obtained a beneficial interest in any equity securities of Smartpay under any Smartpay employee share scheme or other remuneration arrangement.

**8.6 Trading in Smartpay equity securities by Directors and Senior Managers of Smartpay**

No Director, Senior Manager or associate of a Director or Senior Manager of Smartpay has acquired or disposed of Smartpay equity securities (or derivatives for which the underlying is Smartpay equity securities) during the six-month period before 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

21. The issue of Smartpay Shares to Senior Managers relates to the vesting of share performance rights granted under the FY22 – FY24 long term incentive scheme. No cash consideration was payable for the issue of the Smartpay Shares.

22. No cash consideration was payable for the issue of the Share Performance Rights. The Share Performance Rights granted during the period had a grant date weighted average fair value of NZ\$1.22.



## 8.7 Trading in Smartpay equity securities by holders or controllers of 5% or more of Smartpay equity securities

The table below sets out details of any Smartpay Shares acquired or disposed of during the six-month period before 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet) by any person holding or controlling 5% or more of the Smartpay Shares, to Smartpay's knowledge.

Name	Acquisition or disposal	Number of Smartpay Shares	Consideration per Smartpay Share / Weighted average consideration per Smartpay Share	Date
Anacacia Pty Ltd	Acquisition	162,725	A\$0.93	5 May 2025

The information in the above table was provided on behalf of the named person in response to questionnaires circulated by Smartpay after entry into the Scheme Implementation Agreement and is stated as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

Except as set out above, to Smartpay's knowledge, no person holding or controlling 5% or more of the Smartpay equity securities has acquired or disposed of Smartpay equity securities (or derivatives for which the underlying is Smartpay equity securities) during the six-month period before 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

## 8.8 Intentions to vote in favour of the Scheme

This table sets out, as at the date of this Scheme Booklet, the name of every Director or Senior Manager, and every associate of a Director or Senior Manager, who has advised Smartpay that he or she intends to vote in favour of the Scheme, and the number of Smartpay Shares in respect of which the person intends to vote, in favour of the Scheme.

Name	Description	Number of Smartpay Shares intended to be voted in favour of the Scheme
Gregor Barclay	Director	626,314
Geoffrey Carrick	Director	22,564
Microequities Asset Management Pty Limited	Associate of a Director (Carlos Gil)	32,109,979 <sup>23</sup>
Martyn Pomeroy	Director and Senior Manager	5,638,433
Cherise Barrie	Senior Manager	299,820
Aidan Murphy	Senior Manager	486,276

The information in the above table was taken from the announcement Smartpay made on 23 June 2025 in relation to its entry into the Scheme Implementation Agreement or provided on behalf of Directors or Senior Managers in response to questionnaires circulated by Smartpay after entry into the Scheme Implementation Agreement and is stated as at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

23. The Microequities Entities intend to vote all Smartpay Shares held or controlled by them as at the time of the Scheme Meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Adviser concluding (and continuing to conclude) that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares. The Microequities Entities have reserved the right to sell any Smartpay Shares held or controlled by them at any time, including prior to the time of the Scheme Meeting. Refer to Sections 5.6 and 5.7 for further details.

## 8.9 Ownership of equity securities of Shift4

Neither Smartpay, nor any Director, Senior Manager or any of their associates, holds or controls any equity securities of Shift4 or any of its Related Companies.

## 8.10 Trading in equity securities of Shift4

Neither Smartpay, nor any Director, Senior Manager or any of their associates, has acquired or disposed of any equity securities of Shift4 or any of its Related Companies during the six-month period before 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet).

## 8.11 Arrangements between Shift4 and Smartpay

Except as set out below in this Section 8.11, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Shift4 or any associates of Shift4 and Smartpay or any Related Company of Smartpay, in connection with, in anticipation of, or in response to, the Scheme.

### **Confidentiality Agreement**

The confidentiality agreement between Smartpay and Shift4 Payments is described in Section 7.9 of this Scheme Booklet.

### **Exclusivity Agreement**

The exclusivity agreement between Smartpay and Shift4 Payments is described in Section 7.9 of this Scheme Booklet.

### **Scheme Implementation Agreement**

The Scheme Implementation Agreement is summarised in Section 5 and Section 9 of this Scheme Booklet.

### **Deed Poll**

The Deed Poll is described in Sections 5.12(g), 7.8 and 7.9 of this Scheme Booklet.

A copy of the Deed Poll is set out in Annexure C to this Scheme Booklet.

### **Escrow Agreement**

The Escrow Agreement is described in Section 7.9 of this Scheme Booklet.

The form of the Escrow Agreement is set out in Annexure 4 to the Scheme Implementation Agreement, subject to certain amendments that have been agreed between the parties to that agreement.

## 8.12 Relationship between Shift4 and Directors and Senior Managers of Smartpay

Except as set out in Section 7.10, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Shift4 or any associate of Shift4, and any Director or Senior Manager of Smartpay or any Related Company of Smartpay in connection with, in anticipation of, or in response to, the Scheme.

None of the Directors or Senior Managers are also directors or senior managers of Shift4 (or any Related Company of Shift4).

## 8.13 Agreement between Smartpay and its Directors and Senior Managers

Except as set out below in this Section 8.13, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Smartpay or any Related Company of Smartpay and any Directors or Senior Managers of Smartpay or its Related

Companies or their associates, under which a payment or other benefit may be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office in connection with, in anticipation of, or in response to, the Scheme.

### **Amendment of LTI Rules**

Smartpay operates a Long Term Incentive Plan for certain executive employees. Prior to the amendment described in the following paragraph, the Long Term Incentive Plan rules (the **LTI Rules**) provided for the automatic acceleration of all Share Performance Rights in the event that a full takeover offer was made under the Takeovers Code to acquire all of the Smartpay Shares, and such offer became unconditional. The LTI Rules did not specifically address the treatment of Share Performance Rights in the context of a scheme of arrangement under Part 15 of the Companies Act 1993.

On 11 July 2025, the Smartpay Board determined to exercise its discretion to amend the LTI Rules to provide for substantially the same treatment of Share Performance Rights in the context of a scheme of arrangement under Part 15 of the Companies Act as is provided for a takeover offer under the Takeovers Code.

Under the LTI Rules (as so amended), all outstanding Share Performance Rights will automatically vest on the Business Day prior to the Record Date provided the relevant holder continues to be employed by Smartpay at that time. One Smartpay Share will be issued for each Share Performance Right which vests in this manner, and the relevant employee will hold those Smartpay Shares at the Record Date.

Because such vesting will occur after the Scheme Meeting, any such Smartpay Shares will not be voted at the Scheme Meeting (and the Share Performance Rights do not carry any voting rights).

## 8.14 Interests of Directors and Senior Managers of Smartpay in contracts of Shift4 or its related companies

Except as set out in Section 7.10, no Director or Senior Manager, or an associate of a Director or Senior Manager, has an interest in any contract to which Shift4, or any Related Company of Shift4, is a party. Smartpay is unable to quantify the monetary value of the interests described in Section 7.10.

## 8.15 Interests of Smartpay's substantial security holders in material contracts of Shift4 or its related companies

No person who, to the knowledge of the Directors or the Senior Managers of Smartpay, holds or controls 5% or more of any class of equity securities of Smartpay, has an interest in any material contract to which Shift4 or any Related Company of Shift4 is a party.

## 8.16 Additional information

The Shift4 Information in this Scheme Booklet is the responsibility of Shift4. In the opinion of Smartpay's Directors, and to the best of their knowledge, no additional information is required to make that Shift4 Information correct or not misleading.

## 8.17 Recommendation

Your Directors unanimously recommend that Shareholders vote in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Adviser continuing to conclude that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares. The

Directors' reasons for this recommendation are set out in Section 5.8.

Your Directors' interests in Smartpay Shares and, in the case of Martyn Pomeroy only, Share Performance Rights are disclosed in Section 0. In addition, it is noted that Martyn Pomeroy is an executive of Smartpay.

### 8.18 Actions of Smartpay

Except for the agreements summarised in Section 7.9, there are no material agreements or arrangements (whether legally enforceable or not) of Smartpay or any Related Company of Smartpay entered into as a consequence of, in response to, or in connection with, the Scheme.

There are no negotiations underway as a consequence of, in response to, or in connection with, the Scheme that relate to, or could result in:

- an extraordinary transaction, such as a merger, amalgamation or reorganisation, involving Smartpay or any of its Related Companies;
- the acquisition or disposition of material assets by Smartpay or any of its Related Companies;
- an acquisition of equity securities by, or of, Smartpay or any of its Related Companies; or
- any material change in the issued equity securities of Smartpay, or the policy of the Smartpay Board relating to distributions of Smartpay.

### 8.19 Equity securities of Smartpay

As at 16 September 2025 (being the latest practicable date before the date of this Scheme Booklet), Smartpay:

- has 242,113,395 Smartpay Shares on issue (including 169,931 shares held as treasury stock);
- has 4,845,144 Share Performance Rights outstanding; and
- estimates an additional 4,845,144 Smartpay Shares will be issued on or about the Business Day prior to the Record Date on the vesting of outstanding Share Performance Rights.

All Smartpay Shares currently on issue are, and all Smartpay Shares to be issued on vesting of Share Performance Rights will be, fully paid.

Except for the outstanding Share Performance Rights, Smartpay has no options, or rights to acquire equity securities of Smartpay, on issue. The material terms of the Share Performance Rights are set out in Section 5.18 and 8.13 of this Scheme Booklet.

Subject to certain conditions in the constitution of Smartpay and the NZX Listing Rules and ASX Listing Rules, each Smartpay Share confers upon the holder the right to:

- a) an equal share in dividends authorised by the Smartpay Board;
- b) an equal share in the distribution of surplus assets on liquidation of Smartpay;
- c) participate in certain further issues of equity securities by Smartpay; and
- d) cast one vote on a show of hands or the right to cast one vote per share on a poll, at a meeting of Shareholders on any resolution, including a resolution to:
  - I. appoint or remove a director or auditor;

- II. alter Smartpay's constitution;
- III. approve a major transaction;
- IV. approve an amalgamation involving Smartpay; and
- V. put Smartpay into liquidation.

### 8.20 Financial information

A copy of Smartpay's most recent annual report (being the annual report for the year ended 31 March 2025) is available on Smartpay's website at <https://www.smartpayinvestor.com/stock-information/reports/>.

Each person who is eligible to vote on the Scheme is also entitled to request from Smartpay a hard copy of Smartpay's most recent annual report by making a written request to Computershare at the contact details set out in the Directory.

Except as set out in this Scheme Booklet (including the Independent Adviser's Report), there have not been any material changes in the financial or trading position, or prospects, of Smartpay since 28 May 2025, being the date on which the annual report was made available to Shareholders.

The Directors are not aware of any information about the assets, liabilities, profitability and financial affairs of Smartpay which is not contained in Smartpay's most recent annual report or this Scheme Booklet (including the Independent Adviser's Report) that could reasonably be expected to be material to the making of a decision by Shareholders to vote for or against the Scheme Resolution.

### 8.21 Independent advice on merits of the Scheme

Calibre Partners is the Independent Adviser who has provided a report in relation to the merits of the Scheme. A copy of the full Independent Adviser's Report is set out in Annexure A.

### 8.22 Asset valuations

No information provided in this Scheme Booklet refers to a valuation of any asset of Smartpay.

### 8.23 Prospective financial information

The Independent Adviser's Report contains prospective financial information in relation to Smartpay. The principal assumptions on which the prospective financial information is based are set out in the Independent Adviser's Report.

The Independent Adviser's Report sets out certain details of Smartpay's internal forecasts based on the budget for the 2026 financial year approved by the Smartpay board of directors and projections for the following four years (**Forecasts**). Except for the budget for the 2026 financial year approved by the Smartpay board of directors, these Forecasts were prepared by management for the purposes of the Independent Adviser's Report and are not Board-approved. The Forecasts were not prepared for the purposes of providing public guidance as to Smartpay's expected future financial performance. The Forecasts are subject to the disclosures set out under the heading "Forward looking statements" in the "Important Information" Section of this Scheme Booklet.

Section 6.3 of the Independent Adviser's Report sets out its principal assumptions and valuation parameters for the Forecasts. Other than the prospective financial

information referred to above, this Scheme Booklet does not refer to any other prospective financial information about Smartpay.

#### 8.24 Sales of unquoted equity securities under the Scheme

There are no unquoted equity securities that are subject to the Scheme.

#### 8.25 Market prices for quoted equity securities

The Smartpay Shares are quoted on the NZX Main Board and ASX.

##### *Closing market prices*

The closing price for Smartpay Shares on the NZX Main Board and ASX on:

- 16 September, being the latest practicable working day before the date on which this Scheme Booklet was sent to Shareholders, was NZ\$1.16 on the NZX Main Board and A\$1.04 on ASX;
- 19 June 2025, being the last day on which NZX was open for business before the date on which Smartpay announced its entry into the Scheme Implementation Agreement, was NZ\$1.01 on the NZX Main Board; and
- 20 June 2025, being the last day on which ASX was open for business before the date on which Smartpay announced its entry into the Scheme Implementation Agreement, was A\$0.94 on ASX.

The highest and lowest closing market prices of Smartpay Shares on the NZX Main Board and ASX (and the relevant dates) during the six months before 19 June 2025 for NZX and 20 June 2025 for ASX (being the last day on which NZX and ASX were open for business before the date on which Smartpay announced that it had entered into the Scheme Implementation Agreement with Shift4 Payments), were as follows:

- the highest closing market price of Smartpay Shares was NZ\$1.04 on the NZX Main Board (on 26 May 2025) and A\$0.98 on ASX (on 26 May 2025); and
- the lowest closing market price of Smartpay Shares was NZ\$0.49 on the NZX Main Board (on 7 February 2025) and A\$0.43 on ASX (on 4 February 2025).

##### *No other issues of equity securities and no distributions*

During the six month period before 19 June 2025 for NZX and 20 June 2025 for ASX (being the last day on which NZX and ASX were open for business before the date on which Smartpay announced that it had entered into the Scheme Implementation Agreement with Shift4 Payments), Smartpay did not issue any equity securities, make any changes to any equity securities on issue, or make any distributions, which could have affected the market prices of Smartpay Shares.

##### *No other information*

Except as set out in this Scheme Booklet (including the Independent Adviser's Report), there is no other information about the market price of Smartpay Shares that would reasonably be expected to be material to the making of a decision by Shareholders to vote for or against the Scheme Resolution.

#### 8.26 Other information

The Directors are not aware of any additional information, which is not required to be disclosed elsewhere in this Scheme Booklet, that could reasonably be expected to be material to the making of a decision by Shareholders to vote for or against the Scheme Resolution.

#### 8.27 Board approval of Smartpay Information

The contents of this Scheme Booklet have been approved by the Directors of Smartpay, other than:

- the Shift4 Information, which Shift4 Payments has approved; and
- the Independent Adviser's Report, which has been prepared by Calibre Partners.

## 9. Summary of the Scheme Implementation Agreement

#	Key term	Description
1.	<b>Agreement Date</b>	23 June 2025
2.	<b>Parties</b>	Smartpay Holdings Limited Shift4 Payments, LLC In accordance with the Scheme Implementation Agreement, Shift4 Payments elected a wholly owned subsidiary, being Shift4, to acquire the Scheme Shares. Shift4 Payments continues to be bound by the Scheme Implementation Agreement and must ensure that Shift4 completes the acquisition of all the Scheme Shares.
3.	<b>Consideration</b>	NZ\$1.20 per Scheme Share
4.	<b>No increase to the Consideration, in the absence of a Competing Proposal</b>	Shift4 Payments has stated that the Consideration is its best and final price, in the absence of a Competing Proposal. Shift4 Payments acknowledges that this is a "last and final" statement within the meaning of section 5 of the Takeovers Panel's Guidance Note on Misleading and Deceptive Conduct (1 November 2023). This means that Shift4 cannot increase the Consideration except where there is a Competing Proposal.
5.	<b>Director recommendation and voting intention</b>	In Smartpay's announcement of entry into the Scheme Implementation Agreement on 23 June 2025, each of the Directors was required to (and did): <ul style="list-style-type: none"> <li>• recommend that Shareholders vote in favour of the Scheme; and</li> <li>• undertake to vote all Smartpay Shares held or controlled by them in favour of the Scheme<sup>24</sup>.</li> </ul> In each case, subject to: <ul style="list-style-type: none"> <li>• the Independent Adviser's Report concluding, and continuing to conclude, that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares; and</li> <li>• there being no Superior Proposal.</li> </ul> Smartpay must use its best endeavours to procure that each Director does not change, withdraw, qualify or adversely modify that recommendation or intentions statement unless one of those qualifications applies or in certain other limited circumstances.
6.	<b>Conditions</b>	Implementation of the Scheme is subject to Conditions, which must be satisfied or (if capable of waiver) waived prior to the Scheme being implemented. The Conditions are: <ol style="list-style-type: none"> <li>(a) Shift4 obtaining all consents required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 for the implementation of the Scheme on terms or conditions acceptable to Shift4 Payments (acting reasonably)<sup>25</sup>;</li> <li>(b) an Independent Adviser's Report is provided to Shareholders which concludes that the Consideration is within or above the Independent Adviser's valuation range for the Smartpay Shares and if the Independent Adviser issues an updated, replacement or supplementary report prior to the date of the Scheme Meeting which contains a revised valuation range for the Smartpay Shares, the Consideration continues to be within or above that revised valuation range for the Smartpay Shares;</li> <li>(c) Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities;</li> <li>(d) the High Court approves the Scheme in accordance with section 236(1) of the Companies Act;</li> <li>(e) no judgment, order, restraint or prohibition enforced or issued by any government agency is in effect at 8.00am on the Implementation Date, that prohibits, prevents or materially restricts the implementation of the Scheme;</li> <li>(f) no Prescribed Occurrence occurs between the Agreement Date and 8.00am on the Implementation Date; and</li> <li>(g) no Material Adverse Change occurs, is announced or is discovered between the Agreement Date and 8.00am on the Implementation Date.</li> </ol> Failure to satisfy a condition may give rise to a termination right in favour of one or both parties.
7.	<b>Date for satisfaction of the Conditions</b>	The last date by which the conditions referred to in paragraphs (a) to (d) above must have been satisfied or (if capable of waiver) waived is 23 March 2026 <sup>26</sup> or such later date as Smartpay and Shift4 Payments may agree (the <b>End Date</b> ). The Conditions referred to in paragraphs (e) to (g) must be satisfied at all times before 8:00 am on the Implementation Date.

24. In the case of Smartpay Director Carlos Gil, the representative director of one of Smartpay's largest shareholders, Microequities, such intention to vote, all of the Smartpay Shares that he holds or controls in favour of the Scheme does not extend to any Smartpay Shares held or controlled by Microequities, its associated entities or any funds of, or managed by, Microequities or its associated entities.

25. Shift4 obtained all consents required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 on 4 August 2025.

26. If: (a) the High Court refuses to make the Final Orders (other than due to, in whole or in part, the lack of satisfaction of, or the potential timing for satisfaction or (if capable of waiver) waiver of any Condition); and (b) Smartpay appeals the High Court's decision; and (c) the End Date would otherwise occur before the appeal is finally determined, then the End Date will be automatically extended to the date that is 20 business days after the appeal from the decision is finally determined.



#	Key term	Description
8.	Termination rights	<p>Failure to satisfy a Condition may give rise to a termination right in favour of one or both parties (depending on the circumstances).</p> <p>In addition, Smartpay or Shift4 Payments may terminate the Scheme Implementation Agreement:</p> <ul style="list-style-type: none"> <li>• due to an unremedied material breach of the Scheme Implementation Agreement by the other party (including breach of a warranty given by that other party);</li> <li>• if Smartpay provides Shift4 Payments with the opportunity to match a Superior Proposal, and Shift4 Payments does not do so;</li> <li>• if the Scheme does not become Effective by 8.00am on the date that is six business days after the End Date<sup>27</sup>, provided that the terminating party's failure to comply with its obligations under the Scheme Implementation Agreement has not directly and materially contributed to the Scheme not becoming Effective by the End Date; and</li> <li>• by agreement in writing.</li> </ul> <p>Smartpay may terminate the Scheme Implementation Agreement:</p> <ul style="list-style-type: none"> <li>• due to an insolvency event of Shift4 Payments; and</li> <li>• due to a breach by Shift4 Payments or Shift4 of its payment obligations in connection with the Scheme.</li> </ul> <p>Shift4 Payments may terminate the Scheme Implementation Agreement if a Smartpay Director fails to recommend the Scheme or adversely changes or withdraws their recommendation (subject to the exceptions described above under the heading "<i>Director recommendation and voting intention</i>").</p>
9.	Exclusivity	<p>The Scheme Implementation Agreement contains certain exclusivity arrangements in favour of Shift4 Payments. In summary, Smartpay has granted Shift4 Payments the following exclusivity rights during the Exclusivity Period:</p> <ul style="list-style-type: none"> <li>• <b>No Shop:</b> Smartpay must not, and must procure that each of its representatives and related companies does not, solicit, invite, encourage, initiate or otherwise seek to procure any Competing Proposal or any offer, proposal, expression of interest, enquiry, negotiation or discussion with any third party in relation to, or for the purpose of, or that may reasonably be expected to encourage or lead to, a Competing Proposal (or assist, encourage, procure or induce any person to do any of these things on its behalf);</li> <li>• <b>No Talk:</b> Smartpay must not, and must procure that each of its representatives and related companies does not, enter into, permit, continue or participate in, negotiations or discussions with any third party in relation to a Competing Proposal or for the purpose of or that may reasonably be expected to encourage or lead to a Competing Proposal (or assist, encourage, procure or induce any person to do any of these things on its behalf);</li> <li>• <b>No Due Diligence:</b> Smartpay must not, and must procure that each of its representatives and related companies does not, make available to a third party, or cause or permit any third party to receive, any non-public information relating to Smartpay or any of its related companies that may reasonably be expected to assist such third party in formulating, developing or finalising a Competing Proposal (or assist, encourage, procure or induce any person to do any of these things on its behalf);</li> <li>• <b>Notification:</b> Smartpay must notify Shift4 Payments within 24 hours if Smartpay or any of its representatives and related companies receives any Competing Proposal or any offer or request to do anything referred to in the 'No Talk' or 'No Due Diligence' provisions, or if Smartpay proposes to rely on the exceptions described under the heading "<i>Exceptions to exclusivity</i>" below; and</li> <li>• <b>Matching Right:</b> if Smartpay receives a Competing Proposal and the Directors have determined, acting in good faith, by majority decision and after having obtained written advice from Smartpay's external financial and legal advisers, that             <ol style="list-style-type: none"> <li>I. the Competing Proposal is a Superior Proposal; and</li> <li>II. failing to take a certain action otherwise prohibited under the exclusivity provisions of the Scheme Implementation Agreement would reasonably likely constitute a breach of the fiduciary or statutory duties of any of the Directors,</li> </ol>             then Smartpay must give Shift4 Payments five Business Days to provide an equivalent or superior proposal to the terms of the Competing Proposal. If Shift4 Payments does not exercise its matching rights or if Smartpay, having complied with its obligations under the exclusivity provisions, does not accept a Shift4 Payments counterproposal, then the Exclusivity Period ends. Either Shift4 Payments or Smartpay may then terminate the Scheme Implementation Agreement and, if this occurs, Smartpay must pay the reimbursement fee to Shift4 Payments (further details are set out under the heading "Reimbursement fees" below).           </li> </ul>

27. See footnote 26 above in relation to automatic extension for a limited period of time where the parties appeal any decision by the High Court to grant orders.

#	Key term	Description
10.	<b>Exceptions to exclusivity</b>	<p>The 'No Talk' and 'No Due Diligence' restrictions (as described under the heading "Exclusivity" above) do not apply if Smartpay receives a bona fide Competing Proposal (which was not solicited, invited, encouraged, initiated or otherwise procured in breach of the 'No Shop' restrictions) and if each of the following requirements are satisfied:</p> <ul style="list-style-type: none"> <li>the Directors have determined, acting in good faith, by majority decision and after obtaining written advice from Smartpay's external financial adviser, that the Competing Proposal is, or is reasonably likely to become, a Superior Proposal;</li> <li>the Directors have determined, acting in good faith, by majority decision and after obtaining written advice from Smartpay's external legal adviser, that failing to respond to such Competing Proposal or provide the requested non-public information (as the case may be) would be reasonably likely to constitute a breach of any Director's fiduciary or statutory duties;</li> <li>in the case of the 'No Due Diligence' restriction only, the third party has first entered into a written agreement in favour of Smartpay restricting the use and disclosure by the third party and its affiliates and advisers of the information made available to the third party and any such agreement entered into after 23 June 2025 is on terms which Smartpay reasonably considers (acting in good faith) to be no more favourable in any material respect to the third party than those in the confidentiality agreement between Smartpay and Shift4 Payments; and</li> <li>in the case of the 'No Due Diligence' restriction, to the extent that any non-public information made available to the third party is material and has not previously been provided to Shift4 Payments (or differs in any material respect from any information previously provided to Shift4 Payments), Smartpay provides or makes that information available to Shift4 Payments at the same time as it is provided to the third party or promptly thereafter.</li> </ul>
11.	<b>Reimbursement fees</b>	<p>Smartpay must pay to Shift4 Payments a "reimbursement fee" of NZ\$2,963,616.06 (including GST, if any) in certain circumstances, including where:</p> <ul style="list-style-type: none"> <li>a Competing Proposal is announced prior to termination of the Scheme Implementation Agreement, the Scheme does not proceed, and the Competing Proposal is implemented within 12 months after its announcement;</li> <li>any Smartpay Director fails to recommend the Scheme or adversely changes or withdraws their recommendation (subject to the exceptions described above under the heading "<i>Director recommendation and voting intention</i>");</li> <li>Shift4 Payments terminates the Scheme Implementation Agreement due to a material breach by Smartpay or a Prescribed Occurrence occurring; or</li> <li>either party terminates the Scheme Implementation Agreement because Smartpay wishes to pursue a Competing Proposal and Shift4 Payments does not match that proposal.</li> </ul> <p>Shift4 Payments must pay to Smartpay a "reverse reimbursement fee" of NZ\$2,963,616.06 (including GST, if any) in certain circumstances, including where:</p> <ul style="list-style-type: none"> <li>Smartpay terminates the Scheme Implementation Agreement due to a material breach by Shift4 Payments, an insolvency event of Shift4 Payments, or breach by Shift4 or Shift4 Payments of its payment obligations in connection with the Scheme; or</li> <li>either party terminates the Scheme Implementation Agreement for failure of the OIO Condition (unless Shift4 Payments can demonstrate that such failure was not due to a failure to satisfy the "investor test" under the Overseas Investment Act, or any matter within its reasonable control).<sup>28</sup></li> </ul>
12.	<b>Limitation of liability</b>	<p>The maximum aggregate liability for each of Smartpay and Shift4 Payments under or in connection with the Scheme Implementation Agreement and the Scheme (whether under the Scheme Implementation Agreement, at law (including negligence), under any statute or regulation, in equity or otherwise) is limited to, and will not exceed, an amount equal to NZ\$2,963,616.06, being each party's respective reimbursement fee.</p> <p>The limitations of liability described above do not apply in relation to fraud or prevent Smartpay or Shift4 Payments from seeking specific performance or equitable relief.</p>
13.	<b>Interim period covenants</b>	<p>The Scheme Implementation Agreement includes a number of obligations on Smartpay with regard to the ongoing operation of its business in respect of the period between the Agreement Date and the implementation of the Scheme. These positive and negative obligations are generally designed to enable Smartpay to continue to run its business in the normal course, while also recognising that it is appropriate for certain material actions to require Shift4 Payments' prior approval, given the potential change of ownership of Smartpay under the Scheme.</p>
14.	<b>Promotion of Scheme</b>	<p>During the Exclusivity Period and subject to the Directors continuing to unanimously recommend that Shareholders vote in favour of the Scheme, Smartpay will provide reasonable co-operation to Shift4 Payments in promoting the merits of the Transaction to Shareholders, including:</p> <ul style="list-style-type: none"> <li>encouraging Shareholders to exercise their rights to vote on the Scheme Resolution; and</li> <li>procuring that senior executives of Smartpay, as may be reasonably available, meet with key Shareholders if reasonably requested to do so by Shift4 Payments.</li> </ul>
15.	<b>Funding the Scheme</b>	<p>Shift4 Payments has warranted to Smartpay that it has a reasonable basis to expect that it will have available to it by 8.00am on the Implementation Date sufficient cash amounts (whether from internal cash reserves or external funding arrangements, including equity and debt financing or a combination of both) to satisfy its obligations to pay the Consideration under the Scheme Implementation Agreement, the Scheme Plan and the Deed Poll.</p>

28. Shift4 obtained all consents required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 on 4 August 2025.

The above is a summary of the relevant matters only. For full details of a matter, please refer to the copy of the Scheme Implementation Agreement that was released to NZX and ASX on 23 June 2025. You can access information released by Smartpay to NZX and ASX, respectively, at [www.nzx.com](http://www.nzx.com) (under the NZX code: SPY) and [www.asx.com.au](http://www.asx.com.au) (under the ASX code: SMP).

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# 10. Glossary

The meaning of terms set out in this Scheme Booklet are set out below:

<b>Agreement Date</b>	means the date of the Scheme Implementation Agreement, being 23 June 2025
<b>A\$ or AUD</b>	means Australian dollars
<b>associate</b>	has the same meaning as in rule 4 of the Takeovers Code
<b>Business Day</b>	means a day (other than a Saturday, Sunday or public holiday) on which trading banks are open for general banking business in Auckland, New Zealand
<b>Companies Act</b>	means the Companies Act 1993 (New Zealand)
<b>Competing Proposal</b>	means a proposal, transaction or arrangement from or with any third party or third parties which are not acting in concert with Shift4 Payments relating to: <ul style="list-style-type: none"> <li>(a) any acquisition (whether directly or indirectly) of an interest in, or the right to acquire or have an economic interest in, directly or indirectly, more than 20% of the Smartpay Shares (other than custodial shares);</li> <li>(b) any acquisition (whether directly or indirectly) of, or the right to acquire or have an economic interest in, directly or indirectly, a material part of the business of the Smartpay Group;</li> <li>(c) a transfer of control of Smartpay or a material part of the business or Smartpay Group; or</li> <li>(d) otherwise an acquisition of, or merger with, Smartpay</li> </ul>
<b>Computershare</b>	means Computershare Investor Services Limited, being Smartpay's share registrar
<b>Conditions</b>	means the conditions to the Scheme set out in clause 3.1 of the Scheme Implementation Agreement, including as summarised in Section 9 of this Scheme Booklet
<b>Consideration</b>	means NZ\$1.20 in respect of each Smartpay Share held by a Scheme Shareholder
<b>Deed Poll</b>	means the deed poll dated 20 August 2025 entered into by Shift4 and Shift4 Payments pursuant to which Shift4 has undertaken in favour of each Scheme Shareholder to pay each Scheme Shareholder the Consideration to which they are entitled under the Scheme, subject to the Scheme becoming unconditional and the Scheme Implementation Agreement not being terminated, and Shift4 Payments guarantees the performance of the obligations of Shift4 described above, attached as Annexure C of this Scheme Booklet
<b>Director</b>	means a director of Smartpay
<b>EBITDA</b>	means earnings before finance income and finance costs, taxation, depreciation, amortisation, foreign exchange adjustments, share performance rights amortisation, impairment, gain on disposal of right-of-use assets and loss on disposal of property, plant and equipment
<b>Effective</b>	means, when used in relation to the Scheme, the coming into effect, under section 236(3) of the Companies Act of the order of the High Court made under section 236(1) in relation to the Scheme and all of the Conditions (and any other conditions in the Scheme Plan) having been satisfied or, if capable of waiver, waived in accordance with this Agreement and the Scheme
<b>End Date</b>	has the meaning given to that term in Section 9 of this Scheme Booklet under the heading " <i>Date for satisfaction of the Conditions</i> "
<b>Escrow Agreement</b>	means the escrow agreement to be entered into between Smartpay, Shift4 and Computershare in the form set out in Annexure 4 to the Scheme Implementation Agreement, subject to certain amendments that have been agreed between the parties to that agreement, and which is described in Section 7.9 of this Scheme Booklet
<b>Exclusivity Period</b>	means the period from and including the Agreement Date to the earlier of: <ul style="list-style-type: none"> <li>(a) the end of the Exclusivity Period under clause 13.10(d) of the Scheme Implementation Agreement (where Smartpay provides Shift4 Payments with the opportunity to match a Superior Proposal, and Shift4 Payments does not do so);</li> <li>(b) the termination of the Scheme Implementation Agreement;</li> <li>(c) if Shift4 Payments formally purports to terminate the Agreement, the date of such purported termination (whether or not that purported termination is ultimately agreed, or determined, to be legally effective);</li> <li>(d) the Implementation Date; and</li> <li>(e) 5.00pm on the End Date</li> </ul>
<b>Final Court Hearing</b>	means the final hearing of the High Court in respect of the Scheme, which is currently expected to take place at 10:00am on 24 October 2025 or such later date as the High Court directs
<b>Final Orders</b>	means the final orders of the High Court in respect of the Scheme made under section 236(1) (and section 237, if applicable) of the Companies Act
<b>Final Orders Date</b>	means the date on which Final Orders are granted by the High Court
<b>High Court</b>	means the High Court of New Zealand, Auckland Registry
<b>Implementation Date</b>	means the date on which the Scheme is to be implemented, being two Business Days after the Record Date (or such other date agreed between the parties in writing)
<b>Independent Adviser</b>	means the person appointed by Smartpay, and approved by the Takeovers Panel, as the independent adviser to prepare the Independent Adviser's Report, being Calibre Partners

<b>Independent Adviser's Report</b>	means the independent adviser's report prepared by the Independent Adviser in relation to the Scheme as amended or updated from time to time and including any supplementary or replacement report. The Independent Adviser's Report is set out in Annexure A of this Scheme Booklet
<b>Initial Orders</b>	means the initial court orders of the High Court relating to the Scheme dated 17 September 2025
<b>Long Term Incentive Plan</b>	means the long term incentive plan put in place by Smartpay under which eligible employees are offered rights (for nil consideration) to acquire Smartpay Shares
<b>Material Adverse Change</b>	<p>means any event or circumstance that occurs or is announced or is discovered (or a series of related events or circumstances that occur or are announced or are discovered) on or after the Agreement Date which reduces, or is reasonably likely to reduce, the consolidated EBITDA of the Smartpay Group for the financial year ending 31 March 2026 by more than \$5,755,246.40 compared to what EBITDA would reasonably have been expected to have been for that period but for such event or circumstance (or series of related events or circumstances), calculated in accordance with the accounting policies and practices applied by Smartpay as at the Agreement Date and taking into account any matters which offset, or are reasonably likely to offset, the impact of such event or circumstance (or series of related events or circumstances) on the consolidated EBITDA of the Smartpay Group, in each case determined after excluding or disregarding:</p> <ul style="list-style-type: none"> <li>(a) any one-off or non-recurring impact of the relevant event or circumstance;</li> <li>(b) any transaction costs incurred by the Smartpay Group in connection with the Scheme and any out-of-pocket costs incurred in connection with the directors and officers run-off policy put in place as a result of the Scheme; and</li> <li>(c) any event or circumstance: <ul style="list-style-type: none"> <li>i. to the extent fairly disclosed: (A) in the due diligence materials made available by Smartpay to Shift4 Payments in connection with the Scheme; (B) by Smartpay through the NZX or ASX market announcement platforms in the 24-month period ending two Business Days before the Agreement Date;</li> <li>ii. done, or not done, at the written request or with the written approval of Shift4 Payments, or resulting from compliance with the terms of, or the taking or omission of any action expressly required or permitted by, this Agreement, and any reasonably foreseeable consequences arising as a result of the relevant action or omission;</li> <li>iii. resulting from legal or regulatory requirements generally affecting the payments industry;</li> <li>iv. without limiting paragraph (iii), resulting from any change in regulation or other changes made, proposed or recommended by the Reserve Bank of Australia in connection with its review of merchant payment costs and surcharging;</li> <li>v. resulting from the actual or anticipated change of control of the Smartpay Group contemplated by the Scheme Implementation Agreement;</li> <li>vi. resulting from any change: (A) in law, regulation, generally accepted accounting standards or generally accepted accounting principles or the interpretation of any such standards or principles, or policy of a government agency; (B) to the accounting policies of any member of the Smartpay Group that is required by law; (C) in general economic conditions (including changes in foreign exchange rates, interest rates, tax rates or commodity prices) or general political conditions; or (D) in securities, equity, credit, financial or other capital markets conditions;</li> <li>vii. resulting from or relating to geopolitical conditions, the outbreak or escalation of hostilities, any generalised or localised rioting or public unrest, civil disobedience, acts of war and military conditions or activity, sabotage or terrorism (excluding cyberattacks), or any escalation, expansion or worsening of any of the foregoing;</li> <li>viii. resulting from any natural disaster (including an earthquake, fire, landslide, volcanic eruption or tidal wave), weather development (including a storm, flood, hurricane, tornado, cyclone or lightning), or other comparable natural events; or</li> <li>ix. resulting from the outbreak or escalation of any disease, epidemic or pandemic and any restrictions on Smartpay's business or the Smartpay Group imposed or recommended by any government agency or other regulatory authority in connection with any disease, epidemic or pandemic</li> </ul> </li> </ul>
<b>Microequities</b>	Microequities Asset Management Group Limited
<b>Microequities Entities</b>	Microequities, its associated entities and funds of, or managed by, Microequities or its associated entities
<b>Non-GAAP Measure</b>	has the meaning given to it in the "Important Information" section of this Scheme Booklet
<b>NZ\$ or NZD</b>	means New Zealand dollars
<b>NZX</b>	means NZX Limited
<b>NZX Main Board</b>	means the main board equity security market operated by NZX
<b>OIO</b>	means the New Zealand Overseas Investment Office
<b>OIO Condition</b>	means the Condition set out in clause 3.1(a) of the Scheme Implementation Agreement that Shift4 has obtained all consents required under the Overseas Investment Act 2005 and Overseas Investment Regulations 2005 to the implementation of the Scheme on terms or conditions acceptable to Shift4 Payments (acting reasonably)



<b>Prescribed Occurrence</b>	means the events or circumstances relating to Smartpay and the Smartpay Group that are listed in Schedule 1 of the Scheme Implementation Agreement as Prescribed Occurrences (other than an event agreed to by Shift4 Payments in writing or as expressly required or permitted by the Scheme Implementation Agreement or the Scheme), including (in summary): <ul style="list-style-type: none"> <li>a) payment of distributions by the Smartpay Group.</li> <li>b) changes to the capital structure of any member of the Smartpay Group (including share issues, reclassifications and share buybacks).</li> <li>c) changes to the constitution of any Smartpay Group members.</li> <li>d) an unremedied insolvency event affecting any member of the Smartpay Group.</li> <li>e) amalgamations by members of the Smartpay Group.</li> <li>f) certain related party transactions or payments to directors, officers or senior employees of the Smartpay Group.</li> <li>g) termination of any directors, officers or members of the Smartpay Executive Team without cause.</li> <li>h) Smartpay shares cease to be quoted or are suspended for trading on the NZX for a period of more than three trading days.</li> <li>i) changes to arrangements with any financial advisor in relation to the Scheme or a competing proposal.</li> <li>j) disposal of all or a substantial part of the Smartpay Group's assets.</li> </ul>
<b>Record Date</b>	means 7.00pm on the fourth Business Day after the later of: <ul style="list-style-type: none"> <li>a) Final Orders Date; and</li> <li>b) the date on which the OIO Condition is satisfied,</li> </ul> or such other date agreed between the parties in writing
<b>Related Company</b>	has the meaning set out in section 2(3) of the Companies Act read as if a reference to a company was a reference to a company or body corporate wherever incorporated
<b>Scheme</b>	means the scheme of arrangement under Part 15 of the Companies Act under which all of the Scheme Shares held by Scheme Shareholders will be transferred to Shift4 and the Scheme Shareholders will be entitled to be paid the Consideration, in accordance with the Scheme Plan, subject to any amendment or modification made pursuant to section 236(2) of the Companies Act
<b>Scheme Booklet</b>	means this document together with its annexures
<b>Scheme Implementation Agreement</b>	means the scheme implementation agreement between Smartpay and Shift4 Payments dated 23 June 2025 (as it may be amended from time to time), a summary of which is set out in Section 9 of this Scheme Booklet
<b>Scheme Meeting</b>	means the meeting of Shareholders ordered by the High Court to be convened to approve the Scheme (and includes any adjournment of that meeting)
<b>Scheme Plan</b>	means the Scheme Plan set out in Annexure B of this Scheme Booklet, subject to: <ul style="list-style-type: none"> <li>a) any amendments agreed in writing between Smartpay and Shift4 Payments; and</li> <li>b) approval by the High Court under section 236(1) of the Companies Act</li> </ul>
<b>Scheme Resolution</b>	means the resolution set out in the Notice of Meeting in Section 4 of this Scheme Booklet
<b>Scheme Shares</b>	means all of the Smartpay Shares on issue as at the Record Date
<b>Scheme Shareholder</b>	means each person who is a holder of Scheme Shares at the Record Date
<b>Second Court Date</b>	means: <ul style="list-style-type: none"> <li>a) if no hearing is held in respect of the Final Orders, the day on which the Final Orders are granted by the High Court; and</li> <li>b) if there is a hearing in respect of the Final Orders, the first date of such hearing, provided that if such hearing is adjourned, it means the first date on which the adjourned application is heard</li> </ul>
<b>Senior Manager</b>	means Martyn Pomeroy (Chief Executive Officer), Cherise Barrie (Chief Financial Officer) and Aidan Murphy (Chief Business Officer), being the persons that the Board has determined are senior managers for the purposes of the disclosures contained in this Scheme Booklet
<b>Shareholder</b>	means each person registered in the Share Register as a holder of Smartpay Shares from time to time
<b>Share Performance Right</b>	means a right to acquire Shares held by employees of the Smartpay Group in accordance with Smartpay's Long Term Incentive Plan
<b>Share Register</b>	means the share register of Smartpay, maintained by Computershare in accordance with the Companies Act
<b>Shift4</b>	means Shift4 Holdings Limited, being a direct or indirectly wholly owned subsidiary of Shift4 Payments
<b>Shift4 Group</b>	means Shift4 Payments, Inc. and each of its Related Companies (but excluding members of the Smartpay Group), and a reference to a "Shift4 Group Member" or "a member of the Shift4 Group" is to Shift4 Payments or any of its Related Companies
<b>Shift4 Information</b>	means such information regarding the Shift4 Group that is provided or approved by Shift4 Payments for inclusion in Sections 6 and 7 or in any supplementary information for Shareholders
<b>Shift4 Payments</b>	means Shift4 Payments, LLC
<b>Smartpay</b>	means Smartpay Holdings Limited
<b>Smartpay Board or Board</b>	means the board of directors of Smartpay

<b>Smartpay Group</b>	means Smartpay and each of its Related Companies, and a reference to a "Smartpay Group Member" or "a member of the Smartpay Group" is to Smartpay or any of its Related Companies
<b>Smartpay Share</b>	means a fully paid ordinary share in the capital of Smartpay
<b>Superior Proposal</b>	means a bona fide Competing Proposal which the Directors, acting in good faith, by majority decision and after having taken advice from Smartpay's external financial and legal advisers, determine: <ol style="list-style-type: none"> <li>is reasonably capable of being valued and implemented, taking into account all aspects of the Competing Proposal (including any timing considerations, conditions precedent and the identity of the proponent); and</li> <li>would, if completed substantially in accordance with its terms, be more favourable to Shareholders (as a whole) than the Scheme, taking into account all terms and conditions of the Competing Proposal (including consideration, conditionality, funding, certainty and timing) and any other matters affecting the probability of the Competing Proposal being completed in accordance with its terms</li> </ol>
<b>Takeovers Code</b>	means the takeovers code approved in the Takeovers Regulations 2000 (SR 2000/210) as amended, including any applicable exemption granted by the Takeovers Panel under the Takeovers Act 1993
<b>Trading Halt Date</b>	means the date which is two Business Days after the Final Orders Date or such other date as Smartpay and Shift4 Payments agree in writing
<b>Voting Eligibility Date</b>	means the time for determining eligibility to vote at the Scheme Meeting, being 7:00pm NZDT (5:00pm AEDT) on 11 October 2025 or, if the Scheme Meeting is adjourned, being 7:00pm NZDT (5:00pm AEDT) on the date that is three days before the scheduled meeting time for the Scheme Meeting
<b>Voting/Proxy Form</b>	means the voting and proxy form which accompanies this Scheme Booklet

# **Annexure A**

## **Independent Adviser's Report**

# Smartpay Holdings Limited

## Independent Adviser's Report in relation to the proposed scheme of arrangement with Shift4 Holdings Limited

18 September 2025

### STATEMENT OF INDEPENDENCE

Calibre Partners confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and
- has no direct or indirect pecuniary or other interest in the proposed transaction considered in this report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Calibre Partners has satisfied the Takeovers Panel, on the basis of the material provided to the Panel, that it is independent under the Panel's Guidance Note on Independent Advisers for the purposes of preparing this report.



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## 1. Executive Summary

### 1.1 Introduction

Smartpay Holdings Limited (**Smartpay** or the **Company**) is a New Zealand incorporated company that is listed on the New Zealand Stock Exchange (NZX) with a foreign exempt listing on the Australian Securities Exchange (ASX).

Smartpay provides Electronic Funds Transfer at Point of Sale (EFTPOS) payment services. This includes EFTPOS terminal hardware, software, maintenance services, and facilitating payment processing to merchants across New Zealand and Australia.

Smartpay entered a Scheme Implementation Agreement (SIA) with Shift4 Payments, LLC (**Shift4 Payments**) on 23 June 2025.

Under the SIA, Smartpay and Shift 4 Payments have agreed to implement a court-approved scheme of arrangement (**the Scheme**), which would result in all the outstanding shares of Smartpay being acquired by Shift4 Holdings Limited (**Shift4**).

The proposed consideration is \$1.20 per share, payable to all Smartpay shareholders in cash.

In accordance with the SIA, Shift4 Payments elected a wholly owned subsidiary, being Shift4, to acquire the Smartpay shares under the Scheme. Shift4 Payments continues to be bound by the SIA and must ensure that Shift4 completes the acquisition of all the Smartpay shares under the Scheme.

### 1.2 The Scheme approval

The Scheme is subject to a number of key conditions that are set out in the Scheme Booklet, including the approval of Smartpay's shareholders.

Smartpay shareholders are being asked to vote to approve or reject the implementation of the Scheme. For the Scheme to proceed, it is necessary that both of two voting thresholds are met, being:

- At least 75% of the votes cast in each interest class must be in favour of the Scheme.
- More than 50% of the total number of Smartpay's shares on issue must be voted in favour of the Scheme.

The Scheme is also subject to approval of the High Court of New Zealand, there being no Material Adverse Change and other customary conditions as detailed in the SIA and in Section 2.2 below.

Smartpay shareholder approval will be sought at a special meeting of shareholders, currently scheduled to be held on 14 October 2025.

As at 26 August 2025 Microequities Asset Management Group Limited and its associated entities (**Microequities**) has indicated it intends to vote in favour of the Scheme, for all shares it holds or controls, including shares in its funds and in funds managed by it. Microequities holds or controls 32,109,979 Smartpay shares, representing approximately 13.3% of the Smartpay shares on issue. Microequities has reserved the right to sell any Smartpay shares held or controlled by it prior to the vote.

Further, the following Directors and Officers have indicated their intention to vote in favour of the Scheme, in respect of shares they hold or control: Gregor Barclay, Geoffrey Carrick, Martyn Pomeroy, Cherise Barrie and Aidan Murphy. Together they hold 7,073,407 Smartpay shares, representing approximately 2.9% of the Smartpay shares on issue.

Smartpay's directors unanimously recommend that shareholders vote in favour of the Scheme, in the absence of a Superior Proposal, as defined in the SIA. Smartpay's directors have reserved the right to change their recommendation or to vote against the Scheme if the consideration is below the independent adviser's range.



### 1.3 Potential outcomes

The possible outcomes are:

- **The Scheme is implemented**

If Smartpay's shareholders approve the Scheme and all other steps required to implement the Scheme (as set out in the Scheme Booklet) are completed, then the Scheme will be implemented. In that event, all shareholders in Smartpay would have their shares acquired at \$1.20 per share. Smartpay's shares would cease to be quoted on the NZX Main Board and ASX.

- **The Scheme does not proceed**

If Smartpay shareholders do not approve the Scheme, it will not proceed. The Scheme would also not proceed if Smartpay's shareholders vote in favour of it, but the other conditions in the SIA are either not satisfied or waived, or if the SIA is validly terminated. If the Scheme does not proceed, then no shares would be transacted, and Smartpay would remain a listed company with its shares quoted on the NZX Main Board and ASX.

### 1.4 Key issues to be considered by shareholders

For shareholders deciding whether to approve or reject the Scheme, key issues to be considered include:

- The proposed consideration of \$1.20 per share is within our assessed valuation range of \$1.07 to \$1.43 per share, albeit below the mid-point of our range (\$1.25).
- The proposed consideration represents:
  - A premium of 18.8% to the closing share price of \$1.01 on 19 June 2025, which was the last trading day before the SIA was announced to the market.
  - A premium of 90.5% to the closing price of \$0.63 on 14 March 2025, which was the last trading date before Tyro Payments Limited's (Tyro) non-binding indicative offer (NBIO) to acquire the shares in Smartpay at \$1.00 per share was announced to the market.
- Shift4 Payments has stated that the offer price of \$1.20 per share represents its best and final price, in the absence of a competing proposal.

**In our opinion, the offer is reasonable. The proposed consideration of \$1.20 is within our assessed fair market value range for Smartpay, albeit below the mid-point.**

The above should be read in the context of the whole of this Independent Adviser's Report (**Report**), including our analysis of the merits of the Scheme, as set out in Section 7.

Voting on the Scheme is a matter for individual shareholders based on their own views as to value and future market conditions, as well as their risk profile, liquidity preference, portfolio strategy, tax position and other factors. In particular, taxation consequences can vary widely across shareholders, and we note the after tax value of the proposed consideration may vary between shareholders given their respective tax positions. Shareholders will need to consider these consequences and, if appropriate, consult their own professional advisers.



## 2. Background

### 2.1 Prior to the Scheme

In March 2025, Smartpay received two separate conditional, non-binding and indicative proposals for a possible control transaction.

One of the proposals was from Tyro Payments Limited (**Tyro**), which offered to acquire 100% of Smartpay's issued ordinary shares for a price of \$1.00 per share to be paid in a combination of Tyro shares and cash. The other offer was from Shift4 Payments.

On 5 May 2025, Smartpay received a revised conditional, non-binding indicative proposal from Shift4 Payments to acquire 100% of the issued ordinary shares for a price of \$1.20, to be settled in cash, and requesting a limited period of exclusivity. On the same day, Tyro announced it was no longer participating in an acquisition process with Smartpay.

### 2.2 The Scheme

On 23 June 2025, Smartpay entered into the SIA for the sale of all outstanding shares in Smartpay to Shift4 (or its nominee).

The proposed consideration is \$1.20 per share, payable to all shareholders in cash.

The SIA is to be implemented via a scheme of arrangement, under Part 15 of the Companies Act 1993 (**Companies Act**) and is subject to key conditions that include:

- The approval of Smartpay's shareholders.
- The approval of the High Court of New Zealand (**High Court**) in accordance with the Companies Act.
- The Independent Advisor providing a report which concludes, and continues to conclude, that the consideration of \$1.20 per share is within or above the independent adviser's valuation range for the Smartpay shares.
- No restraining orders or similar prohibitions enforced or issued by a government agency that prohibits or materially restricts implementation of the Scheme is in effect on the Implementation Date.
- No "Prescribed Occurrence" as defined in the SIA.
- No "Material Adverse Change" as defined in the SIA.

The Scheme contains customary exclusivity provisions, including:

- "no-shop" (preventing Smartpay from soliciting other offers),
- "no-talk" (preventing Smartpay from engaging with other potential bidders), and
- "no due diligence" (preventing Smartpay from allowing other parties' access to due diligence information).

The latter two obligations are subject to exclusions which permit the Smartpay Board to engage in relation to a competing proposal which is (or is reasonably likely to become) a '**Superior Proposal**' (as defined in the SIA) and where their fiduciary obligations require them to do so, subject to notifications being made to Shift4 Payments. Shift4 Payments would have the opportunity to match any Superior Proposal. The Scheme also contains break fee and reverse break fee provisions equating to approximately \$2.96 million (including GST, if any).

Smartpay's Directors believe that the Scheme represents the most compelling value for shareholders and unanimously recommend the transaction to shareholders, in the absence of a Superior Proposal and subject to the Independent Adviser's Report concluding (and continuing to conclude) that the Scheme price is within or above the Independent Adviser's valuation range for the shares.



## 2.3 Profile of the Shift4 Group

Shift4 Payments is a North American payment processing business. Its parent company, Shift4 Payments, Inc., is listed on the New York Stock Exchange. Shift4 is a directly or indirectly wholly owned subsidiary of Shift4 Payments.

The Shift4 Group provides software and payment processing solutions in the United States and internationally, with a focus on integrating software and payment systems across various industries.

The Shift4 Group offers a comprehensive ecosystem of solutions, including point-of-sale (POS) systems, online payment processing, technology solutions, business intelligence tools and merchant operations and support services. It serves a wide range of sectors such as hospitality, retail, e-commerce, food and beverage, and gaming.

The Shift4 Group believes the Smartpay acquisition deepens its strategic presence in Australia and New Zealand, providing a significant opportunity to offer its full suite of software and payments solutions in the region. By combining the Shift4 Group's payment infrastructure with Smartpay's distribution capabilities, the Shift4 Group believes it is well positioned to go-to-market at scale in the region.

## 2.4 Purpose of this report

Smartpay is subject to the Takeovers Code (the Code).

The Scheme is governed by the Companies Act and is required to be approved by the High Court in order to proceed. The High Court will not approve a scheme that affects the voting rights of a company subject to the Code unless:

- It is satisfied that the shareholders of the company will not be adversely affected by the use of a scheme rather than the Code to effect the change involving the company; or
- The High Court is presented with a 'no-objection statement' from the Takeovers Panel (the Panel). The Panel will take various factors into account when considering an application for a no-objection statement, including:
  - An appropriate balance has been struck between alignment of the relevant scheme with what would be permitted under a Code offer and inherent flexibility of schemes.
  - All material information relating to the scheme proposal has been disclosed.
  - The standard of disclosure to all shareholders has been equivalent to the standard that would be required by the Code in a Code-regulated transaction or is otherwise appropriate in all of the relevant circumstances.
  - The interest classes of shareholders have been composed appropriately.
  - The protections available to shareholders (and other equity security holders) under the Code and/or the Takeovers Act 1993 (or equivalents to those protections) have been provided for under or in connection with the Scheme.
  - Other key matters have been addressed and there are no other reasons for the Panel to object to the Scheme.

The practice of the Panel (except in very limited circumstances) is to require the preparation of an Independent Adviser's Report before it will consider issuing a 'no-objection statement' to the High Court.

Smartpay's Board has engaged Calibre Partners to prepare this Report to inform Smartpay's shareholders on the merits of the Scheme. Our appointment has been approved by the Panel. Shareholders should read the Scheme Booklet issued by Smartpay in conjunction with this Report.

Accepting or rejecting the Scheme is a matter for individual shareholders based on their views as to value and future market conditions, as well as their risk profile, liquidity preference, portfolio strategy, tax position and other factors. In particular, taxation consequences can vary widely between shareholders.





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Shareholders will need to consider these consequences and, if appropriate, consult their own professional advisers.

## 2.5 Other

The sources of information we have had access to and relied upon are set out in Appendix 1.

This Report should be read in conjunction with the statements and declarations set out in Appendix 2 regarding our independence, qualifications, general disclaimer and indemnity, as well as restrictions on the use of this Report.

Unless specified otherwise, references to '\$' are to New Zealand Dollars. When referring to Smartpay, references to financial years or 'FY' mean Smartpay's financial years ended 31 March.

Tables may not add due to rounding.



### 3. Industry overview

#### 3.1 Overview

The 'payments system' refers to arrangements which allow consumers, businesses and other organisations to transfer funds usually held in an account at a financial institution to one another. It includes the payment instruments – cash, cards, cheques and electronic funds transfers – which customers use to make payments and the usually unseen arrangements that ensure that funds move from accounts at one financial institution to another.

Electronic funds transfer at point of sale (EFTPOS) refers to a payments system and card network that sits within the retail payment ecosystem. The EFTPOS system is built on electronic payment technology that enables the transfer of funds directly between the customer's bank and the merchant's bank. Specifically, it is a domestic payment system in New Zealand and Australia, and the EFTPOS network accepts all card payments (EFTPOS cards, debit cards, credit cards) and mobile wallets.

The following points broadly describe the terminology and the flow of data and funds through the system:

- **EFTPOS terminal:** The initial point of interaction for payment is at the physical EFTPOS terminal (the hardware). The EFTPOS terminal provides the **payment software** which securely collects and transmits the relevant information required to process a transaction.
- **Point of Sale (PoS) system:** The EFTPOS terminal may be connected to the merchant's PoS system. PoS systems will often be specific to an industry. The EFTPOS terminal and PoS may or may not be supplied by the same provider.
- **The payment processor:** The transaction data is transmitted from the EFTPOS terminal to the payment switch. The payment switch is technology provided by the payment processor and it routes the transaction to the appropriate card network; the transaction is authorised by the card issuer.
- **The acquirer:** The acquirer settles the money to the merchant's bank account. The acquirer acts as an intermediary between merchants and card payment networks such as Visa and Mastercard.
- **Card scheme (also referred to as a card network):** is a payment network that sets rules for how the transactions are processed (e.g. performs fraud checks) and operates the infrastructure for settling funds. For example, Visa and Mastercard.
- **Card issuer:** is the financial institution (usually banks) that issues cards to consumers. The card issuer provides the card, manages the account and handles billings.

Revenue is generated across the ecosystem. To accept a card payment the merchant pays a merchant service fee per transaction. The merchant service fee is charged to the merchant by the acquirer (processor) and covers several costs, including:

- **Switching or processing fees:** The payment processor charges a fee for each transaction processed. The switch provider incurs significant compliance costs with ongoing encryption and security, making volume and scale important for cost effective switching.
- **Scheme fees:** Transactions processed by a card scheme (e.g. Visa and Mastercard) incur a cost per transaction.
- **Interchange fees:** These fees represent the majority of the cost per transaction. These are fees charged by the bank that issued the card (the issuer) that has been used to complete the transaction. Interchange fees are charged per transaction and vary depending on the type of card – premium cards attract higher interchange fees.

The industry has evolved differently in Australia and New Zealand, which led to Smartpay having different service propositions in each country.

In Australia, Smartpay is a payment facilitator, participating in the transaction processing and settlement as well as providing the EFTPOS terminals. It is not a payment processor per se, rather it holds relationships with merchants and facilitates the processing of payments, and settlement of those payments, through an agreement with a payment processor, Cuscal Limited (Cuscal).



In New Zealand, Smartpay has historically operated solely as an EFTPOS terminal provider. However, in early 2025, it launched a pilot to address the 'New Zealand acquiring' opportunity, which largely mirrors its Australian product offering, allowing the New Zealand business to participate in the transaction processing area of the payments systems.

In Australia the payments sector is mature within the broader fintech sector, with over 150 active companies. The market has evolved from being a bank dominated market to include a wide range of market participants. The market is constantly evolving and innovating, which means there are often new entrants, new products and new ways for consumers and merchants to interact and transact. As a result, companies that have remained agile and open to new opportunities to deliver to merchants have been more likely to maintain and grow their market share. Smartpay is an example of this and has transitioned from a company traditionally focussed on offering EFTPOS terminals to participating in the acquiring business.

Figure 1: Market participants within the Australian and New Zealand EFTPOS ecosystems

	EFTPOS terminal provider	Acquirer	Payment processor	Card issuer	Card scheme
Smartpay					
'Big 4 banks' NZ					
'Big 4 banks' AU					
Visa, Mastercard etc.					
Cuscal					
Worldline AU					
Worldline NZ					
Windcave					
Verifone					
Tyro payments					
Square					
Zeller					
Lightspeed					
EFTPOSNow					

Note: grey highlights represent the company offerings.

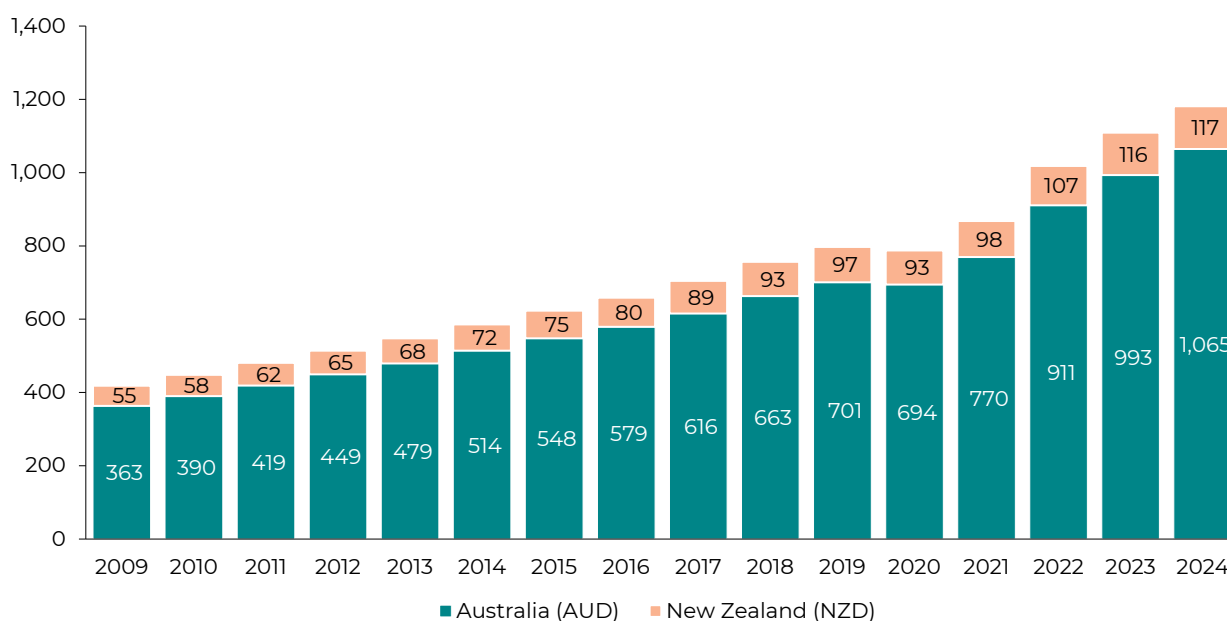


### 3.2 Market and market share

Australia and New Zealand have among the highest penetration of EFTPOS terminals in the world, with both countries having long established infrastructure and wide acceptance across sectors. Card payment processing in both jurisdictions has experienced growth off the back of technological advances and with an increasing shift in consumer preference for electronic payment methods (both card and digital), with a high preference for contactless methods.

The Reserve Bank of Australia (RBA) reports that the transition from cash to electronic payments continues to increase with less than 13% of retail transactions paid by cash.

Figure 2: Electronic cards, total transaction value (NZ\$ / AU\$, billions)

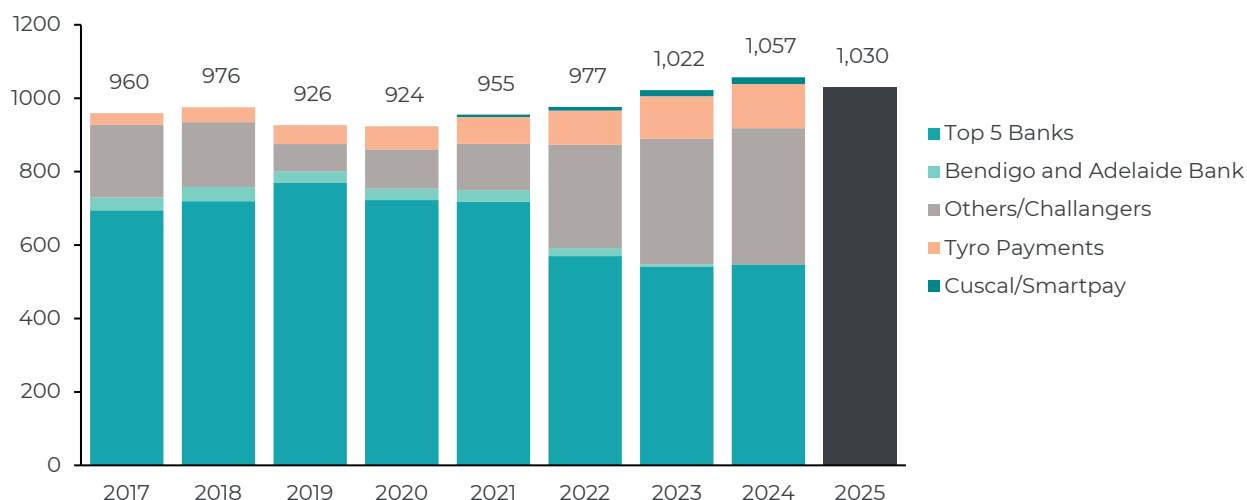


Source: Reserve Bank of Australia, Statistics New Zealand

The EFTPOS market tends to be highly competitive. Smartpay has tended to target 'Small to Medium Enterprise' (SME) and micro-sized businesses. These businesses tend to be proportionally more expensive to service than large businesses. Smartpay competes by combining its focus on the smaller end of the market with a 'hands on' approach with prompt sales and service support. Smartpay, along with other 'challenger' brands, has gained market share at the expense of the big banks.



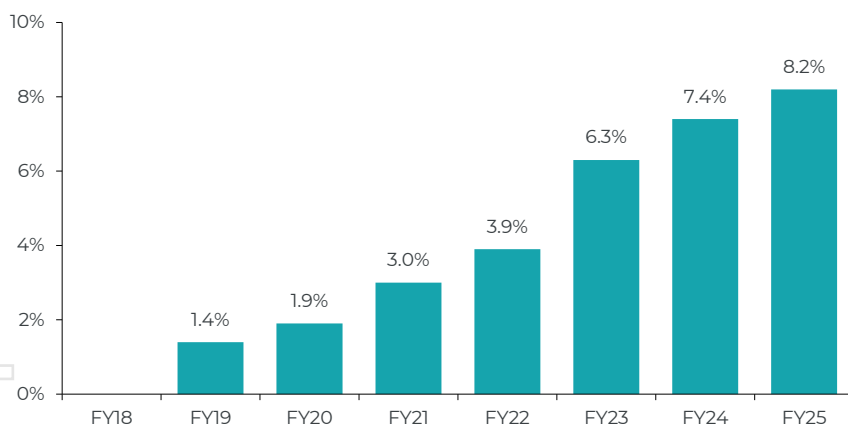
Figure 3: Australian market share (terminals, thousands)



Source: APRA, Auspaynet

There are just over 1 million transacting terminals in Australia. However, given its focus on SME's, Smartpay estimated its 'total addressable market' was closer to 250,000 terminals at the end of FY25. This effectively represents the segment in which Smartpay's products are particularly relevant to customers. Based on its total addressable market, rather than every terminal in the market, Smartpay has a market share of just over 8% by the end of FY25, as shown in Figure 4.

Figure 4: Smartpay's market share in Australia (proportion of addressable terminals in market)



Source: Smartpay annual report

Smartpay plans to introduce new products and pricing models over the short to medium term (e.g. a low-cost routing product and a PoS and Payments 'bundle'). Smartpay anticipates these products will increase its total addressable market to approximately 400,000 to 450,000 terminals, largely reflecting products more targeted to medium sized customers.

We understand from Smartpay that there are an estimated 140,000 EFTPOS terminals in New Zealand, of which Smartpay has approximately 31,000, representing a market share of approximately 22%.





### 3.3 Macro-economic environment

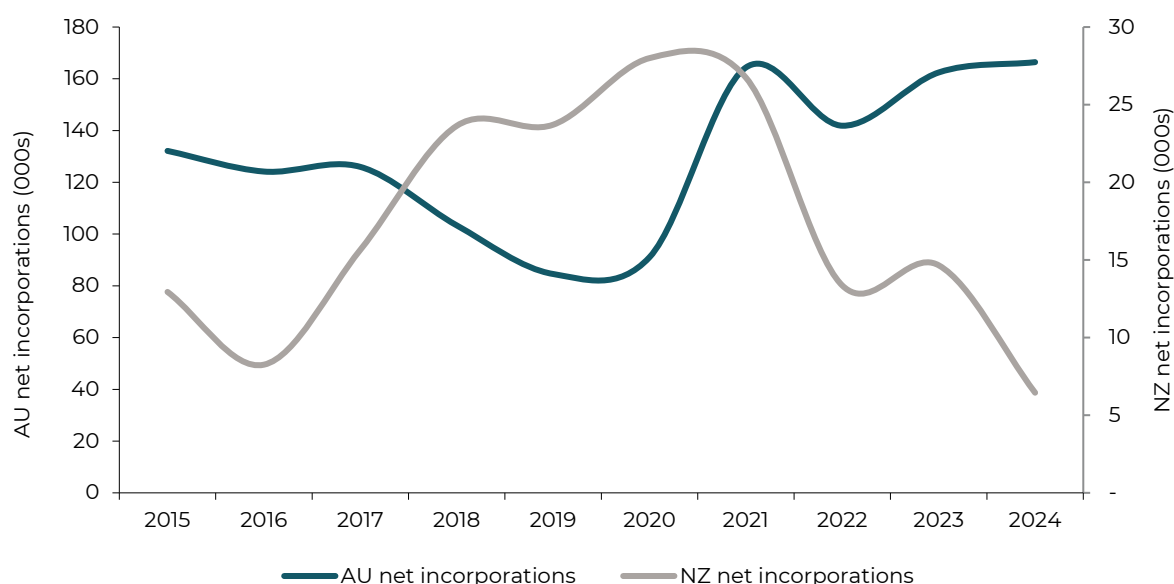
The macro-economic environment in New Zealand and Australia remains challenging, with interest rates remaining elevated and household budgets stretched after years of above-average inflation.

New Zealand in particular is observing a more challenging macroeconomic environment with inflation above the Reserve Bank of New Zealand's target midpoint of 2.0% and trending higher. Australia's inflation rate, on the other hand, is sitting only marginally higher than the Reserve Bank of Australia's 2.0% target and trending lower.

Unemployment rates in Australia and New Zealand have also been trending higher from their COVID-lows, and while consumer confidence measures in each country have been improving, they remain on the pessimistic side.

Business liquidations have continued to rise in both Australia and New Zealand and while the net number of companies being incorporated in New Zealand (company incorporations less company removals) is still positive, it has narrowed significantly since the high reached in 2020. In contrast, net new incorporations in Australia have remained relatively stable post-COVID.

Figure 5: Net company incorporations



Source: New Zealand Companies Office, ASIC

The weaker economic environment has translated into overall softer consumer spending in both countries. In particular, New Zealand has observed virtually stagnant consumer spending since the second quarter of 2023, while Australia has observed modest gains over the same period.<sup>1</sup> This has translated into softer, but still positive, retail sales growth in Australia. In contrast, New Zealand retail sales growth has been more challenging with only marginally positive growth in the last two quarters after eight consecutive quarters of contraction.

<sup>1</sup> Reserve Bank of New Zealand, [Private Consumption Expenditure](#) & Australian Bureau of Statistics, [Household Final Consumption Expenditure](#)



### 3.4 Regulatory considerations

The RBA determines the rules for surcharging in Australia. The Commerce Commission (ComCom) oversees the retail payments system in New Zealand. Collectively, we refer to the RBA and ComCom as 'the regulators'.

The growing preference in Australia and New Zealand for contactless and mobile payments, versus cash and other forms of card payment, combined with increased surcharging, has led to increased interest from the regulators and governments in both countries.

In particular, there has recently been:

- A preliminary decision paper by the RBA, which proposes the removal of the prohibition on the schemes to ban surcharging.
- An announcement by the New Zealand Government of an intention to legislate a ban on the surcharging of some card transactions instore in New Zealand.

#### Australia

In June 2024, the RBA announced it would undertake a review of the payments system, and part of that review would be to examine surcharges. Following the review, in July 2025 the RBA announced its proposal to abolish debit and credit card payment surcharges, through the removal of the prohibition on card schemes (e.g., Visa and Mastercard) to ban surcharging, restricting the merchant's ability to explicitly add a surcharge to the customer's payment. It concluded that surcharging, which was introduced more than two decades ago, is no longer effective in a predominantly cashless economy.

The RBA has also proposed to lower the cap in interchange fees, which currently represents the largest portion of the surcharge, and is paid to the card networks and banks as an interchange fee.

This is expected to come into effect by July 2026.

Table 1: Reserve Bank of Australia proposed interchange changes

Card type	Payment method	Current cap	Draft cap
Domestic debit	In-person – contacted	0.20%	0.12%
	In-person – contactless	0.20%	0.12%
Domestic credit	In-person	0.80%	0.30%
Commercial credit	In-person	0.80%	No change
Foreign-issued cards	In-person debit	Unregulated	0.20%
	In-person credit	Unregulated	0.40%

Source: Reserve Bank of Australia, 'Review of Merchant Card Payment Costs and Surcharging – Consultation Paper'

#### New Zealand

A similar position has been followed in New Zealand with a ban on surcharges on some card payments instore, regardless of whether the payment method is contactless. This will apply to Visa and Mastercard debit and credit cards, EFTPOS cards and contactless payments (including mobile wallets).

The legislation is expected to be introduced to New Zealand Parliament by the end of the year and the ban to become effective no later than May 2026.

As with the RBA preliminary decision, the ComCom has confirmed reduced caps on interchange fees. The implementation date of the confirmed reduction in caps for domestic credit is December 2025, and the date for foreign issued cards is May 2026.



Table 2: Commerce Commission confirmed interchange changes

Card type	Payment method	Current cap	Confirmed cap
Domestic debit	In-person – contacted	0.00%	No change
	In-person – contactless	0.20%	No change
Domestic credit	In-person	0.80%	0.30%
Commercial credit	In-person	Not currently regulated	No change
Foreign-issued cards	In-person	Not currently regulated	0.70%

Source: Commerce Commission New Zealand, 'Interchange Fee Regulation for Mastercard and Visa Networks – Final Decision and Reasons Paper'

### Impact on Smartpay

Smartpay expects these proposed changes will impact on Australian revenue and the New Zealand acquiring opportunity (which has a similar revenue model).

While consumers will not be explicitly charged a surcharge, there is still a cost to processing payments and it is expected these fees will be borne by merchants, who will decide whether to pass on the cost in their core prices.

There is also to be a reduction in interchange fees. It is expected that this will lead to a reduction in the merchant service fee charged by the acquirer to merchants.

There is significant uncertainty as to how the effects of the proposed bans will play out. There are a range of plausible outcomes that are challenging to anticipate with any certainty at present. The bans and reduced caps on interchange fees will together result in impacts on both of Smartpay's revenues and costs.

Smartpay anticipates that a complete surcharge ban in Australia would result in a reduction in its Australian revenue of up to 10%, mitigated by a reduction in interchange fees. In other words, the fees it receives from merchants would reduce due to lower merchant service fees, but it would also pay less in costs due to reductions in interchange fees.

Smartpay does not anticipate a major impact to existing revenues in New Zealand, from the proposed surcharge ban. Its transactional revenue product is at a reasonably early stage and Smartpay has not offered a surcharge solution as part of its acquiring product in New Zealand.



## 4. Smartpay overview

### 4.1 Background and history

Smartpay provides EFTPOS payment services. This includes EFTPOS terminal hardware, software, maintenance services, and facilitating payment processing to merchants across New Zealand and Australia.

When Smartpay was incorporated it initially rented the physical EFTPOS terminals to merchants in New Zealand. It has since expanded its geographical footprint and its service offerings, with currently over 40,000 merchants and 56,000<sup>2</sup> terminals across New Zealand and Australia.

A timeline of key events is shown below.

Figure 6: Timeline of key events



Source NZX announcements and Smartpay management

<sup>2</sup> These are the most recent numbers per the investor relations website; therefore, the numbers may not necessarily align with figure 7 which is based on the most recent annual report.



## 4.2 Revenue

Smartpay's revenue model differs between New Zealand and Australia. In New Zealand it holds a large position in the terminal rental market, whereas in Australia it has a small but rapidly growing position in transaction processing.

Total revenue has more than doubled since FY22, entirely due to growth in Australia.

Figure 7: Historical revenue and terminals by country



Source: Smartpay annual reports

### Australia

The Australian business operates an acquiring business.

Most of Smartpay's revenue in Australia comes from transaction processing revenue, where merchants pay a merchant service fee on the total value of transactions processed and settled in a month. This represents around 96% of Smartpay's Australian revenue. Smartpay refers to this revenue as 'Transactional processing services' which is a bundled service consisting of facilitating transaction processing and provision of support services. Smartpay charges the merchant service fee to the merchants. The merchant service fee includes the costs described in Section 3 as well as a margin which Smartpay charges for facilitating the payment processing on behalf of the merchant.

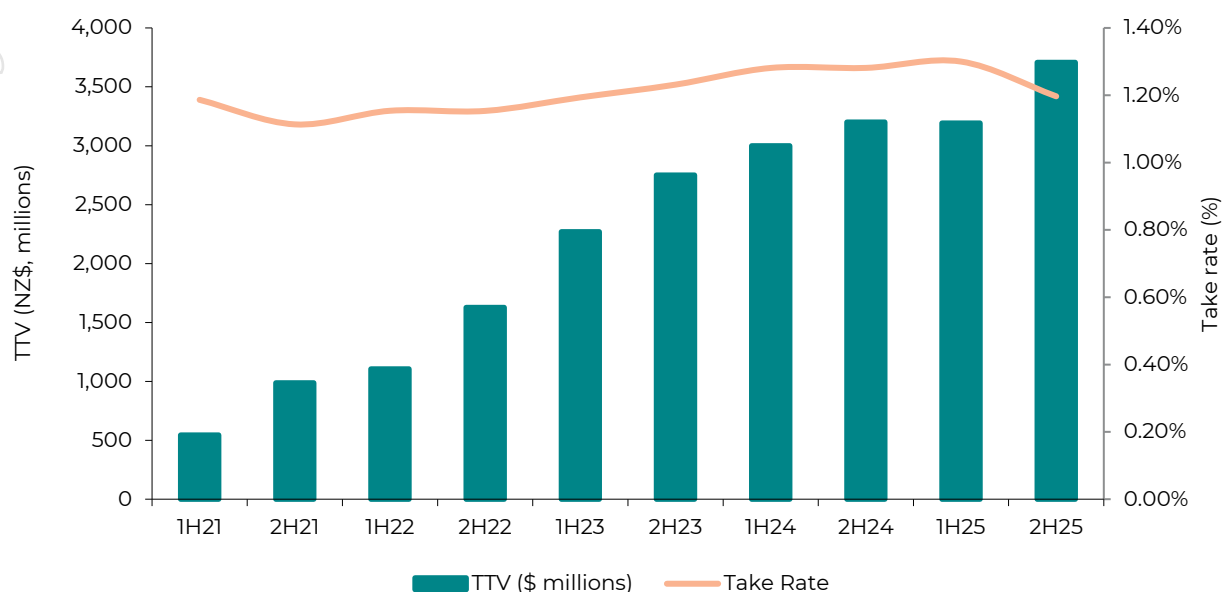
Smartpay also earns terminal rental income in Australia. This reflects only a small portion of Smartpay's overall revenue in Australia (around 4%). This charge is only paid by some merchants, depending on the product they receive from Smartpay, with terminal rental being bundled with transactional processing for some of Smartpay's offerings.

Due to its focus on transactional processing services, Smartpay's revenue in Australia is strongly influenced by the value of transactions processed via its EFTPOS terminals. The key factors influencing the value of transactions processed, and therefore revenue, are:

- **Number of merchants/terminals:** The Australian business was launched in 2017 and has experienced strong growth in the number of merchants, and consequently the number of terminals.
- **Total Transaction Value (TTV):** Smartpay earns revenue per transaction. The greater the merchant TTV, the greater the earnings potential to Smartpay. Historically, the average merchant TTV in Smartpay Australia's portfolio has been around \$39,000 per month.
- **Take rate:** being the proportion of the transaction value paid to Smartpay for facilitating the payment processing. On average, across the Smartpay portfolio, this is calculated as transaction processing revenue divided by merchants TTV.



Figure 8: Historical average take-rate and TTV



Source: Smartpay management and Smartpay annual and interim reports

Smartpay currently has two acquiring products in market:

- **SmartCharge:** This is marketed as a zero cost EFTPOS solution for merchants, targeting merchants with a monthly card turnover of more than \$10,000. Smartpay bundles all costs into a single nominal fee, which merchants can then recover from card holders. This is a surcharge model and will likely be affected by the proposed regulatory changes.
- **Simple Flat Rate:** This is a non-surcharge model or a 'merchant-pays' model, whereby the merchant pays a nominal fee per transaction, regardless of the card type and the fee is not passed on to the customer via a surcharge. This product is currently used by approximately 10% of Smartpay's Australian merchants.

During FY25, the average Annual Revenue Per Unit (ARPU) (i.e. revenue per terminal) for the Australian transaction processing business was around \$4,600.

### New Zealand

Smartpay's revenue in New Zealand has historically been from 'merchant terminal services'. This is a bundled service which includes:

- Provision of hardware (EFTPOS terminal rental)
- Provision of payment software
- Provision of repairs and maintenance
- Provision of support services.

This is a rental arrangement where the merchant receives the above services for the duration of the contract, in exchange for a fixed monthly rental. The contract is typically for a three- or four-year term. This is a mature, competitive and commoditised market and revenue growth from this product is reliant on acquiring new merchants.

Historically the revenue and terminal fleet has remained relatively flat. Typically, customer churn rate is approximately 1%, which is more-or-less offset by new merchant acquisitions.

During FY25 the average ARPU was around \$470 per terminal. This is around one tenth of the ARPU generated by the Australian model, but with a different risk profile and costs.





The newly piloted New Zealand acquiring business will be similar to the Australian revenue model, participating in the value of transactions processed via its terminals.

### 4.3 The three-stage strategic plan

Smartpay has a three-stage strategic plan, with the goal of developing a common trans-Tasman technology and terminal platform, through which it can embed its solutions and brand within its customers' business.

#### Phase 1

Phase 1 was focussed on establishing the Australian business and exploiting the in-market opportunity to participate in transaction settling. Smartpay continues to grow out this business.

#### Phase 2

Phase 2 refers to the New Zealand 'acquiring opportunity', which involves the transition of Smartpay from a terminal rental provider in New Zealand to facilitating payment processing, similar to the Australian model. The New Zealand acquiring opportunity is being piloted, with Cuscal NZ providing the processing services.

Despite regulatory uncertainty, Smartpay considers this is a significant growth opportunity with the potential to materially improve its unit economics (ARPU), assuming it successfully executes on its strategy.

Smartpay expects to convert a large portion of its existing merchants over the next three years. The expected unit economics are:

- **ARPU:** \$3,900, compared to \$470 from legacy rental only business
- **Gross margin:** 40% which translates into incremental \$1,100 gross margin

#### Phase 3

In Phase 3, Smartpay aims to bring together a common technology platform, terminal and trans-Tasman payments facilitation business, to build on its existing products and deliver additional value and services, for example:







- **White label agreement:** Smartpay has executed a 'white label' agreement with a PoS partner to provide a complete PoS/Payment solution to the Hospitality, Retail and Services industry across New Zealand and Australia. The first sales of the bundled solution began in March 2025, and the white-label solution anticipated to follow in the current financial year ended 31 March 2026.
- **Comprehensive small business toolkit:** Smartpay has executed a partnership agreement to deliver a next generation merchant ecosystem, and the first phase is currently in pilot.



## 4.4 Products and solutions

Smartpay continually invests in research and development, and the majority of its software is internally developed. Its product offerings are summarised below:

Figure 9: Products and solutions

					
SmartCharge	Simple Flat Rate	Merchant Terminal	Merchant Portal	SmartConnect	Retail Radio
A zero cost EFTPOS solution for merchants that meet a monthly turnover threshold.	A no surcharge payment facilitation offering.	Compliant EFTPOS terminals. A new Trans-Tasman terminal has been developed.	A web-based tool that allows merchants to track and monitor information from card transactions and access past receipts.	Cloud-based platform that connects Smartpay terminals to third-party applications and software such as PoS providers	In-store music and digital signage solution for retailers across Australia and New Zealand.

Source: Smartpay annual reports

Other products and solutions in development are the white-label PoS product and small business toolkit referred to above, as well as a low-cost routing product.

## 4.5 Key agreements and suppliers

Smartpay has the following key agreement with suppliers.

Key suppliers	Cuscal	Transaction Network Services	PAX Technologies
Services provided	Provides sponsored acquirer services, settlement and processing services	Provides network connection services that delivers transaction data from the merchant to the processors (Cuscal and Worldline)	Manufactures terminals and cradles
Jurisdiction	Australia and New Zealand	Australia and New Zealand	Australia and New Zealand

Source: Smartpay management



## 4.6 Business overview summary

	Australia	New Zealand
Description	Operates a terminal rental plus transactional revenue model. Relatively new entrant, but growing rapidly.	Legacy business is terminal rental business where it has a strong market position. Transitioning to a dual rental and transactional revenue, similar to Australia.
Proportion of terminals in fleet		
Contribution to FY25 Revenue		
Historical revenue (lhs axis, \$ millions) Fleet (rhs axis, thousands)		
ARPU	~\$4,600	~\$470
FY25 TTV	\$6.9 billion	n.a.
Customer attrition	~1.9% of the fleet per month	~1% of the fleet per month



## 4.7 Share ownership

Smartpay has 241,943,464 shares on issue (excluding 169,931 shares held as treasury stock) and more than 2,100 registered shareholders. Table 3 shows the top 20 shareholders as at 31 July 2025.

Table 3: Major shareholders as at 31 July 2025

Shareholder	Shares	Percentage
1 JP Morgan nominees Australia Limited	42,931,077	17.7%
2 Anacacia Pty Limited (Wattle Fund A/C)	41,521,684	17.2%
3 Citicorp Nominees Pty Limited	34,817,306	14.4%
4 HSBC Nominees (New Zealand) Limited – NZCSD (HBKN90)	27,005,067	11.2%
5 HSBC Custody Nominees (Australia) Limited	18,994,467	7.9%
6 Accident Compensation Corporation – NZCSD (ACCI40)	11,521,563	4.8%
7 Haymaker Investments Pty Limited (The Haymaker A/C)	6,337,422	2.6%
8 Martyn Pomeroy & Sara Pomeroy (Pomeroy Asset Protection A/C)	5,638,433	2.3%
9 Neweconomy Com AU Nominees Pty Limited (900 Account)	3,379,948	1.4%
10 New Zealand Depository Nominee Limited (A/C 1 Cash Account)	2,972,753	1.2%
11 BNP Paribas Nominees Pty Limited (IB AU Noms Retail Client)	2,689,793	1.1%
12 G Chan Pension Pty Limited (Chan Super Fund A/C)	1,808,457	0.7%
13 Microequities Asset Management Pty Limited (Microequities Nanocap 9 A/C)	1,504,106	0.6%
14 Warbont Nominees Pty Ltd (Unpaid Entrepot A/C)	1,432,733	0.6%
15 BNP Paribas Noms Pty Ltd	1,355,326	0.6%
16 Moorgate Investments Pty Limited	1,273,268	0.5%
17 JDA Investments Pty Limited	1,042,952	0.4%
18 Palm Beach Nominees Pty Limited	1,002,650	0.4%
19 Walker & Hall Fine Gifts Limited	1,000,000	0.4%
20 Katepip Investments Pty Ltd	982,000	0.4%
<b>Top 20 shareholders</b>	<b>209,211,005</b>	<b>86.47%</b>
Remaining shareholders	32,732,459	13.53%
<b>Total</b>	<b>241,943,464</b>	<b>100.0%</b>

Source: Computershare

Table 4 shows the most recent substantial product holder (SPH) interests as listed in the FY25 annual report. No notifications to the NZX have been received since the annual report.

Table 4: Substantial product holders as at 31 July 2025

Shareholder	Shares	Percentage
1 Anacacia Pty Limited	41,158,959	17.01%
2 Milford Asset Management Limited	36,047,628	14.90%
3 Microequities Asset Management Pty Limited	32,109,979	13.27%
4 Wilson Asset Management Global Limited	26,872,812	11.10%

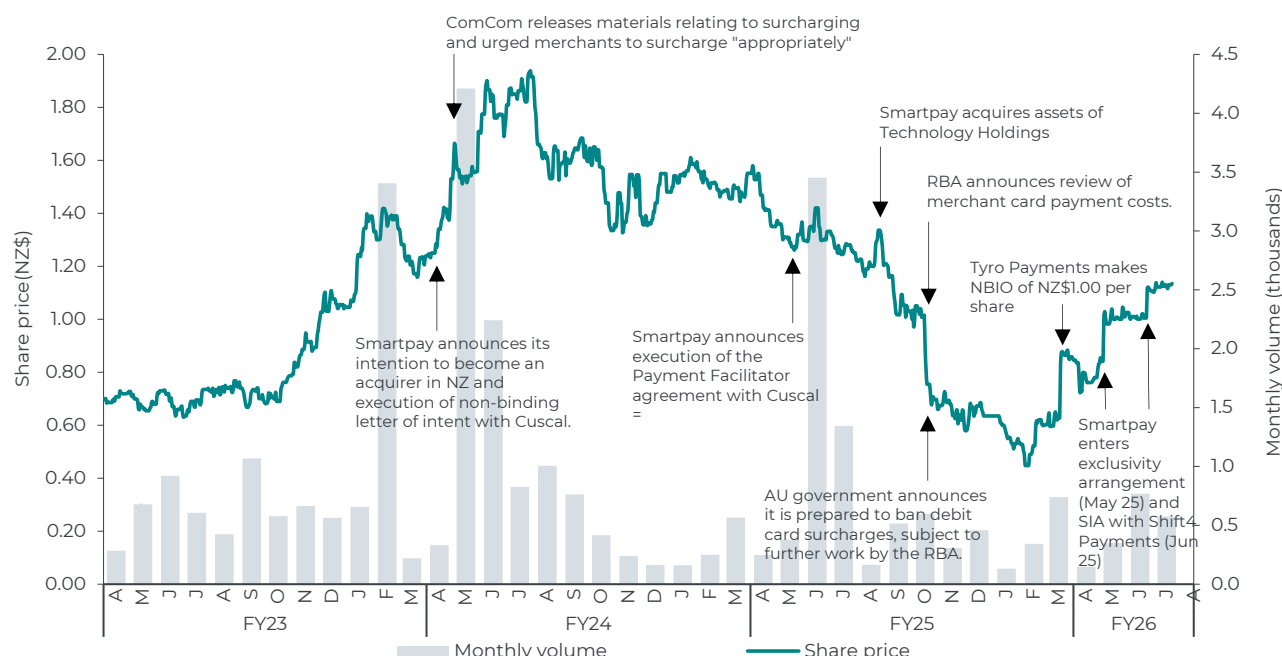
Source: Smartpay FY25 annual report



## 4.8 Share price performance

Figure 10 illustrates the prices and volumes of shares traded in Smartpay since April 2022.

Figure 10: Share price and volume



Source: S&P Capital IQ, NZX, RBA and ComCom announcements

Smartpay's share price increased substantially over FY22 and early in FY23 due to a combination of strong financial performance, strategic expansion and operational improvements.

The share price peaked in July 2023 (\$1.95 per share) and declined to a low in February 2025 (\$0.43 per share) after a series of announcements from the ComCom and RBA in relation to merchant payments and electronic card surcharging.

The decline in the share price over FY24 and FY25 also occurred at a time when earnings per share were either stagnant (FY24) or negative (FY25), despite revenues growing by around 36% over the two-year period.

Between 9 February 2025 (when the share price reached its \$0.43 low) and 14 March 2025 (prior to Tyro's NBIO of \$1.00 per share being announced) Smartpay's shares traded between \$0.49 and \$0.65 per share. Immediately following the announcement of the NBIO, Smartpay's share price closed at \$0.85 per share.

Between the announcement of Tyro's NBIO and Shift4 Payment's increased offer on 5 May 2025, the share price traded between \$0.62 and \$0.90. Following the announcement of Shift4 Payment's increased offer of \$1.20 per share, Smartpay's share price traded as high as \$1.06 per share. Since the announcement of the SIA on 23 June 2025, the share price traded between \$1.01 and \$1.15.



The share prices and volumes prior to the Tyro announcement are summarised in Table 5.

Table 5: Share price and volume traded in the period to 14 March 2025 (pre-Tyro announcement)

	Share price (NZD)			Volume (000s)	Proportion of issued capital
	Low	High	VWAP		
30 Days	0.52	0.65	0.61	501.0	0.21%
90 Days	0.43	0.69	0.59	743.5	0.31%
Six months	0.43	1.10	0.69	2,411.0	1.00%

Source: S&P Capital IQ and Calibre Partners analysis

Note: The high and low share prices are based on highest/lowest trading price on the day in the relevant period

The proposed consideration of NZ\$1.20 per share represents:

- A premium of 90.5% to the closing share price of NZ\$0.63 on 14 March 2025.
- A premium of 96.1% to the VWAP of NZ\$0.61 for the 30 days ended 14 March 2025.
- A premium of 102.2% to the VWAP of NZ\$0.59 for the 90 days ended 14 March 2025.
- A premium of 74.3% to the VWAP of NZ\$0.69 in the six months ended 14 March 2025.

The share prices and volumes prior to the SIA announcement are summarised in Table 6.

Table 6: Share price and volume traded in the period to 19 June 2025 (pre-SIA announcement)

	Share price (NZD)			Volume (000s)	Proportion of issued capital
	Low	High	VWAP		
30 Days	0.99	1.05	1.01	365.4	0.15%
90 Days	0.49	1.13	0.82	1,892.0	0.78%
Six months	0.43	1.06	0.80	1,987.3	0.82%

Source: S&P Capital IQ and Calibre Partners analysis

Note: The high and low share prices are based on highest/lowest trading price on the day in the relevant period

The proposed consideration of NZ\$1.20 per share represents:

- A premium of 19.4% to the closing share price of NZ\$1.01 on 19 June 2025.
- A premium of 18.9% to the VWAP of NZ\$1.01 for the 30 days ended 19 June 2025.
- A premium of 46.5% to the VWAP of NZ\$0.82 for the 90 days ended 19 June 2025.
- A premium of 49.8% to the VWAP of NZ\$0.80 in the six months ended 19 June 2025.





## 5. Financial Overview

### 5.1 Financial performance

The historical financial performance of Smartpay for the years ended 31 March 2022 (FY22) to 2025 (FY25).

Table 7: Historical financial performance (NZ\$ 000)

	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual
	Audited	Audited	Audited	Audited
Revenue	48,080	77,775	96,513	104,721
Direct cost of sales	(16,469)	(29,464)	(40,585)	(44,120)
<b>Gross profit</b>	<b>31,611</b>	<b>48,311</b>	<b>55,928</b>	<b>60,601</b>
Other income	4	4	28	817
Operating expenditure	(21,343)	(29,694)	(34,639)	(44,577)
Impairment loss on financial assets (provision for doubtful debts & bad debt write off)	(110)	(227)	(51)	(212)
<b>EBITDA (reported)</b>	<b>10,162</b>	<b>18,394</b>	<b>21,266</b>	<b>16,629</b>
Depreciation and amortisation	(7,972)	(8,824)	(10,615)	(14,471)
Foreign exchange adjustments	(87)	(86)	(78)	(339)
Share performance rights expense	(539)	(1,035)	(936)	(795)
<b>EBIT (reported)</b>	<b>1,564</b>	<b>8,449</b>	<b>9,637</b>	<b>1,024</b>
Net finance income/(expense)	(538)	(638)	(452)	(677)
Change in fair value of convertible notes	909	-	-	-
Gain on disposal of right or use asset	-	-	-	135
Impairment and loss on disposal of PPE	(164)	(238)	(387)	(594)
<b>Profit before tax</b>	<b>1,771</b>	<b>7,573</b>	<b>8,798</b>	<b>(112)</b>
Income tax (expense) / benefit	399	885	(392)	(611)
<b>Profit after tax</b>	<b>2,170</b>	<b>8,458</b>	<b>8,406</b>	<b>(723)</b>
<i>Gross profit margin</i>	<i>65.7%</i>	<i>62.1%</i>	<i>57.9%</i>	<i>57.9%</i>
<i>EBITDA margin</i>	<i>21.1%</i>	<i>23.7%</i>	<i>22.0%</i>	<i>15.9%</i>
<i>EBIT margin</i>	<i>3.3%</i>	<i>10.9%</i>	<i>10.0%</i>	<i>1.0%</i>

Source: Smartpay's annual and interim reports

Key points to consider when reviewing Smartpay's financial performance include:

#### Revenue

- As described in Section 4 of this report, historical revenue growth is entirely attributable to the Australian business which has been exponentially increasing its merchant base and growing its market share with a consequent increase in TTV.
- Smartpay acquired THL in August 2024 (i.e. part-way through the 2025 financial year), which has contributed 1.7% of the New Zealand revenue for the 2025 financial year, offsetting the revenue lost with the ASB white-label and taxi-fleet contracts.



### Direct cost of sales

- In New Zealand, direct costs of sales is primarily the monthly SIM cost to provide the terminal connectivity. Direct cost of sales is approximately 9% of the terminal rental revenue in New Zealand.
- In Australia the principal direct cost of sales is processing costs (paid to Cuscal), terminal communication costs to connect the terminals to Cuscal (paid to TNS) and scheme interchange fees (paid to the card schemes and banks). In total direct cost of sales are approximately 46% of acquiring transactional revenue in Australia.

Consolidated gross margin percentage has trended downwards as the composition of revenue has shifted towards the Australian acquiring transaction revenue model. The acquiring revenue model provides far greater levels of revenue growth potential which would be expected to deliver significant improvement overtime to the overall operating leverage.

### Other income

- In FY25, other income represents the insurance proceeds received from a cyber insurance claim to cover costs of a 2023 cyber incident.

### Operating costs

Table 8 includes the composition of operating costs.

**Table 8: Operating costs**

	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual
Employee benefit expense, net of capitalised amounts	(13,228)	(16,915)	(20,313)	(25,391)
Marketing	(3,989)	(6,931)	(6,497)	(9,048)
Information technology and compliance	(2,841)	(4,549)	(5,342)	(8,421)
Occupancy costs, travel, accommodation and other	(1,285)	(1,299)	(1,492)	(1,837)
Cyber incident			(995)	120
<b>Total</b>	<b>(21,343)</b>	<b>(29,694)</b>	<b>(34,639)</b>	<b>(44,577)</b>

Source: Smartpay annual reports

- Since FY22, employee expenses have nearly doubled as Smartpay has invested in the growth of its Australian transactional business and is investing ahead of the launch of the New Zealand acquiring business.
- During the first half of FY25, Smartpay invested in its brand with a campaign launched into Australia, coinciding with the launch of its next generation Android payment terminal, contributing to the increase in marketing costs for the year. This amounted to \$1.5 million.
- The following non-recurring items, or costs incurred ahead of growth were identified:
  - **Cyber incident:** Costs incurred as a result of a cyber incidence (FY24: \$1 million)
  - **Cyber incident:** Operating cost recovery of \$0.12 million, representing lawyers' fees paid directly by the insurer (FY25: \$0.12 million)
  - **Cyber incident:** Insurance proceeds received and recorded in other income (FY25: \$0.8 million)
  - **Gain on right-of use asset:** Gain on right of use asset recognised in other income on renewal of the lease (FY25: \$0.1 million)
  - **Non-recurring transaction costs:** Included in compliance costs (FY25: \$0.1 million)
  - **Pre-investment in New Zealand:** Approximately \$5 million invested in operating costs ahead of the roll-out of the New Zealand pilot transactional revenue business opportunity in FY25.
  - **Brand campaign** in Australia and launch of Android terminal: \$1.5 million of costs incurred in FY25.



- Depreciation and amortisation include the amortisation of contract costs. Contract costs relate to sales commission and other costs of acquisition to obtain a service and processing contract (e.g. a merchant) and are amortised over the expected life of the contract which is 36 months. Contract costs (and amortisation) increased substantially in FY25 following the acquisition of THL.
- We have adjusted the reported EBITDA and EBIT to remove the impact of NZ IFRS 16 and to adjust for non-recurring items described previously.

**Table 9: EBITDA adjusted for non-recurring items or costs incurred ahead of growth**

	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual
Reported EBITDA	10,162	18,394	21,266	16,629
NZ IFRS 16 adjustments	(764)	(1,405)	(1,913)	(2,288)
Adjusted EBITDA	9,398	16,989	19,353	14,341
Non-recurring items			995	(923)
Pre-investment in New Zealand				4,900
Australia and Android launch				1,500
Normalised, adjusted EBITDA	9,398	16,989	20,348	19,818

Source: Smartpay annual reports and Smartpay management



## 5.2 Financial position

The historical financial position of Smartpay is summarised below:

Table 10: Historical financial position (\$ 000)

	Mar 22	Mar 23	Mar 24	Mar 25
	Actual	Actual	Actual	Actual
Cash and bank	14,882	19,477	20,227	12,079
Trade and other receivables	8,555	15,961	61,537	15,048
Derivative financial instruments	-	92	106	158
Current tax assets	294	-	-	-
<b>Current assets</b>	<b>23,731</b>	<b>35,530</b>	<b>81,870</b>	<b>27,285</b>
Property, plant and equipment	9,458	15,632	25,429	27,877
Right-of-use assets	5,464	4,402	6,401	5,753
Contract costs	1,089	2,477	2,550	4,383
Intangible assets	12,638	13,305	17,570	26,636
Goodwill	14,772	14,772	14,772	14,772
Deferred tax assets	-	2,152	2,984	1,829
<b>Non-current assets</b>	<b>43,421</b>	<b>52,740</b>	<b>69,706</b>	<b>81,250</b>
<b>Total assets</b>	<b>67,152</b>	<b>88,270</b>	<b>151,576</b>	<b>108,535</b>
Trade payables and accruals	17,359	29,781	79,433	34,789
Current tax liabilities	-	1,330	674	337
Borrowings	1,279	1,000	-	232
Lease liabilities	1,103	1,220	1,694	2,026
Derivative financial instruments	16	-	-	-
Deferred tax liabilities	99	-	-	-
<b>Current liabilities</b>	<b>19,856</b>	<b>33,331</b>	<b>81,801</b>	<b>37,384</b>
Trade payables and accruals	-	-	3,098	-
Deferred taxation liabilities	-	-	-	555
Borrowings	10,000	9,000	9,000	14,600
Lease liabilities	4,650	3,634	5,281	4,316
<b>Non-current liabilities</b>	<b>14,650</b>	<b>12,634</b>	<b>17,379</b>	<b>19,471</b>
<b>Total liabilities</b>	<b>34,506</b>	<b>45,965</b>	<b>99,180</b>	<b>56,855</b>
<b>Net assets</b>	<b>32,646</b>	<b>42,305</b>	<b>52,396</b>	<b>51,680</b>

Source: Smartpay's annual reports

Key points to consider when reviewing Smartpay's balance sheets include the following:

- Cash and cash equivalents includes restricted cash. This is cash which has been received from the card scheme but not yet settled to the merchants. This restricted cash is held on behalf of merchants in the merchant settlement account.
- Trade and other receivables, and trade payables and accruals can fluctuate significantly from year to year. This is due to timing delays between transaction processing and remittance of funds to merchants. Smartpay settles funds into merchant accounts the following business day and, accordingly, if Smartpay's year-end falls on a weekend or public holiday, these balances will be elevated. This was the case in FY24 when year-end coincided with Easter.

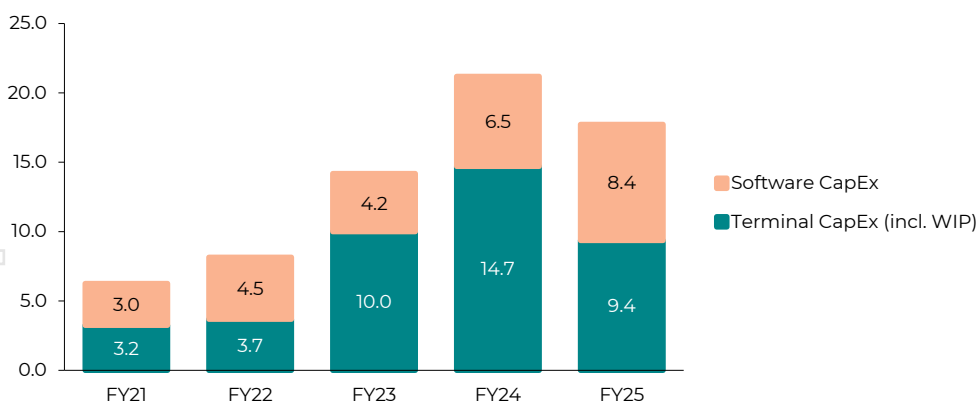


- Property, plant and equipment (PPE) is largely merchant terminals (FY25: \$26.9 million) and the remainder representing other PPE (leasehold improvements, motor vehicles, furniture and office equipment).
- Contract costs are capitalised sales commissions and other costs of acquisition paid to employees or third parties for the acquisition of service and transaction processing contracts. The cost is amortised over the expected life of the contract (three years). Additional contract costs were recognised in FY25 following the acquisition of THL.
- Intangible assets include software and capitalised development costs (FY25: \$23 million) and customer contracts (FY25: \$3.5 million). The majority of the software is internally developed and the current work in progress (approximately \$9.1 million) relates to ongoing merchant terminal development and the development of the transaction processing and merchant management system which are the systems supporting our transaction revenue products in both Australia and New Zealand.
- Borrowings increased by \$5.8 million in FY25, partly to fund the acquisition of the THL transaction and partly to fund software development.
- Smartpay has an equity settled share-based compensation plan. The Share Performance Rights (SPR) may vest early where Smartpay is subject to an unconditional offer to acquire all the shares in Smartpay prior to the exercise date of the SPRs. The number of SPRs that are expected to vest, and accordingly the number of shares that will be issued, is 4,845,144. We have included these in the total number of shares used to calculate the equity value per share.
- Smartpay estimates its net debt (external borrowing less unrestricted cash) at \$17.0 million as at 30 September 2025. We have used the forecast position for the purposes of our valuation.

### Capital expenditure

Smartpay's capital expenditure is predominantly on new terminals and software development, as shown in Figure 11.

Figure 11: Past capital expenditure (NZ\$ million)



Source: Smartpay annual reports

Smartpay had \$15.7 million in capital expenditure commitments at the end of FY25, primarily related to the development of intangible assets and purchase of terminals and accessories.

The recent elevated investment and high levels of commitment were for the development of the new Android terminal and building products and solutions for merchants in advance of the roll out of acquiring products in New Zealand.



## 6. Valuation

### 6.1 Approach to valuation

#### Standard of value

We have estimated the 'fair market value' of Smartpay. Fair market value is the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, both acting at arm's length.

#### Business interest being valued

Our valuation is based on the acquisition of the whole of Smartpay and accordingly incorporates a premium for control.

All else being equal, a controlling interest in shares is typically more valuable than an interest without control. This is because a non-controlling interest has limited influence over important business decisions, such as declaring dividends and determining the investment strategy. Accordingly, the value we have assessed exceeds the level at which, under normal market conditions, we would generally expect shares in Smartpay to trade on the share market.

#### Valuation techniques

The three most commonly used valuation methods applied to business valuation are:

- Discounted cash flow (DCF) method
- Capitalisation of earnings and other market based approaches
- Summation method, and other cost based approaches.

Each of these methods is appropriate in different circumstances. A key factor in determining which method is appropriate is the actual practice commonly adopted by purchasers of the type of business involved. These valuation methods and approaches are explained in greater detail at Appendix 3.

We have adopted the DCF and a market approach to estimate the fair market value of Smartpay on a standalone basis.

We consider the DCF methodology is appropriate because:

- The DCF methodology is suited to valuing businesses where current earnings are not representative of future earnings. This is particularly relevant when valuing a business experiencing high growth or fundamental changes to its business. This is relevant to Smartpay, which is launching the acquiring business model in New Zealand, for which it has already invested in its operating cost structure (increased personnel and marketing costs) ahead of anticipated growth.
- The DCF methodology allows for key assumptions like changes to the number of acquiring merchants, TTV per merchant and the take rate to be specifically addressed in the valuation analysis.
- The DCF methodology requires long-term financial forecasts. Smartpay does not ordinarily prepare long-term forecasts. However, given the expected changes in its business and the regulatory environment, Smartpay management has prepared a range of forecast scenarios to reflect possible outcomes. The range of scenarios recognises that the impact of the regulatory changes and the execution of the New Zealand acquiring opportunity is highly uncertain. Except for the FY26 budget, these forecasts were prepared by management for the purposes of this Report and are not board approved. The forecasts are illustrative of possible outcomes, but the ultimate outcome is highly uncertain and will depend on factors both within and outside of Smartpay's control.





In undertaking our DCF valuation we have separately valued the contribution (gross profit before overheads and other operating costs) in each of New Zealand and Australia, and the operating costs across the group. In particular:

- We consider it is useful to consider the New Zealand and Australian businesses separately, given the current businesses are quite different (rental in New Zealand and acquiring in Australia), the potentially different regulatory outcomes that might occur in each environment, and the different growth prospects in each jurisdiction.
- We have focused on the gross profit in each jurisdiction, keeping the overheads and other operating costs separate, because the gross profit differs substantially between the different scenarios, whereas overheads and other operating costs are more consistent, without substantial variation between the scenarios. In addition, overheads and other operating costs are partly shared between jurisdictions and product types, meaning any split between jurisdiction or product type would be arbitrary.

We have also used a market-based approach to crosscheck the value derived from the DCF method. In particular, we have considered three units of comparison to benchmark the value of Smartpay, revenue, gross profit and EBITDA. Comparisons using revenue and gross profit are reasonably 'high level' comparisons, which are more commonly used to value technology companies, where the current level of earnings may not be representative of future earnings, and where an acquirer can often achieve substantial synergies by merging companies (making current day operating costs less relevant that they might otherwise be for a traditional business).

#### Valuation date

We have adopted a valuation date of 30 September 2025, which is the around date when shareholders are expected to vote on the Scheme.

Our valuation was finalised on 27 August 2025. When preparing the valuation, we considered and factored in events that occurred up to this date. However, our valuation does not consider unforeseen events that occur after 27 August 2025. Therefore, when deciding on whether to vote to approve or reject the Scheme, shareholders may want to consider any material events that occur after 27 August 2025, such as movements in the prices of other listed companies, macro-economic changes that may affect spending habits, and further developments in the regulatory environment.



## 6.2 Valuation summary

We estimate the fair market value of Smartpay's equity at between \$1.07 and \$1.43 per share, as summarised in Table 11. Our assessed value range compared to the offer price of \$1.20 per share.

Table 11: Valuation assessment (\$ millions)

	Low	High
Contribution from New Zealand operations	250.0	290.0
Contribution from Australia operations	390.0	440.0
Corporate overheads and other operating costs	(360.0)	(360.0)
Enterprise value	280.0	370.0
Net debt	(17.0)	(17.0)
Equity value	263.0	353.0
Number of shares (millions) <sup>1</sup>	246.8	246.8
Equity value per share	1.07	1.43
Equity value per share mid-point	\$1.25	

Note 1: total number of shares consists of 241,943,464 on issue and 4,845,144 that will be issued when the SPRs vest on acquisition

We assess the enterprise value of Smartpay at between \$280 million and \$370 million using the DCF methodology (Section 6.3). We have cross checked this enterprise value range using a market-based approach, benchmarking against revenue, gross profit and EBITDA multiples (Section 6.4).

To convert the enterprise value into an equity value, we have deducted net debt, comprised of cash and borrowings. We have based this on the forecast balances as at 30 September 2025.

Our valuation is for 100% of Smartpay and therefore includes a premium for control. The value exceeds the price at which, based on current market conditions, we would expect Smartpay's shares to trade in the absence of a takeover offer or transaction similar in nature to the Scheme.

Our assessment of value has a relatively wide range, with the low and high ends approximately 15% away from the mid-point value of \$308 million. We consider this appropriate in circumstances where there is substantial uncertainty associated with the New Zealand acquiring opportunity, as well as recent regulatory changes, the longer-term impact of which is still unknown.

For example, if Smartpay is successful in converting the majority of its merchants, this will lead to an increase in Smartpay's equity value, all else being equal. In contrast, if the conversion is challenging, leading to lower conversions or lower income from those merchants that do convert, then this will drag on Smartpay's equity value, all else being equal.



## 6.3 Discounted cash flow

### Principal assumptions and valuation parameters

#### Forecast cash flows

Smartpay does not normally prepare medium- or long-term financial forecasts.

For the purpose of this independent adviser's report, management prepared financial forecasts, based on the FY26 board approved budget, and projections for the following four years.

It is challenging to anticipate the extent to which the regulatory changes will impact the take rate, merchant numbers (acquisition and churn) and the effect of the cap on the interchange fees. Similarly, there is significant uncertainty in estimating the growth trajectory of the New Zealand acquiring business. Given this context, management has prepared alternative forecast scenarios.

The scenarios are separate for Australia and New Zealand. This is because Smartpay being successful in one jurisdiction is unlikely to materially impact its chance of success in the other jurisdiction. Overheads and operating costs are forecast for the group, rather than on a jurisdictional basis.

There are three scenarios for each of Australia and New Zealand. We refer to these scenarios as high, medium and low. We do so based on their relative position, rather than to indicate one is more or less likely. All involve growth and execution risk.

The key assumptions for the scenarios are summarised in Table 12.

Table 12: Key assumptions

	Scenario 1 (High)	Scenario 2 (Medium)	Scenario 3 (Low)
New Zealand	<ul style="list-style-type: none"><li>The New Zealand acquiring business is successfully launched.</li><li>75% of the existing rental merchants migrated to the acquiring business model.</li><li>Strong net organic growth in acquiring merchants.</li><li>Around 33,000 acquiring merchants by FY30 (broadly equivalent to about 40,000 terminals).</li></ul>	<ul style="list-style-type: none"><li>The New Zealand acquiring business is successfully launched.</li><li>75% of the existing rental merchants migrated to the acquiring business model.</li><li>Net organic growth in acquiring merchants.</li><li>Around 30,000 acquiring merchants by FY30 (broadly equivalent to about 36,000 terminals).</li></ul>	<ul style="list-style-type: none"><li>The New Zealand acquiring business is successfully launched.</li><li>50% of the existing rental merchants migrated to the acquiring business model.</li><li>Limited net organic growth in acquiring merchants.</li><li>Around 15,000 acquiring merchants by FY30 (broadly equivalent to about 18,000 terminals).</li></ul>
Australia	<ul style="list-style-type: none"><li>The Australian business reaches 34,000 merchants by FY30 (broadly equivalent to 40,000 terminals).</li><li>Total addressable market increases as Smartpay gains traction with more medium sized enterprises, also leading to a higher average TTV.</li><li>Decline in the take rate in Australia following the ban on surcharging, offset by reduced interchange fees.</li></ul>	<ul style="list-style-type: none"><li>The Australian business reaches 30,000 merchants by FY30 (broadly equivalent to 35,000 terminals).</li><li>Total addressable market increases as Smartpay gains traction with more medium sized enterprises, also leading to a higher average TTV.</li><li>Decline in the take rate in Australia following the ban on surcharging, offset by reduced interchange fees.</li></ul>	<ul style="list-style-type: none"><li>The Australian business reaches 26,000 merchants by FY30 (broadly equivalent to 32,000 terminals).</li><li>Total addressable market increases but limited acquisition of medium sized customers.</li><li>Decline in the take rate in Australia following the ban on surcharging, offset by reduced interchange fees.</li><li>There is a one-off churn event (drop in customers) following the RBA's removal of the prohibition on the schemes to ban surcharging in July 2026.</li></ul>



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#### Discount rate

We have determined the discount rate based on estimates of the post-tax, nominal weighted average cost of capital (WACC) for Smartpay.

We have calculated a WACC range of 10.7% to 12.7%, which is broadly consistent with the WACC adopted in various broker reports. Our discount rate assessment is detailed in Appendix 4.

This discount rate does not include any specific risk premium associated with implementation or regulatory risk. We instead reflect that risk in the valuation range we adopt.

#### Terminal growth rate

We assume Smartpay reaches a steady state at the end of the forecast period and grows at a terminal growth rate of 2%, which is consistent with long-term inflation expectations.

The exact terminal growth rate will be impacted by factors wider than just inflation, such as population growth, changes in spending habits, changes in market participants margins (for example due to competition and further regulatory impacts) and market share. Some of these factors will offset.

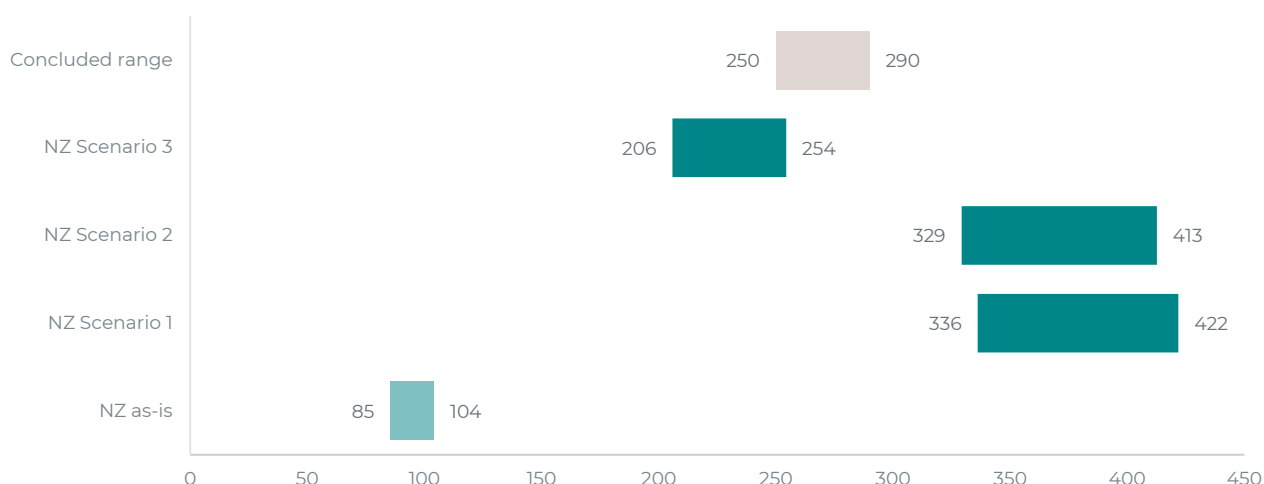
We consider a 2% terminal growth rate is appropriate in the circumstances and is consistent with normal market practice when valuing businesses.



## DCF valuation –New Zealand contribution

We assess a value of between \$250 million and \$290 million for the New Zealand operations, before taking account of corporate and operating costs. Figure 12 shows the range of value by scenario.

Figure 12: New Zealand value before corporate and other operating costs (\$ millions)



The low and high end of each scenario range is based on the high and low end of our discount rate range.

We consider the New Zealand acquiring business presents significant upside potential. However, there is substantial execution risk, particularly in the current regulatory environment and a highly competitive market. The key difference between the scenarios is the level of conversion achieved, from rental customers to acquiring customers. Scenario 1 and Scenario 2 have 75% of Smartpay's existing customers convert, while 50% convert in Scenario 3. All three scenarios involve risk around conversion and execution.

We have not captured execution risk in our discount rate. Therefore, to the extent the risk is not reflected in the cashflows, it has not been reflected in the scenario valuations shown in Figure 12. Instead, we have reflected this risk in the value range we have assessed.

Figure 12 also shows a value for the New Zealand business 'as-is'. This is the value of the existing New Zealand contribution, growing at inflation. This is not intended to represent the current value of the New Zealand business, but rather it provides context for the value of the New Zealand acquiring opportunity. In particular, we consider:

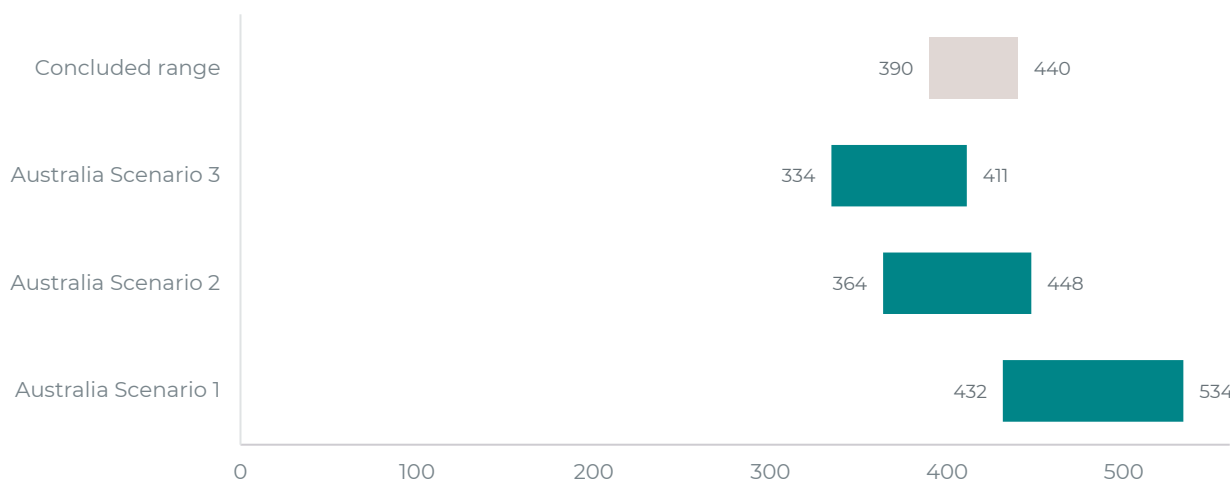
- The value of the New Zealand business must be above the 'as-is' valuation, given the opportunity associated with the acquiring business.
- The value of the New Zealand business must be below the Scenario 1 and Scenario 2 value ranges, given the real chance of less than 75% of Smartpay's rental customers converting to an acquisition product, or Smartpay earning lower than expected margins from its acquisition product over the longer term to achieve the level of conversion.



## DCF valuation –Australia contribution

We assess a value of between \$390 million and \$440 million for the Australian operations, before taking account of corporate and operating costs. Figure 13 shows the range of value by scenario.

Figure 13: Australia value before corporate and other operating costs (\$ millions)



The low and high end of each scenario range is based on the high and low end of our discount rate range.

The Australian scenarios primarily differ due to different merchant assumptions – both the rate of acquisition and the TTV per merchant. The scenarios consider the possible impact of the surcharge restrictions, as well as increased competition as competitors (and Smartpay) offer new products and solutions to merchants.

- Scenarios 1 and 2 assume that there will continue to be positive and consistent net additions to the merchants as Smartpay accesses a larger addressable market with a broader offering of products.
- Scenario 3 anticipates a one-off churn event in 2026 as a possible response to the regulatory changes.
- The TTV per merchant varies between scenarios, with Scenario 1 anticipating the highest TTV because of more 'medium' sized enterprises.

The scenarios forecast potential outcomes. However, the effect of the regulatory changes is highly uncertain, and the actual outcome may differ from those presented.





### DCF of corporate overheads and other operating costs

Corporate and other operating costs do not fluctuate between the scenarios and are largely required regardless of which outcome results. The costs are also shared across both jurisdictions. In other words, the cost base is capable of supporting various growth scenarios.

Costs are generally expected to increase by inflation from FY27 (the exception being specific costs such as lease cash costs).

We assess a value of between \$332 million and \$404 million for corporate costs. This is a deduction when determining the value of Smartpay, as these are costs that need to be incurred to achieve the positive contributions from the Australian and New Zealand operations.

For our valuation of Smartpay, we have adopted a single midpoint deduction of \$360 million for the corporate overheads and other operating costs. This takes account of the range we have already applied when assessing the value of the New Zealand and Australian operations.

### DCF valuation summary

Applying a DCF approach we estimate the enterprise value of Smartpay at \$280 million to \$370 million.

Table 13: Smartpay enterprise value (\$ millions)

	Low	High
Contribution from New Zealand operations	250	290
Contribution from Australia operations	390	440
Corporate overheads and other operating costs	(360)	(360)
Enterprise value	280	370



## 6.4 Market approach

We have used a market approach as a crosscheck the enterprise value we assess using the DCF approach.

The multiples implied by our DCF assessment are summarised in Table 14. These are historical multiples based on the actual financial performance in FY25.

Table 14: Valuation cross check, implied multiples

	Low	High
Enterprise value assessed using a DCF approach	280	370
FY25 Revenue	104.7	104.7
FY25 Gross profit	60.6	60.6
FY25 EBITDA (normalised)	19.8	19.8
Implied revenue multiple	2.7x	3.5x
Implied gross profit multiple	4.6x	6.1x
Implied EBITDA multiple	14.1x	18.7x

We have benchmarked these implied multiples against transaction multiples implied by benchmark transactions, both for market transactions for listed companies and transactions involving whole companies.

The average and median multiples implied by the share prices of the benchmark transactions are summarised in Table 15. These are reviewed in greater detail over the following pages and at Appendices 5 and 6.

Table 15: Summarised comparable company and comparable transaction multiples

	Comparable companies	Comparable transactions
Median revenue multiple	1.9x	4.6x
Average revenue multiple	2.1x	4.7x
Median gross profit multiple	3.8x	n.a.
Average gross profit multiple	4.2x	n.a.
Median EBITDA multiple	12.3x	16.3x
Average EBITDA multiple	14.0x	16.9x

Source: Capital IQ and company announcements

We consider our DCF valuation is supported by and consistent with the benchmark multiples.



### 6.4.1 Comparable listed companies

We set out at Appendix 5 and in Figures 14 to 16 a selection of broadly comparable listed companies, and the multiples implied by the recent on-market trading in their shares.

There are no directly comparable companies, instead the sample includes companies which have operations within the 'transaction and payment processing industry', particularly those with EFTPOS/PoS rental and acquiring operations. Notwithstanding this focus, most of the comparable listed companies have broader product offerings than Smartpay.

Benchmark multiples for listed companies are for small parcels of shares. Therefore, these multiples typically exclude a control premium that would often apply to a 100% shareholding.

Further, the earnings multiple will reflect the growth expectations and risk of the underlying company. Typically, companies with greater growth prospects trade at higher multiples, all else being equal. Similarly, companies with higher perceived risk will trade at a lower multiple, all else being equal.

In terms of operations and location, Tyro Payments Limited (**Tyro**) is the most comparable company, although there are still major differences between Smartpay and Tyro. Tyro engages in the provision of payment solutions to merchants in Australia. The company operates through two segments, Payments and Banking. The Payments segment acquires and processes electronic payment transactions from merchants; and sells terminal accessories. It primarily serves hospitality, health, retail, trades and services, and corporate industries. Tyro is larger than Smartpay and has a more diverse offering. It is the fifth largest acquiring bank in Australia with approximately 71,000 merchants. Tyro listed on the Australian stock exchange in late 2019, at a historical revenue multiple of 4.9x. At the time it was earnings and cash flow negative but with various growth prospects. This was also at a time when there was a wave of migration from cash to card and contactless payments and relative stability in merchant service fees. Tyro's share price declined materially between November 2021 and June 2022. Tyro is currently trading at a revenue multiple is 1.2x – however, this reflects substantially reduced revenue growth expectations, and also an expectation that EBITDA will contract. While Tyro is broadly comparable company in terms of operations and geography, there are company and performance specific characteristics which makes its trading multiples less applicable to Smartpay. Given the outlook for the two companies, we would expect Smartpay to have multiples that are materially higher than Tyro's current multiple, but a revenue multiple below that of Tyro's just after it listed.

Block, Inc owns Square which provides EFTPOS and is an acquirer. Square is one of Block's business segments and contributes about one third of its revenue.

Global Payments, Worldline and Lightspeed offer PoS and EFTPOS terminals as part of a broader integrated offering.

Repay is a payment processor providing debit and credit card processing as part of its broader offering.

The median and average revenue multiples across the comparable companies is 1.9x and 2.1x, respectively. The multiple implied by Smartpay's valuation is within the range observed for the comparable companies but is higher than the median and average.

The median and average gross profit multiples across the comparable companies is 3.8x and 4.2x, respectively. The multiple implied by Smartpay's valuation is within the range observed for the comparable companies but is higher than the median and average.

We would expect Smartpay's multiple to be greater than the listed comparable companies to account for:

- A premium for control; and
- Smartpay's growth outlook. The comparable listed companies are forecasting revenue growth of 4%, on average across the sample.



Figure 14: Revenue multiples of comparable listed companies

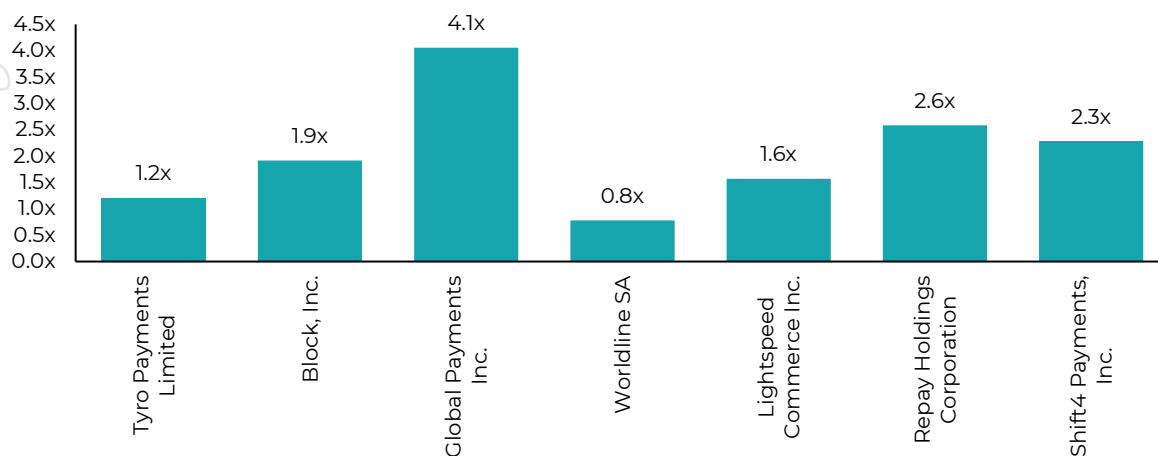


Figure 15: Gross profit multiples of comparable listed companies

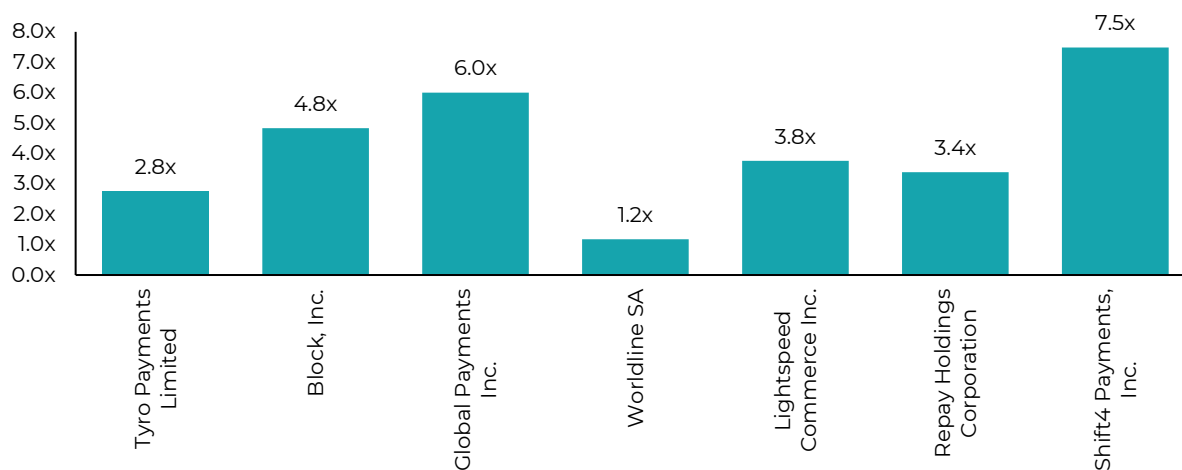


Figure 16: EBITDA multiples of comparable listed companies



Source: CapitalIQ



## 6.4.2 Comparable transactions

We have also benchmarked Smartpay against transactions in the broader payments industry.

Similar to the comparable listed companies, none are directly comparable to Smartpay.

Of the transactions shown in Figure 17, we consider Pay360, Ingenico, SafeCharge and First Data are the most comparable to Smartpay. These companies transacted at multiples between 2.8x and 5.6x historical revenue, which compares to an implied multiple of between 2.7x and 3.5x historical revenue for our DCF valuation of Smartpay.

Pay360 provides online payment solutions for SMEs, it offers debit and credit card processing and payment gateway, amongst other payment services and solutions.

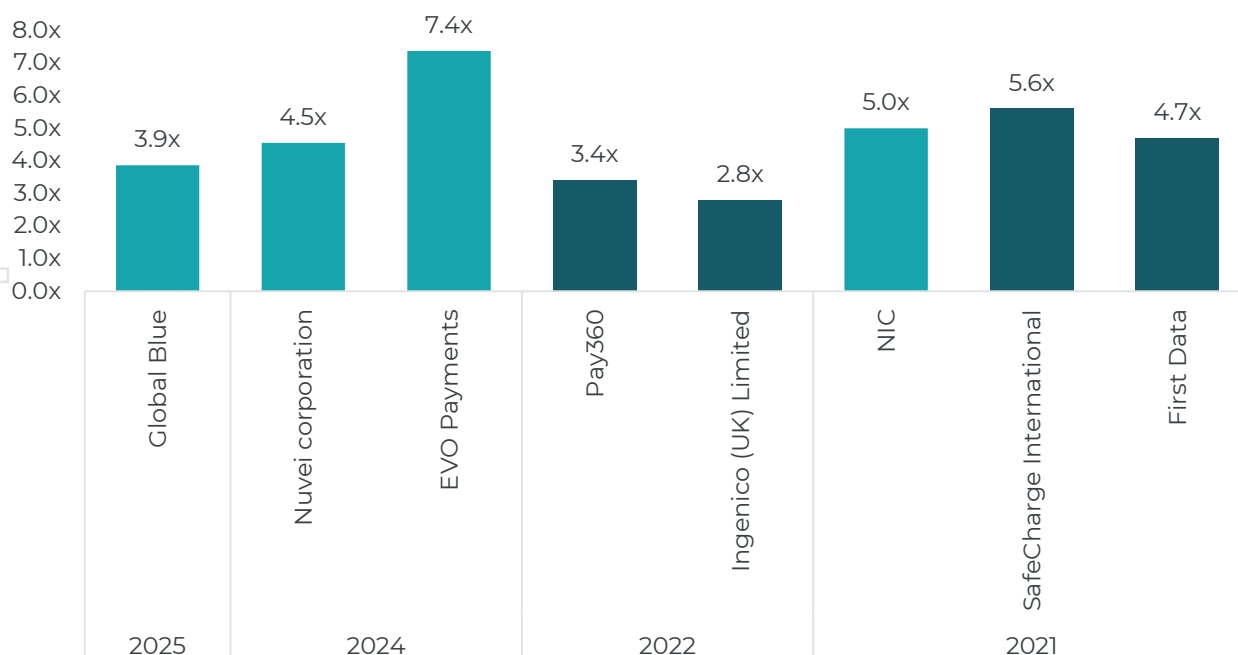
Ingenico develops electronic payment terminals as well as payment and value-add solutions at the PoS.

SafeCharge is an acquiring bank and First Data is a payment processor. Both are substantially larger than Smartpay and we note that both transacted in 2019. We consider the market conditions which were supportive of Tyro's valuation at its IPO date, likely contributed to First Data's and Smartpay's higher revenue multiples.

EVO Payments is one of the largest merchant acquirers and processors. We consider the multiple reflects the value of strategic benefits the transactions offered to Global Payments, which stated at the time that the transaction would significantly increase its target addressable markets and provide substantial ongoing synergies.

The remaining target companies operate within the payments industry but either the acquiring business and/or terminal rental business (or similar) is a smaller part of the business, or it operates within the payments facilitation area, but with a different core focus (for example NIC facilitates payments for government)

Figure 17: Selection of comparable transaction, revenue multiples



Source: Capital IQ and company announcements



## 7. Merits of the Scheme

The Code requires the independent adviser to form an opinion as to the merits of the proposed transaction and, in doing so, to take into consideration issues wider than just a valuation.

The term 'merits' has no definition in either the Code or in any statute dealing with securities or commercial law in New Zealand. Although the Code does not prescribe a meaning of the term 'merits', the Panel has interpreted the word to include both positives and negatives in respect of a transaction. We have adopted that approach in preparing this Report.

### 7.1 Regulatory environment and Smartpay's growth opportunities

Smartpay is well positioned for further growth in both New Zealand and Australia.

The New Zealand acquiring opportunity, if successful, will allow Smartpay to materially improve its unit economics and it benefits from having an already well established brand and access to a broad merchant base. The key risk with the New Zealand business is execution risk, in converting rental customers to acquiring customers.

The Australian business has delivered strong growth and has an established business in the SME market. It has the ability to continue growing by increasing market share and targeting larger merchants.

In both markets there is uncertainty as to how various parties will respond to changes to the regulatory conditions. While there is not expected to be a material impact on Smartpay's gross margin in either jurisdiction, the lowering of interchange fee caps may make it easier for new entrants, increasing competition.

### 7.2 Valuation of Smartpay

We estimate the value of Smartpay at between \$1.07 and \$1.43 per share, with a midpoint of \$1.25 per share.

Our valuation is for 100% of Smartpay and therefore includes a premium for control. The value exceeds the price at which, based on current market conditions, we would expect Smartpay's shares to trade in the absence of a takeover offer or transaction similar in nature to the Scheme.

Our assessment was finalised on 27 August 2025 and assumes a valuation date of 30 September 2025.

The proposed consideration is \$1.20 per share, payable in cash to all shareholders.

The proposed consideration represents a premium of 19% to the closing share price of \$1.01 on 19 June 2025, which was the last trading day before the SIA was announced. It represents a premium of 90% to the closing share price of \$0.63 on 14 March 2025, which was the last trading day before a NBIO was received from Tyro and would be the most recent share price that did not anticipate an acquisition premium in its price.

The proposed consideration is within our assessed valuation range, albeit it is below the mid-point of our assessed range.

Our valuation of Smartpay is set out in greater detail at Section 6 of this Report.



### 7.3 Voting on the Scheme

For the Scheme to proceed, it is necessary that both of two voting thresholds are met, being:

1. At least 75% of the votes cast in each interest class (entitled to vote and voting) must be in favour of the Scheme.
2. More than 50% of the Smartpay shares on issue must be voted in favour of the Scheme.

As at 26 August 2025 Microequities Asset Management Group Limited and its associated entities (Microequities) has indicated it intends to vote in favour of the Scheme, for all shares it holds or controls, including shares in its funds and in funds managed by it. Microequities holds or controls 32,109,979 Smartpay shares, representing approximately 13.3% of the Smartpay shares on issue. Microequities has reserved the right to sell any Smartpay shares held or controlled by it prior to the vote.

Further, the following Directors and Officers have indicated their intention to vote in favour of the Scheme, in respect of shares they hold or control: Gregor Barclay, Geoffrey Carrick, Martyn Pomeroy, Cherise Barrie and Aidan Murphy. Together they hold 7,073,407 Smartpay shares, representing approximately 2.9% of the Smartpay shares on issue.

Smartpay's directors unanimously recommend that shareholders vote in favour of the Scheme, in the absence of a Superior Proposal, as defined in the SIA.

### 7.4 Alternatives to the Scheme

Smartpay's shareholders could choose to vote against the Scheme, either on the basis that:

- They prefer to remain shareholders of Smartpay, or
- In the expectation that they might realise superior value through an alternative transaction in the future, or
- If they consider Smartpay will successfully achieve its upside potential with limited implementation and regulatory risk.

In addition, for the Scheme to be implemented, among other conditions it will require the approval of the High Court in accordance with the Companies Act, no prescribed occurrences and no Material Adverse Changes, as defined in the SIA, occurring and not being waived.

If shareholders do not approve the Scheme, or the Scheme does not proceed for other reasons, Smartpay would remain a listed company with its shares quoted on the NZX Main Board and the ASX. In the absence of any other factors, we consider there is a real prospect that Smartpay's share price could recede from current levels.

The long-term consequences of a decision to reject the Scheme are less clear.

- It is possible that Smartpay's shareholders may be able to realise greater value through an alternative transaction in the future. However, it would be presumptive to assume an alternative transaction would eventuate.
- Absent a change of control transaction, Smartpay's future value will be closely tied to its performance with its rollout of an acquiring product in New Zealand, and growth in Australia. Should it be successful with these endeavours, we consider its value will increase, and vice versa.

No competing proposal has emerged since Smartpay's announcement, on 23 June 2025, that it entered the SIA. However, there is nothing to prevent another party from announcing its interest in acquiring Smartpay at some time before a special meeting of shareholders is held to vote on the Scheme. An alternative acquirer could also purchase a blocking interest in Smartpay on market, potentially at prices above the proposed consideration of the Scheme. In the absence of such an offer, Smartpay's shareholders could have some confidence that there are no superior alternative transactions involving a currently unknown third party, in the near term at least.





If the Scheme is successful, shareholders that wish to maintain an exposure to Smartpay's assets, or the wider industry, would be able to invest the proceeds into the shares of New York Stock Exchange-listed Shift4 Payments, Inc. or other listed companies in the sector.

## 7.5 Likelihood of an increase to the proposed consideration

Shift4 Payments has advised its current offer is its best and final price, in the absence of a competing proposal. This means that Shift4 cannot increase the consideration under the Scheme except where there is a competing proposal.

If the Scheme is terminated, Shift4 Payments could make a new offer at a later date (there is no prescribed stand down period). However, there is no assurance that this would happen, particularly given the statements of Shift4 Payments to date that the current offer is its best and final price, in the absence of a competing proposal.

As the shareholder vote approaches, there will be more certainty as to whether a competing proposal is likely to emerge.



## Appendix 1: Sources of information

### Documents relied upon

Key information sources we have used and relied on, without independent verification, in preparing this Report include the following:

- Smartpay annual reports
- Smartpay interim reports
- Smartpay management accounts
- Smartpay forecasts
- Smartpay share register as at 31 July 2025 (Computershare)
- Smartpay announcements
- The Scheme of Implementation Agreement for the acquisition of Smartpay
- Reserve Bank of New Zealand
- Reserve Bank of Australia
- Statistics New Zealand
- Australian Prudential Regulatory Authority (APRA)
- Australian Payments Network (Auspay)
- New Zealand Companies Office
- Australian Securities & Investments Commission (ASIC)
- Commerce Commission New Zealand
- New Zealand Treasury
- S&P Capital IQ
- Broker reports
- Other publicly available information.

We have also had discussions with Smartpay's management team in relation to the nature of its business operations and the known risks and opportunities for Smartpay in the foreseeable future.

### Reliance upon information

In forming our opinion, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by Smartpay and its advisers. We have no reason to believe any material facts have been withheld.

We have evaluated that information through analysis, enquiry and examination for the purposes of forming our opinion, but we have not verified the accuracy or completeness of any such information. We have not carried out any form of due diligence or audit on the accounting or other records of Smartpay. We do not warrant that our enquiries would reveal any matter that an audit, due diligence review or extensive examination might disclose.



## Appendix 2: Qualifications and declarations

### Qualifications

Calibre Partners is an independent New Zealand Chartered Accounting practice. The firm has established its reputation nationally through the provision of professional financial consultancy services with a corporate advisory and insolvency emphasis, and because we have no audit or tax divisions, we avoid potential conflicts of interest that may otherwise arise. This allows Calibre Partners to regularly act as an independent adviser and prepare independent reports.

The persons responsible for preparing and issuing this Report are Shaun Hayward (BCom, BProp, CFA), Grant Graham (BCom, CA), and Gillian Andrews (BCom, CA, CFA). All have significant experience in providing corporate finance advice on mergers, acquisitions and divestments, advising on the value of shares and undertaking financial investigations.

### Disclaimers

This Report should not be used or relied upon for any purpose other than as an expression of Calibre Partners' opinion as to merits of the proposed transaction. Calibre Partners expressly disclaims any liability to any Smartpay securityholder that relies, or purports to rely, on this Report for any other purpose and to any other party who relies, or purports to rely, on the Report for any purpose.

This Report has been prepared by Calibre Partners with care and diligence, and the statements and opinions given by Calibre Partners in this Report are given in good faith and in the belief, on reasonable grounds, that such statements and opinions are correct and not misleading. However, no responsibility is accepted by Calibre Partners or any of its officers or employees for errors or omissions however arising (including as a result of negligence) in the preparation of the Report, provided that this shall not absolve Calibre Partners from liability arising from an opinion expressed recklessly or in bad faith.

### Indemnity

Smartpay has agreed that, to the extent permitted by law, it will indemnify Calibre Partners and its partners, employees and officers in respect of any liability suffered or incurred as a result of, or in connection with, the preparation of the Report. This indemnity does not apply in respect of any negligence, misconduct or breach of law. Smartpay has also agreed to indemnify Calibre Partners and its partners, employees and officers for time incurred and any costs in relation to any inquiry or proceeding initiated by any person, except where Calibre Partners or its partners, employees and officers are guilty of negligence, misconduct or breach of law, in which case Calibre Partners shall reimburse such costs.

### Independence

Calibre Partners and the persons responsible for the preparation of this Report do not have at the date of this Report, and have not had, any shareholding in, or other relationship, or conflict of interest with Smartpay that could affect their ability to provide an unbiased opinion in relation to this transaction. Calibre Partners will receive a fee for the preparation of this Report. This fee is not contingent on the success or implementation of the proposed transaction or any transaction complementary to it. Calibre Partners and the persons responsible for the preparation of this Report have no direct or indirect pecuniary interest or other interest in this transaction. We note for completeness that a draft of this Report was provided to Smartpay and its advisers, solely for the purpose of verifying the factual matters contained in this Report. While minor changes were made to the drafting, no material alteration to any part of the substance of this Report, including the methodology or conclusions, were made as a result of issuing the draft.

### Consent

Calibre Partners consents to the issuing of the Report, in the form and context in which it is included, in the information to be sent to Smartpay's shareholders. Neither the whole nor any part of the Report, nor any reference thereto, may be included in any other document without the prior written consent of Calibre Partners as to the form and context in which it appears.



## Appendix 3: Valuation methods

There are a wide range of approaches and methods used for valuing businesses. Different approaches and methods tend to be appropriate in different circumstances. The approaches and methods most commonly used tend to be:

1. Discounted cash flow (DCF) method
2. Market approach
3. Cost based approach.

### Discounted cash flow

The DCF method is an 'income approach' to valuation. Using the DCF method, value is estimated by converting projected future cash flows to a single present value.

The DCF method requires estimates of future cash flows to perform. Considerable judgement is often needed to estimate the cash flows, and a valuer will typically place significant reliance on medium to long term projections prepared by management. The financial projections of many businesses are very sensitive to changes in underlying assumptions. As such, DCF valuations are better suited to situations where a reasonable set of financial forecasts can be estimated.

When applied to a business valuation, the DCF method will usually be quite sensitive to the discount rate applied to the subject business, with the discount rate often being difficult to estimate.

The DCF methodology tends to be suited to situations where a reasonable set of financial forecasts can be estimated, and the business's current earnings are not representative of its underlying value, due to it being in a period of substantial growth, requiring substantial capital investment to achieve its projections, or there being identifiable factors that will impact on the businesses longer term performance.

### Market approach

The market approach is effectively a benchmarking exercise. Value is estimate by comparing the business with identical or similar businesses, for which price information is available.

In a business valuation context, the 'capitalisation of earnings' method is the most common market approach. Using the capitalisation of earnings, the value of the business is estimated based on an assessment of the maintainable earnings of the business and an earnings multiple. The earnings multiple is estimated based on multiples implied by the price at which other businesses are observed to transact.

The market approach can also include benchmarking the subject business based on other units of comparison (other than earnings), including revenue multiples and book value multiples. Many industries also have particular units of comparison that are commonly used to compare different companies within the industry.

This methodology tends to be suited to situations where a meaningful comparison can be made between the subject business and benchmarks. The greater the difference between the subject business and the benchmarks. Meaningful comparisons can be made more difficult due when the subject and the benchmark are differently sized, subject to different regulatory and market conditions, located in different markets, have different profitability characteristics, or have different growth prospects.

### Cost based approach

A cost based approach includes valuation methods that focus on the cost to replace; cost to reproduce; and the summation method, in which the value of a business is determined based on its holdings.

A cost based approach tends to be suited to situations where the subject business is not going concerns or has low levels of profitability, or businesses where their value of the whole is primarily a factor of the values of their holdings (for example property holding companies).



## Appendix 4: Discount rates

We have determined the discount rate that we apply to Smartpay based on an assessment of its post-tax, nominal weighted average cost of capital (WACC).

It is a commonly accepted practice to determine WACC using the following formula:

$$WACC = R_d(1 - T_c) \frac{D}{D + E} + R_e \frac{E}{D + E}$$

Where:

**E** = the market value of equity capital

**D** = the market value of debt capital

**R<sub>d</sub>** = the required rate of return on debt capital (cost of debt)

**R<sub>e</sub>** = the required rate of return on equity capital (cost of equity)

**T<sub>c</sub>** = the statutory corporate tax rate

### Leverage

We have adopted a target gearing of 0% for Smartpay.

Smartpay's actual leverage at around 31 March 2025 is low, at less than 10% of its enterprise value, when enterprise value is based on the proposed offer price.

By adopting 0% leverage the WACC formula simplifies to simply a cost of equity.

For completeness, an assessment of WACC is generally not significantly affected by leverage.

### Capital Asset Pricing Model

The Capital Asset Pricing Model (CAPM) is typically used to determine a cost of equity.

It is common practice in New Zealand to use a version of CAPM that has been modified to recognise the New Zealand tax regime and its favourable tax treatment of equity returns. The specification most commonly adopted is the Simplified Brennan-Lally CAPM. This model is applicable to post-corporate tax, but pre-investor tax cash flows. It uses the following formula:

$$R_e = R_f(1 - T_i) + \beta_e[R_m - R_f(1 - T_i)] + SCRP$$

Where:

**T<sub>i</sub>** = investors' effective tax rate on interest, dividends and capital gains

**R<sub>f</sub>** = the risk-free rate of return

**β<sub>e</sub>** = the equity beta for the entity being valued

**R<sub>m</sub>** = the expected return on the market portfolio

**SCRP** = Specific company risk premium

The terms  $[R_m - R_f(1 - T_i)]$  are generally grouped into a single tax-adjusted market risk premium (TAMRP).



### Investors' effective tax rate ( $T_i$ )

For the purpose of the New Zealand cost of equity, we have adopted an effective investors' tax rate on interest, dividends and capital gains of 28%. This is the rate commonly used by valuers in New Zealand.

### Risk-free rate ( $R_f$ )

We have adopted a risk-free rate of 5.2% to value Smartpay. In comparison, 10-year government bonds are at a 4.42% yield, and the New Zealand Treasury estimates a long-term spot risk free rate for valuation purposes at between 5.24% and 5.58%.

### Equity beta ( $\beta_e$ )

An equity beta is a measure of an investment's volatility. The beta of the market portfolio is 1.0. A beta above 1.0 indicates that an investment is more volatile than the market and has higher systematic (market-related) risk. A beta below 1.0 indicates that an investment has a lower level of systematic risk. An equity beta factors in the leveraging effect of debt in a company's capital structure.

To determine an asset beta for Smartpay, we have considered the asset betas of comparable listed companies in the payments processing industry. Table A4.1 summarises our analysis.

Table A4.1: Asset betas

	Country	Asset beta 2-year-weekly	Asset beta 5-year-monthly
<b>Domestic</b>			
Smartpay Holdings	New Zealand	0.26	0.97
Tyro Payments	Australia	1.77	2.31
<b>International</b>			
Block, Inc	USA	1.53	2.24
Worldline S.A	France	0.34	0.39
Shift4 Payments, Inc.	USA	1.24	1.19
Lightspeed Commerce	Canada	2.24	2.74
Repay Holdings	USA	0.33	0.53
Global Payments Inc.	USA	0.61	0.50
Min		0.26	0.39
Max		2.24	2.74
Average		0.92	1.08
Median		1.04	1.36

Source: S&P Capital IQ and Calibre Partners analysis

We adopt an asset beta in the range of 1.0– 1.2 for the purpose of valuing Smartpay. This is based on the above data set, acknowledging there is a very broad range in asset betas observed for the comparable company data set. In concluding on our asset beta range, we placed less reliance on the outliers.

Given the paucity of directly comparable companies and the wide range observed in the sample set, we have also considered the asset beta adopted by brokers reporting on Smartpay.



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### Market risk premium

A market risk premium is the excess expected return on the market portfolio of risky equity assets (share market returns) over the return on risk-free assets (government bond returns).

A TAMRP is used in the Brennan-Lally CAPM, which is the market risk premium adjusted for tax considerations. We have determined an appropriate TAMRP is between 7.0% and 7.5% after considering:

- Valuation professionals typically use a TAMRP between 7.0% and 8.0% when valuing New Zealand companies.
- The New Zealand Treasury's guidance on discount rates suggests a market risk premium of around 7.0% is appropriate.

### Discount rate adopted

Based on the assumptions described and applying the Simplified Brennan-Lally model, we calculate a WACC range of 10.7% to 12.7% for Smartpay.





## Appendix 5: Comparable companies

Table A5.1 Comparable companies trading multiples

	Revenue LTM	Gross profit LTM	EBITDA LTM
<b>Domestic</b>			
Tyro Payments	1.2x	2.8x	9.7x
<b>International</b>			
Shift4 Payments, Inc.	2.3x	7.5x	15.7x
Block, Inc	1.9x	4.8x	30.7x
Worldline S.A	0.8x	1.2x	4.2x
Lightspeed Commerce	1.6x	3.8x	n.m.
Repay Holdings	2.6x	3.4x	8.5x
Global Payments	4.1x	6.0x	14.9x
<b>Median</b>	<b>1.9x</b>	<b>3.8x</b>	<b>12.3x</b>
<b>Average</b>	<b>2.1x</b>	<b>4.2x</b>	<b>14.0x</b>

Source: Capital IQ

### Tyro Payments

Tyro Payments Limited engages in the provision of payment solutions to merchants in Australia. The company operates through two segments, Payments and Banking. The Payments segment acquires and processes electronic payment transactions from merchants; and sells terminal accessories. The Banking segment provides merchant cash advances, transaction banking accounts, and term deposit accounts, as well as business loans. It primarily serves hospitality, health, retail, trades and services, and corporate industries. The company was incorporated in 2003 and is headquartered in Sydney, Australia.

### Shift4 Payments, Inc

Shift4 Payments, Inc. engages in the provision of software and payment processing solutions in the United States and internationally. The company offers payments platform, which provides omni-channel card acceptance; and processing solutions across multiple payment types and methods. It also provides technology solutions, and it provides merchant operations and support services and software partner operations and support services.

### Block, Inc

Block, Inc., together with its subsidiaries, builds ecosystems focused on commerce and financial products and services in the United States and internationally. It operates through two segments: Square and Cash App. The Square segment offers commerce products, payment and commerce application programming interfaces, managed payment services, software solutions, hardware products and banking services. It also offers Square Handheld, a portable point-of sale device for transaction purposes.

### Worldline S.A

Worldline SA provides payments and transactional services for financial institutions, merchants, corporations, and government agencies in Northern Europe, Central and Eastern Europe, Southern Europe, and internationally. It operates through Merchant Services; Financial Services; and Mobility & e-Transactional Services segments. The Merchant Services segment provides commercial acquiring, omnichannel payment acceptance, and digital retail services. The Financial Services segment offers issuing processing, acquiring processing, digital banking, and account payments services.



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### Lightspeed Commerce Inc.

Lightspeed Commerce Inc. engages in sale of cloud-based software subscriptions and payments solutions for single and multi-location retailers, restaurants, golf course operators, and other businesses in the United States, Canada, the United Kingdom, Australia, and internationally. It offers a cloud-based commerce platform that connects suppliers, merchants, and consumers to enable omnichannel experiences and engage with consumers, manage operations, accept payments, and grow business. In addition, it sells hardware as well as provides installation and implementation services.

### Global Payments Inc.

Global Payments Inc. provides payment technology and software solutions for card, check, and digital-based payments in the Americas, Europe, and the Asia-Pacific. It operates through two segments, Merchant Solutions and Issuer Solutions. The Merchant Solutions segment offers authorization, settlement and funding, customer support, chargeback resolution, reconciliation and dispute management, terminal rental, sales and deployment, payment security, and consolidated billing and reporting services.



## Appendix 6: Comparable transactions

Table A6.1 Comparable transactions

Target	Completion Date	Revenue LTM	EBITDA LTM
Global Blue	Jul-2025	3.9x	
Nuvei corporation	Nov-2024	4.5x	14.4x
Pay360	Dec-2022	3.4x	14.3x
EVO Payments	Mar-2023	7.4x	19.6x
NIC	Apr-2021	5.0x	20.6x
Ingenico	Oct-2022	2.8x	16.3x
SafeCharge International	Aug-2019	5.6x	20.7x
First Data	Jul-2019	4.7x	12.2x
Median		4.6x	16.3x
Average		4.7x	16.9x

Source: CapitalIQ, company announcements

### Global Blue

Shift4 Payments, Inc. (NYSE:FOUR) agreed to acquire Global Blue Group Holding AG (NYSE:GB) for approximately US\$1.9 billion. The transaction is subject to regulatory approvals and other customary closing conditions. The acquisition has been unanimously approved by the boards of directors of Shift4 Payments and Global Blue, and the board of directors of Global Blue has unanimously resolved that it will recommend to the Global Blue shareholders to accept the tender offer. The transaction is expected to close by the third quarter of calendar year 2025. The transaction implies an LTM revenue multiple 3.9x.

### Nuvei corporation

Philip Fayer, Novacap Investments, Inc., Caisse de dépôt et placement du Québec and Advent International signed a definitive arrangement agreement to acquire Nuvei Corporation (TSX:NVEI), valuing Nuvei at an enterprise value of approximately US\$6.3 billion. Nuvei Corporation provides payment technology solutions to merchants and partners. The company's platform enables customers to pay and/or accept payments worldwide regardless of the location, device, or preferred payment method. Its solutions comprise a fully integrated payments engine with global processing capabilities and a broad suite of data-driven business intelligence tools and risk management services. The company markets and sells its products and services through direct and indirect sales, strategic platform integrations, local sales teams, and indirect partners. The transaction implied an LTM revenue multiple of 4.5x.

### Pay360

Access PaySuite Ltd entered into an agreement to acquire PayPoint.net Limited for approximately £160 million on September 16, 2022. Pay360 provides payment solutions to SMEs, businesses and large corporations. It offers debit and credit card processing, payment gateway, payment methods (amongst other services).

### EVO Payments

Global Payments Inc. paid \$34.00 per share in cash to acquire EVO Payments Inc. EVO Payments operates as an integrated merchant acquirer and payment processor worldwide. The company's portfolio of solutions includes chip and signature enabled PoS terminals, virtual PoS terminals for desktops, mobile acceptance and mobile point-of-sale solutions for mobile devices and tablets, software-based PoS solutions, online hosted payments, and integrated payment service provider solutions for card-not-present bankcard, direct debit, and alternative payment scheme processing. The transaction implied a LTM revenue multiple of 7.4x.



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### NIC Inc

Tyler Technologies, Inc. (NYSE:TYL) completed the acquisition of NIC Inc. (NasdaqGS:EGOV) on April 21, 2021. NIC together with its subsidiaries, provides digital government services and payment solutions that enable governments to use technology to provide various services to businesses and citizens in the United States. The transaction implied an LTM revenue multiple of 5.0x.

### Ingenico

Apollo Global Management Inc. paid \$2.3 billion in cash to acquire Ingenico (UK) Limited from Worldline SA in October 2022. Ingenico provides terminal solutions for electronic payments. The company has installed over 100,000 terminals in the UK, and over 600,000 terminals worldwide. It provides a range of electronic payment terminals and associated software applications. The transaction implied an LTM revenue multiple of 2.8x.

### SafeCharge International Group Ltd

Nuvei Corp. acquired SafeCharge International Group Ltd. SafeCharge International is a global payments technology company that provides omnichannel payment services, fraud prevention solutions and connection to payment methods. The transaction implied an LTM revenue multiple of 5.6x.

### First Data Corp

Fiserv Inc. acquired First Data Corp. Fiserv Inc. exchanged 0.303 shares of its common stock to acquire each outstanding share of First Data Corp. First Data is a global leader in commerce-enabling technology and solutions, serving approximately six million business locations and more than 3,700 financial institutions in more than 100 countries around the world. The transaction implied an LTM revenue multiple of 4.7x.



## Appendix 7: Glossary of key terms

Term	Definition
ARPU	Annual Revenue Per Unit
ASX	Australian Securities Exchange
CAPM	Capital Asset Pricing Model
Code	New Zealand Takeovers Code
ComCom	Commerce Commission
Companies Act	Companies Act 1993
CPI	Consumer Price Index
Cuscal NZ	Cuscal Payments NZ Limited
DCF	Discounted cash flow
EBITDA	Means earnings before finance income and finance costs, taxation, depreciation, amortisation, foreign exchange adjustments, share performance rights amortisation, gain on disposal of right-of-use assets and impairment and loss on disposal of property, plant and equipment.
EFTPOS	Electronic Funds Transfer at Point of Sale
EOI	Expression of interest
Forecasts	
FY	Financial year ended 31 March
High Court	High Court of New Zealand
IFRS	International Financial Reporting Standard
\$	New Zealand Dollars, unless specified otherwise
NBIO	Non-binding indicative offer
NZX	New Zealand Stock Exchange or NZX Limited
Panel	New Zealand Takeovers Panel
PoS	Point of Sale
PPE	Property, plant and equipment
RBA	Reserve Bank of Australia
Report	Independent Adviser's Report, in relation to the proposed scheme of arrangement
Scheme	Proposed scheme of arrangement between Smartpay and Shift4
Shift4	Shift4 Holdings Limited, being a direct or indirectly wholly owned subsidiary of Shift4 Payments
Shift4 Group	Shift4 Payments, Inc. and its subsidiaries
Shift4 Payments	Shift4 Payments, LLC
SIA	Scheme Implementation Agreement to affect the sale of all shares in Smartpay
Smartpay	Smartpay Holdings Limited
SME	Small to Medium Enterprise
TAMRP	Tax-adjusted market risk premium
TTV	Total Transaction Value
WACC	Weighted average cost of capital

## **Annexure B**

### **Scheme Plan**

## SCHEME PLAN

for a **scheme of arrangement** under Part 15 of the Companies Act 1993

between

Smartpay Holdings Limited (**Target**)

and

Each person who is registered in the Share Register as the holder of one or more Scheme Shares on the Record Date (together the **Scheme Shareholders**)

and

**Shift4 Holdings Limited**, a company incorporated under the Companies Act 1995 (Malta) whose registered office is at 80, Palazzo Homedes, Strait Street, Valletta, VLT 1436, Malta (**Bidder**)

and

**Shift4 Payments, LLC**, a company incorporated in Delaware, USA whose registered office is at 3501 Corporate Parkway, Center Valley PA 18034 USA (**Guarantor**)

### 1. Conditions

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The implementation of the Scheme is conditional in all respects on:

- (a) all of the Conditions having been satisfied or waived in accordance with the terms of the Scheme Implementation Agreement by 8.00am on the Implementation Date;
- (b) such other conditions (if any) made or required by the Court under section 236(1) and 237 of the Companies Act and agreed to in writing by Target and the Guarantor having been satisfied or waived before 8.00am on the Implementation Date;
- (c) neither the Scheme Implementation Agreement nor the Deed Poll having been terminated in accordance with its terms before 9.00am on the Implementation Date; and
- (d) the orders of the Court made under subsection 236(1) of the Companies Act approving this Scheme Plan coming into effect, pursuant to subsection 236(3) of the Companies Act, by 8.00am on the date that is six Business Days after the End Date.

### 2. Consideration into trust account

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#### 2.1 Obligation to pay Consideration into Trust Account

Subject to the Scheme Implementation Agreement not having been terminated and the Scheme having become Unconditional (save for the Conditions set out in clause 3.1(e) to (g) (inclusive) of the Scheme Implementation Agreement), Bidder must, by no later than 5.00pm on the Business Day before the Implementation Date, deposit (or procure the deposit of) in immediately available cleared funds an amount equal to the aggregate amount of the Consideration payable to Scheme Shareholders in a New Zealand dollar denominated trust account operated by the Registrar recorded in the Escrow Agreement (that account being the **Trust Account**).



## 2.2 Details of trust account

- (a) The Trust Account will be established and operated by the Registrar in accordance with the Escrow Agreement.
- (b) Prior to payment of the Consideration in accordance with clause 3.1(d) and clause 4, the Registrar will hold all amounts deposited by Bidder into the Trust Account on trust for Bidder under the Escrow Agreement.

## 2.3 Interest

Any interest earned on the amounts deposited by Bidder into the Trust Account and the AUD Trust Account will be payable to Bidder (less any bank fees or other third party costs or withholdings or deductions required by law) by the Registrar as directed by Bidder in writing.

## 2.4 Scheme not implemented

Should the implementation of the Scheme not occur by 5.00pm on the Implementation Date for any reason, or the Scheme becomes void under clause 7.5, the Registrar must, on request by Bidder in accordance with the Escrow Agreement, immediately repay all amounts in the Trust Account and the AUD Trust Account (in each case less any bank fees or other third party costs or withholdings or deductions required by law) to Bidder in accordance with Bidder's written instructions to the Registrar.

# 3. Implementation

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## 3.1 Subject to:

- (a) Target and Bidder providing the Registrar with written notice that the Scheme is Unconditional in accordance with the Escrow Agreement; and
- (b) the Consideration having been deposited into the Trust Account in accordance with clause 2.1,

commencing at 10.00am on the Implementation Date and in the following order:

- (c) first, without any further act or formality:
  - (i) all the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, will be transferred to Bidder; and
  - (ii) Target must enter, or procure the entry of, the name of Bidder in the Share Register in respect of all of the Scheme Shares; and then
- (d) second, subject to compliance in full with clauses 2.1 and 3.1(c) Bidder is deemed to have irrevocably authorised and instructed the Registrar to pay, and the Registrar must pay, from the Trust Account the Consideration to each Scheme Shareholder based on the number of Scheme Shares held by such Scheme Shareholder as set out in the Share Register as at the Record Date in accordance with clause 4.

## 4. Payment of the Consideration

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### 4.1 Method of payment

The payment obligations under clause 3.1(d) will be satisfied by:

- (a) subject to clause 4.1(b) and 4.1(c), where a Scheme Shareholder has, before the Record Date, provided bank account details to enable the Registrar to make payments of New Zealand dollars by electronic funds transfer, the Registrar must make the relevant payment in New Zealand dollars to the Scheme Shareholder by electronic funds transfer of the relevant amount to the bank account nominated by that Scheme Shareholder;
- (b) subject to clause 4.1(c), and regardless of whether clause 4.1(a) applies, where a Scheme Shareholder that has a Registered Address in Australia has, before the Record Date, provided bank account details to enable the Registrar to make payments of Australian dollars by electronic funds transfer, the Registrar must, subject to clause 4.7, make the relevant payment (less any applicable costs, exchange rate spreads and fees) in Australian dollars to the Scheme Shareholder by electronic funds transfer of the relevant amount to the bank account nominated by that Scheme Shareholder;
- (c) where, in relation to a Scheme Shareholder:
  - (i) either:
    - (A) clauses 4.1(a) and 4.1(b) do not apply; or
    - (B) clause 4.1(a) or 4.1(b) applies but the Scheme Shareholder has notified Computershare in writing prior to the Record Date: (x) that it wishes to receive the relevant payment in a currency other than New Zealand dollars or Australian dollars; and (y) the currency in which it wishes to receive the relevant payment, and payment in that currency is offered by Hyperwallet; and
  - (ii) the Scheme Shareholder has, prior to the Record Date, registered through the Registrar to be paid by Hyperwallet,

the Registrar must make the relevant payment to such Scheme Shareholder to the New Zealand dollar denominated trust account operated by Hyperwallet and instruct Hyperwallet to pay the relevant amount (less any applicable costs, exchange rate spreads and fees) to such Scheme Shareholder (in the currency nominated by such Scheme Shareholder to Hyperwallet); or
- (d) where a Scheme Shareholder has not provided the information and/or taken the steps contemplated by clauses 4.1(a), 4.1(b) or 4.1(c) to enable payment to be made to such Scheme Shareholder in a manner contemplated by one of those clauses (or if an electronic payment to such Scheme Shareholder is rejected by the recipient bank), then:
  - (i) where the Scheme Shareholder has a Registered Address in Australia, the Registrar must retain the relevant amount owed to that Scheme Shareholder in an Australian dollar denominated trust account operated by the Registrar (the **AUD Trust Account**); and
  - (ii) in all other cases, the Registrar must retain the relevant amount owed to that Scheme Shareholder in the Trust Account.

Any amount retained under clause 4.1(d)(i) or 4.1(d)(ii) may be claimed by the relevant Scheme Shareholder in accordance with clause 4.5.

If a Shareholder has given more than one payment direction, then the later direction in time of receipt will be followed.

## 4.2 Joint holders

In the case of Scheme Shares held in joint names:

- (a) the Consideration is payable to the bank account nominated by the joint holders or, at the sole discretion of Target, nominated by the holder whose name appears first in the Share Register as at the Record Date; and
- (b) any other document required to be sent under this Scheme Plan, will be sent to either, at the sole discretion of Target, the holder whose name appears first in the Share Register as at the Record Date or to the joint holders.

## 4.3 Surplus in trust account

To the extent that, following satisfaction of the obligations under clause 3.1(d), there is a surplus in either or both of the Trust Account and the AUD Trust Account, the Registrar must pay that surplus, less:

- (a) any amount retained under clause 4.1(d) or 4.6(b); and
- (b) any bank fees or other third party costs or withholdings or deductions required by law,

to Bidder in accordance with Bidder's instructions to the Registrar.

## 4.4 Holding on trust

- (a) Target must, in respect of any monies retained by the Registrar pursuant to clauses 4.1(d) or 4.6(b), instruct the Registrar to hold, and the Registrar must hold, such monies in the Trust Account or the AUD Trust Account (as applicable) on trust for the relevant Scheme Shareholders (**Unpaid Shareholders**) for a period of 24 months after the Implementation Date and thereafter, without the requirement for any further action but subject to clause 4.5, to pay, and the Registrar must pay, any remaining money in the Trust Account and the AUD Trust Account to Target (**Remaining Money**).
- (b) Once the Remaining Money (if any) has been paid to Target under clause 4.4(a), Target is permitted to use the Remaining Money for the benefit of Target (and to comingle the Remaining Money with its other funds) provided, however, that:
  - (i) subject to clause 4.4(b)(ii), each Unpaid Shareholder retains a claim against Target, as an unsecured creditor, for the Consideration that was payable to such Unpaid Shareholder under clause 3.1(d); and
  - (ii) nothing in this clause 4.4(b) prevents Target from dealing with the Remaining Money (or any part of it) in accordance with the Unclaimed Money Act 1971.

## 4.5 Unclaimed monies

During the period of 24 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder that has not received payment of the Consideration in accordance with clause 4.1(a), 4.1(b) or 4.1(c), the Registrar must, if such Scheme Shareholder has taken the necessary steps required to effect payment to such Scheme Shareholder in a manner

contemplated by clause 4.1(a), 4.1(b) or 4.1(c) (for clarity, disregarding for this purpose the reference in those clauses to the relevant action being taken before the Record Date), pay to that Scheme Shareholder the Consideration held on trust for that Scheme Shareholder in a manner contemplated by clause 4.1(a), 4.1(b) or 4.1(c) (or in any other manner approved by the Registrar and agreed to by that Scheme Shareholder).

#### **4.6 Orders of a court or Government Authority**

Notwithstanding any other provision of this Scheme Plan, if written notice is given to Target or Bidder on or prior to the Record Date of an order or direction made by a Government Agency, or of any applicable law, that:

- (a) requires Consideration to be provided to a person in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable to that Scheme Shareholder by Target in accordance with clause 3.1(d), Target will be entitled to procure, and Bidder will be deemed to have instructed the Registrar to ensure, that provision of that Consideration is made in accordance with that order or direction or law; or
- (b) prevents the Consideration from being provided to any particular Scheme Shareholder in accordance with clause 3.1(d), or the payment of such consideration is otherwise prohibited by applicable law, Target will be entitled to retain, subject to clause 4.4, the payment (equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Consideration) in the Trust Account or the AUD Trust Account (as applicable) until such time as provision of the Consideration to the Scheme Shareholder in accordance with clause 3.1(d) or clause 4.5 (as applicable) is permitted by that order or direction or otherwise by law,

and such provision or retention (as the case may be) will constitute the full discharge of Bidder's and the Registrar's obligations under clause 3.1(d) with respect to the amount so provided or retained.

#### **4.7 Exchange rate**

- (a) If a Scheme Shareholder is to be paid in Australian dollars (as contemplated by clause 4.1(c), 4.1(d)(i) and 4.5), the conversion of any payment from New Zealand dollars into Australian dollars will be undertaken in a manner and at an exchange rate determined by the Registrar (in the Registrar's discretion).
- (b) If a Scheme Shareholder elects to be paid in a currency other than New Zealand dollars or Australian dollars (as contemplated by clause 4.1(c) and 4.5), the conversion of any payment from New Zealand or Australian dollars (as applicable) into the relevant currency will be undertaken in a manner and at an exchange rate determined by Hyperwallet (in accordance with its terms and conditions of use).
- (c) None of Bidder, Target or the Registrar will be responsible for, or have any liability of any nature, in connection with any currency conversion (including for the exchange rate at which the relevant conversion occurs).

#### **4.8 Lowest price**

For the purposes of the financial arrangements rules in the Income Tax Act 2007, the parties agree that:

- (a) the Consideration is the lowest price (within the meaning of section EW 32 of the Income Tax Act 2007) that would have been agreed for the transfer of each Scheme Share, on the date the Scheme Implementation Agreement was entered into, if payment

had been required in full at the time the first right in each Scheme Share was transferred; and

- (b) the Consideration is the value of each Scheme Share.

## **5. Dealing in Target Shares**

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### **5.1 Recognition of dealings**

- (a) Following the granting of the Final Orders, Target must:
  - (i) release a copy of the sealed Final Order through the NZX market announcement platform, once the sealed Final Orders are received;
  - (ii) once known, release through the NZX market announcement platform the Trading Halt Date and Record Date; and
  - (iii) use its reasonable endeavours to procure that the NZX suspends trading in the Shares from the close of trading on the Trading Halt Date.
- (b) Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder pursuant to this Scheme Plan and any subsequent transfer by Bidder or its successors in title), any Share transfer or Share transmission application or other similar request received after 7.00pm on the Record Date, or received prior to such time but not in registrable or actionable form.

### **5.2 Share Register**

- (a) Target must register registrable transmission applications or registrable transfers of the Scheme Shares received prior to the Trading Halt Date before 7.00pm on the Record Date provided that, for the avoidance of doubt, nothing in this clause 5.2(a) requires Target to register a transfer that relates to a transfer of Shares over which Target has a lien.
- (b) A holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or attempt or agree to dispose of, any Scheme Shares, or any interest in them, after 7.00pm on the Trading Halt Date otherwise than pursuant to this Scheme Plan, and any attempt to do so will have no effect and Target, Bidder and the Registrar shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Consideration, but subject to the requirements of the Listing Rules, Target must maintain the Share Register in accordance with the provisions of this clause 5.2 until the Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Consideration.
- (d) From 7.00pm on the Record Date, each entry that is current on the Share Register will cease to have effect except as evidence of entitlement to the Consideration in respect of Shares relating to that entry. This clause 5.2(d) does not apply to the entry of Bidder on the Share Register under clause 3.1(c) or to any subsequent transfer by Bidder or its successors in title.
- (e) As soon as possible on the first Business Day after the Record Date and in any event by 7.00pm on that day, Target must make available to Bidder in the form Bidder reasonably requires, details of the names, Registered Addresses and holdings of Shares for each Scheme Shareholder as shown in the Share Register as at 7.00pm on the Record Date.

## 6. Guarantee

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### 6.1 Guarantee

Guarantor guarantees, as primary obligor and not merely as surety, the due and punctual performance by Bidder of all its obligations under this Scheme Plan.

### 6.2 No discharge

- (a) The Guarantor is not to be discharged, nor are the Guarantor's obligations to be affected, by any matter or thing which, but for this clause 6.2(a), would or might have discharged the Guarantor or affected its obligations, including:
- (i) the giving of time, credit or other indulgence or concession to Bidder, the Guarantor or any other person; or
  - (ii) anything done, or omitted to be done, by a Scheme Shareholder or Target in the exercise or non-exercise of its rights and powers; or
  - (iii) Bidder or the Guarantor or any other person being incompetent to be bound by this Scheme Plan or failing to be legally bound in whole or in part by it or the validity, regularity and enforceability of any provision of this Scheme Plan; or
  - (iv) any release, discharge, compromise, or other arrangement given to or made with Bidder, the Guarantor or any other person; or
  - (v) the dissolution of Bidder, any change in the status, function, control or ownership of Bidder, or any consolidation, merger or conveyance of Bidder; or
  - (vi) any other circumstances which might otherwise constitute a legal or equitable discharge of or defence to a surety and the Guarantor remains liable irrespective of whether any present or other obligations would be enforceable against Bidder,

it being the intention of the parties that the guarantee and obligations of the Guarantor are to be absolute and unconditional in all circumstances, and neither the Scheme Shareholders nor Target are under any liability to the Guarantor in respect of the items listed in this clause 6.2 even though the Guarantor's rights in subrogation may be prejudiced as a result.

- (b) If any payment made by or on behalf of Bidder to Target or Scheme Shareholders is avoided by law, that payment is not to be deemed to have discharged the liability of Bidder or the Guarantor in respect of it.

### 6.3 Cumulative rights

The rights of Target and Scheme Shareholders under this clause 6 are cumulative and not exclusive of any rights provided by law and are to remain in full force until the discharge by Bidder of all of its obligations under this Scheme Plan.

## 7. General provisions

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### 7.1 Amendments to Consideration

Bidder may increase the Consideration by written notice at any time to Target prior to 5.00pm on the Business Day prior to the Implementation Date, provided that the Scheme

Implementation Agreement has not been terminated in accordance with its terms prior to that date.

## **7.2 Title to and rights in Scheme Shares**

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme Plan to Bidder will, at the time of transfer of them to Bidder, vest in Bidder free from all Security Interests and free from any restrictions on transfer of any kind.
- (b) Each Scheme Shareholder is taken to have warranted to Bidder on the Implementation Date that all of their Scheme Shares (including any rights and entitlements attaching to those Shares) which are transferred under this Scheme Plan will, at the time of transfer, be fully paid and free from all Security Interests and restrictions on transfer of any kind, and that the Scheme Shareholder has full power and capacity to transfer their Shares to Bidder together with any rights and entitlements attaching to those shares.

## **7.3 Authority given to Target**

Each Scheme Shareholder, without the need for any further act:

- (a) on and from the date which is the later of:
  - (i) the Final Orders Date; and
  - (ii) the date on which Target announces to NZX that the OIO Condition has been satisfied,irrevocably appoints Target as its attorney and agent for the purpose of enforcing the Scheme and the Deed Poll against Bidder and, if relevant, Guarantor (but without limiting each Scheme Shareholder's right to itself enforce the Scheme and the Deed Poll); and
- (b) on the Implementation Date, irrevocably appoints Target as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to the Scheme and the transactions contemplated by it,

and Target accepts each such appointment. Target, as attorney and agent, may sub-delegate its functions, authorities or powers under this clause 7.3 to one or more of Target's directors or senior executives.

## **7.4 Binding effect of Scheme**

- (a) The Scheme binds:
  - (i) Target;
  - (ii) all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on the Scheme, did not vote at the Scheme Meeting, or voted against the Scheme at the Scheme Meeting);
  - (iii) Bidder; and
  - (iv) the Guarantor.
- (b) In the event of any inconsistency, this Scheme Plan overrides the constitution of Target.



## 7.5 When the Scheme becomes void

If the Scheme does not become Unconditional on or before 8.00am on the date that is six Business Days after the End Date, or if the Scheme Implementation Agreement is terminated in accordance with its terms at any time before 9.00am on the Implementation Date, this Scheme Plan is immediately void and of no further force or effect (other than clauses 2.3, 2.4 and 7.8).

## 7.6 Successor obligations

To the extent that any provision of the Scheme or this Scheme Plan imposes any obligation on Bidder or Target that continues or arises after the implementation of the Scheme, such obligation may instead be performed by any successor or related company of Bidder or Target (as applicable), in which case the obligation will be satisfied as if performed by Bidder or Target (as applicable).

## 7.7 Governing law

- (a) This Scheme Plan and any non-contractual obligations arising out of or in connection with it are governed by the law applying in New Zealand.
- (b) The courts having jurisdiction in New Zealand have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Scheme Plan (including a dispute relating to any non-contractual obligations arising out of or in connection with this Scheme Plan) and the parties irrevocably submit to the non-exclusive jurisdiction of the courts having jurisdiction in New Zealand.

## 7.8 No liability when acting in good faith

Each Scheme Shareholder agrees that none of the directors, officers or employees of Target or Bidder will be liable for anything done or omitted to be done in the performance of the Scheme in good faith.

# 8. Definitions and interpretation

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## 8.1 Definitions

In this Scheme Plan:

**AUD Trust Account** has the meaning given to it in clause 4.1(d)(i) of this Scheme Plan;

**Deed Poll** means the deed poll entered into by Bidder and the Guarantor in favour of the Scheme Shareholders dated 20 August 2025;

**Escrow Agreement** means the escrow agreement between Bidder, Target and the Registrar dated [●] 2025;

**Hyperwallet** means Hyperwallet Systems Inc. (a company incorporated under the federal laws of Canada) including any of its related companies;

**Registered Address** means, in relation to a Scheme Shareholder, the address shown in the Share Register as at the Record Date;

**Scheme** means this scheme of arrangement subject to any alterations or conditions made or required by the Court under Part 15 of the Companies Act and approved by Target and the Guarantor in writing;

**Scheme Implementation Agreement** means the scheme implementation agreement dated 23 June 2025 between Target and the Guarantor;

**Security Interest** means any security interest (within the meaning of section 17(1)(a) of the Personal Property Securities Act 1999) and any option, right to acquire, right of pre-emption, assignment by way of security, trust arrangement for the purposes of providing security, retention arrangement or other security interest of any kind;

**Trading Halt Date** means the date which is two Business Days after the Final Orders Date or such other date as Target and the Guarantor agree in writing;

**Trust Account** has the meaning given to it in clause 2.1 of this Scheme Plan; and

**Unconditional** means the satisfaction or waiver of each of the conditions in clause 1.

## 8.2 Interpretation

In this Scheme Plan:

- (a) capitalised terms which are used but not otherwise defined have the meanings given to them in the Scheme Implementation Agreement;
- (b) headings are for convenience only and do not affect the interpretation of this Scheme Plan;
- (c) the singular includes the plural and the plural includes the singular;
- (d) words of any gender include all genders;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Authority, as well as an individual;
- (f) a reference to a clause, is a reference to a clause of this Scheme Plan;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them (whether passed by the same or another Government Authority with legal power to do so);
- (h) a reference to a document (including this Scheme Plan) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) the word includes in any form is not a word of limitation;
- (j) a reference to \$, NZ\$ or dollar is to New Zealand currency, unless denominated otherwise;
- (k) a reference to any time is, unless otherwise indicated, a reference to that time in Auckland, New Zealand;
- (l) a reference to a party to a document includes that party's successors and permitted assignees; and
- (m) no provision of this Scheme Plan will be construed adversely to a party because that party was responsible for the preparation of this Scheme Plan or that provision.

### 8.3 **Business Day**

Where the day on, or by which, any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day, unless otherwise indicated.

**Annexure C**  
**Deed Poll**

For personal use only

## **Deed Poll**

**relating to**

a scheme of arrangement pursuant to Part 15 of the Companies Act 1993 involving Smartpay Holdings Limited

**Shift4 Holdings Limited**

Bidder

**and**

**Shift4 Payments, LLC**

Guarantor

**and**

**Each person who is registered in the Share Register as the holder of one or more Scheme Shares on the Record Date**

Scheme Shareholders

**20 August 2025**

This **Deed Poll** is made on 20 August 2025

- by** (1) Shift4 Holdings Limited (**Bidder**)
- and** (2) Shift4 Payments, LLC (**Guarantor**)
- in favour of** (3) Each person who is registered in the Share Register as the holder of one or more Scheme Shares on the Record Date (**Scheme Shareholders**)

Introduction

- A. Smartpay Holdings Limited (**Target**) and Guarantor are parties to the Scheme Implementation Agreement. Pursuant to clause 2.4 of the SIA, Bidder was nominated by Guarantor on or about the date of this Deed Poll to acquire all of the Scheme Shares.
- B. Target has agreed in the Scheme Implementation Agreement to propose a scheme of arrangement between Target, Guarantor, Bidder and the Scheme Shareholders, the effect of which will be that all Scheme Shares will be transferred to Bidder and Bidder will provide or procure the provision of the Consideration to the Scheme Shareholders.
- C. Bidder is entering into this Deed Poll for the purpose of undertaking in favour of the Scheme Shareholders to pay the Consideration to the Scheme Shareholders in accordance with the terms of the Scheme Plan. Guarantor is entering into this Deed Poll for the purpose of undertaking in favour of each Scheme Shareholder to guarantee the performance of the obligations of Bidder under the Scheme Plan and this Deed Poll.

By this deed poll it is declared as follows

1. Defined terms and interpretation

1.1 Defined terms

In this Deed, unless the context requires otherwise, words defined in:

- (a) the Scheme Plan which are not separately defined in this Deed Poll have the same meaning when used in this Deed Poll; and
- (b) the Scheme Implementation Agreement which are not separately defined in this Deed Poll or the Scheme Plan have the same meaning in this Deed Poll.

1.2 Interpretation

Clauses 8.2 and 8.3 of the Scheme Plan apply to the interpretation of this Deed Poll, except that references to “this Scheme Plan” are to be read as reference to “this Deed Poll”.

2. Nature of this Deed Poll

2.1 Third party rights and appointment of attorney

Bidder and Guarantor each acknowledges and agrees that:

- (a) this Deed Poll is intended to, and does, confer a benefit upon, and therefore may be relied upon and enforced by, any Scheme Shareholder in accordance with its terms under Part 2, Subpart 1 of the Contract and Commercial Law Act 2017 (but not otherwise), even though the Scheme Shareholders are not party to it; and
- (b) under the Scheme Plan each Scheme Shareholder appoints Target as its agent and attorney to enforce this Deed Poll against Bidder and, if relevant, Guarantor with effect on and from the date prescribed for such appointment in the Scheme Plan (but without limiting each Scheme Shareholder's right to itself enforce this Deed Poll).

Notwithstanding the foregoing, this Deed Poll may be varied by agreement between Target and Bidder in accordance with clause 8.2 without the approval of any Scheme Shareholder.

## 2.2 Continuing obligations

This Deed Poll is irrevocable and, subject to clause 3, remains in full force and effect until either:

- (a) Bidder and Guarantor have fully performed their respective obligations under it; or
- (b) it is terminated under clause 3.2.

## 3. Conditions

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### 3.1 Conditions

This Deed Poll, and the obligations of Bidder and Guarantor under it, are conditional in all respects upon satisfaction of the requirements set out in clauses 4.1(a) and 4.1(b).

### 3.2 Termination

The obligations of Bidder and Guarantor under this Deed Poll will automatically terminate, and the terms of this Deed Poll will be of no force or effect, if the Scheme Implementation Agreement is validly terminated in accordance with its terms before the Scheme becomes Unconditional, unless Bidder and Target otherwise agree in writing.

### 3.3 Consequences of termination

If this Deed Poll is terminated under clause 3.2, then Bidder and Guarantor are released from their respective obligations to further perform this Deed Poll.

## 4. Consideration

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### 4.1 Subject to:

- (a) the Scheme Implementation Agreement not being terminated; and
- (b) the Scheme having become Unconditional (save for the Conditions set out in clause 3.1(e) to (g) (inclusive) of the Scheme Implementation Agreement),

Bidder undertakes in favour of each Scheme Shareholder to deposit, or procure the deposit of, in immediately available cleared funds, by no later than 5.00pm on the



Business Day before the Implementation Date an amount equal to the aggregate amount of the Consideration payable to all Scheme Shareholders as set out in the Scheme Plan, such deposit to be made into the Trust Account to be held and dealt with by the Registrar in accordance with the Scheme Plan and the Escrow Agreement.

- 4.2 Subject to clause 3, Bidder irrevocably acknowledges and agrees that, subject to and conditional on the Scheme becoming Unconditional and compliance in full by Target with its obligations under clause 3.1(c) of the Scheme Plan, the Consideration deposited into the Trust Account must be, and will be, paid in accordance with clauses 3.1(d) and 4 of the Scheme Plan in satisfaction of the Scheme Shareholders' respective entitlements to receive the Consideration under the Scheme in accordance with the Scheme Plan.

## 5. Guarantee

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- 5.1 Guarantor guarantees, as primary obligor and not merely as surety, the due and punctual performance by Bidder of all its obligations under the Scheme Plan and this Deed Poll.

- 5.2 Guarantor accepts that it is not to be discharged, nor are Guarantor's obligations to be affected, by any matter or thing which, but for this clause 5.2, would or might have discharged Guarantor or affected its obligations, including:

- (a) the giving of time, credit or other indulgence or concession to Bidder, Guarantor or any other person; or
- (b) anything done, or omitted to be done, by a Scheme Shareholder or Target in the exercise or non-exercise of its rights and powers; or
- (c) Bidder or Guarantor or any other person being incompetent to be bound by the Scheme Plan or failing to be legally bound in whole or part by it or the validity, regularity and enforceability of any provision of the Scheme Plan; or
- (d) any release, discharge, compromise, or other arrangement given to or made with Bidder, Guarantor or any other person; or
- (e) the dissolution of Bidder, any change in the status, function, control or ownership of Bidder, or any consolidation, merger or conveyance of Bidder; or
- (f) any other circumstances which might otherwise constitute a legal or equitable discharge of or defence to a surety and Guarantor remains liable irrespective of whether any present or other obligations would be enforceable against Bidder,

it being the intention of the parties that the guarantee and obligations of Guarantor are to be absolute and unconditional in all circumstances, and neither the Scheme Shareholders nor Target are under any liability to Guarantor in respect of the items listed in this clause 5.2 even though Guarantor's rights in subrogation may be prejudiced as a result.

- 5.3 Bidder and Guarantor accept that if any payment made by or on behalf of Bidder to Target or Scheme Shareholders is avoided by law, that payment is not to be deemed to have discharged the liability of Bidder or Guarantor in respect of it.

- 5.4 The rights of Target and Scheme Shareholders under this clause 5 are cumulative and not exclusive of any rights provided by law and are to remain in full force until the

discharge by Bidder and Guarantor of all of their respective obligations under this Deed Poll.

## 6. Warranties

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Each of Bidder and Guarantor warrant in favour of each Scheme Shareholder that:

- (a) it is a company or other body corporate validly incorporated under the laws of its place of registration;
- (b) it has the corporate power to enter into, and perform its obligations under, this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (c) it has taken all necessary corporate action to authorise its entry into this Deed Poll and has taken, or will prior to the Implementation Date take, all necessary corporate actions to authorise the performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (d) this Deed Poll is valid and binding on it and enforceable against it in accordance with its terms; and
- (e) this Deed Poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

## 7. Notices

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### 7.1 Manner of giving notice

Any notice or other communication to be given under this Deed Poll must be given in writing (which includes email) and may be delivered or sent by post or email to Bidder and Guarantor at:

Address: C/- Shift4 Payments, LLC, 3501 Corporate Parkway,  
Center Valley PA 18034 USA

Email: jfrankel@shift4.com

For the attention of: Jordan Frankel, General Counsel

with a copy to (which does not constitute notice):

Address: Chapman Tripp, Level 34, PwC Tower, 15 Customs Street  
West, Auckland 1010, New Zealand

Email: rachel.dunne@chapmantripp.com /  
joshua.pringle@chapmantripp.com

For the attention of: Rachel Dunne / Joshua Pringle

or at any such other address or email address notified for this purpose to the other parties under this clause. Any notice or other communication sent by post must be sent by prepaid ordinary post (if the country of destination is the same as the country of origin) or by airmail (if the country of destination is not the same as the country of origin).

## 7.2 Notice effective

No communication is to be effective until received. In the absence of earlier receipt, a communication will be deemed to be received by the addressee:

(a) **Email**

in the case of a communication sent by email, four business hours (being the hours between 9am and 5pm on a Business Day in the jurisdiction of the recipient) after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered (excluding an "out of office" automated message);

(b) **Personal delivery**

in the case of personal delivery, when delivered; and

(c) **Post**

in the case of a letter, on the fifth Business Day after posting,

provided that if the notice or other communication would otherwise be taken to be received after 5.00 pm or on a Saturday, Sunday or public holiday in the place of receipt, then the notice or communication is taken to be received at 9.00 am on the next day that is not a Saturday, Sunday or public holiday in the place of receipt.

## 7.3 Proof of service

In proving service of a notice or other communication, it is sufficient to prove that delivery was made or that the envelope containing the communication was properly addressed and posted either by prepaid post or by prepaid airmail or that the e-mail was properly addressed and transmitted by the sender's server into the network and there was no apparent error in the operation of the sender's e-mail system, as the case may be.

## 8. General

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### 8.1 Waiver

- (a) Neither Bidder nor Guarantor may rely on the words or conduct of any Scheme Shareholder as a waiver of any right in respect of the Scheme unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) For the purposes of clause 8.1(a):
  - (i) conduct includes a delay in exercising a right;
  - (ii) right means any right arising under or in connection with this Deed Poll and includes the right to rely on this clause; and
  - (iii) waiver includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

## 8.2 Variation

- (a) Subject to clauses 8.2(b) and 8.2(c), this Deed Poll may not be varied.
- (b) Before the date on which the Final Orders are made, this Deed Poll may be varied by agreement in writing between Target and Bidder in which event Bidder and Guarantor will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.
- (c) If the Court orders that it is a condition of the Scheme that Bidder or Guarantor enter into a new deed poll which has the effect of reversing any variation under clause 8.2(b), then, if Bidder so agrees, Bidder and Guarantor must promptly enter into a further deed poll in favour of the Scheme Shareholders to give effect to the reversal of that variation.

## 8.3 Cumulative rights

The rights, powers and remedies of Bidder, Guarantor and the Scheme Shareholders under this Deed Poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this Deed Poll.

## 8.4 Assignment

The rights and obligations of Bidder, Guarantor and each Scheme Shareholder under this Deed Poll are personal. They cannot be assigned, charged or otherwise dealt with at law or in equity. Any purported dealing in contravention of this clause 8.4 is invalid.

## 8.5 Governing law and jurisdiction

- (a) This Deed Poll and any non-contractual obligations arising out of or in connection with it are governed by the law applying in New Zealand.
- (b) The courts having jurisdiction in New Zealand have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed Poll (including a dispute relating to any non-contractual obligations arising out of or in connection with this Deed Poll) and each of Bidder and Guarantor irrevocably submits to the non-exclusive jurisdiction of the courts having jurisdiction in New Zealand in respect of any proceedings arising out of or in connection with this Deed Poll, and irrevocably waives any objection to the venue of any legal process in those courts on the basis that the proceeding has been brought in an inconvenient forum.
- (c) Each of Bidder and Guarantor appoints Rachel Dunne, Partner of Chapman Tripp as its agent in New Zealand for service of process and other documents in any legal action or proceedings arising out of or in connection with this Deed Poll and will ensure that at all times prior to the termination of this Deed Poll or the implementation of the Scheme, Rachel Dunne or a replacement appointed by each of Bidder and Guarantor and approved by Target (acting reasonably), is authorised and able to accept service of process and other documents on its behalf in New Zealand.

Execution

Executed and delivered as a deed poll.

Shift4 Payments, LLC by

Jordan Frankel  
Authorised Signatory  
Jordan Frankel  
Print Name

Taylor Lauber  
Authorised Signatory  
Taylor Lauber  
Print Name

Shift4 Holdings Limited by

Jordan Frankel  
Director  
Jordan Frankel  
Print Name

Taylor Lauber  
Director  
Taylor Lauber  
Print Name

# Directory

## **DIRECTORS OF SMARTPAY**

Gregor Barclay (Chairman and Independent Director);

Martyn Pomeroy (Chief Executive Officer and Managing Director);

Matthew Turnbull (Independent Director);

Geoffrey Carrick (Independent Director);

Shelley Ruha (Independent Director); and

Carlos Gil (Non-Executive Director).

## **LEGAL ADVISER TO SMARTPAY**

Bell Gully

## **FINANCIAL ADVISER TO SMARTPAY**

Morgan Stanley

## **INDEPENDENT ADVISER**

Calibre Partners

## **SHARE REGISTRAR**

Computershare Investor Services Limited

Private Bag 92 119, Victoria Street West  
Auckland 1142

Level 2, 159 Hurstmere Road  
Takapuna, Auckland 0622, New Zealand

**Phone:** +64 9 488 8700

**Email:** corporateactions@computershare.co.nz

## **SHAREHOLDER INFORMATION LINE**

Between 8:30am and 5:00pm, Monday to Friday (New Zealand time) (excluding public holidays)

0800 650 034 (toll free within New Zealand)  
+64 9 488 8793 (if outside New Zealand)

## **SMARTPAY ADDRESS FOR SERVICE FOR THE PURPOSE OF THIS SCHEME**

### **Smartpay Holdings Limited**

C/- Bell Gully  
Level 5, Deloitte Centre,  
1 Queen Street,  
Auckland 1010

**Email:** julian.brown@bellgully.com

**Email:** james.cooney@bellgully.com