calibre partners

Smartpay Holdings Limited

Independent Appraisal Report in relation to the issue of share performance rights to Martyn Pomeroy

18 August 2021

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1. Executive summary

1.1 Background

Smartpay Holdings Limited (**Smartpay**) is New Zealand's largest independently owned and operated EFTPOS provider. Operating for over a decade, Smartpay has supplied over 35,000 EFTPOS machines to more than 25,000 merchants across New Zealand and Australia.

Smartpay currently has 238,284,963 fully paid ordinary shares on issue, which are held by approximately 2,500 shareholders. Smartpay is dual-listed on the New Zealand Stock Exchange (**NZX**) and on the Australian Securities Exchange (ASX). As of 31 July 2021, Smartpay had a market capitalisation of $194.2 million.[1]

1.2 Proposed issue of Share Rights

Smartpay proposes to offer 2,239,380 share performance rights (the **Share Rights**) to Martyn Pomeroy, who is the Chief Executive Officer and Managing Director of Smartpay.

Each Share Right represents a right to receive one Smartpay ordinary share 10 days after the date on which Smartpay Group's audited financial statements for the year ending 31 March 2024 are signed (**Exercise Date**), subject to vesting conditions and performance hurdles. Each ordinary share will rank equally with all other ordinary shares issued by Smartpay.

Smartpay proposes that one-third of the Share Rights will be allocated to each financial year and therefore, Mr Pomeroy could receive an annual award of 746,460 Share Rights for each of the financial years ending 31 March 2022, 31 March 2023 and 31 March 2024. The Share Rights will be subject to two separate performance hurdles. There is also an overarching vesting condition, which requires that Mr Pomeroy remains employed as Managing Director of Smartpay as at 31 March 2024. If the performance hurdles are satisfied as at the end of a financial year, the Share Rights for the relevant tranche would conditionally vest.

If Smartpay makes any bonus issue of shares prior to the Exercise Date, then Mr Pomeroy would be entitled to receive an additional number of shares (as determined by the Board) on exercise of any vested Share Rights, to put him in the same position as he would have been had he held those shares at the time of the bonus issue.

The terms of the Share Rights (including the performance hurdles) may be adjusted by the Board (subject to obtaining any necessary approvals from NZX or approval from shareholders) to take account of events such as, but not limited to, a rights issue, share buyback, consolidation or amalgamation.

The offer of the Share Rights is subject to shareholder approval.

Dividend protection

If Smartpay declares a dividend with a record date between 1 April 2021 and the Exercise Date, and the performance hurdles are met, Mr Pomeroy would be entitled to additional ordinary shares in Smartpay reflecting the amount of the dividends.

Performance hurdles

The Share Rights conditionally vest each year based 50/50 on two performance hurdles, being set targets for EBITDA per share and Revenue.

EBITDA per share will be measured as the EBITDA recorded in the audited consolidated financial statements of the Smartpay Group for the applicable financial year, divided by the number of shares on issue as at the last day of that financial year. Revenue will be the gross revenue recorded in the audited

[1] All references to '$' in this Report are to New Zealand dollars.

consolidated financial statements of the Smartpay Group for the applicable financial year. Each performance hurdle has an annual award of 373,230 Share Rights.

The performance hurdle thresholds for each financial year are as follows:

Table 1: Performance hurdle thresholds

Period	EBITDA per share	Revenue
12 months ending 31 March 2022	$0.050	$47,383,000
12 months ending 31 March 2023	$0.063	$66,336,200
12 months ending 31 March 2024	$0.084	$92,870,680

If a performance hurdle is met or exceeded for any applicable financial year, then the award of Share Rights relevant to that performance hurdle would conditionally vest.

If the EBITDA per share for either the year ending 31 March 2023 or 31 March 2024 is 95% or more of the EBITDA per share performance hurdle for that year, but less than 100% of the EBITDA per share performance hurdle for that year, then 50% of the Share Rights for the EBITDA per share performance hurdle for that financial year would conditionally vest on the Exercise Date. This condition does not apply to the EBITDA per share performance hurdle for the financial year ending 31 March 2022 or to any of the Revenue performance hurdles.

Any Share Rights that do not conditionally vest as set out above shall roll over, and be added to, the tranche of Share Rights for the applicable performance hurdle in the following financial year. That said, any Share Rights that do not conditionally vest in connection with the financial year ending 31 March 2024 shall automatically lapse and be cancelled.

The Board retains the ability to make adjustments to one or more of the performance hurdles to take account of any adverse impacts on the Revenue or EBITDA per share of the Smartpay Group resulting from any full or partial COVID-19 lockdowns in any territory (or part of a territory) in which the Smartpay Group operates.

1.3 Regulatory requirements

Listing rule 4.1.1 of the NZX Listing Rules states that an issuer may only issue Equity Securities with approval by Ordinary Resolution in accordance with NZX Listing Rule 4.2.1.

Listing rule 7.8.5(b) states that the notice of meeting to consider a resolution of the kind referred to in listing rule 4.2.1 must be accompanied by an Appraisal Report if more than 50% of the financial products to be issued are intended, or likely, to be acquired by directors of the company.

Shareholders will vote on an ordinary resolution in respect of the issue of the Share Rights at the Annual Meeting of Smartpay on 29 September 2021 (**Resolution 3**).

Pursuant to the NZX Listing Rules, all shareholders other than Mr Pomeroy and any associated persons to him (**Non-associated Shareholders**) may vote on Resolution 3.

1.4 Possible outcomes

The possible outcomes are:

- **Shareholders approve Resolution 3**

  If Smartpay shareholders vote to approve Resolution 3, then the Share Rights would be granted.

- **Shareholders reject Resolution 3**

  If Smartpay shareholders vote to reject Resolution 3, then the Share Rights would not be granted. Should that occur, Smartpay would need to re-enter good faith negotiations with Mr Pomeroy with respect to his remuneration. Pursuant to his employment agreement, we expect Mr Pomeroy would receive an alternative long-term incentive remuneration, of broadly equivalent value.

1.5 Purpose of the Report

Smartpay has engaged Calibre Partners to prepare this Appraisal Report (**the Report**) on the fairness of the Share Rights in accordance with NZX Listing Rule 7.8.5(b).

Calibre Partners was approved by NZX Regulation on 11 December 2020 to prepare the Report.

Calibre Partners issues this Report to the directors of Smartpay (other than Mr Pomeroy) for the benefit of the Non-associated Shareholders, to assist them in forming their own opinion on whether to vote for or against the resolution in respect of the Share Rights.

Each shareholder's circumstances and objectives are unique. Accordingly, it is not possible to report on the fairness of the Share Rights in relation to each shareholder. This Report on the fairness of the Share Rights is therefore general in nature by necessity.

2. Evaluation of the fairness of the Share Rights

2.1 Basis of evaluation

NZX Listing Rule 7.10.2 requires an Appraisal Report to consider whether the terms and conditions of the Share Rights are fair to the Non-associated Shareholders.

As there is no legal definition for the term 'fair' in the NZX Listing Rules or in any New Zealand statute dealing with securities or commercial law, we consider the Share Rights are fair to Non-associated Shareholders if:

- The Share Rights offered to Mr Pomeroy represent a fair level of remuneration for his role.
- The terms and conditions of the Share Rights offered to Mr Pomeroy are fair.

We have evaluated the fairness of the Share Rights by reference to:

- The rationale for the Share Rights.
- The terms and conditions of the Share Rights.
- The possible maximum value of the Share Rights.
- The impact of the Share Rights on shareholding levels.
- The impact of the Share Rights on Smartpay's share price and liquidity.
- The implications of the resolution not being approved.

2.2 Opinion on the fairness of the Share Rights

In our opinion, after taking into account all relevant factors, the terms and conditions of the Share Rights are fair to the Non-associated Shareholders.

The basis for our opinion is set out in detail in Sections 2.3 to 2.8. In summary, the key factors leading to our opinion are as follows:

- We consider the rationale for the Share Rights is sound. Smartpay seeks to remunerate Mr Pomeroy in his role as Chief Executive Officer and Managing Director of Smartpay, as well as providing a long-term incentive to Mr Pomeroy that aligns his interests with the Non-associated Shareholders.
- If the performance hurdles are achieved, we consider this will likely benefit Non-associated Shareholders, via an increase in Smartpay's share price.
- We consider the Share Rights will have a negligible impact on Mr Pomeroy's ability to exert control over shareholder voting.
- We consider the dilutionary impact of the Share Rights on Non-associated Shareholders is minimal, at a maximum of 0.93% over the course of three years.
- We consider the Share Rights are unlikely to have any material impact on Smartpay's share price or the liquidity of its shares, particularly when it is considered that if Resolution 3 is rejected, then Mr Pomeroy would receive an alternative long-term incentive.
- We consider the implications of the Share Rights not being approved are material. In particular, Smartpay may incur additional costs if an alternative remuneration package for Mr Pomeroy requires shareholder approval.

In addition to the above, shareholders should consider how Mr Pomeroy can influence whether the performance hurdles are achieved, and whether this aligns to the shareholder's interests. We review this at Section 3. We consider the performance hurdles, and the ability of Mr Pomeroy to influence the achievement of those hurdles, to generally align with Non-associated Shareholders' interests.

2.3 Rationale for the issue of Share Rights

Overview of the rationale for long-term incentive remuneration

The rationale for long-term incentive remuneration is to tie executives' remuneration to the annual and long-term performance of the company, to align the interests of the executives with those of shareholders.

Key perceived benefits to the company of having equity-based long-term incentive remuneration include:

- Helping to attract and retain top executives.
- Enabling executives to build equity ownership in the company.
- More closely aligning executives' interests with shareholders' interests.

There has been growing criticism in New Zealand and abroad of equity-based incentive remuneration. The criticisms include:

- A lack of performance hurdles and/or inadequate explanation of performance hurdles
- The length of term for the equity-based incentive remuneration being too short and not aligning with shareholders' interests
- Performance rights can increase already generous remuneration for executives.

Mr Pomeroy's appointment and remuneration

Mr Pomeroy was appointed to Smartpay's board of directors in April 2014 and assumed the role of Chief Executive Officer and Managing Director on 1 September 2020.

Mr Pomeroy is paid a base salary of $500,000 per annum for the Chief Executive Officer and Managing Director roles.

In addition to the long-term incentive of the Share Rights, Mr Pomeroy is set a Short-Term Incentive (**STI**). The STI is cash remuneration up to 50% of base salary per annum, to be paid out at the sole discretion of the Board.

Board's rationale

The Share Rights have been designed to assist in the reward, retention and motivation of Mr Pomeroy and to link the reward of Mr Pomeroy to shareholder value creation, and to align the interests of Mr Pomeroy with Smartpay's shareholders by providing him an opportunity to earn rewards via an equity interest in Smartpay that is based on creating shareholder value.

Conclusion

In our opinion, the rationale for the Share Rights as a component of Mr Pomeroy's remuneration for the roles of Chief Executive Officer and Managing Director are sound. The Share Rights:

- Are designed to align the interests of Mr Pomeroy with the interests of Smartpay's shareholders.
- Aim to provide a long-term incentive spanning potentially three financial years with an overarching condition that Mr Pomeroy remains employed as the Managing Director of Smartpay as at 31 March 2024.
- Preserve Smartpay's cash resources by it not having to pay any additional cash incentives.

2.4 Features of the Share Rights

Shareholders should consider the following features of the Share Rights when considering how to vote on Resolution 3:

- The performance hurdles represent significant growth in revenue and earnings for Smartpay.
- Mr Pomeroy must remain employed by Smartpay as at 31 March 2024, subject to limited exceptions.
- The performance hurdles do not account for increased levels of debt.

Significant growth in revenue and earnings

The Revenue performance hurdle for the three financial years ending 31 March 2024 represents 40% year-on-year growth in revenue from the financial year ended 31 March 2021.

The EBITDA per share performance hurdle represents 46% growth on the financial year ended 31 March 2021, 26% growth on the financial year ending 31 March 2022 and 33% growth on the financial year ending 31 March 2023.

Mr Pomeroy must remain employed

In addition to the performance hurdles, and subject to the below limited exceptions, all Share Rights are subject to the overarching vesting condition that Mr Pomeroy remains employed as Managing Director of the Smartpay Group as at 31 March 2024.

The limited exceptions are as follows:

- If Mr Pomeroy's employment with Smartpay is terminated by Smartpay prior to the Exercise Date and he is a 'good leaver' then all Share Rights that have conditionally vested at that time will vest and he will receive the relevant number of shares in Smartpay. All other Share Rights will lapse and be cancelled.
- All unvested Share Rights will vest if there is a takeover offer for all shares in Smartpay before the Exercise Date and the offer becomes unconditional.

No account for increased debt

Neither the performance hurdles or the terms and conditions of the Share Rights account for increasing the level of Smartpay's debt. The performance hurdles linked to Revenue and EBITDA per share may be achieved with relative ease through acquisitions funded by debt, as neither performance hurdle would be negatively impacted by increasing debt levels. The directors of Smartpay would need to approve any acquisition or change in funding structure.

2.5 Possible value of the Share Rights

Mr Pomeroy's employment agreement dated 1 September 2020 grants him $1,500,000 of Share Rights.

This amount, combined with the volume weighted average price (**VWAP**) of $0.669827 (being the 20-day VWAP on 1 September 2020), was used to determine the 2,239,380 number of Share Rights to be issued to Mr Pomeroy.

The employment agreement states that if for any reason the Share Rights are not approved by ordinary resolution, then Smartpay would negotiate with Mr Pomeroy in good faith to agree a replacement long-term incentive.

As at the date of this Report, the Smartpay share price is $0.775 per share. If the Share Rights were currently eligible to be exercised, then their current value would be $1,735,520. However, there is uncertainty as to whether the performance hurdles will be met and so the actual current value of the Share Rights is less than this amount.

2.6 Impact on shareholding levels

As at 31 July 2021, Smartpay had 238,284,963 shares on issue held by approximately 2,500 shareholders. Table 2 shows the top 10 largest named shareholders as at 31 July 2021, which together hold more than 70% of the shares on issue.

Table 2: Share register as at 31 July 2021

Shareholder		Shares	Percentage
1	JP MORGAN NOMINEES AUSTRALIA LIMITED	72,021,008	30.22%
2	NATIONAL NOMINEES LIMITED - NZCSD	26,877,398	11.28%
3	ANACACIA PTY LTD	22,658,109	9.51%
4	NATIONAL NOMINEES LIMITED	14,930,635	6.27%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,958,160	4.18%
6	UBS NOMINEES PTY LIMITED	5,699,312	2.39%
7	HAYMAKER INVESTMENTS PTY LTD	4,572,000	1.92%
8	NEW GREENWICH PTY LTD	4,253,830	1.79%
9	NEW ZEALAND DEPOSITORY NOMINEE LIMITED	3,751,581	1.57%
10	CITICORP NOMINEES PTY LIMITED	3,477,169	1.46%
Top 10 shareholders		168,199,202	70.59%
Remaining shareholders		70,085,761	29.41%
Total		238,284,963	100.00%

As at 31 July 2021, Mr Pomeroy held a beneficial interest in 3,399,053 Smartpay shares.

Table 3 shows the most recent substantial product holder (**SPH**) interests notified to NZX, as at 31 July 2021. The SPH holdings differ from those in Table 2 due to timing and differences between legal interests and interests that need to be disclosed to the NZX.

Table 3: Substantial product holder notices to 31 July 2021

Entity	Date of notice	Shares	Percentage
Moelis Australia Asset Management Limited	2 July 2021	17,066,335	7.35%
Milford Asset Management Limited	4 June 2021	29,533,558	12.72%
Microequities Asset Management Pty Limited	29 December 2020	34,609,979	14.91%
Anacacia Pty Limited	29 December 2020	22,658,109	9.76%
Jencay Capital Pty Limited	8 August 2019	10,486,197	6.11%

Shareholding control

Assuming that Mr Pomeroy continues to hold the 3,399,053 shares he already owns and his 2,239,380 Share Rights become eligible and are exercised, he would hold 5,638,433 shares representing 2.34% of the Smartpay shares on issue.

We consider that Mr Pomeroy's potential shareholding of 2.34% would be unlikely to have a material impact on his ability to exercise control over the affairs of Smartpay.

In addition, if Mr Pomeroy received remuneration under an alternative long-term incentive plan, he would still be able to acquire shares to achieve a similar beneficial interest in Smartpay.

Dilutionary impact

If all of Mr Pomeroy's Share Rights become eligible and are exercised, Non-associated Shareholders' proportionate interest in Smartpay would be diluted by 0.93% over the course of three years.

We consider this impact to be minimal, particularly when it is considered that an alternative long-term incentive for Mr Pomeroy would likely also impose a cost on Smartpay.

2.7 Impact on share price and liquidity

Share price

Over the year to 31 July 2021, Smartpay's shares have traded at between $0.58 and $1.12 and a VWAP of:

- $0.85 in the last month
- $0.86 in the last 3 months
- $0.91 in the last 6 months
- $0.75 in the last year.

We consider the existence of the Share Rights is unlikely to have a material impact (negative or positive) on Smartpay's share price, as the dilutionary impact of the Share Rights is minimal and Mr Pomeroy would receive an alternative long-term incentive if Resolution 3 is rejected.

Liquidity

The size of the pool of shares held by Non-associated Shareholders would not change as a result of the shares being issued to Mr Pomeroy if the Share Rights become eligible and are exercised.

In our opinion, the award of the Share Rights in itself is unlikely to have a material impact on the liquidity of Smartpay's shares.

2.8 Implications of the resolution not being approved

If Resolution 3 is rejected, then the Share Rights would not be granted. Should that occur, Smartpay would need to re-enter remuneration negotiations with Mr Pomeroy. This would likely cause additional costs to Smartpay, at least for the negotiation of an alternative long-term incentive plan. We expect that the alternative consideration would be of equivalent value to the Share Rights.

In addition, it is possible that any alternative long-term incentive would not as closely align Mr Pomeroy's interests with the interests of Non-associated Shareholders.

2.9 Statements by the directors

The directors who own shares in Smartpay (with Mr Pomeroy abstaining) have indicated that they will be voting in favour of Resolution 3.

Collectively, the directors of Smartpay (other than Mr Pomeroy) directly and indirectly hold 16.57% of the shares on issue.

2.10 Voting for or against the resolution

Voting for or against Resolution 3 in respect of the Share Rights is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Shareholders will need to consider these consequences and consult their own professional advisers if appropriate.

3. Impact of Share Rights on Mr Pomeroy's interests

When considering how to vote on Resolution 3, shareholders should consider whether the impact of the Share Rights will align Mr Pomeroy's interests with those of Non-associated Shareholders.

The Share Rights incentivise Mr Pomeroy to grow revenue and earnings to the levels specified by the performance hurdles. In our opinion, there are several different ways that Mr Pomeroy, in his role as Chief Executive Officer and Managing Director, could influence whether the performance hurdles are met.

Smartpay grows revenue and earnings organically

Due to the substantive levels of the performance hurdles over the three financial years ending 31 March 2024, significant marketing initiatives would be required to drive organic growth in revenue and cost efficiencies would be needed to further increase Smartpay's earnings.

This avenue poses little risk to Non-associated Shareholders, as organic growth would result in no substantial change in capital structure and a likely increase in share price.

Smartpay grows via acquisitions

The performance hurdles may be met through Smartpay making value-enhancing acquisitions. Mr Pomeroy may seek opportunities for Smartpay to acquire businesses or business units that increase revenue and earnings.

As neither of the performance hurdles are affected by the levels of Smartpay's debt or interest expenses, Mr Pomeroy could meet his performance hurdles with relative ease through acquisitions funded with debt. However, the directors would need to approve any acquisitions or change in funding structure.

Shareholders have some protection from poor acquisitions because any acquisition would need to be supported by Smartpay's directors and acquisitions with a gross value above 50% of Smartpay's average market capitalisation would need to be approved by shareholders.

Smartpay becomes subject to an unconditional takeover offer

The Share Rights contain a takeover clause that states if Smartpay is subject to an offer to acquire all of the issued shares in Smartpay, and such an offer becomes unconditional in all respects, all Share Rights that have not become eligible Share Rights at such time, shall automatically become eligible Share Rights.

This clause may encourage Mr Pomeroy to seek out a takeover opportunity for Smartpay. A takeover may create a significant value premium for shareholders.

Shareholders have some protection from low-value takeover offers because shareholders would have the opportunity to either accept or reject any takeover offer.

Appendix 1: Sources of information

Documents relied upon

Key information sources we have used and relied on, without independent verification, in preparing this Report include the following:

- Smartpay Annual Report 2021
- Smartpay management information
- Smartpay share register
- Draft version of Notice of Annual Meeting of Shareholders
- Mr Pomeroy's employment agreement
- Draft version of Mr Pomeroy's long-term incentive Letter of Invitation

We have also had discussions with Smartpay's management in relation to the nature of Smartpay's business operations and the known risks and opportunities for the company in the foreseeable future.

In our opinion, the information contained in this Report, together with the information set out in the Notice of Meeting circulated to shareholders with this Report, is sufficient to enable the Non-associated Shareholders to make an informed decision with respect to the subject matter of Resolution 3.

In accordance with NZX Listing Rule 7.10.2(f), all material assumptions on which our appraisal opinion is based are contained in this Report. The key material assumption we made when preparing this independent appraisal report is what will occur if shareholders reject Resolution 3. We refer to Sections 1.4 and 2.8 of this Report.

Reliance upon information

In forming our opinion, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by Smartpay and its advisers. We have no reason to believe any material facts have been withheld and we believe that we have been provided with or obtained all information needed to prepare this Report.

We have evaluated that information through analysis, enquiry and examination for the purposes of forming our opinion, but we have not verified the accuracy or completeness of any such information. We have not carried out any form of due diligence or audit on the accounting or other records of Smartpay. We do not warrant that our enquiries would reveal any matter that an audit, due diligence review or extensive examination might disclose.

Appendix 2: Qualifications and declarations

Qualifications

Calibre Partners is an independent New Zealand Chartered Accounting practice. The firm has established its reputation nationally through the provision of professional financial consultancy services with a corporate advisory and insolvency emphasis, and because we have no audit or tax divisions, we avoid potential conflicts of interest that may otherwise arise. This allows Calibre Partners to regularly act as an independent adviser and prepare independent reports.

The persons responsible for preparing and issuing this Report are Grant Graham (BCom, CA) and Shaun Hayward (BCom, BProp, CFA). Both have significant experience in providing corporate finance advice on mergers, acquisitions and divestments, advising on the value of shares and undertaking financial investigations.

Disclaimers

This Report should not be used or relied upon for any purpose other than as an expression of Calibre Partners' opinion as to merits of the proposed transaction. Calibre Partners expressly disclaims any liability to any Smartpay shareholder that relies, or purports to rely, on this Report for any other purpose and to any other party who relies, or purports to rely, on the Report for any purpose.

This Report has been prepared by Calibre Partners with care and diligence, and the statements and opinions given by Calibre Partners in this Report are given in good faith and in the belief, on reasonable grounds, that such statements and opinions are correct and not misleading. However, no responsibility is accepted by Calibre Partners or any of its officers or employees for errors or omissions however arising (including as a result of negligence) in the preparation of the Report, provided that this shall not absolve Calibre Partners from liability arising from an opinion expressed recklessly or in bad faith.

Indemnity

Smartpay has agreed that, to the extent permitted by law, it will indemnify Calibre Partners and its partners, employees and officers in respect of any liability suffered or incurred as a result of, or in connection with, the preparation of the Report. This indemnity does not apply in respect of any negligence, misconduct or breach of law. Smartpay has also agreed to indemnify Calibre Partners and its partners, employees and officers for time incurred and any costs in relation to any inquiry or proceeding initiated by any person, except where Calibre Partners or its partners, employees and officers are guilty of negligence, misconduct or breach of law, in which case Calibre Partners shall reimburse such costs.

Independence

Calibre Partners and the persons responsible for the preparation of this Report do not have at the date of this Report, and have not had, any shareholding in, or other relationship, or conflict of interest with Smartpay that could affect their ability to provide an unbiased opinion in relation to this transaction. Calibre Partners will receive a fee for the preparation of this Report. This fee is not contingent on the success or implementation of the proposed transaction or any transaction complementary to it. Calibre Partners and the persons responsible for the preparation of this Report have no direct or indirect pecuniary interest or other interest in this transaction. We note for completeness that a draft of this Report was provided to Smartpay and its advisers, solely for the purpose of verifying the factual matters contained in this Report. While minor changes were made to the drafting, no material alteration to any part of the substance of this Report, including the methodology or conclusions, were made as a result of issuing the draft.

Consent

Calibre Partners consents to the issuing of the Report, in the form and context in which it is included, in the information to be sent to Smartpay shareholders. Neither the whole nor any part of the Report, nor any reference thereto, may be included in any other document without the prior written consent of Calibre Partners as to the form and context in which it appears.