SMART PARKING

Reinventing the parking experience

2024 Annual Report

smartparking.com

Smart Parking has delivered record results in FY24, with organic growth, supported by two strategic acquisitions and expansion into Denmark.

Global market opportunities remain significant and Smart Parking is well positioned to capitalise on this.

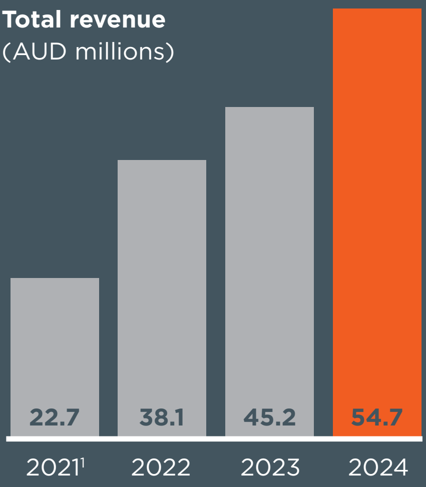
Our Vision

To create a culture of excellence and be the global leader in technology-driven managed parking services.

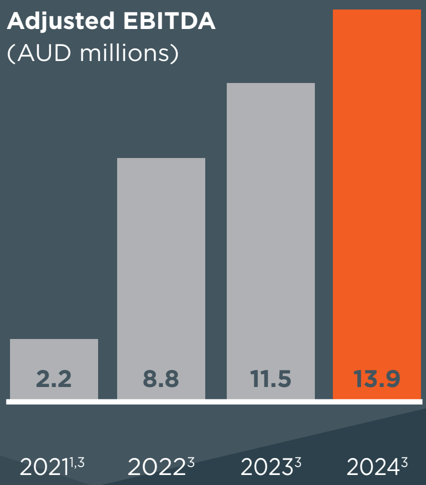
Contents

Financial Highlights

Total revenue
(AUD millions)



Adjusted EBITDA
(AUD millions)



IN MILLIONS OF AUD

Year ended 30 June	2024	2023
Revenue	**54.7**	45.2
Adjusted EBITDA[2, 3, 4]	**13.9**	11.5
Adjusted EBITDA margin[4]	**25.6%**	25.5%
Net profit after tax	**3.7**	6.4
Cash	**7.2**	10.7

1 FY21 was impacted by the COVID-19 global pandemic.
2 FY24 includes $0.6m of EBITDA loss relating to the setup and operating expenses in the new Denmark territory and $0.2m of costs for evaluating new territories.
3 Adjusted EBITDA represents Group Earnings before interest, taxation, depreciation and amortisation adjusted for costs incurred but not expected to occur in the future.
4 Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS financial measures.

Letter to shareholders

Dear Fellow Shareholder,

We are pleased to present Smart Parking Limited's ("Smart Parking", "the Group", "SPZ") Annual Report. 2024 has been a year of record growth with contributions from existing and new operating territories.

Christopher Morris
Chairman

SPZ is pleased to deliver another set of record results driven by the disciplined execution of our growth strategy. SPZ is a fast growing, profitable and cash flow positive company that can scale in large markets and self-fund its organic growth strategy. Our strategy is to drive strong organic growth in existing territories, build scale in new territories and complement this with selective acquisitions.

In addition to executing the company's organic growth strategy, in FY24 the Group completed 2 acquisitions and launched operations in Denmark.

In July 2023 the Group acquired ParkInnovation GmbH (ParkInnovation) for total cash consideration of $2.0m. ParkInnovation provides parking management solutions in Germany and has 46 manually operated sites under management. The acquisition accelerates growth in the German market and provides the opportunity to upgrade suitable sites to Automatic Number Plate Recognition (ANPR) technology, while continuing to operate remaining sites manually, as well as leverage customers to potentially install additional sites.

In March 2024 the Group acquired the parking management contracts and assets from Local Parking Security Limited (Local Parking Security) for cash consideration of $5.9m. Local Parking Security provides parking management solutions in the United Kingdom and has 72 ANPR sites and 54 manually operated sites and provides opportunity to upgrade suitable sites to the ANPR technology.

On 1 January 2024, the Company launched its second operation in mainland Europe by opening a Parking Management business in Denmark. The business will operate in the same fashion as other countries and will focus on growing sites under management in the region. Expansion into Denmark provides an opportunity for the company to continue its expansion in Europe. The Company believes the technology-led solutions that it currently provides in other operating territories will be a significant point of difference during the sales process and will lead to greater client wins.

The business has shown that it can take its valuable Intellectual Property into new regions, providing market leading technology and delivering profitable growth and we will continue to evaluate new markets in line with our global expansion plans.

Across the Group we saw growth in both lead metrics of ANPR sites under management and the issuance of Parking Breach Notices (PBNs). Sites under management increased by 28% to 1,424 sites, and the number of PBNs issued increased by 22% in FY24 largely due to the increased number of sites and customer contract wins. Through a disciplined approach to sales execution, the Company has seen the number of sites grow at an average rate of 31% per annum over the last 6 years. It is this continued focus on customer delivery that will see the Group achieve its growth target of 1,500 sites under management before December 2024.

Financial results

Total revenue of $54.7m for FY24 was up 21% compared to FY23 reflecting the uplift in sales activity, expansion into new operating territories and acquisitions. After accounting for unusual and non-recurring items, the Adjusted EBITDA profit of $13.9m is up 21%, or $2.4m, against FY23. The strong results from the underlying business reflect the ongoing continued organic growth of the business supplemented by acquisitions. When allowing for the new set up of Danish operations and new territory exploration activity, the adjusted EBITDA increased further to $14.7m, growth of 28% compared to FY23.

The net statutory profit after tax attributable to members is $3.7m, down 42% (FY23: $6.4m). This decrease is largely due to the higher underlying result from operations being offset by an unfavourable foreign exchange movement of $1.4m (FY23: gain of $1.2m), and an increase in tax expense by $2.1m from prior year.

The Group's continued positive cashflow performance was a highlight of the results. The Company generated strong operating cash returns over FY24 of $13.5m up 46% on FY23.

Outlook

The Company is well placed to take advantage of opportunities as they arise. The Company will benefit from growth in sites in the UK, New Zealand, Germany, and expansion into the Denmark market.

The growth in sites, operating leverage and contribution from acquisitions is expected to result in revenue and earnings growth.

Results to date in the current year are tracking ahead of the same period in FY24 with the company issuing 183,373 PBNs in July/August 2024, up 22% compared to July/August 2023.

The Group maintains a strong balance sheet to take advantage of further acquisition opportunities and explore new territories suitable for the Company's technology and business model.

Social contribution

Over FY24 Smart Parking has embarked on a number of charitable causes, most notably our support of Ronald McDonald House (in NZ and the UK), and Zoe's Place Baby Hospice (UK). Support has included donations, fundraising drives and staff attending their charitable events. In NZ we have also conducted several fundraising events that support the Royal New Zealand Returned and Services Association (RSA) and the NZ Breast Cancer Foundation.

We would like to take this opportunity to thank the team at Smart Parking for their efforts and our fellow shareholders for your continued support.

Christopher Morris
Chairman

Paul Gillespie
Chief Executive Officer

27 September 2024

Paul Gillespie
CEO

Parking Management division

Smart Parking's Parking Management division continues to grow its global number of sites across the UK, New Zealand, Germany and Denmark. Bringing the best in class by combining managed car park services and technology, we provide the 1,424 sites we have under management a range of solutions to suit each ANPR managed site's requirements.

Expanding territories

The Parking Management division now operates in five territories – the UK, Germany, Australia (Queensland), New Zealand and Denmark – and specialises in the management of car parks on behalf of retail businesses, land owners and property managing agents. The expansion into four new markets in the last 3 and a half years has helped bring our total number of ANPR sites under management to a record 1,424, a 28% net increase on FY23. PBNs issued in the UK have reduced from 100% of total PBNs issued by the Group in FY19 to 78% in FY24 as a result of planned diversification into new territories.

Acquisitions

July 2023 saw Smart Parking execute its successful growth strategy resulting in the acquisition of a Parking Management business in Germany – ParkInnovation – with 46 manually operated sites that provide opportunities to upgrade suitable sites to ANPR technology.

In March 2024 Smart Parking acquired the parking management contracts and assets of a parking business in the UK – Local Parking Security – with 72 ANPR sites and 54 manually operated sites that provide opportunities to upgrade suitable sites to ANPR technology.

Key metrics

On average, Parking Breach Notice (PBN) revenue makes up approximately 87% of the Group's revenue. Results to date in FY25 are tracking ahead of the same period in FY24 with the company issuing 183,373 PBNs in July/August 2024, up 22% compared to July/August 2023.

FY24 at a glance

Managed Services launched in Denmark in January 2024.

Managed Services expands in Germany with 67 sites already installed, and more in the pipeline.

162 ANPR sites are operating well in NZ.

The 71 Queensland sites paused ANPR operations in February 2023, with continued manual operations on some sites, while the Queensland government determines future regulatory access to the Motor Vehicle Registry.

Outlook

The Company remains focused on its strategy of growing the installed number of ANPR sites to 1,500 by 31 December 2024 and is on track to exceed this milestone, ahead of the original target date of 30 June 2025.

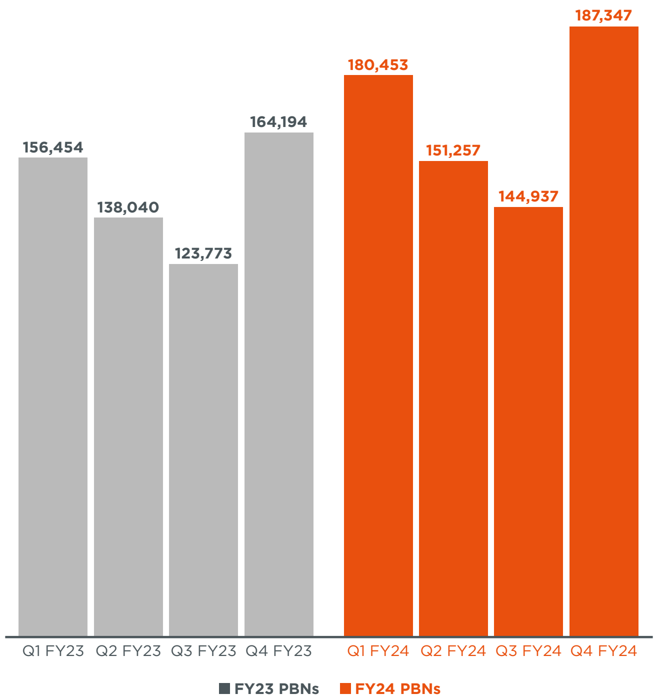
The Company will continue to evaluate potential acquisitions and explore new territories suitable for the Company's technology and business model.

UK Managed Services

Our UK Parking Management division has seen rapid growth in FY24, with 194 net sites added in FY24 (which includes 68 sites from the acquisition of LPS), as well as a record 663,994 PBNs issued over the financial year, up 14% on FY23.

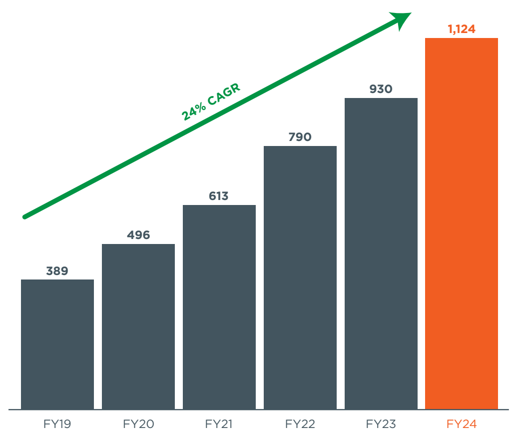
The Company has been focused on a disciplined growth strategy in this large addressable market.

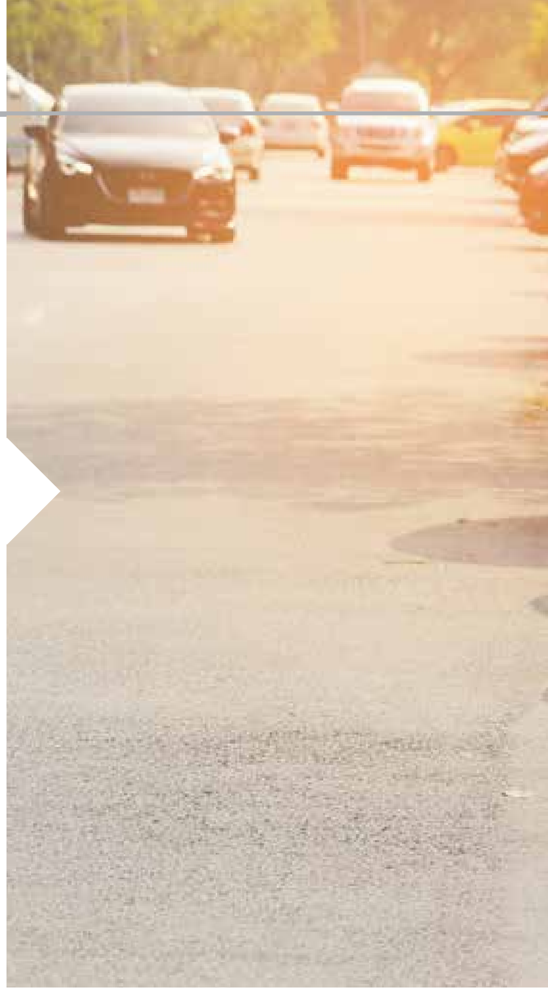
UK Parking Breach Notices Issued



Reduction in PBNs in Q3 is in line with normal seasonal variations.

UK ANPR Sites Under Management





Parking Management division

Other Managed Services Territories

The Company has established parking management businesses in NZ, Australia (Queensland), Germany and Denmark in the last 3 and half years. FY24 has been a successful year, with 118 new sites in New Zealand and Germany, with 187,859 (2023: 84,995) PBNs being issued by New Zealand and Germany in the financial year, up 121% on FY23.

Smart Compliance Management

New Zealand

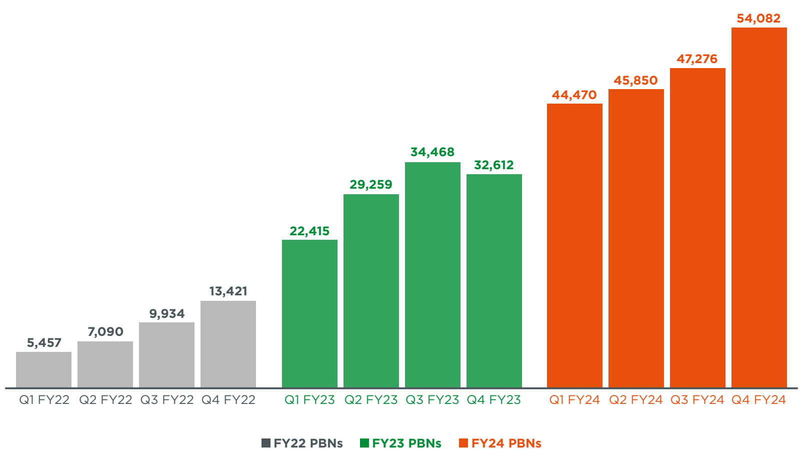
New Zealand has steadily been growing the managed services business since its inception in March 2021. The business has a growing presence in major metropolitan areas including Auckland, Wellington and Christchurch - an attractive market with limited competition and significant potential for growth.

The Company added 78 new sites in New Zealand, with 126,692 PBNs issued during the year up 70% compared to FY23. Sites under management are performing well and delivering a strong payback.

Australia

The Queensland government continued its temporary pause on private parking operators' access to the Queensland Motor Vehicle Register. On 10th August 2023, the Queensland Department of Transport and Main Roads released a consultation document seeking comments and submissions on options to reform the release of personal information for enforcement of private car park conditions. At the date of the pause in operations, 71 ANPR sites were installed in Queensland. Some sites are now manually operated, pending the outcome of the government decision.

APAC/Germany Parking Breach Notices Issued[1]



1 The reduction in PBNs from Q4 FY23 is due to the pause in Queensland

Germany

The Company launched its first operation in mainland Europe on 1 January 2022 by opening a Parking Management business in Germany. The focus since launch has been on establishing a team, business processes and leveraging off the Group's best-in-class ANPR technology. Smart Parking's proprietary technology, SmartCloud, is being deployed in order to differentiate the business against German competition. On 30 June 2024, the German operation had 67 ANPR sites. The German market presents a substantial opportunity leveraging the Group's technology, knowledge and expertise. In July 2023 the Group entered into an agreement to acquire ParkInnovation for $2m. ParkInnovation provides parking management solutions in Germany and has 46 manually operated sites under management. The acquisition accelerates growth in the German market and the acquisition provides the opportunity to upgrade suitable sites to ANPR technology, while continuing to operate remaining sites manually.

Denmark

On 1 January 2024, the Company launched its second operation in mainland Europe by opening a Parking Management business in Denmark. The business will operate in the same fashion as other countries and will focus on growing sites under management in the region. Expansion into Denmark provides an opportunity for the company to continue its expansion in Europe. The Company believes the technology-led solutions that it currently provides in other operating territories will be a significant point of difference during the sales process and will lead to greater client wins.

Technology division

The technology division continues to be focused on the provision of real-time information through SmartCloud and bay monitoring technology and supporting the Parking Management division.

By focusing on new market verticals such as enforcement software and managed services, the Company has unlocked new revenue streams to complement our traditional customer base.

Our on-street and off-street products

- SmartApp
- ANPR cameras
- SmartSpot Gateway
- SmartCloud
- Overhead Guidance Indicators (OHIs)
- Pay & Walk
- Enforcement Management System

Research & development division

Smart Parking's R&D division has rolled out more technology offerings within our app and SmartCloud platform.

We continue to expand our offerings beyond the usual parking equipment, with a strong focus on ANPR and the development of complementary technologies.

Our in-house development capabilities enable us to adapt existing software for new territories, and improvements to existing territories.

Our development of Artificial Intelligence has increased our camera accuracy, which results in more PBNs issued per site and will simultaneously reduce camera and other costs in the future. Smart Parking R&D division has a strong focus on cost efficiencies, increased effectiveness of operations/issuance of PBNs, speedy adaptation to launch new territories and adding value to our customers.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Directors' Report

This Annual Report covers both Smart Parking Limited as an individual entity and the Consolidated entity comprising Smart Parking Limited and its subsidiaries. The Group's functional and presentation currency is AUD ($).

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the Directors' report on page 13. The Directors' report is not part of the financial report.

Directors' Report

Your Directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Smart Parking Limited and the entities it controlled at the end of, or during the year ended 30 June 2024.

Directors

The names of the Directors in office during the financial year and until the date of this report are as follows. All Directors were in office for the entire period:

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

Company Secretaries

The Company Secretary is Mr Richard Ludbrook. Mr Ludbrook was appointed the Group Chief Financial Officer in 2011 and Company Secretary in 2016. Mr Paul Gillespie was appointed joint Company Secretary in 2016.

Principal activities

The Group operates three divisions:

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

Review of Operations

The Group recorded a net profit after income tax of $3.7m (2023: $6.4m) for the financial year ended 30 June 2024.

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

	2024	2023
Revenue	**54,703,059**	**45,176,722**
Net Profit for the year after tax	**3,688,663**	**6,383,150**
Depreciation and amortisation	6,973,030	5,372,465
Loss on disposal	77,542	10,315
Interest expense	610,990	643,083
Interest revenue	(248,397)	(125,528)
Tax expense/(benefit)	1,872,815	(189,315)
EBITDA[1]	**12,974,643**	**12,094,170**
Professional fees[2]	398,581	553,996
Other non-recurring items[3]	318,425	48.869
Foreign exchange (gains)/losses[4]	239,540	(1,166,991)
Adjusted EBITDA[5]	**13,931,189**	**11,530,044**
Depreciation and amortisation	(6,973,030)	(5,372,465)
Loss on disposal of fixed property, plant and equipment	(77,542)	(10,315)
Adjusted EBIT[5]	**6,880,617**	**6,147,264**

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

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

3 The other non-recurring items are either non-recurring and/or non-operating in nature. In FY24, $0.3m relates to professional fees on regulatory matters.

4 The foreign exchange (gains)/losses relate to funding within the Group.

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

Directors' Report (cont.)

Total revenue of $54.7m for FY24 was up 21% on FY23.

The increase reflects the uplift in sales activity, growth in new operating territories and acquisitions.

After accounting for unusual and non-recurring items, the Adjusted EBITDA profit of $13.9m is up 21% against FY23. When allowing for the new set up of Danish operations and new territory exploration activity, the adjusted EBITDA increased further to $14.7m, growth of 28% compared to FY23.

The net statutory profit after tax attributable to members is $3.7m, down 42% (FY23: $6.4m). This decrease is largely due to the higher underlying result from operations being offset by an unfavourable foreign exchange movement of $1.4m (FY23: gain of $1.2m), and prior year favourable tax adjustments of $2.1m related to historical tax losses.

The Group has 81% of its revenue derived in the UK resulting in revenue and profits denominated in Great British Pound ("GBP"). These are impacted by movements in the exchange rate between GBP and the Group's presentation currency.

As at 30 June 2024, the Group had cash on hand of $7.2m (2023: $10.7m).

The Group had net operating cash inflows excluding non-recurring items for the year ended 30 June 2024 of $14.7m (2023 inflow: $9.5m).

Cashflows from operating activities increased due to the impact of new site installations, contributions from acquisitions, and reduced spend on technology inventory as the company focuses on expanding the Managed Services business.

The following table summarises the net operating cash movements for the period:

	2024	2023
Net operating cash flow excluding non-recurring items	14,668,376	9,529,864
Non-recurring items	(1,121,371)	(243,368)
Net Reported Operating Cash Flow	**13,547,005**	**9,286,496**

The Group spent $4.2m on property, plant and equipment (largely equipment and installation costs for new sites) which will support revenue and earnings growth in future periods.

Parking Management Division

Revenue in the Parking Management division of $51.5m was up 25% (2023: $41.2m).

The Company's sales effort continues to deliver by adding 302 new Automatic Number Plate Recognition (ANPR) sites for existing and new customers, which combined with 68 ANPR sites from the acquisition of Local Parking Security resulted in a net 28% increase in sites over the year. The portfolio has undergone rapid growth over the last six years, rising from 286 ANPR sites under management at 30 June 2018 to 1,424 ANPR sites under management at 30 June 2024.

The Company made progress expanding its international footprint and building scale in new markets. Smart Parking has established parking management businesses in NZ, Australia (Queensland) and Germany in the last 3 and a half years, and has recently established a new business in Denmark.

Our NZ business continues to perform strongly with 162 sites installed at 30 June 2024 generating revenue of $4.6m, up 56% on FY23. Parking Breach Notices (PBNs) issued increased by 70% to 126,692 compared to FY23. Staff previously engaged in the technology business were redeployed during the year into the fast-growing NZ parking management business. NZ remains an attractive market with limited competition and significant potential for growth. The Company increased the size of the sales team from 3 to 4 staff during H1 FY24 and intends to add a further person in H1 FY25.

The Company launched its first operation in mainland Europe on 1 January 2022 by opening a Parking Management business in Germany. The focus since launch has been on establishing a team, business processes and leveraging off the Group's best-in-class ANPR technology. Smart Parking's proprietary technology, SmartCloud, is being deployed in order to differentiate the business against German competition. At 30 June 2024, the German operation has 67 ANPR sites. The German market presents a substantial opportunity leveraging the Group's technology, knowledge and expertise. In FY24 the Company also expanded in Germany through the acquisition of ParkInnovation as detailed below. The German business generated revenue of $2.8m, up 519% on FY23.

Another feature of the year was the expansion into Denmark. On 1 January 2024, the Company launched its second operation in mainland Europe by opening a Parking Management business in Denmark. The business will operate in the same fashion as other countries and will focus on growing sites under management in the region. Expansion into Denmark provides an opportunity for the company to continue its expansion in Europe. The Company believes the technology-led solutions that it currently provides in other operating territories will be a significant point of difference during the sales process and will lead to greater client wins. The business has begun to generate revenue from PBN's in early FY25.

In Australia, the Queensland government continued its temporary pause on private parking operators' access to the Queensland Motor Vehicle Register. On 10th August 2023, the Queensland Department of Transport and Main Roads released a consultation document seeking comments and submissions on options to reform the release of personal information for enforcement of private car park conditions. At the date of the pause in operations, 71 ANPR sites were installed in Queensland. Some sites are now manually operated, pending the outcome of the government decision.

Since the consultation there was a change in December 2023 with a new Premier and Transport Minister being appointed who are positively disposed towards the need for an effective parking industry due to the impact parking abuse has on Queensland businesses. Smart Parking continues to engage in positive dialogue with the Queensland Government and Department of Transport and Main Roads (TMR). TMR is currently completing a review, working with stakeholders (including Smart Parking) and international parking experts to develop a Code of Practice for parking on private land.

The UK government temporarily withdrew the Private Parking Code of Practice in June 2022, pending review of the levels of private parking charges and additional fees. On 28th July 2023, a call for evidence was announced on private parking charges and debt recovery fees, adding new more favourable options and an openness to consider further options compared to the earlier communications.

It is important to note that the UK review is substantially different from the Queensland review. The UK review covers the value of the Parking Breach Notice and debt recovery fees, accepting that Private Car Park operators have the right to access contact details of number plate owners in order to charge fees. Like NZ and Germany (but unlike in Queensland), in the UK there is a Code of Practice, enabling legal framework and established cost-effective mechanism for retrieval of number plate details for enforcement of private car parks.

In June 2024 the BPA (British Parking Association) and the IPC (International Parking Community) published the private parking sector single Code of Practice to be used across the entire private parking sector. This new single Code will raise standards and deliver greater transparency and consistency for the benefit of UK motorists. Smart Parking fully endorses the single Code of Practice and the raising of standards in the industry.

It is uncertain if the UK Government review of the Private Parking Code of Practice will proceed particularly given the recent changes with the adoption of a single industry Code of Practice and the change of the UK government. In the event the Government proceeds with the review, it is unclear when it will be finalised and implemented.

The UK company restructured the sales team in early FY24 with the benefit of this showing in H2 FY24. The business added 75 sites in H1 and 109 in H2 bringing total UK sites to 1,124 at 30 June 2024. The strategy of growing the number of customers with multiple sites is proving beneficial. The site portfolio will continue to be optimised to increase yields.

The Company believes there is a significant opportunity across the UK, Germany, Denmark and NZ and will be focused on the continued roll out of sites and customer wins in the coming years.

The Company remains focused on its strategy of growing the installed number of ANPR sites to 1,500 by 31 December 2024 and is on track to exceed this milestone.

Across the Group, Parking Breach Notices (PBNs) issued increased by 22% to 855,672 compared to FY23 due to the increased sites under management in all operating territories (except Australia). The Parking Management division expects growth in revenue and earnings in FY25 due to the full year contribution of the FY24 new sites acquired through organic growth and acquisitions, plus ongoing additional new customer sites.

Directors' Report (cont.)

Adjusted EBITDA for FY24 in the Parking Management Division of $12.3m was up 8% on FY23. This included an EBITDA loss of $0.6m related to the new Denmark business (established in January 2024). The result was also significantly impacted by the temporary pause in Queensland where revenue decreased from the prior period by $1.3m.

Overheads of $20m were up 30% compared to FY23 with a review of resourcing requirements following increased activity, expansion into new territories, new acquisitions and inflationary increases. FY25 will include the full year impact of increased overheads related to acquisitions in FY24 and from the expansion into Denmark.

Technology Division

External revenue in the Technology division was $2.9m (2023: $3.9m) with an intentional shift to higher margin products and growing the Parking Management division.

The Adjusted EBITDA profit of $3.8m improved from $2.0m in FY23 following an increase in the licence fee received from the Parking Management Division that is linked to revenue in that division.

Research and Development Division

The company invested $0.7m on Research and Development, continuing its investment in technology.

Development during the period included the continued development of the technology platform to support expansion of the Parking Management business into new territories and enhancement of the functionality of the Smart City platform (SmartCloud).

Dividends

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

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group during the financial year other than items noted elsewhere in this Director's Report.

Matters subsequent to the end of the financial year

There have been no matters subsequent to the end of the financial year that have significantly affected, or may significantly affect the operations of the group, the results of those operations or the state of affairs of the group in future years.

Likely developments and expected results of operations

The Parking Management division currently operates in the United Kingdom, Germany, Denmark, New Zealand and Australia and the majority of the revenue for the Group will continue to be derived from this division.

The growth in sites, operating leverage and contribution from acquisitions is expected to result in revenue and earnings growth.

The Company expects to grow its footprint in the UK, Germany, Denmark and New Zealand and to assess if other markets are suitable for new operations.

Material Business Risks

Smart Parking is a growth business with operations located around the globe. As a result, we address a variety of opportunities and face a range of risks which we consider from a sustainable, long-term stakeholder perspective.

The Smart Parking risk management framework is designed to identify, analyse, evaluate, treat, monitor and report on material financial and non-financial risks that may impact our ability to achieve our strategic priorities.

The Board is responsible for setting the risk appetite and provides oversight of management's execution of Smart Parking's risk management framework. Smart Parking management has accountability to manage risks within the Board-defined risk appetite and to ensure our people understand their specific risk accountabilities.

The following outlines the material risks that separately or together could impact our ability to achieve our strategic objectives, business model, future financial performance, solvency, liquidity or reputation, along with controls which help us to manage the risks in line with the risk appetite. This description of risks and controls is not exhaustive. These and other risks may impact our business, our people, our customers, our suppliers, and the communities, regulatory and legal environments in which we operate.

Business Strategy

The Company's growth and financial performance is dependent on its ability to successfully execute its growth strategy.

If the Company fails to execute on its business strategy, its business, financial condition and results of operations could be materially and adversely affected.

The Company continually focuses on improving execution through the alignment of strategy with operating plans, and objectives against agreed plans by territory. The Board has regular oversight from briefings on progress, challenges and outcomes.

Laws and Regulation

The parking management services industry in which the Company operates is regulated. We are required to maintain the appropriate regulatory approvals and licenses to operate, and to operate within laws, regulations and industry or legislated Codes of Conduct.

The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the interpretation of the legal requirements in any jurisdiction which governs the Company's operations or contractual obligations could impact adversely on the operations and, ultimately, the financial performance of the Company. For example, regulators can restrict access to driver information impeding the Company's ability to issue tickets; or can cap Parking Breach Notices at low values reducing the company's revenue and profitability.

The two relevant territories undergoing current regulatory review are the United Kingdom and Australia. The outcomes of these two reviews are unknown, with details outlined below. Review in other territories is possible at any time

The UK government temporarily withdrew the Private Parking Code of Practice in June 2022, pending review of the levels of private parking charges and additional fees. On 28th July 2023, a call for evidence was announced on private parking charges and debt recovery fees, adding new more favourable options and an openness to consider further options compared to the earlier communications.

It is important to note that the UK review is substantially different from the Queensland review. The UK review covers the value of the Parking Breach Notice and debt recovery fees, accepting that Private Car Park operators have the right to access contact details of number plate owners in order to charge fees. Like NZ and Germany (but unlike in Queensland), in the UK there is a Code of Practice, enabling legal framework and established cost-effective mechanism for retrieval of number plate details for enforcement of private car parks.

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It is uncertain if the UK Government review of the Private Parking Code of Practice will proceed particularly given the recent changes with the adoption of a single industry Code of Practice and the change of the UK government. In the event the Government proceeds with the review, it is unclear when it will be finalised and implemented.

In Australia, the Queensland government continued its temporary pause on private parking operators' access to the Queensland Motor Vehicle Register which started in February 2023. At the date of the pause in operations, 71 ANPR sites were installed in Queensland. In August 2023, the Queensland Department of Transport and Main Roads released a consultation document seeking comments and submissions on options to reform the release of personal information for enforcement of private car park conditions. Some sites are now manually operated, pending the outcome of the government decision.

Since the consultation there was a change in December 2023 with a new Premier and Transport Minister being appointed who are positively disposed towards the need for an effective parking industry due to the impact parking abuse has on Queensland businesses. Smart Parking continues to engage in positive dialogue with the Queensland Government and Department of Transport and Main Roads (TMR). TMR is currently completing a review, working with stakeholders (including Smart Parking) and international parking experts to develop a Code of Practice for parking on private land. The final outcome is yet unknown.

As an organisation, we closely monitor regulatory developments and play an active role in consulting with regulators, government and trade associations on changes that could impact our business. As well, we proactively operate fairly with self-regulation where inadequate formal regulation exists, and proactively advocate with government for fair industry codes of conduct. We recognise the importance of having good legal advice on the regulatory framework in new territories, and increasingly take a risk-based approach to establishment of new territories.

The business has successfully expanded into new territories to diversify regulatory risk.

Competition

The Company competes with other parking management companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. For example, the United Kingdom parking management business operates in a mature and competitive industry with significant competitors, who can make strategic decisions to grow market share at the expense of eroding margins.

In all territories, the potential exists for the nature and extent of competition to change rapidly, which may cause loss to the Company. There can be no assurance that the Company can compete with changes in the competition within the industry in which it operates. It is possible that new competitors may enter the car parking technology market and provide products which are similar to those that the Company currently provides or develop more advanced or cost effective or otherwise compete with the Company's developed technologies. New or existing competitors may change their business terms or offer incentives to win market share which result in lower profitability. As a result, the Company's sales may be negatively impacted by such competition with the resulting impact on profits.

The Company actively monitors its competitors' offerings through its regular interactions with customers, suppliers and employees.

The business has successfully expanded into new territories to diversify this risk.

Financial returns

The Company generates income, in part, from deploying technology on car parking sites in various jurisdictions. There is no guarantee that income from current and future car parking sites will be at historical averages. Each new territory has a different income and expense profile, and the profit profile in existing territories can change, including through regulatory risk described above. To the extent that it falls below such averages, revenues and profits of the Company will be negatively impacted, and asset impairments may result.

The Company monitors territory performance and trends over time. The Company provides sales incentives and deferred shares/share rights to relevant employees, and it structures remuneration for key management personnel to align with the Company's and employees' outcomes.

Foreign Exchange

The Company currently conducts its operations across international borders, including at this time Australia, New Zealand, UK, Germany and Denmark. A significant proportion of the Company's revenues, cash inflows, other expenses, capital expenditure and commitments are denominated in local foreign currencies. The financial performance, cash flows and financial position of the Company are accounted for in Australian dollars and, as it does not hedge, it is exposed to the fluctuations and volatility of the rate of exchange between other currencies and the Australian dollar, as determined in international markets.

The business has successfully expanded into new territories to diversify this risk.

M&A, related business integration and expansion into new territories

The parking industry is generally highly fragmented and, from time to time, the Company makes bolt-on and strategic acquisitions to deliver growth. There is inherent risk in any acquisition, including the risk of financial loss or missed earnings potential from inappropriate acquisition decisions based on inaccurate assumptions, as well as integration risk in its implementation.

The company performs post implementation reviews to understand performance against expected results

The Company employs local leadership with deep industry expertise in each new territory. The Group leadership team has oversight of acquisition integration activities and expansion into new markets.

Environmental Social Governance (ESG)

Climate change is a potential systemic risk impacting many companies. The Company incorporates ESG risk within its Enterprise Risk Management Framework and works with external partners to maintain our awareness and understanding of market practice and trends on ESG risk management.

The company is exposed to increasing and changing customer, supplier, employee, government and community expectations, along with other social risks, including geopolitical risks. Cost of living impacts may decrease the propensity to pay parking breach notices.

Geopolitical, pandemic and other risks have the potential to disrupt supply chains for hardware in both our Technology business, as well as cameras in our Parking Management business.

In addition, the risks of geopolitical change, a pandemic, shifts to alternate modes of transport and other risks have the potential to significantly lower demand of public parking, including through changed consumer preferences or government restrictions. These risks are managed through cost control which would be significantly strengthened in the event of a severe disruption, adopting a variable cost base where appropriate, short capital payback periods, and ongoing monitoring for early detection of risks to enable a prompt response.

Transition risks may include the need to upgrade car parks with EV chargers, and there may be more climate-related significant weather events which may impact demand on our car parks during the event and/or the inability of cameras to detect cars which infringe, for example due to heavy precipitation, snow, hail, etc.

Additional Requirements for Capital

The Company requires capital to finance the roll out of parking management systems to new sites, expansion into new territories, and M&A activity. The Company's precise capital requirements depend on numerous factors. In addition to existing cash reserves, the Company may require further financing for growth and other purposes. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing, operating and acquisition activities.

The Board has oversight and regular review of capital management and investment allocation and the executive team actively considers and plans for cash and capital requirements and contingencies.

Cyber Security

The company deploys various systems for managing car parks. The Company's revenue may be negatively impacted by any system outage of either our own systems, those of third party vendors, or those managed by government or regulatory authorities which contain drivers' contact details.

The Company invests in best practice tools and processes to provide multi-layer protection against unauthorised access such as multi-factor authentication and regular penetration testing. It uses well-respected third party vendors with robust security systems.

Privacy breaches may negatively impact our reputation and ability to win and retain customers, and possibly lead to commercial settlements, legal action or regulatory changes.

The Company has plans in place to respond to a significant cybersecurity incident.

Tax

Tax laws and their interpretation by tax authorities, including GST/VAT, can evolve and may have a material impact on profitability in different territories.

The company takes professional tax advice in each territory in which it operates, to ensure it is compliant with tax law. It factors tax into financial models as it decides which territories to enter.

This remuneration report sets out remuneration information for Smart Parking Limited non-executive directors, executive directors and other key management personnel.

Directors' Report (cont.)

Information on Directors

Mr Christopher Morris
Non-Executive Chairman
Age: 76

Term of office
Mr Morris was appointed non-executive Chairman in March 2009 when the company traded as Empire Beer Group Limited and continued as non-executive Chairman when the company changed the nature of its activities in February 2011 and became Smart Parking Limited (formerly Car Parking Technologies Limited). Mr Morris was last re-elected by shareholders in November 2023.

Experience
Mr Morris was the founder of Computershare Limited and Chief Executive Officer from 1990 to 2006. He has worked across the global securities industry for more than 30 years. His knowledge, long term strategic vision and passion for the industry were instrumental in transforming Computershare from an Australian business into a successful global company.

Special responsibilities
Chair of the Board, Member of Remuneration Committee, Member of Risk and Audit Committee.

Interest in Shares & Options: Held in Smart Parking Limited
100,408,827 Ordinary Shares[1] (indirect)

Directorships held in other listed entities in the last three years
Non-Executive Director of Computershare Limited (until November 2021).

Mr Paul Gillespie
Managing Director
Age: 50

Term of office
Mr Gillespie was appointed Managing Director in January 2013.

Experience
Mr Gillespie has over 20 years' experience in the parking industry in a variety of sales and management positions. Before joining Smart Parking, he led the UK division of Xerox Parking Services where he was successful in running two business units providing hardware and software solutions to a variety of public and private organisations. Whilst at Xerox, Mr Gillespie was responsible for all sales, operations and finance activities along with the development and delivery of new products to the UK parking market.

Interest in Shares & Options: Held in Smart Parking Limited
4,311,808 Ordinary Shares[1] (direct)
1,956,880 Rights to deferred shares[1] (direct)

Directorships held in other listed entities in the last three years
Non-Executive Director of DTI Group Limited (from November 2022)

1 As at 30 June 2024

Mr Jeremy King
Director (Non-Executive)
Age: 50

Qualifications
LLB

Term of office
Mr King was appointed non-executive Director in August 2012. Mr King was last re-elected by shareholders in November 2022.

Experience
Mr King is a Director of Mirador Corporate Pty Ltd, where he specialises in corporate advisory matters. Mr King is a corporate lawyer with over 20 years' experience in domestic and international legal, financial and corporate matters. He is an experienced director having served on the board of a number of ASX listed emerging technology and resources companies.

Special responsibilities
Chair of Remuneration Committee, Member of Risk and Audit Committee.

Interest in Shares & Options: Held in Smart Parking Limited
640,000 Ordinary Shares[1] (direct)

Directorships held in other listed entities in the last three years
- Non-Executive Chairman of Redcastle Resources Limited (from June 2016)
- Non-Executive Chairman of ECS Botanics Limited (from May 2019)
- Non-Executive Chairman of Sultan Resources Limited (from May 2018)
- Non-Executive Director of Burgundy Diamond Mines Limited (from March 2024)
- Executive Director of C29 Metals Limited (from December 2022 to March 2024)

Ms Fiona Pearse
Director (Non-Executive)
Age: 55

Qualifications
B. Ec., MBA, FCPA, FAICD

Term of office
Ms Pearse was appointed non-executive Director in May 2019. Ms Pearse was last re-elected by shareholders in November 2021.

Experience
Ms Pearse has extensive commercial and financial expertise gained from a long career at global companies BHP and BlueScope Steel. She has served in a number of non-executive positions, including as a Non-Executive Director of City West Water, Monash Health, U Ethical (fund manager), First Samuel Ltd and significant not-for-profits such as World Vision Australia and Scotch College. She has served as an advisory board member to a fintech based in Stone & Chalk and is an independent member of the Victorian Parliament Audit Committee. She has a Senior Executive MBA from the University of Melbourne, and is a Fellow of CPA Australia and a Fellow of the Australian Institute of Company Directors.

Special responsibilities
Chair of Risk and Audit Committee, Member of Remuneration Committee.

Interest in Shares & Options: Held in Smart Parking Limited
783,962 Ordinary Shares[1] (indirect)

Directorships held in other listed entities in the last three years
Nil

1 As at 30 June 2024

Directors' meetings

The number of Directors' meetings and the number of meetings attended by each of the Directors of the Company for the time the Director held office during the financial year are:

	Director's Meetings		Risk and Audit Committee Meetings		Remuneration Committee Meetings	
	A	B	A	B	A	B
Mr Christopher Morris	5	5	5	5	1	1
Mr Paul Gillespie[1]	5	5	-	-	-	-
Mr Jeremy King	5	5	5	5	1	1
Ms Fiona Pearse	5	5	5	5	1	1

A – Number of meetings held. B – Number of meetings attended.

1 Mr Gillespie is not a member of the Risk and Audit Committee, but attends by invitation.

Remuneration Report

Directors and Executives disclosed in this report

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

Other Key Management Personnel	
Mr Richard Ludbrook	Group Chief Financial Officer and Company Secretary
Ms Johanna Hiney	UK Managing Director
Ms Rebecca Grainger[1]	NZ Managing Director
Mr Ben Williams[2]	International Business Development Director
Mr Emil Strobl[3]	Germany Managing Director

1 Promoted from NZ General Manager to NZ Managing Director during FY24.
2 Title changed from Australia General Manager to International Business Development Director during FY24.
3 Ceased employment with the Group on 20 August 2024.

The information provided in this remuneration report has been audited as required by section 308 (3c) of the *Corporations Act 2001.*

A. Principles used to determine the nature and amount of remuneration

The Remuneration Committee is a committee of the Board. It is primarily responsible for making recommendations to the Board on:

- Non-Executive Directors fees
- Executive remuneration (directors and other executives), and
- The overarching executive remuneration framework and incentive plan policies.

Remuneration Policy and link to performance

The remuneration committee reviews and determines our remuneration policy and structure annually to ensure it remains aligned to business needs, and meets our remuneration principles. In particular, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the company to attract and retain key talent
- aligned to the company's strategic and business objectives and the creation of shareholder value
- transparent and easily understood, and
- acceptable to shareholders.

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on them and their respective responsibilities. During the year Mr Morris, Ms Pearse and Mr King have received Non-Executive Director fees for their services.

Non-Executive Directors' fees are determined by the Board within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum aggregate non-executive directors fee pool currently stands at $500,000 per annum.

Non-executive Directors do not receive performance based pay. All non-executive directors receive a base fee of $80,000. The Chairman receives an additional $20,000 and the Chair of the Risk and Audit Committee receives an additional $20,000 in recognition of the additional responsibilities which are commensurate with their respective roles. All figures are inclusive of superannuation where applicable.

The following fees were paid during the year:

Base Fees (including superannuation where applicable)	2024	2023
Chairman	100,000	100,000
Other Non-Executive Directors	180,000	180,000
	280,000	**280,000**

Additional fees

A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Executive remuneration

The executive remuneration and reward framework has three components:

- base pay and benefits;
- short-term incentives; and
- long-term incentives through the issue of the Deferred Share and Incentive Plan.

The combination of these comprises the executive's total remuneration.

Remuneration Report (cont.)

Base remuneration and benefits

Executive remuneration is structured as a total employment cost package which may be delivered as a combination of cash, superannuation and prescribed non-financial benefits. Executives are offered a competitive base pay that comprises the fixed component of pay. Base remuneration for executives is reviewed annually to ensure the executive's remuneration is competitive within the market. An executive's total remuneration is also reviewed every 12 months. Executives receive benefits including car allowances.

Short term incentives

Short term incentives (STI) for executives for the year ended 30 June 2024 comprised of a cash bonus.

Executives are provided with an 'on target package guide' which is an amount equal to the value of their base salary and their STI assuming 'on target' performance. If an executive achieves 'on target performance' their total STI award varies depending on their seniority in the company, and could be up to approximately 21% of their base salary. The maximum entitlement that an executive could receive would be up to approximately 32% of their base salary for above target performance.

The STI is based on board determined Key Performance Indicators (KPI's) with 70% relating to budgeted EBIT for the Company or relevant business area and 30% related to personal objectives tailored to the executive's responsibilities and role, subject to the Board's discretion to amend the STI in the event of unforeseen circumstances. Matters typically covered include business expansion, service levels, and other matters relevant to the business. Refer to tables on pages 25 and 29.

Long term incentives

The Group offers long term incentives to executives identified as Key Management Personnel through a share based incentive plan.

Participation in the plan is at the board's discretion with typically 50% of the LTI award being based on the EPS performance compared to the prior year of the Group and 50% being based on the Board's assessment of an individual's performance which includes measures around business performance, leadership, strategy implementation, change management and culture, subject to the Board's discretion in the event of unforeseen circumstances.

Australian and United Kingdom based executives receive Smart Parking shares held in escrow for a period of 2 to 3 years. The shares are released from escrow at the end of the vesting period provided the executive remains employed at Smart Parking at the time of vesting. New Zealand and German based executives receive Deferred Share Rights which vest after 2 to 3 years, provided the executive remains employed at Smart Parking, after which the employee has 2 years to exercise their rights over Smart Parking shares.

Remuneration framework

Element	Purpose	Performance Metrics	Potential value
Fixed Remuneration (FR)	Provide competitive market salary including superannuation and non-monetary benefits	Nil	Positioned at market rate and comprises 70% - 80% of 'on target package guide'.
Short term incentive (STI)	Reward for in-year performance	Adjusted EBIT for business unit/Group (compared to budget) comprising 70% of the potential STI with the remaining 30% related to business expansion, service levels, and other matters relevant to the business	Comprises 10% - 15% of 'on target package guide'. The STI awarded can be up to 150% of the STI target for exceptional business unit/Group (compared to budget) and individual performance
Long term incentive (LTI)	Alignment to long-term shareholder value	EPS growth comprising 50% of the potential LTI with the remaining 50% related to measures around business performance, leadership, strategy implementation, change management and culture	Comprises 10% - 15% of 'on target package guide'. The LTI awarded can be up to 200% of the LTI target for exceptional EPS growth and individual performance

Voting and comments made at the Company's last Annual General Meeting

Smart Parking Limited received more than 99.9% of 'yes' votes on its Remuneration Report for the financial year ended 30 June 2023. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

Item	2024	2023	2022	2021	2020
EPS (cents per share)	1.06	1.82	0.27	1.49	(2.02)
Net profit /(loss)	$3.7m	$6.4m	$1.0m	$5.3m	($7.3m)
Share price (30 June)	$0.47	$0.255	$0.18	$0.19	$0.096

B. Details of Remuneration

Amounts of remuneration

Details of the remuneration of the directors and the key management personnel (as required under Section 300A of the *Corporations Act 2001*) of Smart Parking Limited and its subsidiaries are set out in the following tables.

Key Management Personnel of the Group and other executives of the Group and of the Company

	Short Term Employee Benefits				Post Employment	Share Based Payments			Total
30 June 2024	Salary & Fees	Commi-ssions/ Cash Bonus[4]	Non Monetary	Other	Super-annuation Contri-butions	Shares[3]	Deferred Share Rights[2]	Termination Benefits	Total
Non-Executive Directors									
Mr Christopher Morris	100,000	-	-	-	-	-	-	-	100,000
Mr Jeremy King	80,000	-	-	-	-	-	-	-	80,000
Ms Fiona Pearse	90,216	-	-	-	9,784	-	-	-	100,000
Sub Total Non-Executive Directors	**270,216**	**-**	**-**	**-**	**9,784**	**-**	**-**	**-**	**280,000**
Executive Directors									
Mr Paul Gillespie	435,346	135,000	-	-	27,399	220,971	-	-	818,716
Other Key Management									
Mr Richard Ludbrook[1]	278,817	86,381	-	-	651	-	103,672	-	469,521
Ms Johanna Hiney[1]	231,962	64,613	14,242	-	13,918	45,617	-	-	370,352
Ms Rebecca Grainger[1]	164,485	54,540	16,189	-	6,571	-	26,223	-	268,008
Mr Ben Williams	168,160	42,056	17,000	-	20,330	26,919	-	-	274,465
Mr Emil Strobl[1]	273,890	9,900	28,874	-	13,211	-	12,251	-	338,126
Total Key Management Personnel Compensation (Group)	**1,822,876**	**392,490**	**76,305**	**-**	**91,864**	**293,507**	**142,146**	**-**	**2,819,188**

1 KMP are paid in their local currency. Foreign exchange rate movements can impact the comparison between years in AUD dollar terms.
2 Share Based Payments are Deferred Share Rights with a 2 -3 year vesting period.
3 Share Based Payments are shares with a 2 - 3 year escrow period.
4 Cash bonuses paid in H1 FY24 relating to FY23.

Remuneration Report (cont.)

	Short Term Employee Benefits				Post Employment	Share Based Payments			Total
30 June 2023	Salary & Fees	Commi-ssions/ Cash Bonus[4]	Non Monetary	Other	Super-annuation Contri-butions	Shares[3]	Deferred Share Rights[2]	Termination Benefits	Total
Non-Executive Directors									
Mr Christopher Morris	100,000	-	-	-	-	-	-	-	100,000
Mr Jeremy King	80,000	-	-	-	-	-	-	-	80,000
Ms Fiona Pearse	90,910	-	-	-	9,090	-	-	-	100,000
Sub Total Non-Executive Directors	**270,910**	**-**	**-**	**-**	**9,090**	**-**	**-**	**-**	**280,000**
Executive Directors									
Mr Paul Gillespie	396,442	106,875	-	-	25,292	115,359	-	-	643,968
Other Key Management									
Mr Richard Ludbrook[1]	264,307	52,788	-	-	-	-	37,335	-	354,430
Ms Johanna Hiney[1]	183,739	30,822	13,247	-	10,086	15,903	-	-	253,797
Ms Rebecca Grainger[1]	156,868	18,301	16,014	-	5,255	-	7,333	-	203,771
Mr Ben Williams	167,750	11,901	17,000	-	18,863	6,417	-	-	221,931
Mr Emil Strobl[1]	245,914	29,121	24,017	-	12,436	-	12,251	-	323,739
Total Key Management Personnel Compensation (Group)	**1,685,930**	**249,808**	**70,278**	**-**	**81,022**	**137,679**	**56,919**	**-**	**2,281,636**

1 KMP are paid in their local currency. Foreign exchange rate movements can impact the comparison between years in AUD dollar terms

2 Share Based Payments are Deferred Share Rights with a 2 year vesting period.

3 Share Based Payments are shares with a 2 year escrow period.

4 Cash bonuses paid in H1 FY23.

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	Fixed Remuneration		At Risk STI		At Risk LTI	
Name	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-Executive Directors						
Mr Christopher Morris	100%	100%	-	-	-	-
Mr Jeremy King	100%	100%	-	-	-	-
Ms Fiona Pearse	100%	100%	-	-	-	-
Executive Directors						
Mr Paul Gillespie	70%	70%	15%	15%	15%	15%
Other Key Management						
Mr Richard Ludbrook	70%	85%	15%	7.5%	15%	7.5%
Ms Johanna Hiney	70%	80%	15%	10%	15%	10%
Ms Rebecca Grainger	70%	80%	15%	20%	15%	0%
Mr Ben Williams	70%	80%	15%	20%	15%	0%
Mr Emil Strobl	80%	80%	10%	10%	10%	10%

C. Service Agreements

Remuneration and other terms of employment for the Executive Directors and other key management personnel are formalised in service contracts or standard employment agreements.

All contracts with executives may be terminated early by either party with the notice periods detailed below.

Name		Term of agreement	Annual Base salary including superannuation	Notice Period
Mr Paul Gillespie	Managing Director	Ongoing commencing 7 January 2013	$465,266	1 Month
Mr Richard Ludbrook[1]	Group Chief Financial Officer and Company Secretary	Ongoing commencing 16 February 2011	$287,522	1 Month
Ms Johanna Hiney[2]	UK Managing Director	Ongoing commencing 12 October 2015	$254,691	2 Months
Ms Rebecca Grainger[1]	NZ Managing Director	Ongoing commencing 6 July 2015	$169,973	1 Month
Mr Ben Williams	International Business Development Director	Ongoing commencing 11 April 2016	$187,318	1 Month
Mr Emil Strobl[3]	Germany Managing Director	Ongoing commencing 1 January 2022	$283,344	6 Months

1 Paid in New Zealand Dollars. Based on closing exchange rate at 30 June 2024.
2 Paid in Great British Pounds. Based on closing exchange rate at 30 June 2024
3 Paid in Euros. Based on closing exchange rate at 30 June 2024.

D. Share-based compensation

Deferred Share and Incentive Plan

In January 2011 shareholders approved the establishment of a Deferred Share and Incentive Plan (Plan). The Plan was established to ensure that Smart Parking Limited has appropriate mechanisms in place to continue to attract and retain the services of employees of a high calibre and as compensation for past performance and incentive for future performance.

Under the Deferred Share and Incentive Plan, Australian and United Kingdom based employees receive Smart Parking shares held in escrow for a period of 3 years. The shares are released from escrow at the end of the escrow period provided the employee remains employed at Smart Parking. New Zealand and German based employees receive deferred share rights which vest after 3 years, provided the employee remains employed at Smart Parking, after which the employee has 2 years to exercise their rights over Smart Parking shares. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or receive any guaranteed benefits. The Plan is administered by the Plan Trustee in accordance with the instructions from the Board with shares being issued once the time based hurdles have been achieved. In addition to the above shares can be issued to key management under the Long Term Incentive Plan which vest after meeting a 2 to 3 year service period.

At 30 June 2024 3,027,011 (2023: 622,129) deferred share rights or unlisted shares have been set aside under the Plan and 3,027,011 (2023: 622,129) deferred share rights or unlisted shares, depending on the relevant jurisdiction, have been allocated to employees. The terms and conditions of each deferred share right affecting remuneration in this or future reporting periods are as follows:

Grant Date	Date Vested or Date Released from Escrow	Expiry Date	Exercise Price	Value Per Right/Share at Grant Date	% vested
1 July 2020	1 July 2023	1 July 2025	$0.00	$0.10	100%
1 October 2020	1 October 2023	1 October 2025	$0.00	$0.11	100%
23 November 2021	23 November 2023	23 November 2025	$0.00	$0.225	100%
1 September 2022	1 September 2024	1 September 2026	$0.00	$0.23	0%
22 November 2022	22 November 2024	22 November 2026	$0.00	$0.25	0%
1 October 2023[1]	1 October 2025	1 October 2027	$0.00	$0.33	0%
13 November 2023[1]	13 November 2025	13 November 2027	$0.00	$0.365	0%
13 November 2023	13 November 2026	13 November 2028	$0.00	$0.365	0%

1 Shares granted under the Long Term Incentive Plan in the current year were subject to the achievement of performance conditions, including the Earnings Per Share (EPS) performance compared to the prior year. There is no specific EPS target and is ultimately at the discretion of the Board. While the shares were granted upon meeting these performance hurdles, their actual issuance to participants will occur only after the fulfillment of additional service-based vesting conditions.

Employee Options

There were no options granted for the year ending 30 June 2024.

Director and Key Management Personnel Options and Shares

There were no options or shares granted to Directors or other key management personnel during the year ending 30 June 2024 other than 2,745,800 share rights and deferred share rights granted to key management personnel as part of the long term incentives included in their remuneration as disclosed on page 30.

The fair value of the shares and deferred share rights at grant date was between $0.33 and $0.365 and the rights can be exercised at nil value after meeting a 2 or 3 year time period and remaining at the Company. Other than exceptional circumstances where the vesting of shares or exercise of rights would be manifestly unreasonable, there are no further performance based conditions.

The assessed fair value at grant date of options granted to the individuals, if applicable, is allocated over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Further information on the Deferred Share and Incentive Plan is set out in Note 28 to the financial statements.

Shares issued on the exercise of options

There were no share options exercised during the year ended 30 June 2024.

Shares under option

There were no unissued ordinary shares in Smart Parking Limited under option at the date of this report.

Bonuses included in remuneration

Details of the short term incentive cash bonuses awarded as remuneration to each Key Management Personnel and the percentage of the available bonus that was paid in the financial year is set out below.

	STI included in remuneration	STI as percentage of maximum
Mr Paul Gillespie[1]	135,000	100%
Mr Richard Ludbrook[1]	86,381	100%
Ms Jo Hiney[1]	64,613	99%
Ms Rebecca Grainger[1]	54,540	93%
Mr Ben Williams[1]	42,056	72%
Mr Emil Strobl[1]	9,900	20%

1 Cash bonuses paid in H1 FY24 were based on the Group or business area exceeding budget and the executives achieving their personal objectives.

E. Other information

Deferred shares and rights held by Key Management Personnel

The number of deferred shares and share rights to acquire shares in the Company held during the reporting period by each of the Key Management Personnel of the Group; including their related parties are set out below.

	2024					
Name	Balance at the start of the year	Granted as compen-sation	Exercised/ Released from Escrow	Balance at end of the year	Vested and exercisable	Unvested
Directors						
Mr Paul Gillespie	1,020,048	1,397,059	(460,227)	1,956,880	-	1,956,880
Other Key Management Personnel						
Mr Richard Ludbrook	330,897	777,687	(153,996)	954,588	-	954,588
Ms Johanna Hiney	551,637	212,890	-	764,527	200,000	564,527
Ms Rebecca Grainger	200,000	147,816	(200,000)	147,816	-	147,816
Mr Ben Williams	100,000	111,618	(100,000)	111,618	-	111,618
Mr Emil Strobl	127,835	98,730	-	226,565	-	226,565
Total	**2,330,417**	**2,745,800**	**(914,223)**	**4,161,994**	**200,000**	**3,961,994**

Shares held by Key Management Personnel

The number of ordinary shares in the Company during the 2024 reporting period held by each of the Group's Key Management Personnel, including their related parties, is set out below:

	2024				
Name	Balance at the start of the year	Exercised/ Released from Escrow	Purchases	Disposals[1]	Balance at end of the year
Directors					
Mr Christopher Morris	119,634,883	-	-	(19,226,056)	100,408,827
Mr Paul Gillespie	5,851,581	460,227	-	(2,000,000)	4,311,808
Mr Jeremy King	640,000	-	-	-	640,000
Ms Fiona Pearse	783,962	-	-	-	783,962
Other Key Management Personnel					
Mr Richard Ludbrook	1,477,912	153,996	-	-	1,631,908
Ms Johanna Hiney	-	-	-	-	-
Ms Rebecca Grainger	-	200,000	-	(200,000)	-
Mr Ben Williams	350,000	100,000	-	-	450,000
Mr Emil Strobl	-	-	-	-	-
Total	**128,738,338**	**914,223**	**-**	**(21,426,056)**	**108,226,505**

1 Disposals were on market and off market

Loans to/from Key Management Personnel

There were no loans made to or outstanding from directors of Smart Parking Limited and other key management personnel of the Group, including their related parties.

Other transactions with Key Management Personnel

A Director, Mr Morris, is the Executive Chairman and shareholder of Finico Pty Limited. Finico Pty Limited has provided a serviced office and administrative/payroll functions to Smart Parking Limited during the year on normal commercial terms and conditions.

Aggregate amounts of each of the above types of other transactions with key management personnel or their related entities of Smart Parking Limited:

	2024	2023
Amounts recognised as expense		
Rent	**28,800**	28,800
Payroll services	**5,480**	7,420
	34,280	36,220

End of Audited Remuneration Report.

Indemnities given and insurance premiums paid to auditors and officers

During the financial year, Smart Parking Limited paid a premium to insure the Directors, Chief Financial Officer/Company Secretary of the Company and its controlled entities, and the Managing Directors of each of the divisions of the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings to the extent permitted by law. This does not include such liabilities that arise from conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred by such an officer or auditor.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Environmental regulation

The operations of the Group are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditors (Grant Thornton) for audit and non-audit services provided during the year are set out below.

The Board of Directors has considered the position and, in accordance with advice received from the Risk and Audit Committee, is satisfied that the provision of any non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of any non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- Any non-audit services have been reviewed by the Risk and Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2024	**2023**
Audit Services		
Audit and review of financial reports		
Grant Thornton, Australia	**129,200**	106,485
Grant Thornton, United Kingdom	**185,574**	121,500
Total remuneration for audit services	**314,774**	227,985
Non-audit services		
Total remuneration for non-audit related services	**-**	-

Auditor's Independence Declaration

A copy of the Auditors' Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 41.

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

Christopher Morris **Non-Executive Chairman**	**Paul Gillespie** **Managing Director**

27 September 2024

Corporate Governance Statement

Smart Parking Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Smart Parking Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2024 Corporate Governance Statement is dated as at 30 June 2024 and reflects the corporate governance practices in place throughout the 2024 year. The 2024 Corporate Governance Statement was approved by the Board on 27 September 2024. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can viewed at www.smartparking.com/investor-centre/investor-centre

Corporate Governance

For the year ended 30 June 2024

The Board of Directors of Smart Parking Limited ("SPZ") is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and accountable. The Board continuously reviews its governance practices to ensure they remain consistent with the needs of the Company.

The Company complies with each of the recommendations set out in the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition ("the ASX Principles") where considered appropriate for a company of SPZ's size, nature and stage of development. This statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles as adopted by the Company.

Further details in respect to the Company's corporate governance practices are summarised below and copies of Company's corporate governance policies are available of the Company's website at www.smartparking.com

Principle 1: Lay solid foundations for management and oversight

A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

Recommendation 1.1

A listed entity should have and disclose a board charter setting out:

a) the respective roles and responsibilities of its board and management; and

b) those matters expressly reserved to the board and those delegated to management.

The Company's Corporate Governance Plan (www.smartparking.com/investor-centre) has established the functions reserved to the Board and has set out these functions in its Board Charter. The Board is responsible for oversight of management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of those goals, monitoring systems of risk management and internal control, codes of conduct and legal compliance.

The responsibility for the operation and administration of the Company is delegated by the Board to the Managing Director and management team. The Board ensures that both the Managing Director and the management team are appropriately qualified and experienced to discharge their responsibilities and have procedures in place to monitor and assess their performance. The management team are responsible for supporting and assisting the Managing Director to conduct the general operations and financial business of the Company in accordance with the delegated authority of the Board and to progress the strategic direction provided by the Board.

Recommendation 1.2

A listed entity should:

a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and

b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

The full Board carries out the role of the Nomination Committee.

Accordingly, the responsibility for the selection of potential Directors lies with the full Board of the Company. A separate Nomination Committee has not been constituted because the Board considers that the size of the current full Board permits it to act as the Nomination Committee and to regularly review membership. This includes an assessment of the necessary and desirable competencies of Board members, Board succession plans and an evaluation of the Board's performance and consideration of appointments and approvals.

When a Board vacancy occurs, the Board, acting as the Nomination Committee, identifies the particular skills, experience and expertise that will best complement Board effectiveness, and then undertakes a process to identify candidates who can meet those criteria.

Directors are not appointed for specific terms, as their periods in office are regularly reviewed as part of regular performance evaluation processes and they are subject to re-election every three (3) years.

The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election, as a Director. Candidates are assessed through interviews, meetings and/or background and reference checks (which may be conducted both by external consultants and by Directors) as appropriate.

The Company provides shareholders all material information in its possession relevant to the decision on whether or not to elect (or re-elect) a Director, either in the Notice of Meeting at which the election of the Director is to be held, or by including in the notice a clear reference to the location on the Company's website, Annual Report or other document lodged with ASX where the information can be found.

Recommendation 1.3

A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.

Appointment terms of the Company's Directors and senior executives are summarised in written agreements.

Recommendation 1.4

The Company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

In accordance with the Board Charter, the decision to appoint or remove the Company Secretary must be made or approved by the Board. The Company's Secretary is accountable directly to the Board through the Chair, on all matters to do with the proper functioning of the Board. This includes agendas, Board papers and minutes, advising the Board and its Committees (as applicable) on governance matters, monitoring that the Board and Committee policies and procedures are followed, communication with regulatory bodies and the ASX and statutory and other filings.

Recommendation 1.5

A listed entity should:

a) have and disclose a diversity policy;

b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and

c) disclose in relation to each reporting period:

1) the measurable objectives set for that period to achieve gender diversity;

2) the entity's progress towards achieving those objectives; and

3) either:

a) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce; or

b) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators," as defined in and published under that Act.

The Company has a Diversity and Inclusion Policy and provides a framework for the Company to establish and achieve measurable diversity objectives.

The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality, diversity and skills of its people. The Company has not yet set measurable targets for achieving gender diversity objectives due to the Company's current size and level of operations. The Company is aware of the importance of gender diversity within the workforce and looks to achieve a culture of inclusion when assessing a suitable candidate for an open position and through its day-to-day practices. The Company opposes all forms of unlawful and unfair discrimination.

In recruitment, promotion and development, the Company is merit-based and it actively promotes women where they are the best candidates for the role. The Company fosters a flexible and inclusive culture to encourage strong participation from all genders.

The participation of women in the Company at the date of this report is as follows:

- Women on the Board – 25%
- Women in senior management positions – 30%
- Women employees in the Company - 31%

A proportion of the work force is car parking attendants who due to the nature of the work tend to be male.

Recommendation 1.6

A listed entity should:

a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and

b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

On a regular basis, the Board conducts a performance review of the whole Board, the Directors individually and each Committee.

The Board review includes consideration of the following:

- comparing the performance of the Board against requirements of its Charter;
- assessing the performance of the Board over the previous 12 months having regard to the corporate strategies, operating plans and the annual budget;
- reviewing the Board's interaction with management;
- reviewing the type and timing of information provided to the Board by management;

- reviewing management's performance in assisting with the Board to meet its objectives; and
- identifying any improvements to the Board Charter and operations.

Committee performance reviews were conducted during the year in accordance with the above process. The Board will continue to review its performance on a regular basis.

The Chair of the Board may also meet individually with each Board member to discuss their performance. Non-executive Directors may also meet to discuss the performance of the Chair or the Managing Director.

The Managing Director's performance is regularly assessed by the Chairman and the Non-Executive Directors and, in addition, the Managing Director's performance is formally assessed annually in the context of incentive remuneration assessment.

Recommendation 1.7

A listed entity should:

a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and

b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process or in respect of that period.

Each of the Group's senior executives, including the Chief Executive Officer, has a service agreement that clearly sets out his or her role and the Group's expectations in terms of performance. KPIs and targets for senior executives are set at least annually and form the basis of the calculation of short term and long term incentives.

Performance of senior management is reviewed by the Remuneration Committee annually or more frequently if required. The Board as a whole may then hold a facilitated discussion during which each Board member has the opportunity to raise any matter, suggestion for improvement or other feedback with senior executives.

The Company monitors and assesses senior management via the Chief Executive Officer who reports on the progress of senior management to the Board.

Performance reviews of senior executives were conducted during the year in accordance with the above process.

Principle 2: Structure the Board to be effective and add value

The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.

Recommendation 2.1

The Board of a listed entity should:

a) have a nomination committee which:

1) has at least three members, a majority of whom are independent Directors; and

2) is chaired by an independent director, and disclose:

3) the charter of the committee;

4) the members of the committee; and

5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

The Board is currently not of a relevant size that justifies the formation of a separate Nomination Committee. The full Board operates as the Nomination Committee. See comments in Recommendation 2.3 and 2.4 regarding independence of directors.

The Board oversees the selection, appointment and succession planning process for Directors and the Company's Managing Director, when relevant. When a vacancy exists or there is a need for a particular skill, the Board determines the selection criteria that will be applied. The Board will then identify suitable candidates with assistance from an external consultant if required, and will interview and assess the selected candidates.

Directors are initially appointed by the Board and must stand for re-election at the Company's next Annual General Meeting of shareholders. Directors must then retire from office and nominate for re-election at least once every three years with the exception of the Managing Director.

The Company's succession plans are designed to maintain an appropriate balance of skills, knowledge, experience, independence and diversity on the Board. The Board continues to review its composition with a view to enhancing its base of skills and experience.

The Board is responsible for conducting new Director inductions. Professional development opportunities are considered on an individual Director basis, with opportunities provided to individual Directors where appropriate.

Recommendation 2.2

A listed entity should have and disclose a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

The Board has developed a Board skills matrix which sets out the skills and experiences that the Board has or is looking to achieve. The following table summarises the key skills of the existing non-executive directors:

Leadership and Governance

- Strategy
- Innovation and Entrepreneurship
- CEO level experience
- Other non-executive director experience
- Corporate governance

Financial and risk

- Accounting, finance and tax
- Audit, risk and compliance

Business experience

- M&A and capital markets experience
- International business experience
- Outsourced business services
- Growth and scale up
- Business development/access to networks
- Parking business and related industry experience
- Local government/councils and tender business
- Listed company experience

Geographic experience

- North America
- UK and Europe
- Asia
- Australia

Other

- Technology
- HR/remuneration
- Legal

Gaps in the collective skills of the Board are reviewed by the Board as a whole, with the Board proposing candidates for Directorships having regard to the desired skills and experience required by the Company as well as the proposed candidates' diversity of background.

Recommendation 2.3

A listed entity should disclose:

a) the names of the Directors considered by the board to be Independent Directors;

b) if a Director has an interest, position or relationship that might cause doubts about their independence as a Director but the Board is of the opinion that their independence isn't compromised, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and

c) the length of service of each Director.

The Board considers an independent director to be a Non-Executive Director who is not a member of the Company's senior executive and who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company and its shareholders.

The current Board composition includes three Non-Executive Directors, one of whom is considered independent.

Mr Jeremy King is not regarded as an Independent Director due to his length of service.

Ms Fiona Pearse is regarded as an Independent Director. The other Directors are satisfied that she brings an independent judgement to bear on all matters considered by the Board.

Mr Paul Gillespie is not regarded as an Independent Director as he is Managing Director of the Company.

Mr Chris Morris is not regarded as an Independent Director as he is a substantial shareholder of the Company.

Details of each Director's backgrounds including experience, knowledge and skills are set out in the Directors Report of this Annual Report.

Recommendation 2.4

A majority of the Board of a listed entity should be Independent Directors.

The Board regularly reviews the independence of each Non-executive Director.

The Company does not comply with recommendation 2.4. The Board is cognisant of the value of having a Board with a majority of independent Directors and will strive to achieve this in the future as Smart Parking grows.

The Company notes strong alignment between the substantial shareholder, Mr Morris, and all other shareholders in seeking to maximise the Company's value. Therefore, the Company considers Mr Morris's lack of independence does not hinder his ability to make decisions in the best interests of the Company.

Mr King adds significant value to the Board through his expertise in legal and corporate advisory matters.

Corporate Governance (cont.)

The Board considers Mr King's lack of independence does not hinder his ability to make decisions in the best interests of the Company.

Recommendation 2.5

The Chair of the Board of a listed entity should be an Independent Director and, in particular, should not be the same person as the CEO of the entity.

The Chairman, Mr Chris Morris, is not the CEO of the Company. He is not considered independent, for the reasons set out above. However, Mr Morris provides significant expertise and international business experience and the balance of the Board is collectively satisfied that Mr Morris exercises independent judgement in carrying out his duties as Chairman of the Company. To the extent that the Board views any Director to have a conflict or perceived conflict of interest in matters that come before the Board then such Directors will be required to excuse themselves from the relevant decision making process.

Recommendation 2.6

A listed entity should have a programme for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

The process for this is outlined in 2.1 above.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

Recommendation 3.1

A listed entity should articulate and disclose its values.

The Company has adopted a Statement of Values that underpins the commitment that each individual and the Company as a whole lives by each and every day and includes the following values:

- Trust
- Passion
- Accountability
- Innovation

Recommendation 3.2

A listed entity should:

a) have and disclose a code of conduct for its directors, senior executives and employees; and

b) ensure that the board or a committee of the board is informed of any material breaches of that code.

The Company recognises the importance of establishing and maintaining high ethical standards and decision making in conducting its business and is committed to increasing shareholder value in conjunction with fulfilling its responsibilities as a good corporate citizen. All Directors, managers and employees are expected to act with the utmost integrity, honesty and objectivity, striving at all times to enhance the reputation and performance of the Company.

The Company has established a Code of Conduct which can be viewed on its website. Unethical practices, including fraud, legal and regulatory breaches and policy breaches are required to be reported on a timely basis to management and the Risk and Audit Committee of the Board, and will result in disciplinary action, including in some cases termination.

Recommendation 3.3

A listed entity should:

a) have and disclose a whistleblower policy; and

b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

The Company has a Whistleblower Policy which is available on the Company's website that incorporates the use of an independent external whistleblowing service.

The Risk and Audit Committee of the Board is informed of any material incidents reported under that Policy.

Recommendation 3.4

A listed entity should:

a) have and disclose an anti-bribery and corruption policy; and

b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

The Company has Anti-Bribery and Corruption requirements embedded in its Code of Conduct, which is available on the Company's website.

The Risk and Audit Committee of the Board will be informed of any material incidents and breaches of the Code of Conduct.

Principle 4: Safeguard the integrity of corporate reports

A listed entity should have appropriate processes to verify the integrity of its corporate reports.

Recommendation 4.1

The board of a listed entity should:

a) have an audit committee which:

1) *has at least three members, all of whom are Non-executive Directors and a majority of whom are Independent Directors; and*

2) *is chaired by an Independent Director, who is not the Chair of the Board,*
and disclose:

3) *the charter of the committee;*

4) *the relevant qualifications and experience of the members of the committee; and*

5) *in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*

b) *if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.*

The Risk and Audit Committee is governed by a Board approved charter which is disclosed on the Company's website.

The principal function of the Risk and Audit Committee is to provide assistance to the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reporting, internal control structure, risk management systems and external audit functions.

The Risk and Audit Committee is chaired by Ms Fiona Pearse, an Independent Director who is not the Chair of the Company. The Committee currently has two other permanent non-executive director members being Mr Jeremy King and Mr Chris Morris. Refer to Recommendation 2.3 and 2.4 for further details on the independence of directors. The Directors' Report includes the qualifications and experience of the members of the Committee.

The Board considers that these members have the required financial expertise and an appropriate understanding of the markets in which the Group operates. The Managing Director, Chief Financial Officer and the Company's external auditors are invited to meetings of the Risk and Audit Committee at the Committee's discretion.

Meetings of the Risk and Audit Committee and member's attendance is disclosed in full in the Directors Report.

The external auditors attend the Company's AGM and are available to answer questions from security holders relevant to the audit.

Recommendation 4.2

The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

In accordance with Recommendation 4.2 and Section 295A of the Corporations Act 2001 the Board receives a signed declaration from the CFO and Managing Director prior to the approval of the Company's financial statements.

Recommendation 4.3

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

The Company ensures that corporate reports it releases are reviewed by management and provided to the Board to ensure the financial and technical content is accurate, balanced and understandable. Where appropriate, information contained in corporate reports is subject to legal review and/or referenced to supporting documents and sources.

Principle 5: Make timely and balanced disclosure

A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the Listing Rules.

The Company has established policies and procedures to ensure timely disclosure of all material matters and ensure that investors have access to information on the Company's operating and financial performance. This ensures the Company is compliant with the information disclosure requirements under the ASX Listing Rules. The policies and procedures include a Continuous Disclosure Policy that includes identification of matters that may have a material impact on the price of the Company's securities, notifying them to the ASX, posting relevant information on the Company's website and issuing media releases.

Matters involving potential market sensitive information must first be reported to the Managing Director (or in the absence of a Managing Director, the Chair) either directly or via the Company Secretary. The Managing Director/Chair will advise the Board if the issue is important enough and if necessary seek external advice. In all cases, the appropriate action must be determined and carried out in a timely manner in order for the Company to comply with the Information Disclosure requirements of the ASX.

A copy of the Continuous Disclosure Policy is available on the Company's website and outlines the processes that the Company implements to ensure compliance with its continuous disclosure obligations. The Board receives regular reports on the status of the Company's activities. Continuous disclosure is reviewed as a routine agenda item at Board meetings.

Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

The Board receives copies of all material market announcements promptly after they have been made.

Recommendation 5.3

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

Any new and substantive investor or analyst presentation is released on the ASX Market Announcements Platform ahead of the presentation.

Principle 6: Respect the rights of security holders

A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.

Recommendation 6.1

A listed entity should provide information about itself and its governance to investors via its website.

The Company values its relationship with shareholders and understands the importance of timely communication with them. To keep shareholders informed, the Company releases announcements on its activities via the ASX website.

Comprehensive information regarding the Company's activities, governance, policies and procedures is also available on the Company's website.

Recommendation 6.2

A listed entity should design and implement an investor relations programme to facilitate effective two-way communication with investors.

Smart Parking has an investor relations programme in place with the aim of facilitating effective communication between Smart Parking and its investors. A key feature of the programme is to ensure that shareholders are notified of, or are otherwise able to access information necessary to assess Smart Parking's performance. Information is communicated to shareholders through the following means:

- The Annual Report, which is available on the website and distributed to all shareholders who elect to receive it.
- The AGM and any other shareholder meetings called from time to time as required.
- The Investor Relations section of the Company's website which includes information released to the ASX and press releases.
- By email to those shareholders who have supplied their email address for the purpose of receiving communications from the Company electronically. Smart Parking actively encourages shareholders to provide an email address to facilitate more timely and effective communication.
- Periodic business updates held by conference call or video conference available to all shareholders.
- The Company's investor relations programme includes scheduled interactions and briefings with institutional investors and analysts which incorporates a review of financial results presentations.

Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

The Company acknowledges that respecting shareholders' rights is of fundamental importance and that communication with shareholders is a key element of this. Shareholders are encouraged to attend general meetings for the opportunity to ask questions of the Board and senior management. The Company's Shareholder Communication Policy addresses security holder attendance at Shareholder Meetings.

Recommendation 6.4

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

The Company has a policy that all resolutions at a meeting of security holders are to be decided by a poll.

Recommendation 6.5

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Company encourages the use of electronic communication and offers Security Holders the option to receive and send electronic communication to the Company and its share registry where possible.

Principle 7: Recognise and manage risk

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

Recommendation 7.1

The Board of a listed entity should:

a) *have a committee or committees to oversee risk, each of which:*
    1) *has at least three members, a majority of whom are Independent Directors; and*
    2) *is chaired by an Independent Director, and disclose:*
    3) *the charter of the committee;*
    4) *the members of the committee; and*
    5) *as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*

b) *if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*

The Risk and Audit Committee is governed by a Board approved charter which is disclosed on the Company's website. The Company's Risk and Audit Committee is responsible for overseeing, monitoring and periodically reviewing the Company's risk management system. The Company has a Risk Management Policy which can be found on the Company's website. The Company's management is responsible for managing operational risk and for implementing risk mitigation measurement within parameters set by the Board. For more information on the Risk and Audit Committee, see Recommendation 4.1.

Recommendation 7.2

The Board or a committee of the Board should:

a) *review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and*

b) *disclose, in relation to each reporting period, whether such a review has taken place.*

The Risk and Audit Committee is responsible for reviewing the Company's risk management framework. Risk framework reviews occur annually or more frequently as necessitated by changes in the Company and its operating environment.

A formal and detailed risk framework review has taken place during the financial year ended 30 June 2024.

Recommendation 7.3

A listed entity should disclose:

a) *if it has an internal audit function, how the function is structured and what role it performs; or*

b) *if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk and internal control processes.*

Given the Company's size and current stage of development it does not have an internal audit function.

The Board and the Risk and Audit Committee are responsible for overseeing the establishment and implementation of effective risk management and internal control systems to manage the Company's material business risks and for reviewing and monitoring the Company's application of those systems. Monitoring procedures include:

- Annual budgeting and monthly reporting to monitor performance
- External financial audits and other external review engagements (such as cyber penetration testing) where appropriate
- Approved limits for matters requiring Board approval
- Annual review of the insurance programme
- Regular invitation of key operational and sales management to the Risk and Audit Committee to probe key operational and strategic risks
- Bi-annual review and assessment of risks facing the Company and the mitigation processes in place to manage these risks in accordance with the Board's risk appetite.

Recommendation 7.4

A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

The Risk and Audit Committee and the Board assists management to determine whether the Company has any material exposure to environmental and social sustainability risks, and, if it does, how it manages or intends to manage those risks.

There are a number of business risks that could materially impact the Company. As part of the risk management process described above, the Company has identified and assessed those areas of risk that may impact the business. Effective monitoring and mitigation of these risks supports the Company's ongoing growth and profitability.

Material business risks are disclosed on page 16 to 19 of the Directors' Report.

Principle 8: Remunerate fairly and responsibly

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

Recommendation 8.1

The Board of a listed entity should:

a) have a remuneration committee which:

1) has at least three members, a majority of whom are Independent Directors; and

2) is chaired by an Independent Director, and disclose:

3) the charter of the committee;

4) the members of the committee; and

5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board has established a separate Remuneration Committee.

The principal function of the Remuneration Committee is to assist the Board in ensuring that the Group's remuneration levels are appropriate and sufficient to attract and retain directors and key executives required to run the Group successfully.

The Remuneration Committee is chaired by Mr Jeremy King. The Committee currently has two other permanent non-executive members being Mr Chris Morris and Ms Fiona Pearse, with Mr Paul Gillespie (Managing Director) attending by invitation, when appropriate. Refer to Recommendation 2.3 and 2.4 for further details on the independence of directors.

The Committee meets at least annually, with additional meetings being convened as required.

Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The Remuneration Report in the Company's Annual Report sets out details of the Company's policies and practices for remunerating directors and executives.

Recommendation 8.3

A listed entity which has an equity-based compensation remuneration scheme should:

a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and

b) disclose that policy or a summary of it.

The Company has an equity based compensation scheme for senior executives. It has a formal policy restricting the entry into transactions which may limit the economic risk of participating in the scheme and which is disclosed on the Company's website. The scheme involves employees being awarded equity in the Company at nil consideration. The award of such equity is based on individual and Company performance and is subject to milestones and vesting terms.

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Auditor's Independence Declaration

To the Directors of Smart Parking Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Smart Parking Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M J Climpson
Partner – Audit & Assurance

Melbourne, 27 September 2024

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Independent Auditor's Report

To the Members of Smart Parking Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Smart Parking Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Revenue recognition (Note 2)</td></tr>
<tr><td>
In accordance with AASB 15 Revenue from Contracts with Customers (AASB 15), revenues from goods and services are recognised based on the completion of performance obligations under each contract.

The Group derives revenue through the supply and installation of technology solutions, measuring progress toward completion using an input method over time. Revenue is also derived from maintenance services, recognised over time as the service is provided. The Group recognises a year-end accrual for Parking Breach Notice (‘PBN’) infringements issued, for which has not yet been received.

The determination of the appropriate timing of revenue recognition due to the nature of sale, the contractual arrangements and measuring progress towards satisfaction of performance obligations can require significant judgement. The determination of the PBN accrual requires management to take into account contractual terms with car parking owners, and to estimate various factors that can impact on the cash subsequently collected, including the potential for cancellation or non-recovery.

This area is a key audit matter due to the inherent audit risk pertaining to revenue recognition for a business with multiple revenue streams, and of the high level of estimation and management judgement required to determine an appropriate value for accrued PBN revenue.
</td><td>
Our procedures included, amongst others:
• Assessing the revenue recognition policies for appropriateness and compliance with AASB 15;
• Selecting relevant controls in the revenue recognition process and assessing their operating effectiveness through sampling;
• Performing detailed testing of a sample of revenue transactions for each material revenue stream by agreeing to supporting documentation, cash receipts and to contracts to determine whether revenue was recognised correctly in accordance with AASB 15;
• Performing non-substantive analytical procedures to understand movement and trends in revenue and obtaining an understanding where movements were outside expectations;
• Reviewing management’s estimation process and model utilised in determining the PBN accrual, including;
  - Assessing the model for compliance with AASB 15;
  - Verifying the mathematical accuracy of the model;
  - Testing the appropriateness of the key inputs utilised in the model (including cancellation rates and average collection rates) by comparing to historical rates and reviewing collections subsequent to year-end; and
• Assessing the appropriateness of related financial statement disclosures.
</td></tr>
</table>

Information other than the financial report and auditor’s report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2024, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

a a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and

b b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf.This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Smart Parking Limited, for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M J Climpson
Partner – Audit & Assurance

Melbourne, 27 September 2024

Financial Statements

The financial statements of Smart Parking Limited for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 27 September 2024 and covers the Group consisting of Smart Parking Limited and its subsidiaries as required by the *Corporations Act 2001.*

The financial statements are presented in the Australian currency in $s.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	Consolidated 2024	2023
Revenue from operations	2	**54,703,059**	45,176,722
Raw materials and consumables used		**(1,905,629)**	(3,132,319)
Employee benefits expense		**(16,009,807)**	(13,506,650)
Depreciation and amortisation expense	3	**(6,973,030)**	(5,372,465)
Rental and operating lease costs		**(1,023,345)**	(640,317)
Share-based payments expense	28	**(437,581)**	(241,950)
Interest expense	3	**(610,990)**	(643,083)
Foreign exchange gains/(losses)		**(239,540)**	1,166,991
Other expenses	3	**(21,941,659)**	(16,613,094)
Profit before income tax		**5,561,478**	6,193,835
Income tax benefit/(expense)	4	**(1,872,815)**	189,315
Profit for the year from continuing operations		**3,688,663**	6,383,150
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**119,479**	373,199
Other comprehensive income for the year, net of tax		**119,479**	373,199
Total comprehensive income for the year		**3,808,142**	6,756,349
Total comprehensive income for the year attributable to owners of Smart Parking Limited		**3,808,142**	6,756,349
Earnings per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share (cents per share)	30	**1.06**	1.82
Diluted earnings per share (cents per share)	30	**1.05**	1.82

The above consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2024

		Consolidated	
	Note	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**7,229,643**	10,726,176
Trade and other receivables	7	**16,260,823**	13,730,414
Contract assets	2	**1,783**	22,312
Inventories	10	**586,090**	705,184
Other financial assets	6	**642,200**	650,626
Total Current Assets		**24,720,539**	25,834,712
NON-CURRENT ASSETS			
Property, plant and equipment	13	**11,458,125**	10,008,090
Right-of-use asset	14	**9,074,673**	15,336,143
Intangible assets	15	**11,008,316**	3,987,244
Deferred tax assets	16	**1,294,422**	805,844
Total Non-current Assets		**32,835,536**	30,137,321
Total Assets		**57,556,075**	55,972,033
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	**13,323,019**	10,862,187
Lease liabilities	14	**2,723,939**	1,974,498
Borrowings	9	**239,407**	1,048,146
Contract liabilities	17	**796,216**	1,110,268
Current tax liabilities		**1,959,415**	841,042
Employee benefit obligations	18	**1,210,425**	818,773
Total Current Liabilities		**20,252,421**	16,654,914
NON-CURRENT LIABILITIES			
Lease liabilities	14	**7,359,480**	14,384,598
Borrowings	9	**-**	239,125
Deferred tax liabilities	16	**1,999,188**	994,133
Total Non-current Liabilities		**9,358,668**	15,617,856
Total Liabilities		**29,611,089**	32,272,770
Net Assets		**27,944,986**	23,699,263
EQUITY			
Contributed equity	19	**65,931,468**	65,931,468
Accumulated losses	20(b)	**(43,789,627)**	(47,478,290)
Reserves	20(a)	**5,803,145**	5,246,085
Total Equity		**27,944,986**	23,699,263

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

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Contributed equity	Reserves	Accumulated losses	Total
Balance at 1 July 2023		65,931,468	5,246,085	(47,478,290)	23,699,263
Total comprehensive income for the year					
Profit for the year		-	-	3,688,663	3,688,663
Other comprehensive income		-	119,479	-	119,479
Total comprehensive profit for the year		**-**	**119,479**	**3,688,663**	**3,808,142**
Transactions with owners, recorded directly in equity					
Contributions by owners					
Share-based payment transactions	20	-	437,581	-	437,581
Total transactions with owners	20	**-**	**437,581**	**-**	**437,581**
Balance at 30 June 2024		**65,931,468**	**5,803,145**	**(43,789,627)**	**27,944,986**

	Note	Contributed equity	Reserves	Accumulated losses	Total
Balance at 1 July 2022		66,684,005	4,630,936	(53,861,440)	17,453,501
Total comprehensive income for the year					
Profit for the year		-	-	6,383,150	6,383,150
Other comprehensive income		-	373,199	-	373,199
Total comprehensive profit for the year		**-**	**373,199**	**6,383,150**	**6,756,349**
Transactions with owners, recorded directly in equity					
Contributions by owners					
Share buy-back	19	(752,537)	-	-	(752,537)
Share-based payment transactions	20	-	241,950	-	241,950
Total transactions with owners	19, 20	**(752,537)**	**241,950**	**-**	**(510,587)**
Balance at 30 June 2023		**65,931,468**	**5,246,085**	**(47,478,290)**	**23,699,263**

The above consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	Consolidated 2024	2023
Cash flows from operating activities			
Receipts from customers (inclusive of GST and VAT)		**52,884,532**	42,713,493
Payments to suppliers and employees (inclusive of GST and VAT)		**(37,515,274)**	(32,951,803)
Professional fees (acquisition and regulatory matters)		**(1,121,371)**	(243,368)
Interest received	2(b)	**248,397**	125,528
Income taxes paid		**(949,279)**	(357,354)
Net cash inflow from operating activities	21	**13,547,005**	9,286,496
Cash flows from investing activities			
Payments for intangible assets	15	**(916,729)**	(417,922)
Payments for property, plant and equipment		**(4,234,471)**	(5,286,116)
Purchase of investments in subsidiaries net of cash acquired		**(7,694,040)**	-
Net cash outflow from investing activities		**(12,845,240)**	(5,704,038)
Cash flows from financing activities			
Payments for on-market share buy-back	19	**-**	(752,537)
Interest and other finance costs paid		**(610,990)**	(643,083)
Principal elements of lease payments		**(2,541,616)**	(1,716,844)
Repayment of borrowings		**(1,047,864)**	(893,385)
Net cash outflow from financing activities		**(4,200,470)**	(4,005,849)
Net decrease in cash and cash equivalents		**(3,498,705)**	(423,391)
Cash and cash equivalents at beginning of period		**10,726,176**	10,819,910
Effects of exchange rate changes on cash and cash equivalents		**2,172**	329,657
Cash and cash equivalents at end of period	5	**7,229,643**	10,726,176

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

Notes to the Financial Statements

1. Segment information

a) Description of segments

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

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

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

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

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

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

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

b) Segment information

The segment information provided to the Board for the reportable segments for the year ended 30 June 2024 is as follows:

			Parking Management						
Group – 2024	**Technology**	**R&D**	**United Kingdom**	**New Zealand**	**Australia**	**Germany**	**Denmark**	**Total parking management**	**Total**
Segmental Adjusted EBITDA	**3,783,179**	**(658,716)**	**14,366,467**	**1,384,954**	**(1,141,076)**	**(1,686,243)**	**(599,871)**	**12,324,231**	**15,448,694**
Depreciation and amortisation	(398,473)	-	(5,024,224)	(517,109)	(491,338)	(536,968)	(4,918)	(6,574,557)	(6,973,030)
Gain/(loss) on disposal of fixed property, plant and equipment	-	-	(84,005)	(7,688)	14,151	-	-	(77,542)	(77,542)
Segmental Adjusted EBIT	**3,384,706**	**(658,716)**	**9,258,238**	**860,157**	**(1,618,263)**	**(2,223,211)**	**(604,789)**	**5,672,132**	**8,398,122**
Total segment assets	**824,468**	**-**	**62,442,480**	**4,093,276**	**439,476**	**4,625,230**	**391,596**	**71,992,058**	**72,816,526**
Total assets includes:									
Additions to non-current assets	116,165	-	9,074,452	1,819,319	1,212	3,657,239	215,662	14,767,884	14,884,049
Non-current assets	93,145	-	39,761,911	3,255,577	439,476	3,689,934	194,104	47,341,002	47,434,147
Total segment liabilities	**767,142**	**-**	**36,822,114**	**1,584,237**	**333,547**	**10,269,279**	**948,896**	**49,958,074**	**50,725,216**

The segment information provided to the Board for the reportable segments for the year ended 30 June 2023 was as follows:

			Parking Management						
Group – 2023	Technology	R&D	United Kingdom	New Zealand	Australia	Germany	Denmark	Total parking management	Total
Segmental Adjusted EBITDA	**2,031,092**	**(555,489)**	**12,382,274**	**1,241,668**	**(701,935)**	**(1,512,273)**	**-**	**11,409,734**	**12,885,337**
Depreciation and amortisation	(292,185)	-	(4,212,157)	(297,929)	(471,085)	(99,109)	-	(5,080,280)	(5,372,465)
Loss on disposal of fixed property, plant and equipment	4,800	-	(15,115)	-	-	-	-	(15,115)	(10,315)
Segmental Adjusted EBIT	**1,743,707**	**(555,489)**	**8,155,002**	**943,739**	**(1,173,020)**	**(1,611,382)**	**-**	**6,314,339**	**7,502,557**
Total segment assets	**3,955,818**	**-**	**58,413,971**	**3,395,007**	**1,694,457**	**1,361,292**	**-**	**64,864,727**	**68,820,545**
Total assets includes:									
Additions to non-current assets	130,615	-	2,095,586	1,237,892	831,943	517,555	-	4,682,976	4,813,591
Non-current assets	174,189	-	37,119,576	2,274,592	1,222,900	737,472	-	41,354,540	41,528,729
Total segment liabilities	**3,102,493**	**-**	**39,162,654**	**884,154**	**724,343**	**3,983,768**	**-**	**44,754,919**	**47,857,412**

c) Other segment information

(i) Adjusted EBIT

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

		Consolidated	
	Note	**2024**	**2023**
Segment Adjusted EBIT[1]		**8,398,122**	7,502,557
Interest revenue	2(b)	**248,397**	125,528
Interest expense	3	**(610,990)**	(643,083)
Other non-operating items[2]		**(318,425)**	(48,869)
Professional fees[3]		**(398,581)**	(553,996)
Foreign exchange gain/(loss) on intra group funding		**(239,540)**	1,166,991
Adjusted EBIT for Group Corporate function		**(1,517,505)**	(1,355,293)
Profit before income tax from continuing operations		**5,561,478**	6,193,835

1 Segment Adjusted EBIT is for the operating divisions which excludes corporate costs and non-recurring items.
2 The other non-recurring items are either non-recurring and/or non-operating in nature. In FY24, $0.3m relates to professional fees on regulatory matters.
3 Professional fees relate to completed and evaluated business acquisitions.

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

	2024	2023
Segment Adjusted EBIT	**8,398,122**	7,502,557
Adjusted EBITDA for Group Corporate function	**(1,517,505)**	(1,355,293)
Adjusted Group EBIT	**6,880,617**	6,147,264

(ii) Segment assets

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

Reportable segment assets are reconciled to total assets as follows:

		Consolidated	
	Note	2024	2023
Segment assets		**72,816,526**	68,820,545
Intersegment eliminations		**(56,283,660)**	(48,010,930)
Unallocated:			
Parent company assets	31	**41,023,209**	35,162,418
Total assets as per the balance sheet		**57,556,075**	55,972,033

(iii) Segment liabilities

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

Reportable segment liabilities are reconciled to total liabilities as follows:

		Consolidated	
	Note	2024	2023
Segment liabilities		**50,725,216**	47,857,412
Intersegment eliminations		**(40,590,303)**	(29,459,381)
Unallocated:			
Parent company liabilities	31	**19,476,176**	13,874,739
Total liabilities as per the balance sheet		**29,611,089**	32,272,770

2. Revenue from contracts with customers

Revenue arises mainly from the sale of;

- Technology including the sale of car parking hardware, software and associated products and services.
- Provision of Parking Management solutions in the United Kingdom, New Zealand, Australia, Germany and Denmark.

a) Disaggregation of revenue from contracts with customers

Sales between segments are carried out at arm's length and are eliminated on consolidation. The revenue from external parties reported to the Board is measured in a manner consistent with that in the statement of profit or loss and other comprehensive income.

			Parking Management						
Group – 2024	**Technology**	**R&D**	**United Kingdom**	**New Zealand**	**Australia**	**Germany**	**Denmark**	**Total parking management**	**Total**
Total segment revenue	6,275,715	-	43,985,380	4,571,628	69,939	2,790,052	109,415	51,526,414	57,802,129
Inter-segment revenue	(3,347,467)	-	-	-	-	-	-	-	(3,347,467)
Revenue from external customers	**2,928,248**	**-**	**43,985,380**	**4,571,628**	**69,939**	**2,790,052**	**109,415**	**51,526,414**	**54,454,662**
The Group's revenue disaggregated by pattern of revenue recognition as follows:									
Services transferred over time	2,928,248	-	366,348	62,449	-	-	109,415	538,212	3,466,460
Services transferred at a point in time	-	-	43,619,032	4,509,179	69,939	2,790,052	-	50,988,202	50,988,202
	2,928,248	**-**	**43,985,380**	**4,571,628**	**69,939**	**2,790,052**	**109,415**	**51,526,414**	**54,454,662**

			Parking Management						
Group – 2023	**Technology**	**R&D**	**United Kingdom**	**New Zealand**	**Australia**	**Germany**	**Denmark**	**Total parking management**	**Total**
Total segment revenue	7,563,408	-	36,389,813	2,923,173	1,405,976	450,552	-	41,169,514	48,732,922
Inter-segment revenue	(3,681,728)	-	-	-	-	-	-	-	(3,681,728)
Revenue from external customers	**3,881,680**	**-**	**36,389,813**	**2,923,173**	**1,405,976**	**450,552**	**-**	**41,169,514**	**45,051,194**
The Group's revenue disaggregated by pattern of revenue recognition as follows:									
Services transferred over time	3,881,680	-	362,522	-	-	-	-	362,522	4,244,202
Services transferred at a point in time	-	-	36,027,291	2,923,173	1,405,976	450,552	-	40,806,992	40,806,992
	3,881,680	**-**	**36,389,813**	**2,923,173**	**1,405,976**	**450,552**	**-**	**41,169,514**	**45,051,194**

b) Segment revenue reconciliation

Segment revenue reconciles to total revenue from continuing operations as follows:

	Consolidated	
	2024	**2023**
Total segment revenue	**57,802,129**	48,732,922
Intersegment eliminations	**(3,347,467)**	(3,681,728)
Interest revenue	**248,397**	125,528
	54,703,059	45,176,722

c) Revenue by territory

Revenue for the Group is analysed as follows:

	Revenue	
Group	**2024**	**2023**
New Zealand	**6,032,217**	5,057,983
Australia	**4,885,065**	6,546,125
United Kingdom	**43,985,380**	36,678,262
Germany	**2,790,052**	450,552
Denmark	**109,415**	-
Totals prior to intercompany eliminations	**57,802,129**	48,732,922
Intercompany eliminations	**(3,347,467)**	(3,681,728)
Total	**54,454,662**	45,051,194

During the year the Group had no customers that contributed more than 10% of revenue from sales of good and services (2023: nil).

d) Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers.

	Consolidated	
Contract assets	**2024**	**2023**
Work in progress	**1,783**	22,312
	1,783	22,312

Recoverability of contract assets is reviewed on an ongoing basis. A provision for impairments is based on the simplified expected loss model (ECL).

Contract liabilities		
Contract liabilities	**796,216**	1,110,268
	796,216	1,110,268

e) Accounting policies and significant judgements

Accounting Policies

Details of the requirements of AASB 15 Revenue from Contracts with Customers as well as the judgments and estimates used in determining any possible impact are described below.

The core principle of AASB 15 is that an entity shall recognise revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at the transaction price allocated to the performance obligation.

(i) Parking Management

The Group recognises parking management revenue from the following revenue streams:

- Parking Breach Notices ("PBNs"): Revenue from PBNs is recognised at a point in time when the PBN is issued to the driver, after applying the necessary variables & constraints. Variable consideration is estimated using either the expected value or most likely amount method.

- Pay & Display ("P&D"): Revenue from P&D is recognised at a point in time when the customer pays for parking.

- Management Fees: Revenue from management fees is recognised over time as the services are provided. Variable consideration is estimated using either the expected value or most likely method.

PBN revenue and management fees are variable income streams as amounts can vary based on the time of payment in accordance with local jurisdictions.

When more than one party is involved in providing goods or services to a customer, the Group determines whether it is a principal or agent by evaluating the nature of the promise to the customer. Where the Group is acting as a principal in the arrangement, revenue is presented on a gross basis. Conversely, if the Group is acting as an agent in the arrangement, revenue is presented net of costs. The Group acts as both principal and agent in the revenue streams outlined above

For all revenue streams, adjustments are made, when required, to ensure that revenue is only recognised when it is highly probable that a significant reversal of revenue will not occur as required by AASB 15.

As described below in critical judgements, adjustments to PBN revenue recognised takes into account the expected cancellations and expected payment recovery of PBNs issued but not yet paid by customers.

(ii) Technology Contracts

The Group enters into contracts for the supply and installation of technology solutions in exchange for a fixed fee. The Group has determined that the supply and installation of technology solutions are not capable of being distinct and therefore represent a single performance obligation. Revenue is recognised over time using the input method based on costs incurred to date relative to total estimated costs for the project.

In cases where a contract also includes promises to perform after-sales maintenance or services, this is determined to be a separate performance obligation. The total transaction price is allocated to each performance obligation based on the relative stand-alone selling price. Revenue associated with after-sales maintenance is recognised over time as the services are provided.

Accrued revenue and work in progress are recognised in the statement of financial position under contract assets. A contract asset is recognised when the Group has a right to consideration in exchange for goods or services transferred to the customer, however, the payment from the customer is not yet due.

Most arrangements include a deposit as part of a customer payment schedule. When deposits are received from customers these are treated in the statement of financial position under contract liabilities.

Critical judgements in calculating amounts

The Group recognises a year-end revenue accrual for PBN infringements issued but for which payment has not yet been received which is a form of variable consideration. The determination of the accrual requires management to estimate various factors that can impact on the cash subsequently collected, including the average value per infringement, expected cancellations, the customer's share of the revenue and the expected payment recovery.

The year end accrual increased by $2.3m due to the uplift in sales activity, expansion into new operating territories and acquisitions. PBNs issued in FY24 were up by 22% compared to the previous corresponding period.

	Note	Consolidated 2024	2023
3. Expenses			
Profit before income tax includes the following specific expenses:			
Depreciation			
Right-of-use assets	14	**(2,414,985)**	(1,921,154)
Motor vehicles	13	**(23,008)**	(21,985)
Plant and equipment	13	**(3,526,935)**	(2,782,984)
Office equipment	13	**(85,926)**	(89,067)
Leasehold improvements	13	**(54,956)**	(41,207)
Total depreciation		**(6,105,810)**	(4,856,397)
Amortisation	15	**(867,220)**	(516,068)
Total depreciation and amortisation		**(6,973,030)**	(5,372,465)
Finance costs			
Interest expense		**(610,990)**	(643,083)
Total finance costs		**(610,990)**	(643,083)
Other expenses			
Audit fees	29	**(314,774)**	(227,985)
Bank fees and charges		**(160,309)**	(104,639)
Legal fees		**(557,132)**	(428,670)
Loss on disposal of fixed property, plant and equipment	1(b)	**(77,542)**	(10,315)
Motor vehicle expenses		**(836,302)**	(622,709)
Travel and accommodation		**(919,207)**	(840,523)
Insurance		**(395,931)**	(404,681)
Telephone and communications		**(426,711)**	(489,360)
Other site service costs		**(3,373,813)**	(2,182,115)
Licencing authority fees		**(3,462,676)**	(3,127,468)
Recruitment expenses		**(414,600)**	(247,744)
Repairs and maintenance		**(1,050,064)**	(752,533)
IT Support		**(547,270)**	(384,853)
Professional fees for completed and evaluated business acquisitions		**(398,580)**	(553,996)
Professional fees relating to regulatory matters		**(318,425)**	-
Financial reporting system implementation		**-**	(55,000)
Bad debts provision and write-offs		**(552,559)**	(414,713)
Debt recovery costs		**(3,783,458)**	(3,199,307)
Other expenses		**(4,352,306)**	(2,566,483)
		(21,941,659)	(16,613,094)

	Consolidated 2024	Consolidated 2023
4. Income tax expense		
a) Income tax expense		
Current tax	**2,083,527**	395,618
Deferred tax	**(210,712)**	(584,933)
Under/over provision in previous period	**-**	-
Income tax (benefit)/expense	**1,872,815**	(189,315)
Deferred income tax benefit/expense included in income tax expense comprises:		
Decrease/(increase) in deferred tax assets	**(488,578)**	(700,930)
(Decrease)/increase in deferred tax liabilities	**277,866**	115,997
b) Reconciliation of prima facie tax payable to income tax expenses		
Profit before income tax expense	**5,561,478**	6,193,835
Tax at the Australian rate of 30.0% (2023: 30.0%)	**1,668,443**	1,858,151
Tax effect of permanent differences:		
Rate differences	**(412,248)**	(172,862)
Intangible amortisation expense	**125,564**	44,821
Share-based payments expense	**104,244**	53,278
Deferred tax assets utilised that were not previously recognised	**(365,209)**	(1,279,010)
Deferred tax assets brought to account for use in future years	**(497,172)**	(700,930)
Current year tax losses not recognised	**1,034,751**	-
Other non-deductible expenses	**214,442**	7,237
Income tax (benefit)/expense	**1,872,815**	(189,315)
c) Unrecognised deferred tax assets		
Deferred tax assets and liabilities (at their tax effected value) not recognised relate to the following:		
Deferred tax assets		
Tax losses	**4,480,103**	3,536,151
Other temporary differences	**682,086**	784,838
	5,162,189	4,320,989

The Group has the following tax losses available along with the corresponding unrecognised deferred tax asset.

	Tax Losses	Unrecognised Deferred Tax Asset
New Zealand	7,130,974	1,996,673
United Kingdom	-	-
Australia	2,305,249	691,575
Germany	5,230,976	1,633,372
Denmark	720,380	158,483
	15,387,579	**4,480,103**

At 30 June 2024, there is no recognised or unrecognised deferred income tax liability for taxes that would be payable on the unremitted earnings of the Group's subsidiaries as the Group has no liability for additional taxation should such amounts be remitted.

d) Tax consolidation legislation

Smart Parking Limited and its wholly owned Australian controlled entities have elected to enter into the tax consolidation legislation from 9 January 2007. The accounting policy in relation to this legislation is set out in Note 34. On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the directors, limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Smart Parking Limited.

The entities entered into a tax funding agreement under which the wholly owned entities fully compensate Smart Parking Limited for any current tax payable assumed and are compensated by Smart Parking Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Smart Parking Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax installments. The funding amounts are recognised as current intercompany receivables or payables.

	Consolidated	
	2024	**2023**
5. Cash and cash equivalents		
Cash at bank and in hand	**7,229,643**	10,726,176
	7,229,643	10,726,176

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

	Consolidated	
	2024	2023
6. Other financial assets		
Cash held on behalf of customers	**642,200**	650,626
	642,200	650,626

The Parking Management division collects cash from sites that it operates on behalf of customers on an ongoing basis. These amounts can be material. As cash is collected and banked a corresponding liability is recognised for the same amount in Other Payables. As payment terms vary between customers the cash profile of collecting and remitting cash is variable and can have a material impact on the Group's other financial assets at any one point in time. Refer to Note 8 for additional information.

a) Interest rate risk exposure

The Group's exposure to interest rate risk is discussed in Note 23.

	Consolidated	
	2024	2023
7. Trade and other receivables		
Current		
Trade receivables	**2,909,582**	3,366,105
Provision for impairment of receivables	**(722,330)**	(663,682)
	2,187,252	2,702,423
Prepayments	**1,404,523**	1,083,539
Accrued Parking Breach Notice revenue[1]	**11,276,784**	9,008,812
Other receivables	**1,392,264**	935,640
	16,260,823	13,730,414

1 The Group recognises a year-end accrual for Parking Breach Notice infringements issued but which have not been received. Refer to Note 2 for additional information.

Trade receivables, other receivables and non-current receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 - 60 days.

Recoverability of trade receivables and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is based on the simplified expected loss model (ECL).

a) Impaired trade receivables

As at 30 June 2024 current trade receivables of the Group with a nominal value of $722,330 (2023: $663,682) were impaired. The amount of the provision was $722,330 (2023: $663,682).

The ageing analysis of these trade receivables is as follows:

	Consolidated	
	2024	**2023**
1 to 3 months	**90,382**	255,999
3 to 6 months	**111,900**	-
Over 6 months	**520,048**	407,683
	722,330	663,682

Movements in the provision for impairment of receivables are as follows:

At 1 July	**663,682**	365,521
Provision for impairment recognised during the year	**410,058**	488,895
Receivables written off during the year as uncollectible	**(399,450)**	(236,699)
Foreign exchange translation	**48,040**	45,965
At 30 June	**722,330**	663,682

The creation and release of the provision for impaired receivables has been included in 'Other Expenses' in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Amounts charged to the provision for impairment are generally written off when there is no expectation of recovering additional cash.

b) Past due but not impaired

As of 30 June 2024, trade receivables of $1,376,644 (2023: $1,704,826) were past due but were not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

Up to 3 months	**410,150**	1,006,391
3 months and over	**966,494**	698,435
	1,376,644	1,704,826

c) Fair values and credit risk

Due to the short term nature of these receivables the carrying values represent their respective fair values at 30 June 2024 and 30 June 2023.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to Note 23 for more information on the risk management policy of the Group and the credit quality of its receivables.

d) Other receivables

These amounts include accrued income for Pay and Display revenue including cash not collected or cash collected and in transit to the bank at reporting date and Parking Breach Notice revenue for infringements issued which are expected to be paid subsequent to reporting date. The accrued Parking Breach Notice revenue includes an estimation for expected credit loss so that they are net of estimated non-collectibles.

e) Foreign exchange and interest rate risk

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note 23.

	Consolidated	
	2024	2023
8. Trade and other payables		
Current		
Trade payables	**4,469,401**	2,553,275
Related party payables	**6,369**	3,907
Other payables	**8,847,249**	8,305,005
	13,323,019	10,862,187

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

These liabilities are recognised at amortised cost.

(a) All current trade and other payables are expected to be settled within 12 months.

(b) Other payables includes $642,200 (2023: $650,626) payable to customers for cash that Smart Parking UK has collected and counted on behalf of customers, the associated cash for this is included in Other financial assets. Refer to Note 6. Other payables also includes amounts due for licencing authority fees, debt recovery costs, customer PBN share and other accrued expenses.

(c) Risk exposure

Details of the Group's exposure to risks arising from trade and other payables are set out in Note 23.

	Consolidated 2024	Consolidated 2023
9. Borrowings		
Secured		
UK Coronavirus Business Interruption Loan - current	**239,407**	1,048,146
UK Coronavirus Business Interruption Loan - non current	**-**	239,125
	239,407	1,287,271

Smart Parking Limited (UK), a subsidiary of Smart Parking Limited, obtained a GBP denominated UK Coronavirus Business Interruption Loan for AUD$2.7m on 8th July 2020 which was drawn down on the 25th of September 2020. The terms of the loan include:

- The term of the loan is 4 years from the date of drawdown, and was interest free for the first year.
- Principal repayments commenced monthly on the first anniversary of the loan drawdown date in 36 equal installments.
- The interest rate payable will vary in line with the Bank of England Base Rate plus 2.30%.
- Smart Parking Limited (UK) is required to comply annually with a covenant at 30 June whereby its EBITDA is not at any time to be less than 130% of the consolidated principal and interest paid and payable for the period covered by the financial statements. The Company exceeded the covenant at 30 June 2024.
- The loan is secured by a floating charge over the assets of Smart Parking Limited (UK).

	Consolidated 2024	Consolidated 2023
10. Inventories		
Stock in transit	**9,848**	-
Finished goods	**729,948**	810,898
	739,796	810,898
Provision for stock obsolescence	**(153,706)**	(105,714)
	586,090	705,184

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is based on weighted average cost and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Goods in transit are recognised when the control of the asset has passed to the Group.

11. Business combination

ParkInnovation GmbH

On 13 July 2023, the Group acquired 100% of the issued shares in ParkInnovation GmbH, an unlisted company based in Germany for cash consideration of $1,961,746. ParkInnovation provides parking management solutions in Germany and has 46 manually operated sites under management. The acquisition accelerates growth in the German market and provides the opportunity to upgrade suitable sites to ANPR technology, while continuing to operate remaining sites manually, as well as leverage a key customer to potentially install additional sites.

The fair values of the identifiable assets and liabilities of ParkInnovation's as at the date of acquisition were:

	Fair value recognised on acquisition
Assets	
Cash and cash equivalents	120,223
Trade and other receivables	180,574
Property, plant and equipment (Note 13)	26,860
Customer relationships (Note 15)	624,489
	952,146
Liabilities	
Trade and other payables	119,141
Deferred tax liability	187,347
	306,488
Total identifiable net assets at fair value	**645,658**
Goodwill arising on acquisition (Note 15)	1,316,088
Purchase consideration transferred	**1,961,746**

a) Goodwill

The goodwill is attributable to ParkInnovation's portfolio of sites and the expected increase in profitability following the upgrade of suitable sites to the ANPR technology.

(b) Customer relationships

The fair value of the acquired customer relationships of $624,489 is based on an independent valuation. Judgement is required to estimate future cashflows from customer relationships and their estimated useful lives which form inputs to the valuation. A corresponding deferred tax liability of $187,347 has been recognised in relation to this fair value adjustment.

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(c) Contribution to the Group

From the date of acquisition, ParkInnovation has contributed revenue of $1,369,701, an adjusted EBITDA loss of $18,583 and a loss before tax from continuing operations of $244,268.

Local Parking Security (provisional)

On 5 March 2024, the Group acquired the parking management contracts and assets from Local Parking Security Limited, an unlisted company based in the United Kingdom for cash consideration of $5,852,517. The acquisition builds scale through the addition of 72 automatic number plate recognition ("ANPR") sites and 54 manually operated sites and provides opportunity to upgrade suitable sites to the ANPR technology.

The provisional fair values of the identifiable assets and liabilities of Local Parking Security as at the date of acquisition were:

	Fair value recognised on acquisition
Assets	
Trade and other receivables	201,150
Property, plant and equipment (Note 13)	1,128,222
Provisional customer relationships (Note 15)	2,573,698
	3,903,070
Liabilities	
Trade and other payables	22,221
Provisional deferred tax liabilities	643,424
	665,645
Total identifiable net assets at fair value	**3,237,425**
Provisional goodwill arising on acquisition (Note 15)	2,615,092
Purchase consideration transferred	**5,852,517**

a) Goodwill

The provisional goodwill is attributable to Local Parking Security's portfolio of sites and the expected increase in profitability following the upgrade of suitable sites to the ANPR technology as well as productivity savings. The provisional goodwill recognised is likely to change following an independent valuation.

(b) Customer relationships

The provisional fair value of the acquired customer relationships of $2,573,698 is based on management's initial estimate and as such, the final fair value of the acquired customer relationships is likely to change. The Group will seek an independent valuation for the intangible assets acquired. The valuation will be completed within one year from the date of acquisition. A corresponding provisional deferred tax liability of $643,424 has been recognised in relation to this fair value adjustment, and will likely change in proportion to any change in final value of customer relationships.

(c) Contribution to the Group

From the date of acquisition, Local Parking Security has contributed revenue of $1,229,775, adjusted EBITDA of $691,032 and a profit before tax from continuing operations of $589,184.

If the acquisition had occurred on 1 July 2023, Local Parking Security would have contributed revenue of $3,782,568, adjusted EBITDA of $2,044,008 and a profit before tax from continuing operations of $1,812,225.

Critical judgements in calculating amounts

Customer relationships

Smart Parking Limited acquired 100% of the issued shares of ParkInnovation GmbH and the parking management contracts and assets from Local Parking Security Limited in FY24.

The fair value of the acquired customer relationships of $3,198,187 is based on current valuations of those assets, of which $2,573,698 is a provisional valuation. Deferred tax liabilities of $830,771 have been provided in relation to the fair values of customer relationships of which $643,424 is a provisional valuation. Judgement is required to estimate future cashflows from customer relationships and their estimated useful lives which form inputs to the valuations.

The fair value of the customer relationships and related deferred tax liabilities are being amortised on a straight line basis over 5 years.

12. Interests in other entities

The Group's principal subsidiaries at 30 June 2024 are set out below. The country of incorporation or registration is also their principal place of business unless otherwise stated.

Name of entity	Place of business/country of incorporation	Ownership interest held by the Group		Principal activities
		2024	2023	
Smart Parking Technology Ltd	New Zealand	100%	100%	Parking Management, Provision of Parking Technology
Smart Parking (UK) Ltd	Scotland	100%	100%	Holding Company
Smart Parking Ltd[1]	Scotland	100%	100%	Parking Management, Provision of Parking Technology
Local Parking Security Ltd[4]	England	100%	-	Dormant Company
Town and City Parking Ltd	Scotland	100%	100%	Dormant Company
Enterprise Parking Solutions Ltd	England	100%	100%	Parking Management
NE Parking Ltd	England	100%	100%	Parking Management
Smart Parking Germany GmbH	Germany	100%	100%	Parking Management
ParkInnovation GmbH[2]	Germany	100%	-	Parking Management
Smart Parking Denmark ApS[3]	Denmark	100%	-	Parking Management

1 Place of business is United Kingdom.
2 Acquired during FY24.
3 Commenced trading 1 January 2024.
4 New company formed in FY24 for compliance purposes.

13. Property, plant and equipment (non-current)

	Consolidated Motor Vehicles	Office Equipment	Plant and Equipment	Leasehold Improvements	Total
Year ended 30 June 2024					
Opening net book amount	56,274	165,461	9,325,621	460,734	10,008,090
Acquisition (Note 11)	-	2,458	1,152,624	-	1,155,082
Additions	91,034	152,081	3,923,732	-	4,166,847
Disposals	-	(8,665)	(118,658)	(6,507)	(133,830)
Depreciation charge for the year	(23,008)	(85,926)	(3,526,935)	(54,956)	(3,690,825)
Foreign exchange translation	(1,849)	(2,699)	(43,726)	1,035	(47,239)
Closing net book amount	**122,451**	**222,710**	**10,712,658**	**400,306**	**11,458,125**
At 30 June 2024					
Cost or fair value	308,130	780,304	29,101,549	749,874	30,939,857
Accumulated depreciation & impairment	(185,679)	(557,594)	(18,388,891)	(349,568)	(19,481,732)
Net book amount	**122,451**	**222,710**	**10,712,658**	**400,306**	**11,458,125**

	Consolidated Motor Vehicles	Office Equipment	Plant and Equipment	Leasehold Improvements	Total
Year ended 30 June 2023					
Opening net book amount	31,773	181,361	7,634,540	377,999	8,225,673
Additions	51,726	65,565	4,183,094	95,284	4,395,669
Disposals	(8,222)	869	(215,845)	(4,238)	(227,436)
Depreciation charge for the year	(21,984)	(89,067)	(2,782,984)	(41,207)	(2,935,242)
Foreign exchange translation	2,981	6,733	506,816	32,896	549,426
Closing net book amount	**56,274**	**165,461**	**9,325,621**	**460,734**	**10,008,090**
At 30 June 2023					
Cost or fair value	317,003	643,445	24,616,869	758,140	26,335,457
Accumulated depreciation & impairment	(260,729)	(477,984)	(15,291,248)	(297,406)	(16,327,367)
Net book amount	**56,274**	**165,461**	**9,325,621**	**460,734**	**10,008,090**

13. Property, plant and equipment (non-current) (cont.)

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the item and may include installation costs.

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment:

Motor vehicle	3 – 9 years
Office equipment	1 – 20 years
Plant and equipment - ANPR cameras	5 years
Plant and equipment - pay & display machines	7 years
Plant and equipment - other	1 – 10 years
Leasehold improvements	3 – 10 years

The assets' useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss.

14. Leases

The Group leases various offices, car parks and cars. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extensions. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases, with the exception of short term (under 12 months) and low-value leases, are recognised on the balance sheet, as a right-of-use asset and a corresponding interest-bearing liability at the date at which the assets are available for use by the Group. The associated right-of-use assets were measured at the amount equal to the new lease liability.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Remaining fixed payments less any lease incentives receivable; plus
- the exercise of a lease extension if the lessee is reasonably certain the extension will be exercised.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used. The weighted average incremental borrowing rate applied to lease liabilities on 30 June 2024 was 5.10%.

Lease costs are recognised in the income statement over the lease term in the form of depreciation on the right-of-use asset and finance charges representing the unwinding of the discount on the lease liability. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease on a straight-line basis.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Cost comprises:

- the amount of the initial measurement of the lease liability, plus
- any lease payments made at or before the commencement date less any lease incentives received

The Group elected to take the practical expedient with payments associated with short term leases and leases of low value assets which are recognised on a straight-line basis as an expense in the profit or loss.

Lease Liabilities	**2024**	**2023**
Of which are:		
Current lease liabilities	**2,723,939**	1,974,498
Non-current lease liabilities	**7,359,480**	14,384,598
	10,083,419	16,359,096

Right-of-use assets	**2024**	**2023**
Opening net book amount	**15,336,143**	13,988,470
Additions	**1,786,924**	2,189,295
Depreciation charge	**(2,414,985)**	(1,921,154)
Reassessment	**(5,675,289)**	-
Exchange differences	**41,880**	1,079,532
Closing net book amount	**9,074,673**	15,336,143

At 30 June	**2024**	**2023**
Cost	**14,453,897**	20,834,525
Accumulated depreciation	**(5,379,224)**	(5,498,382)
Net book amount	**9,074,673**	15,336,143

Offices	**2,260,801**	2,480,017
Car parks	**5,622,285**	12,199,942
Motor vehicles	**1,191,587**	656,184
Net book amount	**9,074,673**	15,336,143

The total cash outflows in relation to leases for the year ending 30 June 2024 was $3,089,552 (2023: $2,254,971). The maturity analysis of lease liabilities is disclosed in Note 23(c).

During the financial year, the Group undertook a reassessment of a material lease agreement, determining it was no longer reasonably certain to exercise renewal rights. This led to a $5,675,289 decrease in right-of-use asset and lease liability, reflecting the change in the lease term

	Consolidated					
	Software	Developed Technology	Goodwill	Customer relation-ships	Commission asset	Total
15. Intangible assets (non-current)						
Year ended 30 June 2024						
Opening net book amount	249,346	459,217	2,123,481	1,155,200	-	3,987,244
Acquisitions (Note 11)	-	-	3,931,180	3,198,187	-	7,129,367
Additions	12,449	573,436	-	-	330,844	916,729
Disposals	(11,860)	(12,029)	-	-	-	(23,889)
Amortisation charge	(83,935)	(204,483)	-	(477,046)	(101,756)	(867,220)
Exchange differences	533	-	(73,196)	(59,221)	(2,031)	(133,915)
Closing net book amount	**166,533**	**816,141**	**5,981,465**	**3,817,120**	227,057	**11,008,316**
At 30 June 2024						
Cost or fair value	1,564,287	6,762,999	6,934,937	4,874,359	372,445	20,509,027
Accumulated amortisation and impairment	(1,397,754)	(5,946,858)	(953,472)	(1,057,239)	(145,388)	(9,500,711)
Net book amount	**166,533**	**816,141**	**5,981,465**	**3,817,120**	**227,057**	**11,008,316**

	Consolidated					
	Software	Developed Technology	Goodwill	Customer relation-ships	Commission asset	Total
Year ended 30 June 2023						
Opening net book amount	225,172	264,920	1,965,840	1,391,616	-	3,847,548
Additions	125,865	292,057	-	-	-	417,922
Disposals	(18,865)	-	-	-	-	(18,865)
Amortisation charge	(91,855)	(97,760)	-	(326,453)	-	(516,068)
Exchange differences	9,029	-	157,641	90,037	-	256,707
Closing net book amount	**249,346**	**459,217**	**2,123,481**	**1,155,200**	-	**3,987,244**
At 30 June 2023						
Cost	1,697,653	6,452,024	3,075,863	1,740,056	17,318	12,982,914
Accumulated amortisation and impairment	(1,448,307)	(5,992,807)	(952,382)	(584,856)	(17,318)	(8,995,670)
Net book amount	**249,346**	**459,217**	**2,123,481**	**1,155,200**	-	**3,987,244**

15. Intangible assets (non-current) (cont.)

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. As at acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination synergies.

Software development

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in profit or loss as incurred.

Software development activities involve a plan or design for the production of new or substantially improved products and processes. Software development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other software development expenditure is recognised in profit or loss as incurred.

Capitalised software development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Developed technology

Developed technology comprises patented and unpatented technology, and computer software. These three items collectively represent an end to end solution and as such are not separable from each other.

Customer relationships

Customer relationships comprises the fair value of acquired customer relationships less accumulated amortisation.

Commission asset

Commission asset comprises the value of commissions paid to employees for securing new or renewing contracts. Commission assets are subsequently amortised over the duration of the related contracts.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Software	3 - 5 years
Developed technology	3 - 5 years
Customer relationships	5 years
Commission asset	1 - 5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. During the current year, the Group reassessed the estimated useful lives of certain intangible assets. The reassessment did not have a material impact on the Group's financial results.

(a) Impairment test for goodwill

Goodwill has an indefinite useful life and is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units or CGUs). Goodwill is allocated to the UK Parking Management group of CGUs and the German Parking Management CGU that is expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

A CGU level summary of the goodwill is presented below.

	Consolidated	
	2024	2023
Parking Management Group of CGUs		
UK Parking Management Group of CGUs	**4,682,157**	2,123,481
German Parking Management CGU	**1,299,308**	-
Goodwill	**5,981,465**	2,123,481

The recoverable amount of the UK and German Parking Management group of CGUs is determined on value-in-use calculations. These calculations use cash flow projections based on financial budgets prepared by management covering a one year period and expected short term growth rates for a further four years. Cash flows beyond the five year period are extrapolated using the estimated growth rates stated below.

Critical judgements in calculating amounts

The recoverable amounts of cash-generating units have been determined using value-in-use calculations. These calculations require the use of assumptions. Refer to Note 15(b) for details of these assumptions and the potential impact of changes to the assumptions.

The carrying value of the goodwill is $5,981,465 (2023: $2,123,481). During the year there were no impairment losses.

15. Intangible assets (non-current) (cont.)

(b) Key assumptions used for value-in-use calculations

The key assumptions below used for value-in-use calculations relate to the UK and German Parking Management group of CGUs.

	Consolidated	
	2024	**2023**
UK Parking Management Group of CGUs		
Average annual growth rate over the budget period[1]	**2.8%**	6.0%
Terminal value growth rate[2]	**2.5%**	2.5%
Pre-tax discount rate	**13.5%**	13.8%
German Parking Management CGU		
Average annual growth rate over the budget period[1]	**0.7%**	-
Terminal value growth rate[2]	**-**	-
Pre-tax discount rate	**13.5%**	-

1 Average revenue growth rate used to determine cash flows.
2 Weighted average growth rate over 5 year forecast period used to extrapolate cash flows beyond the budget period to perpetuity.

These assumptions have been used for the analysis of the UK and German Parking Management group of CGUs. Management determined budgeted revenue and gross margin based on its expectations for the future.

The weighted average growth rate is based on management projections for the future. The pre-tax discount rates reflect specific risks relating to the UK Parking Management group of CGUs and German Parking Management CGU, where appropriate.

(c) Impairment charge

There has been no impairment charge for the year ended 30 June 2024.

(d) Impact of possible changes in key assumptions

If the revenue forecast in the five year cash flow projections for the UK and German Parking Management group of CGUs had been 5% lower than management's estimates at 30 June 2024 the value-in-use would reduce by $13.9m and $0.6m respectively but the goodwill would not be impaired.

If the discount rate used in the forecast in the five year cash flow projections for the UK and German Parking Management group of CGUs had been 1% higher than management's estimates at 30 June 2024 the value-in-use would reduce by $3.1m and $0.1m respectively but the goodwill would not be impaired.

	Consolidated	
	2024	**2023**

16. Deferred Tax

The balance comprises temporary differences attributable to:		
Deferred tax asset - tax losses	**1,273,909**	805,844
Deferred tax asset - other temporary differences	**20,513**	-
Deferred tax liabilities - other temporary differences	**(1,999,188)**	(994,133)
Deferred Tax Assets/(Liabilities)	**(704,766)**	(188,289)

16. Deferred Tax (cont)

Movements	Tax losses	Other temporary differences	Total
At 1 July 2022	104,914	(878,136)	(773,222)
- to profit or loss	700,930	(115,997)	584,933
- on business combinations during the year	-	-	-
- directly to equity	-	-	-
At 30 June 2023	**805,844**	**(994,133)**	**(188,289)**
(Charged)/credited			
- to profit or loss	468,065	(207,629)	260,436
- on business combinations during the year	-	(776,913)	(776,913)
- directly to equity	-	-	-
At 30 June 2024	**1,273,909**	**(1,978,675)**	**(704,766)**

The tax losses relate to Smart Parking Technology Limited (NZ).
Refer to Note 4 for details of the recognition of deferred tax asset.

Critical judgements in calculating amounts

As disclosed in Note 4 the Group has available carry forward tax losses for utilisation against future taxable income. Tax losses relating to the NZ entity have been brought to account in part. Tax losses are brought to account as a deferred tax asset where it is determined that it is probable that the tax losses will be utilised against future taxable income. Judgement is required in determining whether it is probable that the tax losses will be utilised against future taxable income and the quantum of the amount which is considered to be probable.

	Consolidated	
	2024	**2023**

17. Contract liabilities

Current		
Contract liabilities	**796,216**	1,110,268

Contract liabilities relates to revenue received in advance from a number of customers which have paid in advance for the Group to provide parking technology solutions and parking management services.

18. Employee benefit obligations

Current		
Employee benefits	**1,210,425**	818,773

The current provision for employee benefits includes accrued payroll costs, annual leave and payroll taxes. The entire amount is treated as current, since the Group does not have the unconditional right to defer settlement for any of these obligations.

19. Issued capital

	Note	Group 2024 No.	Group 2024 $	Group 2023 No.	Group 2023 $
Ordinary shares					
Issued and fully paid	(a)	349,277,206	65,931,468	349,277,206	65,931,468
Less Treasury shares		-	-	(622,129)	-
Total consolidated contributed equity		**349,277,206**	**65,931,468**	**348,655,077**	**65,931,468**

(a) Movements in ordinary share capital

Details	**No of shares**	**Purchase price**	**$**
Balance at 30 June 2022	352,553,001		66,684,005
Share buy-back	(3,275,795)	$0.2297	(752,537)
30 June 2023	**349,277,206**		**65,931,468**
30 June 2024	**349,277,206**		**65,931,468**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Treasury shares are shares in Smart Parking Limited that are held by the Car Parking Technologies Employee Share Trust for the purpose of issuing shares under the Car Parking Technologies Limited Employee share scheme (refer to Note 28(b)).

During the period the Group issued 5m shares under the Deferred Share and Incentive Plan that are subject to restrictions and won't be quoted on the ASX until the restrictions end.

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure. The Group has minimal debt (refer Note 9) and does not currently pay dividends as profits are reinvested to fund growth.

At 30 June 2024 the Group has capital of $27,944,986 (2023: $23,699,263).

	Consolidated	
	2024	**2023**
20. Reserves and accumulated losses		
(a) Reserves		
Share based payments	**4,449,253**	4,011,672
Foreign currency translation	**1,353,892**	1,234,413
	5,803,145	5,246,085
Movements in share based payment reserve were as follows:		
Balance 1 July	**4,011,672**	3,769,722
Shares and deferred share rights expense	**437,581**	241,950
Balance 30 June	**4,449,253**	4,011,672

Share based options

The Group has no unlisted options over ordinary shares on issue at 30 June 2024.

Shares and deferred share rights

The Group has 3,027,011 deferred share rights or unlisted shares on issue at 30 June 2024. Each right or share shall entitle the holder to acquire one share for nil consideration providing they are still employed by the Group and they have met the time hurdle, subject to Board discretion where the rights would be manifestly unreasonable.

Movements in foreign currency translation reserve were as follows:		
Balance 1 July	**1,234,413**	861,214
Currency translation differences arising during the year	**119,479**	373,199
Balance 30 June	**1,353,892**	1,234,413

Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve is used to record the value of equity benefits which may be provided:

- to Directors on terms determined by the shareholders
- to advisers and consultants as payments for services; and
- to attract and retain the services of employees of high calibre.

20. Reserves and accumulated losses (cont.)

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described and accumulated within a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

	Consolidated	
	2024	2023
(b) Accumulated losses		
Balance 1 July	**(47,478,290)**	(53,861,440)
Net profit for the year	**3,688,663**	6,383,150
Balance 30 June	**(43,789,627)**	(47,478,290)

21. Reconciliation of cash flows from operating activities

	Consolidated	
	2024	2023
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax for the period	**3,688,663**	6,383,150
Adjustments for:		
Loss on disposal of plant and equipment	**77,542**	10,315
Bad debt	**552,559**	414,713
Depreciation and amortisation expense	**6,973,030**	5,372,465
Interest received	**(248,397)**	(125,528)
Interest expense	**610,990**	643,083
Share-based payments expense	**437,581**	241,950
Net foreign exchange differences	**239,540**	(1,166,991)
Change in operating assets and liabilities, net of effects from purchase of controlled entity:		
Increase in trade receivables and contract assets	**163,487**	1,074,851
Decrease in inventories	**119,094**	254,797
Increase in other current assets	**(2,674,361)**	(4,183,198)
Increase in trade payables and accruals	**2,749,340**	923,919
Increase in tax payable and deferred tax	**857,937**	(557,030)
Net cash inflow from operations	**13,547,005**	9,286,496

22. Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

The areas involving significant estimates or judgements are:

- Parking breach notice revenue – Note 2
- Customer relationships – Note 15
- Goodwill – Note 15
- Deferred tax – Note 4 and Note 16

23. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group does not use derivative financial instruments, however the Group uses different methods to mitigate different types of risk to which it is exposed. Methods it uses to measure risk include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and aging analysis for credit risk.

Risk management is overseen by the Board of Directors and carried out on a day to day basis by management. The Board provides written principles for overall risk management in accordance with the Group's Risk Management Framework commensurate with the evolution and size of the Group.

The Group holds the following financial instruments:

	Consolidated	
	2024	**2023**
Financial assets		
Cash and cash equivalents	**7,229,643**	10,726,176
Other financial assets	**642,200**	650,626
Trade and other receivables	**14,856,300**	12,646,875
	22,728,143	24,023,677
Financial liabilities		
Trade and other payables	**13,323,019**	10,862,187
Lease liabilities	**10,083,419**	16,359,096
Borrowings	**239,407**	1,287,271
	23,645,845	28,508,554

Notes to the Financial Statements (cont.)

23. Financial risk management (cont.)

a) Market risk

(i) Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange rate risk arising from various currency exposures, primarily the British pound.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency.

The Group's exposure to foreign currency risk (primarily the British Pound) at the end of the reporting period, expressed in Australian dollars was $11.1m (2023: $11.8m).

The Group's exposure to foreign exchange movements from external trading is not material given that the majority of commercial transactions and recognised assets and liabilities are denominated in the same currency as the functional currency of each respective subsidiary. Any foreign exchange movements on these items are realised through Other Comprehensive Income for the Group.

(ii) Price risk

The Group is not exposed to equity securities price risk as it does not hold securities that are subject to price fluctuations.

(iii) Cash flow and fair value interest rate risk

Some of the Group's cash balance is held in an interest earning account. Sensitivity analysis is not disclosed as based on management's calculations the amounts are considered immaterial.

The Group manages cash flow and interest rate risk by regularly reviewing cash facilities and ensuring it is attracting the highest and most suitable interest rate on our cash holdings. As at reporting date, the Group had the following cash held at variable rates.

	30 June 2024		**30 June 2023**	
	Weighted average interest rate	**Balance**	Weighted average interest rate	Balance
Cash and cash equivalents	**4.32%**	**7,229,643**	1.57%	10,726,176

b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, as well as credit exposure to trade and other receivables. The Board manages credit risk by ensuring all cash balances held at banks are held at internationally and domestically recognised institutions that have an S&P rating (or its equivalent) of A and above.

The Group continuously monitors defaults of customers and incorporates this information into its credit risk controls. The Group's policy is to deal only with credit worthy counterparties.

The maximum exposure to credit risk is the carrying amount of the financial assets of cash and other receivables to the value of $22,085,943 (2023: $23,373,051).

As of 30 June 2024, trade receivables of $1,376,644 (2023: $1,704,826) were past due but were not impaired. These relate to a number of customers for whom there is no recent history of default (Refer to Note 7).

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on a regular basis.

As at reporting date the Group had net working capital of $4,468,118 (2023: $9,179,798).

The financial liabilities of the Group at reporting date included:

- Trade payables incurred in the normal course of the business. These were non interest bearing and were due within the normal 30-60 days terms of creditor payments.
- Lease liabilities.
- Borrowings.

Maturities of financial liabilities

The tables below analyse the Group's and the parent entity's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amount disclosed in the table for trade payables and borrowings is the contractual undiscounted cash flows. The amount disclosed in the table for the lease liabilities is the contractual undiscounted cash flows, with the exception of the carrying amounts which records discounted cash flows. Refer to Note 12 for additional information.

GROUP As at 30 June 2024	Less than 6 months	6-12 months	1-2 years	2-5 years	Greater than 5 years	Total contractual cashflows	Carrying Amounts
Non-derivatives							
Trade payables	13,323,019	-	-	-	-	13,323,019	13,323,019
Lease liabilities	1,624,792	1,498,422	2,251,542	3,370,130	2,795,481	11,540,367	10,083,419
Borrowings	239,407	-	-	-	-	239,407	239,407
	15,187,218	1,498,422	2,251,542	3,370,130	2,795,481	25,102,793	23,645,845

GROUP As at 30 June 2023	Less than 6 months	6-12 months	1-2 years	2-5 years	Greater than 5 years	Total contractual cashflows	Carrying Amounts
Non-derivatives							
Trade payables	10,862,187	-	-	-	-	10,862,187	10,862,187
Lease liabilities	1,276,026	1,274,368	2,387,471	5,966,385	8,565,280	19,469,530	16,359,096
Borrowings	489,071	482,889	315,311	-	-	1,287,271	1,287,271
	12,627,284	1,757,257	2,702,782	5,966,385	8,565,280	31,618,988	28,508,554

d) Fair value

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets, such as trading and available for sale securities, where applicable, is based on current quoted market prices at reporting date. The quoted market price used for financial assets held by the Group is the current market price.

24. Contingencies

The Group had no contingencies at 30 June 2024.

Contingent liabilities

Certain commercial claims are made in the normal course of business against the Group from time to time. In consultation with legal counsel it is not expected that any material liabilities will eventuate from such claims.

25. Commitments

Capital commitments

The Group has $376,111 (2023: nil) of capital expenditure contracted for at the reporting date.

26. After reporting period events

Other than the matters outlined above or elsewhere in the Financial Statements, no matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

27. Related party transactions

The consolidated financial statements incorporate the assets, liabilities and results of subsidiaries in accordance with the accounting policy described in Note 34(a).

(a) Parent entity

The parent entity of the Group is Smart Parking Limited which is the ultimate Australian parent.

(b) Director related entities

During the year the parent and its subsidiaries made payments to Directors and their related entities for services provided. Details are disclosed in the Director's Report and Note 32.

28. Share based payments

(a) Options

There were no un-issued ordinary shares under option at 30 June 2024.

(b) Deferred Share and Incentive Plan

In January 2011 shareholders approved the establishment of a Deferred Share and Incentive Plan (Plan). The Plan was established to ensure that Smart Parking Limited has appropriate mechanisms in place to continue to attract and retain the services of employees of a high calibre and as compensation for past performance and incentive for future performance.

Under the Deferred Share and Incentive Plan, Australian and United Kingdom based employees receive Smart Parking shares held in escrow for a period of 2 to 3 years. The shares are released from escrow at the end of the escrow period provided the employee remains employed at Smart Parking. New Zealand and German based employees receive deferred share rights which vest after 2 to 3 years provided the employee remains employed at Smart parking after which the employee has 2 years to exercise their rights over Smart Parking shares.

In addition to the above, shares can be issued to key management under the Long Term Incentive Plan, which vest after meeting a 2 year time period.

Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or receive any guaranteed benefits.

At 30 June 2024 3,027,011 (2023: 622,129) deferred share rights or unlisted shares have been set aside under the Plan and 3,027,011 (2023: 622,129) deferred share rights or unlisted shares, depending on the relevant jurisdiction, have been allocated to employees.

No deferred share rights were issued to Directors for the year ending 30 June 2024 other than 1,397,059 shares granted to Mr Gillespie as part of the long term incentives included in his remuneration (2023: 559,821).

Valuation is based on the share price at the grant date.

28. Share based payments (cont.)

The terms and conditions of each deferred share right affecting remuneration in this or future reporting periods are as follows:

Grant Date	Date Vested or Date Released from Escrow	Expiry Date	Exercise Price	Value Per Right/Share at Grant Date	% vested
1 July 2020	1 July 2023	1 July 2025	$0.00	$0.10	100%
1 October 2020	1 October 2023	1 October 2025	$0.00	$0.11	100%
23 November 2021	23 November 2023	23 November 2025	$0.00	$0.225	100%
1 September 2022	1 September 2024	1 September 2026	$0.00	$0.23	0%
22 November 2022	22 November 2024	22 November 2026	$0.00	$0.25	0%
1 October 2023	1 October 2025	1 October 2027	$0.00	$0.33	0%
13 November 2023	13 November 2025	13 November 2027	$0.00	$0.365	0%
13 November 2023	13 November 2026	13 November 2028	$0.00	$0.365	0%

	Consolidated	
	2024	**2023**
Shares and deferred share rights issued under the plan to participating employees	**2,885,690**	1,156,766

(c) Expenses arising from share based payment transactions

Shares and deferred share rights ($)	**437,581**	241,950

	Consolidated 2024	Consolidated 2023
29. Auditor's Remuneration		
Audit Services		
Audit and review of financial reports		
Grant Thornton, Australia	**129,200**	106,485
Grant Thornton, United Kingdom	**185,574**	121,500
Total remuneration for audit services	**314,774**	227,985
Non-audit services	**–**	–
Total remuneration for non-audit related services	**–**	–

	Consolidated 2024	Consolidated 2023
30. Earnings per share		
Basic earnings per share (cents per share)	**1.06**	1.82
Diluted earnings per share (cents per share)	**1.05**	1.82
Profit used in calculating EPS ($)	**3,688,663**	6,383,150
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	**No. 349,277,206**	No. 349,994,794
Weighted average number of ordinary shares outstanding during the year used in calculating diluted EPS	**No. 351,777,206**	No. 350,616,922
Reconciliation of basic and diluted profit per share		
Profit attributable to the ordinary equity holders of the company used in calculating earnings per share:	**3,688,663**	6,383,150

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

	Parent 2024	Parent 2023

31. Parent Entity Information

The following details information related to the parent entity, Smart Parking Limited, as at 30 June 2024. The information presented here has been prepared using consistent accounting policies as presented in the notes to the Annual Report.

	2024	2023
Current assets	**2,157,896**	2,494,181
Non-current assets	**38,865,313**	32,668,237
Total assets	**41,023,209**	35,162,418
Current liabilities	**19,476,176**	13,621,577
Non-current liabilities	**-**	253,162
Total liabilities	**19,476,176**	13,874,739
Contributed equity	**65,931,468**	65,931,468
Retained earnings/(accumulated losses)	**(48,833,689)**	(48,655,462)
Share based payments reserve	**4,449,254**	4,011,672
Total equity	**21,547,033**	21,287,678
Profit/(loss) for the year	**(178,227)**	(247,732)
Other comprehensive income/(loss) for the year	**-**	-
Total comprehensive income/(loss) for the year	**(178,227)**	(247,732)

	Consolidated 2024	Consolidated 2023

32. Key management personnel disclosures

(a) Key management personnel compensation

	2024	2023
Short-term employee benefits	**2,291,671**	2,006,016
Superannuation contributions	**91,864**	81,022
Share based payments	**435,653**	194,598
	2,819,188	2,281,636

Notes to the Financial Statements (cont.)

(b) Loans to key management personnel

There were no loans made or outstanding to directors of Smart Parking Limited and other key management personnel of the Group, including their personally related parties.

(c) Other transactions with key management personnel or related entities.

Refer to Other Information in the Director's Report for details of transactions with key management personnel or related entities.

	Consolidated	
	2024	**2023**
List other transactions		
Aggregate amounts of each of the above types of other transactions with key management personnel or their related entities of Smart Parking Limited:		
Amounts recognised as expense		
Rent	**28,800**	28,800
Payroll services	**5,480**	7,420
	34,280	36,220

The related party transactions are provided on normal commercial terms and conditions.

33. Dividends paid or proposed

There were no dividends paid or proposed during the year.

Notes to the Financial Statements (cont.)

34. Summary of other material accounting policies

Corporate Information

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Smart Parking Limited and its subsidiaries The financial statements are presented in the Australian currency.

Smart Parking Limited is a for-profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

a) Basis of preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements and interpretations of the Australian Accounting Standards Board, and the *Corporations Act 2001*.

Compliance with IFRS

The consolidated financial statements of Smart Parking Limited Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the financial assets and liabilities at fair value through profit or loss.

b) New and revised standards that are effective for these financial statements

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 July 2023:

- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2023-2 Amendments to Australian Accounting Standards – Definition of Accounting Estimates International Tax Reform – Pillar Two Model Rules.
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies Definition of Accounting Estimates.

The amendments listed above did not have any material impact on the amounts recognised in prior and current periods and are not expected to significantly affect future periods.

c) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

d) Principles of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2024. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the Parent and the non-controlling interests based on their respective ownership interests.

Notes to the Financial Statements (cont.)

e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Smart Parking Limited's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the statement of comprehensive income on a net basis within other income or other expenses.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position.
- Income and expenses for each statement of comprehensive income are translated at average exchange rates for the year (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income as a separate component of equity (foreign currency translation reserve).

On consolidation, exchange differences arising from the translation of any net investment in foreign entities and of borrowings and other financial instruments designated as hedges of such investments are recognised in other comprehensive income. When a foreign operation is sold any borrowings forming part of the net investment are repaid and a proportionate share of such exchange rate difference is reclassified to profit or loss as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

f) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current

Notes to the Financial Statements (cont.)

and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax consolidation legislation (if applicable)

Smart Parking Limited has no wholly owned Australian controlled entities, hence it has not implemented the tax consolidation legislation. The following section would be applied in the event it acquires a wholly owned Australian subsidiary.

The head entity, Smart Parking Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand alone payer in its own right.

In addition to its own current and deferred tax amounts, Smart Parking Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group. Details about the tax funding agreement are disclosed in Note 4.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution (or distributions from) wholly-owned tax consolidated entities.

g) Provisions, contingent liabilities and contingent assets

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

h) Employee benefits

(i) Wages and salaries, and annual leave

Liabilities for wages and salaries, including non-benefits and annual leave expected to be settled 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based payments

Share-based compensation benefits are provided to employees via the Smart Parking Employee Option Plan and the Deferred Share and Incentive Plan.

The fair value of options granted under the Smart Parking Employee Option Plan, if any, is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

Notes to the Financial Statements (cont.)

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

Under the Deferred Share and Incentive Plan, deferred shares and rights are issued by Smart Parking to employees for no cash consideration which vest after a time based hurdle. At each reporting date, the entity revises its estimate of the number of deferred share rights that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

j) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

k) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Notes to the Financial Statements (cont.)

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Consolidated Entity Disclosure Statement

As at 30 June 2024

Entity Name	Entity Type	Trustee, Partner or Participant in JV	Body Corporates: Place of business/ country of incorporation	Body Corporates: % of share capital held	Tax residency: Australian or foreign	Tax residency: Foreign jurisdiction
Smart Parking Limited	Body Corporate	N/A	Australia	N/A	Australian	N/A
Smart Parking Technology Limited	Body Corporate	N/A	New Zealand	100%	Foreign	New Zealand
Smart Parking (UK) Limited	Body Corporate	N/A	Scotland	100%	Foreign	United Kingdom
Smart Parking Limited	Body Corporate	N/A	Scotland	100%	Foreign	United Kingdom
Enterprise Parking Solutions Limited	Body Corporate	N/A	England	100%	Foreign	United Kingdom
NE Parking Limited	Body Corporate	N/A	England	100%	Foreign	United Kingdom
Local Parking Security Limited	Body Corporate	N/A	England	100%	Foreign	United Kingdom
Town and City Parking Limited	Body Corporate	N/A	Scotland	100%	Foreign	United Kingdom
Smart Parking Germany GmbH	Body Corporate	N/A	Germany	100%	Foreign	Germany
Park Innovation GmbH	Body Corporate	N/A	Germany	100%	Foreign	Germany
Smart Parking Denmark ApS	Body Corporate	N/A	Denmark	100%	Foreign	Denmark

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of financial year in accordance with AASB 10: Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations.

- Australian tax residency; the consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.
- Foreign tax residency; Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3a)(vii) of the Corporations Act 2001).

Directors' Declaration

In the Directors' opinion:

(a) The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the *Corporations Act 2001*, and:

   (i) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (ii) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Group.

(b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

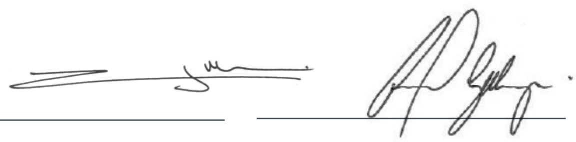
(c) The remuneration disclosures included in the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2024, comply with section 300A of the *Corporations Act 2001*.

(d) The consolidated entity disclosure statement on page 96 is true and correct.

(e) The Group has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

(f) The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A.

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



Christopher Morris
Non-Executive Chairman

Paul Gillespie
Managing Director

27 September 2024

ASX Additional Information

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. Shareholdings as at 26 August 2024

The issued capital of the Company as at 26 August 2024 is 349,277,206 ordinary fully paid shares. All issued ordinary fully paid shares carry one vote per share.

Ordinary Shares

Shares Range	Holders	Units	%
1-1,000	108	29,912	0.01
1,001-5,000	523	1,571,289	0.45
5,001-10,000	291	2,328,189	0.67
10,001-100,000	680	23,845,579	6.83
100,001 and over	174	321,502,237	92.04
Total	**1,776**	**349,277,206**	**100.00**

Unmarketable parcels

There were 89 holders of less than a marketable parcel of ordinary shares.

2. Top 20 Shareholders as at 26 August 2024

	Name	Number of shares	%
1	J P Morgan Nominees Australia Pty Limited	66,280,295	18.98
2	Invia Custodian Pty Limited <The Morris Family A/C>	50,408,827	14.43
3	Bnp Paribas Nominees Pty Ltd <Clearstream>	50,212,631	14.38
4	Mutual Trust Pty Ltd	16,284,657	4.66
5	Hsbc Custody Nominees (Australia) Limited	11,907,033	3.41
6	Bond Street Custodians Limited <Salter - D79836 A/C>	11,300,000	3.24
7	Citicorp Nominees Pty Limited	8,948,627	2.56
8	Invia Custodian Pty Limited <Penelope Maclagan Family A/C>	8,598,389	2.46
9	Sandhurst Trustees Ltd <Endeavor Asset Mgmt Mda A/C>	6,287,059	1.80
10	Custodial Services Limited <Beneficiaries Holding A/C>	5,054,421	1.45
11	Microequities Asset Management Pty Ltd <Microeqts Nanocap No 11 A/C>	4,709,797	1.35
12	Mr Bart Engelsman	4,631,300	1.33
13	Ubs Nominees Pty Ltd	4,365,177	1.25
14	Mr Paul Gillespie	4,311,808	1.23
15	Tamily Pty Ltd <Joske Superfund A/C>	3,700,000	1.06
16	Lochinvar Securities Pty Ltd <Lochinvar Securities A/C>	3,462,733	0.99
17	Car Parking Technologies Employee Share Plan Pty Ltd	2,954,653	0.85
18	Bnp Paribas Noms (Nz) Ltd	2,457,016	0.70
19	Old Fletcher & Partners Pty Ltd <Fletcher Super Fund A/C>	2,000,000	0.57
20	Senlinear Pty Ltd <Senlinear Family A/C>	1,500,000	0.43
Total		**269,374,423**	**77.13**

3. Substantial Shareholders as at 26 August 2024

	Name	Number of shares	%
1	Microequities Asset Management Pty Limited	58,125,796	16.64
2	Invia Custodian Pty Limited <The Morris Family A/C>	50,408,827	14.43
3	Bnp Paribas Nominees Pty Ltd <Clearstream>	50,000,000	14.32

4. Unquoted Options as at 26 August 2024

Nil.

5. Restricted Securities subject to escrow period

Nil.

6. Voting Rights

In accordance with the Company's Constitution, on a show of hands every shareholder present in person or by proxy, attorney or representative of a shareholder has one vote and on a poll every shareholder present in person or by proxy, attorney or representative of a shareholder has in respect of fully paid shares, one vote for every share held. No class of option holder has a right to vote, however the shares issued upon exercise of options will rank pari passu with the existing fully paid ordinary shares.

7. Company cash and assets

In accordance with Listing Rule 4.10.19, the company confirms that it has been using the cash and assets it had acquired at the time of admission and for the year ended 30 June 2024 in a way that is consistent with its business objective and strategy.

Corporate Directory

Directors

Mr Christopher Morris, Non-Executive Chairman

Mr Paul Gillespie, Managing Director

Mr Jeremy King, Non-Executive Director

Ms Fiona Pearse, Non-Executive Director

Company Secretaries

Mr Richard Ludbrook

Mr Paul Gillespie

Registered Office

85 Dundas Place, Albert Park
Victoria 3206
T: +61 3 8644 4021

Share Registry

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford VIC 3067
T: +61 3 9415 4000

Website

www.smartparking.com

Auditors

Grant Thornton
Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008

Bankers

National Australia Bank
395 Bourke Street
Melbourne VIC 3000

Solicitors

Lander and Rogers
Level 15 Olderfleet
477 Collins Street
Melbourne VIC 3000

Stock Exchange

Australian Securities Exchange Limited
Rialto Tower
525 Collins Street
Melbourne VIC 3000

ASX Code

SPZ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