



ASX Announcement

Release date: 6 May 2026

Macquarie Australia Conference and Business Update

Smartgroup Corporation Ltd (ASX: SIQ) (“Smartgroup” or “the Group”), a leading employee services and fleet solutions provider, is pleased to provide a business update and a copy of the presentation for the Macquarie Australia Conference to be held tomorrow.

Q1 2026 financial and operational update

- Q1 2026 average monthly revenue increased 8% compared to Q1 2025 (pcp).
- Q1 2026 average monthly total novated leasing settlements, which include refinanced vehicles, increased 7% vs pcp.
- Q1 2026 average monthly novated leasing orders (excluding refinanced) increased 22% vs pcp.
- \$11-13m expected capex spend in 2026 as announced with 2025 full-year results.
- In Q1 2026, 80% of BEV’s new-vehicle orders were below \$75k and 88% were below \$80k.
- Strong progress against Strategic Priorities, including the launch of Smart’s new app, aligned with our digital strategy to enhance customer engagement, and support a seamless customer experience.

Commenting on Smartgroup’s performance over the first quarter of 2026, Managing Director and CEO, Scott Wharton, said: “Our record first quarter performance demonstrates continued disciplined execution against our Strategic Priorities, with solid revenue growth supported by strong novated leasing demand. The Group retained all significant clients during the period and secured new clients, reflecting the strength of our value proposition.

“During the quarter, we also progressed key initiatives, including the launch of our new mobile app to enhance customer experience, the continued application of automation and AI to enhance service delivery and efficiency, and growing momentum in our fleet business. We remain focused on strengthening our digital platforms and competing effectively in a dynamic market.

“We are pleased to see the Government reaffirm its commitment to the Electric Car Discount Policy. Many of our customers are nurses, teachers and not-for-profit workers, the policy made it possible for them to transition to an electric vehicle and reduce their living expenses.

“Policy certainty is important to maintaining strong EV uptake and gives manufacturers and charging providers the confidence to invest, supporting Australia’s transition to cleaner, more affordable transport.”



Outlook

Commenting on Smartgroup's outlook, Managing Director and CEO, Scott Wharton, said: "Looking ahead, operating conditions remain favourable, underpinned by positive demand dynamics across our key markets. We remain focused on disciplined execution, supported by an increasingly scalable capital-light platform. We continue to invest in technology and capability to support our customers and drive sustainable growth.

"We are mindful of the broader macroeconomic environment, including potential impacts from inflation, interest rates and changes in consumer confidence, and continue to actively monitor these factors. Notwithstanding this, our business model and strategic investments provide resilience and flexibility. Based on current market conditions, we are targeting EBITDA margins in the mid-40s during 2027."

This announcement was authorised by the Board of Smartgroup for release to the ASX.

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Macquarie Australia Conference 2026



Smart

Group

Investment proposition

CY25

Industry leading digital platform

- Continued investment in capability and technology
- Market leading scale
- Demonstrated improvements in operating efficiency and superior customer experience

1,645¹ customers / operations
FTE
 (up 16% on pcp)

Large addressable market with high client retention

- Large existing customer base
- Long-term client contracts in attractive and growing segments
- Strong tailwinds: EV incentives, population growth, resilience through the cycle

~2.5m
 potential customers in existing client base

Attractive financial profile

- Strong organic growth profile
- Significant recurring revenue from client base
- Improving margins supported by scalable business model

14%
 revenue²
 CAGR (3y)

41%
 EBITDA margin
 in 2025

Capital light business model

- Strong cash flow conversion
- Flexible balance sheet with minimal residual value exposure
- Consistent returns to shareholders

122%
 cash conversion
 as % of NPATA

0.3x
 net debt / EBITDA³

Leading player with diversified exposure

- Positioned as #1 in salary packaging and novated leasing⁵
- Broad product offering including exposure to fleet
- Diversified customer base delivering resilient growth

584,000
 LTM salary packaging
 customers⁴

85,300
 novated leases under
 management

1. 2025 average active salary packages / average salary packaging operations FTE (inc temps).

2. 2022 Gross Revenue was \$224.7m compared to \$329.3m in 2025.

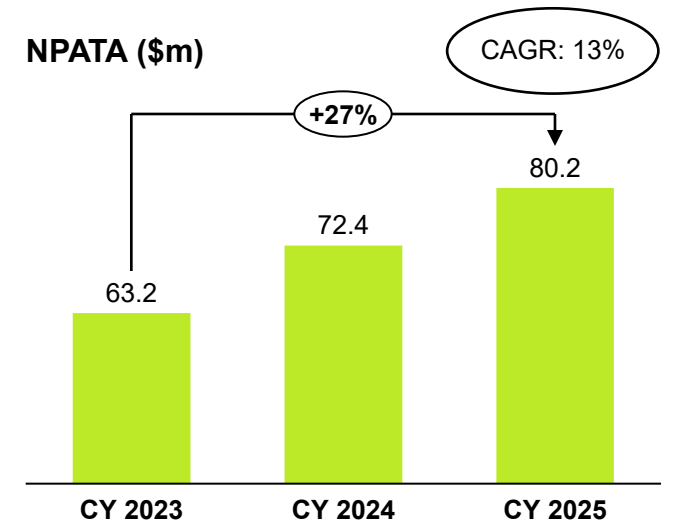
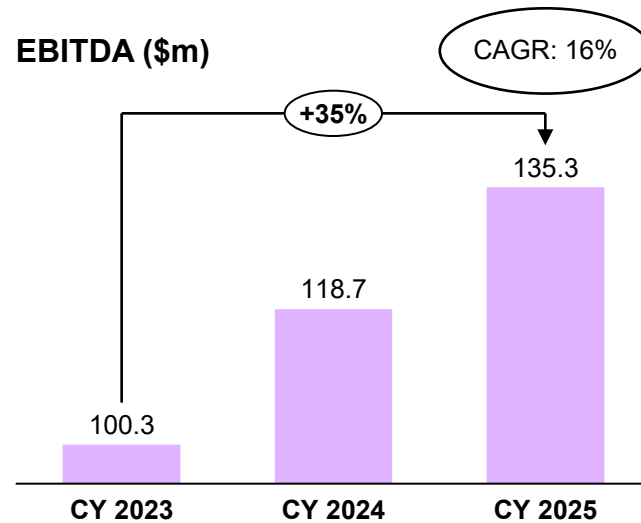
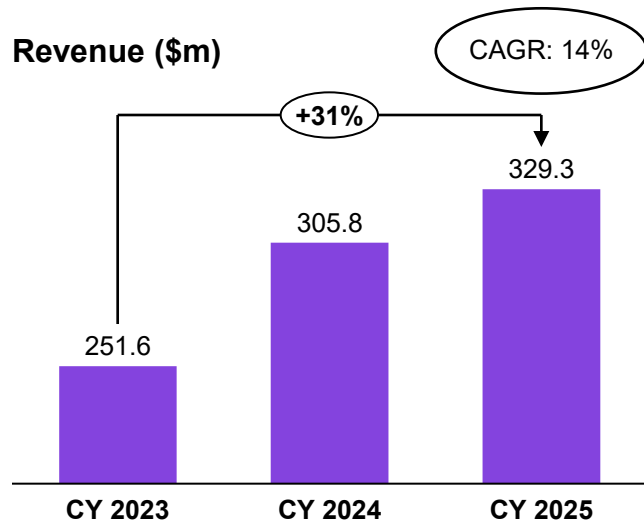
3. (Corporate debt – cash) / LTM EBITDA.

4. Includes customers that maximise FBT caps before December each year, then restart at the start of the next FBT year.

5. Based on publicly available customer numbers.

Disciplined execution

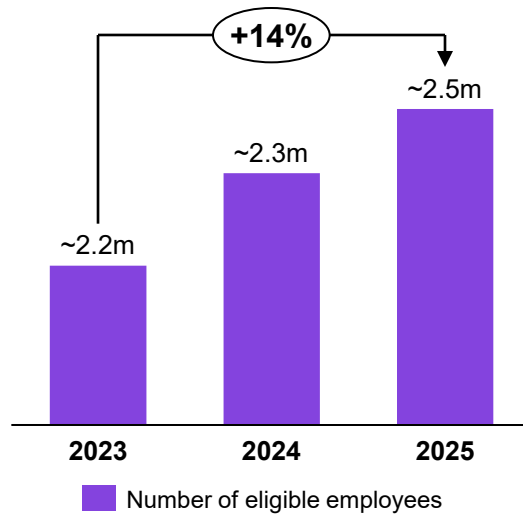
Consistent delivery of strong financial performance since launch of Strategic Priorities



Growing customer relationships and scalability

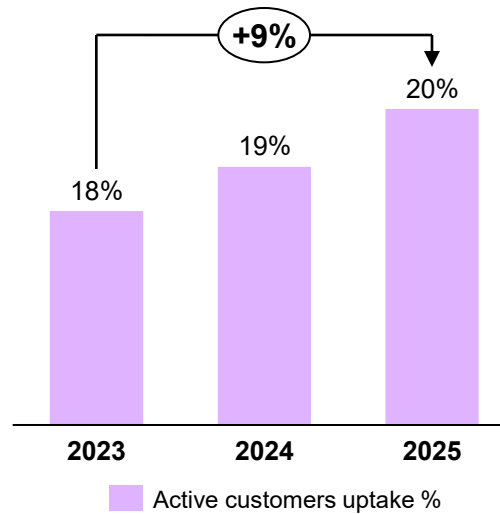
Since launch of Strategic Priorities

Increase in eligible customer base¹



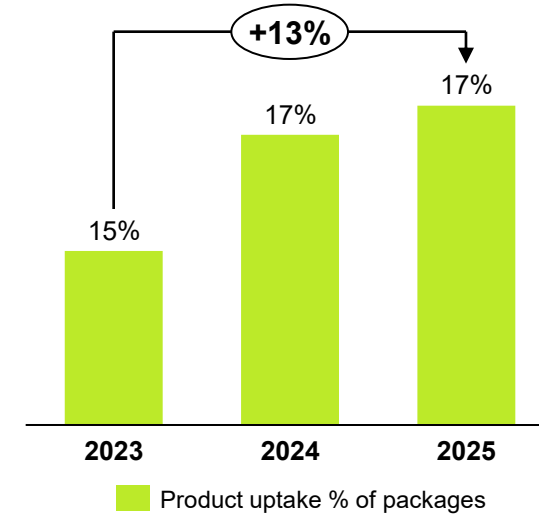
- Focus on increasing eligible customer numbers to leverage the scale of our platform

Relative improvement in customer uptake²



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

Relative improvement in product uptake



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

Our Strategic Priorities and focus

Our ambition

Smarter Benefits for a Smarter Tomorrow

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

Our focus

Smarter Experiences

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

Smarter Products

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

Working Smarter

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

Our Strategic Priorities

Customer-focused, digital and efficient salary packaging offering

Leadership in Novated Leasing via EVs

Innovation of propositions to meet growing customer needs

Targeted investment in fleet capabilities

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

Strategic roadmap

Feb 24 Announced
Strategic Priorities

Realise scale benefits –
targeting mid-40s EBITDA
margin during the year

2024

2025

2026

2027

2028+

Phase 1: Focus on growth and demand generation through digital marketing, improved digital assets and excellent customer experience

Phase 2: Focus on building a scalable platform, removal of duplication and cost efficiencies through brand alignment, technology modernisation, automation, and AI

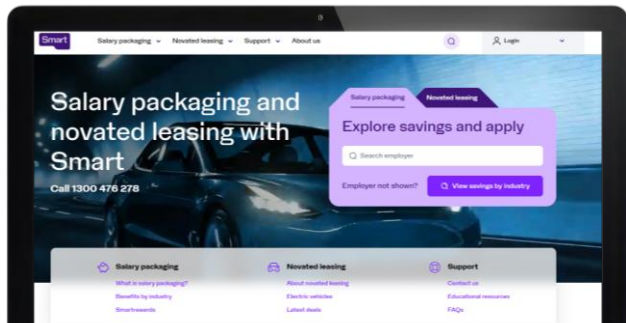
Phase 3: Focus on innovation of propositions with more benefits and new products

Phase 1: Our digital investments

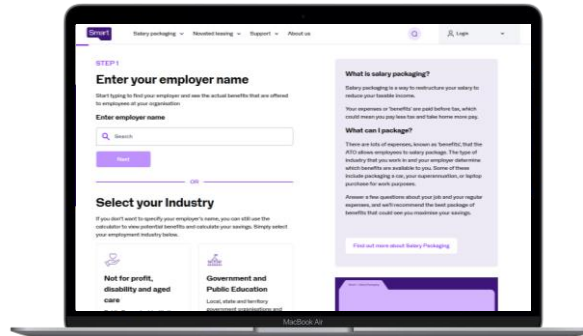
Delivered in CY24 and CY25

CY26

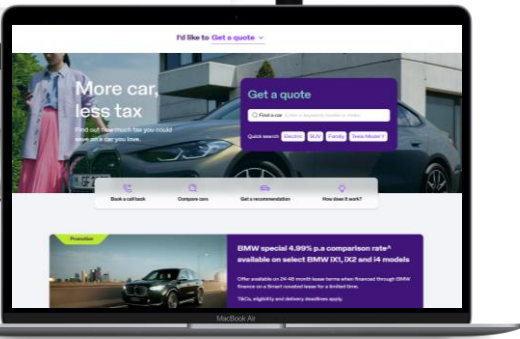
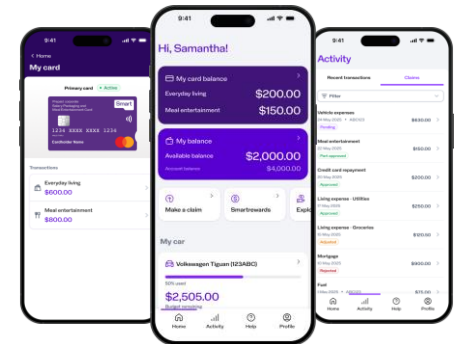
New digital home smart.com.au



New digital packaging journey

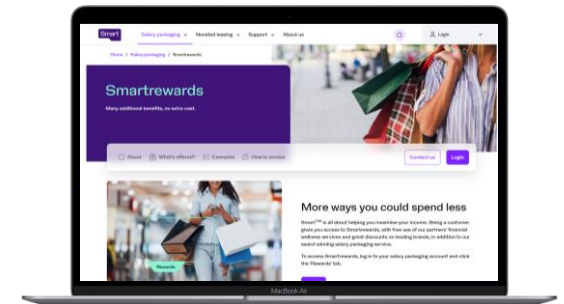


New App

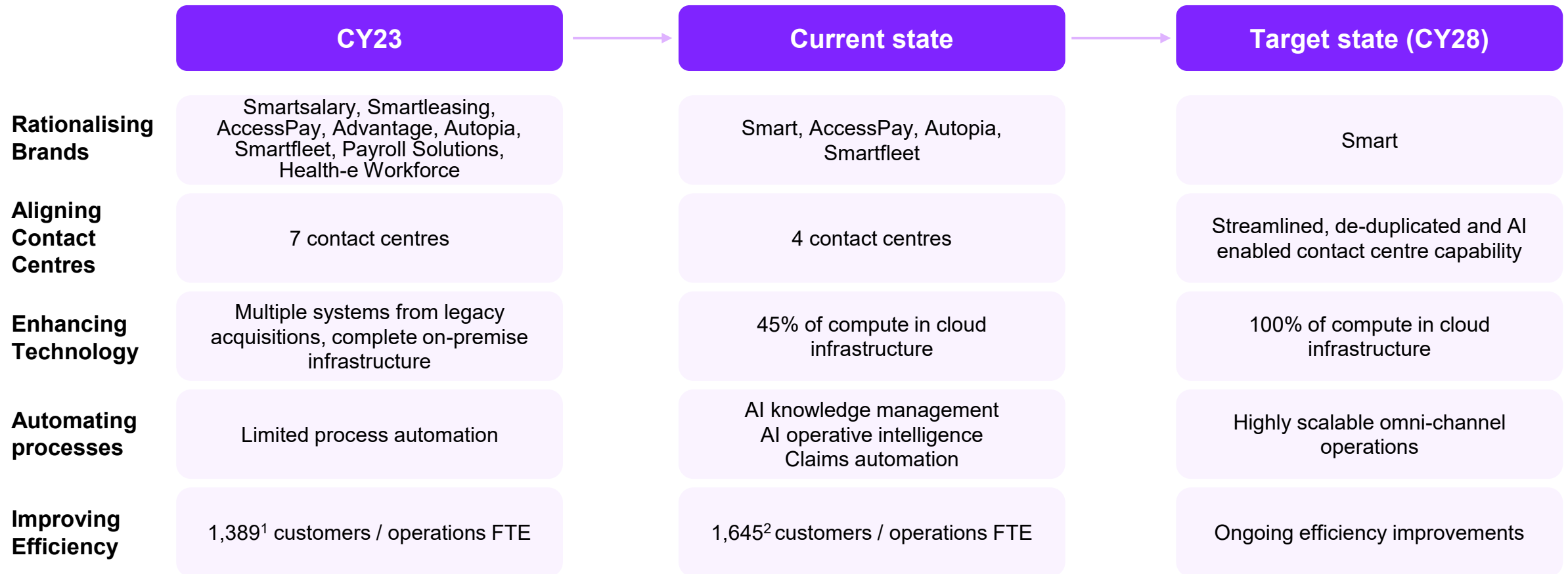


Enhanced Car Leasing Portal

Enhanced rewards platform



Phase 2: Our scalable platform



Q1 2026 Update



Strong leasing demand and yield sustained

	H2 2025 v pcp	Q1 2026 v H2 2025 ⁴	Q1 2026 v pcp ⁴
Volume			
New lease vehicle orders ¹	+8%	+23%	+22%
Total settlement volume ²	+7%	+2%	+7%
- New lease vehicle settlement ¹	+10%	+2%	+6%
- Refinance vehicle settlement	-8%	+3%	+18%
Yield	+2%	-5%	-4%
	H1 2025	H2 2025	Q1 2026
Pipeline	\$13.0m	\$9.8m	\$16.8m
Delivery timeframe ³	39 days	31 days	24 days
New vehicles % of total orders ¹	84%	85%	86%

Strong customer demand

- Continued customer interest in novated leasing
- Elevated fuel prices are strengthening the economic case for electric vehicles and supporting demand

Vehicle delivery

- Average Vehicle Order to delivery timeframes (for Smartgroup top 30 makes/models by volume) reduced to 24 days in Q1 2026
- Total pipeline future revenue of c.\$16.8m at the end of March 2026 (from \$9.8m in December 2025)

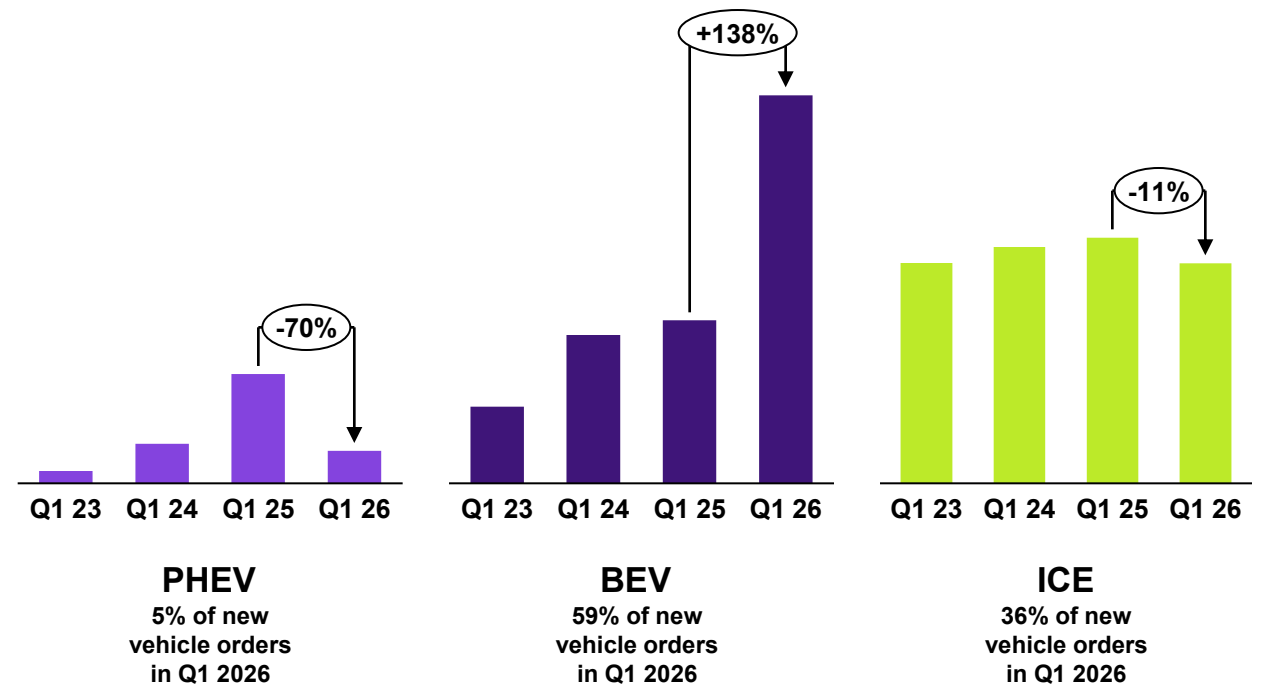
Yield

- Ongoing focus on yield management
- Targeted promotional activity and vehicle mix contributed to yield

New vehicle orders continue to grow

- Availability of vehicles remains good
- From 1st April 2025, the Discount Policy ceased applying to PHEVs
- Elevated fuel prices are strengthening the economic case for battery electric vehicles and supporting demand
- In Q1 2026, BEV, ICE and PHEV vehicles were 59%, 36% and 5% of new-vehicle orders, respectively

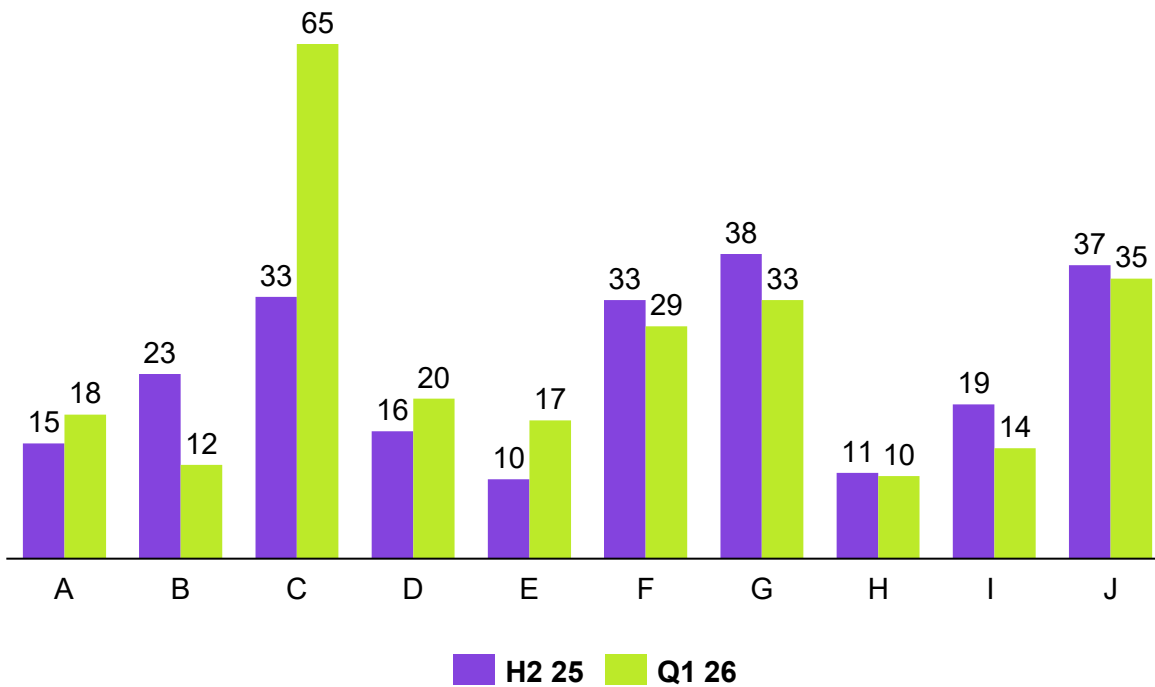
New-vehicle orders growth (PHEV, BEV, ICE)



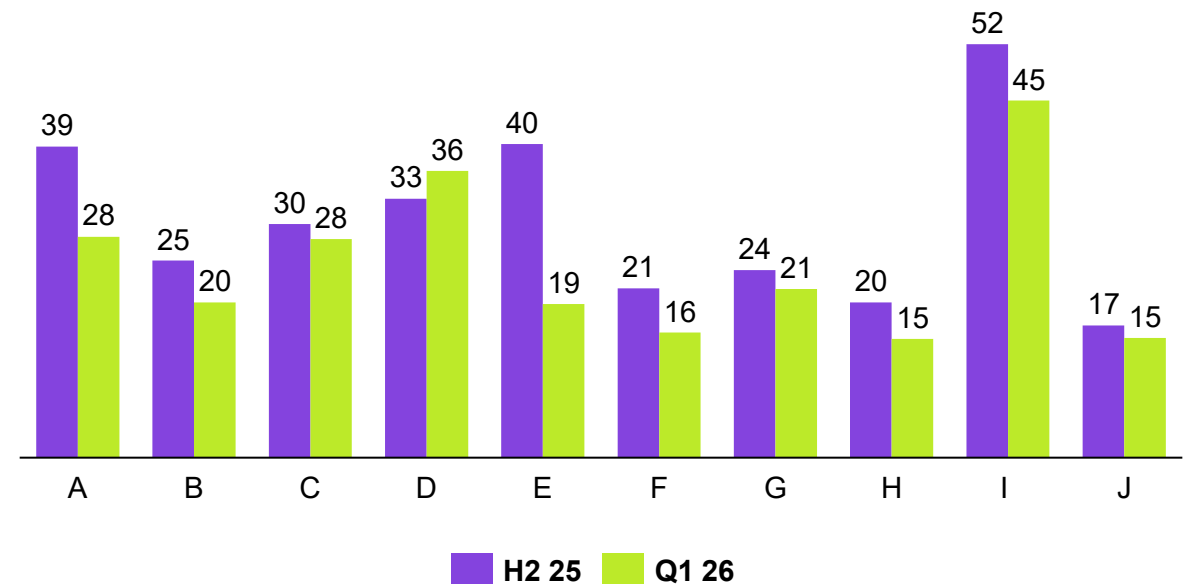
Vehicle supply remains supportive of demand

Delivery timeframe for SIQ top models

Top 10 BEV

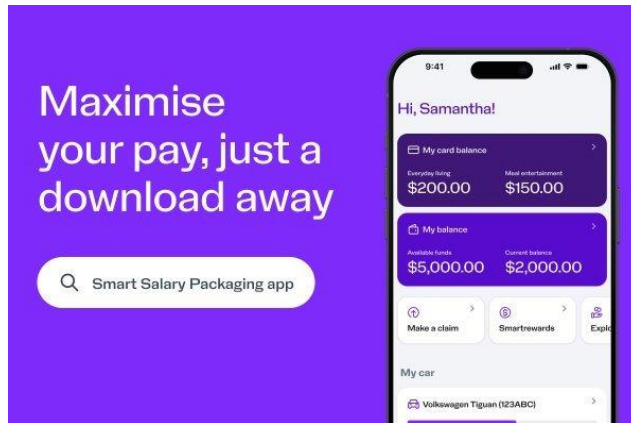


Top 10 ICE



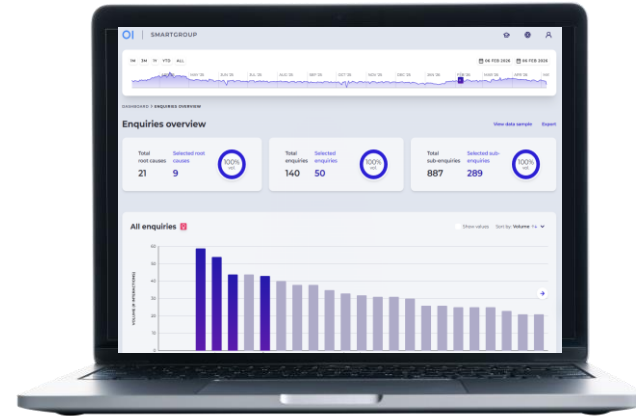
Q1 Operational Highlights

The new Smart app



- New app driving higher engagement and self-service
- Intuitive dashboard
- Easy claiming
- Budget tracker
- Access to expanded employee benefits through Smartrewards
- Early customer feedback has been excellent
- Ongoing enhancements to drive improved engagement

Comprehensive AI, data & automation program



- 24/7 digital servicing to reduce call volumes through AI enabled chat
- Internal AI agent enabling rapid access to product and contract information, improving efficiency and customer experience
- AI customer call analysis at scale to understand customers needs, sentiment and experience enhancements (over 200k calls analysed)
- AI-enabled business intelligence tool to support data-led decision-making

Trading Update and Outlook

Operational performance

- Record Q1 customer numbers across all business lines – salary packaging, novated lease and fleet
- Growing strongly across all product lines
- Retained all significant clients during the period and secured new clients
- Electric Car Discount Policy review outcome supports novated leasing demand and climate transition
- Continuing to build novated leasing distribution partnerships to drive growth
- Expanded fleet offering, driving growth in vehicles under management through external funding
- \$11-13m expected technology and digital capex spend in 2026

Q1 2026 financial performance

- Average monthly revenue increased 8% vs pcp
- Average monthly total novated leasing settlements, which include refinanced vehicles, increased 7% vs pcp
- Average monthly novated leasing orders (excluding refinanced) increased 22% vs pcp

Medium-term (2027+)

- Based on current market conditions, we are targeting mid-40s EBITDA margin during 2027
- After 2027, with sustained investment, there are opportunities to further elevate business performance

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