

Smart Parking Limited

Enterprise Software - Software as a Service

Rating BUY unchanged	Price Target A\$0.45 unchanged
SPZ-ASX	Price A\$0.36

Market Data

52-Week Range (A\$) :	0.19 - 0.37
Market Cap (A\$M) :	125.7
Shares Out. (M) :	349.3
Dividend /Shr (A\$) :	0.00
Dividend Yield (%) :	0.0
Enterprise Value (A\$M) :	115.0
Cash (A\$M) :	10.7
Long-Term Debt (A\$) :	1.3

FYE Jun	2023A	2024E	2025E	2026E
Sales (A\$M)	45.2	57.7	68.8↑	77.6↑
Previous	-	-	68.0	76.7
EBITDA Adj (A\$M)	11.5	16.2↑	21.1↑	26.2↑
Previous	-	15.0	20.0	25.0
EBIT (A\$M)	6.1	10.8↑	15.7↑	20.8↑
Previous	-	9.6	14.6	19.7
EV/Sales (x)	2.6	1.9	1.5	1.1
EV/EBITDA (x)	10.1	6.7	4.8	3.3



Priced as of close of business 10 November 2023

Smart Parking is a technology-enabled parking management provider, operating in ANZ and Europe through two core divisions, Parking Management and Technology.

Annabelle Holden | Analyst | Canaccord Genuity (Australia) Ltd. | AHolden@cgf.com | 61.2.9263.2728
Owen Humphries | Analyst | Canaccord Genuity (Australia) Ltd. | ohumphries@cgf.com | +61.2.9263.2702

Strong sales momentum leads to upgraded site guidance

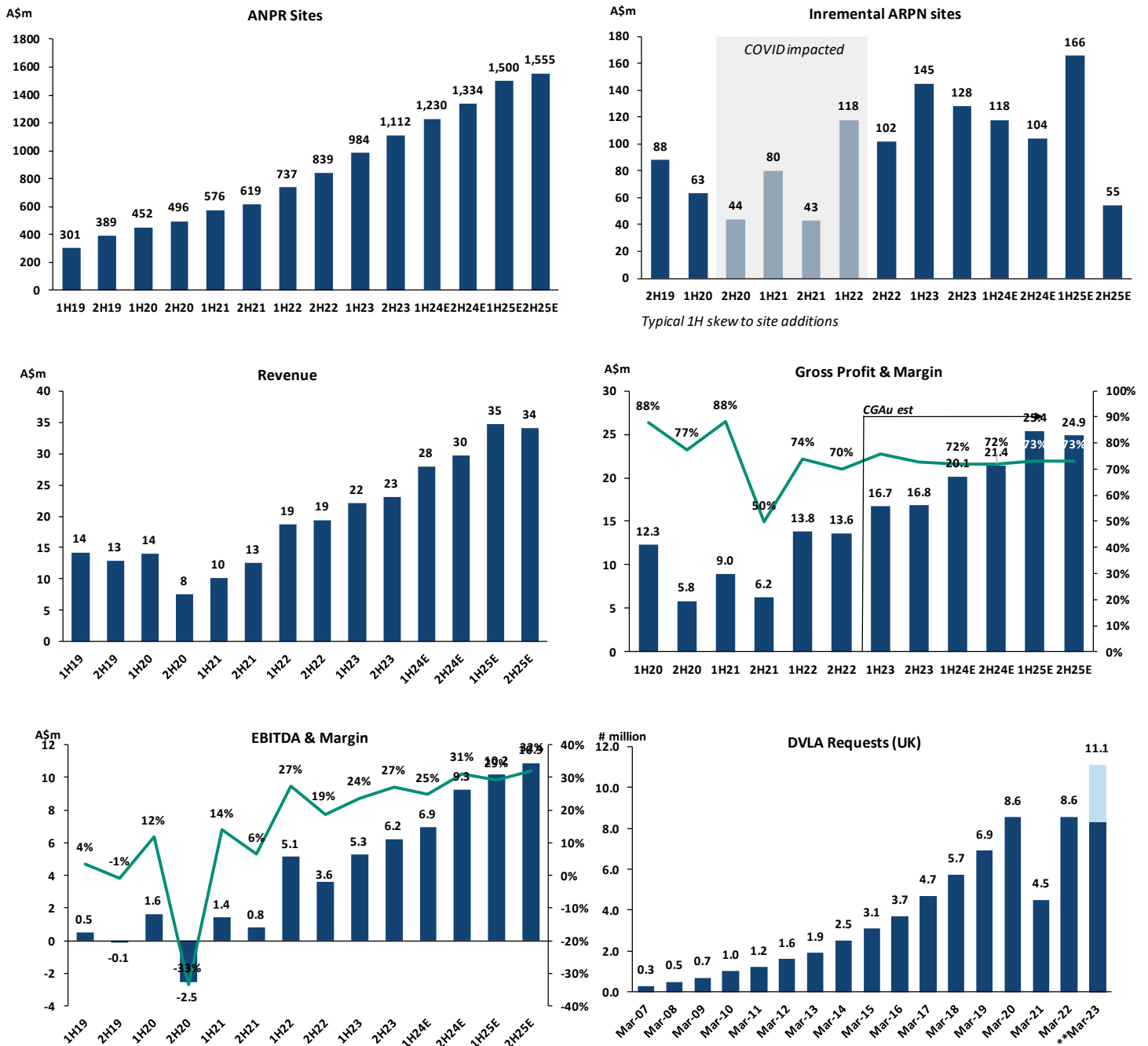
- SPZ held its AGM and provided a positive **1Q24 trading update with revenues increasing +25% to \$14m** (pcp \$10.8m, +30% excl. QLD) and already run-rating at our FY24 forecasts (CGe \$58m). **Adj. EBITDA of +\$4m was above** expectations with the company reporting record EBITDA margins of 31% (FY24e: 28%, FY23: 25%, FY22a: 26% 1Q23: 25%) illustrating the earnings leverage to growth. SPZ 1Q24 EBITDA is now run-rating at ~\$17m and +12% above our previous forecasts.
- SPZ added +49 sites in **1Q24, increasing the total sites under management to 1,159 sites** (+16/mth additions), which has accelerated +34 sites to Nov 10 (1,193 sites; +26/mth 2Q24 run rate). SPZ has grown its sites under management at a +30% CAGR over the previous five years. On its current trajectory, SPZ is positioned to grow its site base by +220 in FY24e.
- The sales momentum and pipeline of opportunities resulted in the company bringing forward its targeted 1,500 sites by 6 months to Dec-24 (prev. Jun-25).** At ~\$40k/site, 75% gp margins, fixed opex of \$25m, we estimate this equates to EBITDA/EBIT of \$25m/\$20m and places the stock on an estimated 1yr fwd EV/EBITDA multiple of 4x and EV/EBIT multiple of 5x. To achieve its Dec-24 target of 1,500 sites, SPZ is required to maintain a +22/mth site addition trajectory for the next ~14 months, illustrating confidence in its sales pipeline.
- On the conference call, management noted it **"is at an inflection point in its growth trajectory"** and the **"1,500-site target is not the end goal"**. The management team retains a vision of expanding its geographies and sites under management to >4k (i.e., >\$160m revenue, ~\$50m EBITDA). Scandinavia, Central Europe and North America were highlighted as potential candidates.
- SPZ continues to generate strong **unit economics with a 5yr CLV/CAC of 4x (ungeared IRR >+40%)**. SPZ generates between \$40k-\$45k/site at 75% gross profit margins, with an upfront CAC of \$25k/site (\$18k capex, \$7k CAC) and negligible site churn of ~5% pa. This represents a payback period of 10 months. The company operates in an addressable market of >140k sites (SPZ <1% market penetration) with the industry undergoing a structural transition to ANPR technology.
- SPZ's legal group submitted its evidence to the House of Lords in October and an **outcome on the Parking Code is expected in Mar-24**. Management noted it was confident in the submission, which highlighted the need to, at a minimum, maintain current issuance value in order to adequately deter non-compliance. Notably, conversations with relevant bodies since the submission have been characterised as **"positive"**. Based on conversations with legal representatives and precedent deterrence legislation in the region, we are increasingly confident the outcome will not be materially adverse for SPZ and other compliant operators.
- Earnings Revisions:** We upgrade our FY24 and FY25 EBITDA by +8% and +5% to reflect higher EBITDA margins than previously forecast and an acceleration of its 1,500-site guidance to Dec-24.
- Momentum exiting FY23 has continued into 1Q24 with the company bringing forward its site target by 6 months. **At this run-rate, we estimate this places the stock on 5x EV/EBIT, reducing to 4x on a 2yr forward basis (incl. the net cash build).** In our view, this is not the right price as we expect the company to revise its site target over the coming 12 months. We believe clarity on any changes to the UK Parking Code provides a multiple re-rating opportunity with a long-tailed growth opportunity beyond this point. We maintain a BUY rating and \$0.45ps price target.

Figure 1: Financial Summary Smartparking (ASX-SPZ)

Smart Parking (SPZ)							Share Price	\$0.36
Profit & Loss (A\$m)	FY21A	FY22A	FY23A	FY24E	FY25E	FY26E	Company profile	
Revenue	22.7	38.1	45.2	57.7	68.8	77.6	Smart Parking Limited (ASX: SPZ) is a technology-enabled parking management solutions provider operating in the United Kingdom, Germany, New Zealand and Australia.	
COGS	-7.5	-10.7	-11.6	-16.2	-18.6	-20.2	Ticker ASX:SPZ	
Gross Profit	15.2	27.5	33.5	41.5	50.2	57.4	Rating BUY	
Opex	-13.0	-18.7	-22.0	-25.3	-29.1	-31.2	Target price \$ 0.45	
Adj. EBITDA	2.2	8.8	11.5	16.2	21.1	26.2	Market capitalisation \$ 125.7	
D & A	-3.6	-4.5	-5.4	-5.4	-5.4	-5.4	Valuation ratios	FY22A FY23A FY24E FY25E FY26E
EBIT	-1.4	4.3	6.1	10.8	15.7	20.8	EPS (cps)	0.3 1.8 3.1 3.4 4.5
Net Interest Expense	-0.5	-0.7	-0.6	0.0	0.0	0.0	Enterprise Value (\$m)	116 116 109 100 87
NPBT	-1.8	3.6	5.5	10.8	15.7	20.8	EV/Revenue	3.1 2.6 1.9 1.5 1.1
Tax expense	-1.8	-1.1	0.2	0.0	-3.9	-5.2	EV/Gross Profit	4.2 3.5 2.6 2.0 1.5
NPAT (Normalised)	-3.6	2.4	5.7	10.8	11.8	15.6	EV / EBITDA (x)	13.3 10.1 6.7 4.8 3.3
Significant items	8.8	-1.5	0.7	0.0	0.0	0.0	EV/EBIT	27.1 19.0 10.1 6.4 4.2
NPAT (Reported)	5.2	1.0	6.4	10.8	11.8	15.6	P/E (x)	133.1 19.8 11.6 10.7 8.0
Gross Profit Margin (%)	67%	72%	74%	72%	73%	74%	DPS (cps)	0.0 0.0 0.0 0.0 0.0
EBITDA Margin (%)	10%	23%	25%	28%	31%	34%	Payout ratio (%)	0% 0% 0% 0% 0%
EBIT Margin (%)	-6%	11%	14%	19%	23%	27%		
NPAT Margin (%)	23%	3%	14%	19%	17%	20%		
Cash Flow (A\$m)	FY21A	FY22A	FY23A	FY24E	FY25E	FY26E	Dupont Analysis	
Operating EBITDA	2.2	8.8	11.5	16.2	21.1	26.2	Net Profit Margin	2.5% 14.1% 18.8% 17.1% 20.1%
- Interest & Tax Paid	0.0	0.0	-0.2	0.0	-3.9	-5.2	Asset Turnover	0.8 0.8 0.8 0.8 0.8
+/- change in Work. Cap.	0.8	1.4	-1.7	-1.8	-0.7	-0.8	ROA (%)	2.0% 11.4% 15.9% 14.5% 15.9%
- other	4.0	0.0	-0.2	0.0	0.0	0.0	Financial Leverage	2.8 2.4 2.0 1.8 1.6
Operating Cashflow	7.0	10.1	9.3	14.4	16.5	20.2	ROE (%)	5.5% 26.9% 31.4% 25.4% 25.2%
- PPE Capex	-2.0	-3.8	-5.3	-5.3	-5.3	-5.3	Balance Sheet ratios	FY22A FY23A FY24E FY25E FY26E
- Intangibles	-0.1	-0.2	-0.4	-0.4	-0.4	-0.4	Net Debt (cash)	-9.3 -9.4 -16.5 -25.5 -38.3
Free Cashflow	5.0	6.0	3.6	8.7	10.8	14.5	NTA per share (\$)	0.04 0.06 0.09 0.12 0.17
- Other/Acquisition	0.0	-1.9	0.0	0.0	0.0	0.0	Price / NTA (x)	9.4 6.4 4.1 3.0 2.2
- Ord Dividends	0.0	0.0	0.0	0.0	0.0	0.0	Shares on issue (m)	352.6 349.3 349.3 349.3 349.3
- Equity/other	-0.3	-3.8	-4.0	-1.7	-1.7	-1.7	EFPOWA (m)	356.6 350.9 349.3 349.3 349.3
Net Cashflow	4.7	0.3	-0.4	7.0	9.1	12.8	Assumptions	FY22A FY23A FY24E FY25E FY26E
Cash at beginning of period	6.5	11.3	10.8	10.7	17.7	26.8	Revenue growth	68% 18% 28% 19% 13%
+/- fx / other	0.1	-0.2	0.3	0.0	0.0	0.0	Gross profit margin	72% 74% 72% 73% 74%
Cash at end of period	11.3	11.4	10.7	17.7	26.8	39.6	Opex growth	44% 18% 15% 15% 7%
Balance Sheet (A\$m)	FY21A	FY22A	FY23A	FY24E	FY25E	FY26E	ANPR Sites (#)	839 1,112 1,334 1,555 1,757
Cash	11.3	11.4	10.7	17.7	26.8	39.6	ANPR Sites Additions (#)	220 273 222 220 202
Receivables	7.7	10.0	13.7	16.3	18.7	20.7	Revenue per site (\$'000)	46 42 40 41 41
PPE	6.5	8.2	10.0	12.6	15.1	17.7	Interim Analysis	2H22A 1H23A 2H23A 1H24E 2H24E
Right-of-use asset	10.8	14.0	15.3	14.9	14.5	14.1	Revenue	19.4 22.1 23.1 27.9 29.7
Intangibles	2.0	3.8	4.0	3.9	3.8	3.7	Gross profit	13.6 16.7 16.8 20.1 21.4
Other	1.4	1.7	2.2	2.5	2.6	2.7	Adj. EBITDA	3.6 5.3 6.2 6.9 9.3
Total Assets	39.8	49.1	56.0	67.9	81.5	98.4	EBITDA margin (%)	18.7% 23.8% 27.1% 24.8% 31.1%
Payables	6.3	10.6	10.9	12.0	13.8	15.1		
Lease Liabilities	11.3	14.7	16.4	16.4	16.4	16.4		
Borrowings	2.8	2.1	1.3	1.3	1.3	1.3		
Other Liabilities	8.5	14.9	14.6	15.7	17.5	18.8		
Total Liabilities	22.6	31.7	32.3	33.4	35.2	36.5		
NET ASSETS	17.3	17.5	23.7	34.5	46.3	61.9		

Source: Company Reports, Canaccord Genuity estimates

Figure 2: Key growth charts



Source: Company Reports, Canaccord Genuity estimates

Figure 3: CG earnings revisions

	FY22A	FY23A	FY24E			FY25E			FY26E		
			prev.	Curr.	% chg	prev.	Curr.	% chg	prev.	Curr.	% chg
ANPR Sites	839	1112	1334	1334	0%	1535	1555	1%	1734	1757	1%
Operating Revenue	38.1	45.2	57.7	57.7	0%	68.0	68.8	1%	76.7	77.6	1%
COGS	-10.7	-11.6	-16.2	-16.2	0%	-18.4	-18.6	1%	-20.0	-20.2	1%
Gross profit	27.5	33.5	41.5	41.5	0%	49.6	50.2	1%	56.7	57.4	1%
Gross profit margin	72%	74%	72%	72%		73%	73%		74%	74%	
Opex	-18.7	-22.0	-26.6	-25.3	-5%	-29.6	-29.1	-2%	-31.7	-31.2	-2%
EBITDA	8.77	11.5	15.0	16.2	8%	20.0	21.1	5%	25.0	26.2	5%
EBITDA margin	23%	25%	26%	28%		29%	31%		33%	34%	
D&A	-4.5	-5.4	-5.4	-5.4	0%	-5.4	-5.4	0%	-5.3	-5.4	1%
EBIT	4.3	6.1	9.6	10.8		14.64	15.71		19.70	20.84	
Net interest	-0.7	-0.6	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-
NPBT	3.6	5.5	9.6	10.8		14.6	15.7		19.70	20.8	
Tax	-1.1	0.2	0.0	0.0	-	-3.7	-3.9	7%	-4.9	-5.2	6%
NPAT normalised	2.4	5.7	9.6	10.8		11.0	11.8		14.7	15.6	

Source: Company Reports, Canaccord Genuity estimates

Appendix: Important Disclosures

Analyst Certification

Each authoring analyst of Canaccord Genuity whose name appears on the front page of this research hereby certifies that (i) the recommendations and opinions expressed in this research accurately reflect the authoring analyst's personal, independent and objective views about any and all of the designated investments or relevant issuers discussed herein that are within such authoring analyst's coverage universe and (ii) no part of the authoring analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the authoring analyst in the research, and (iii) to the best of the authoring analyst's knowledge, she/he is not in receipt of material non-public information about the issuer.

Analysts employed outside the US are not registered as research analysts with FINRA. These analysts may not be associated persons of Canaccord Genuity LLC and therefore may not be subject to the FINRA Rule 2241 and NYSE Rule 472 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Sector Coverage

Individuals identified as "Sector Coverage" cover a subject company's industry in the identified jurisdiction, but are not authoring analysts of the report.

Investment Recommendation

Date and time of first dissemination: November 12, 2023, 14:30 ET

Date and time of production: November 10, 2023, 01:51 ET

Target Price / Valuation Methodology:

Smart Parking Limited - SPZ

Our price target is based on a DCF methodology (K_e : 12.8%, β : 1.6x, ERP 5.5%, LT EBIT margin 30%), incorporating a low terminal multiple (7x EBIT; [-40% discount to XSI]) given the potential risks stemming from the changes to the UK Parking Act.

Distribution of Ratings:

Global Stock Ratings (as of 11/12/23)

Rating	Coverage Universe		IB Clients
	#	%	%
Buy	601	66.63%	23.29%
Hold	121	13.41%	11.57%
Sell	14	1.55%	7.14%
Speculative Buy	158	17.52%	50.63%
	902*	100.0%	

*Total includes stocks that are Under Review

Canaccord Genuity Ratings System

BUY: The stock is expected to generate risk-adjusted returns of over 10% during the next 12 months.

HOLD: The stock is expected to generate risk-adjusted returns of 0-10% during the next 12 months.

SELL: The stock is expected to generate negative risk-adjusted returns during the next 12 months.

NOT RATED: Canaccord Genuity does not provide research coverage of the relevant issuer.

"Risk-adjusted return" refers to the expected return in relation to the amount of risk associated with the designated investment or the relevant issuer.

Risk Qualifier

SPECULATIVE: Stocks bear significantly higher risk that typically cannot be valued by normal fundamental criteria. Investments in the stock may result in material loss.

12-Month Recommendation History (as of date same as the Global Stock Ratings table)

A list of all the recommendations on any issuer under coverage that was disseminated during the preceding 12-month period may be obtained at the following website (provided as a hyperlink if this report is being read electronically) <http://disclosures-mar.canaccordgenuity.com/EN/Pages/default.aspx>

Required Company-Specific Disclosures (as of date of this publication)

Canaccord Genuity or one or more of its affiliated companies intend to seek or expect to receive compensation for Investment Banking services from Smart Parking Limited in the next three months.

This report was prepared solely by Canaccord Genuity (Australia) Limited. The ASX did not prepare any part of the report and has not contributed in any way to its content. The role of ASX in relation to the preparation of the research reports is limited to funding their preparation by Canaccord Genuity (Australia) Limited in accordance with the ASX Equity Research Scheme.

The ASX does not provide financial product advice. The views expressed in this research report may not necessarily reflect the views of ASX. To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the ASX as to the adequacy, accuracy, completeness or reasonableness of the research reports.

Smart Parking Limited Rating History as of 11/09/2023



Past performance

In line with Article 44(4)(b), MiFID II Delegated Regulation, we disclose price performance for the preceding five years or the whole period for which the financial instrument has been offered or investment service provided where less than five years. Please note price history refers to actual past performance, and that past performance is not a reliable indicator of future price and/or performance.

Online Disclosures

Up-to-date disclosures may be obtained at the following website (provided as a hyperlink if this report is being read electronically) <http://disclosures.canaccordgenuity.com/EN/Pages/default.aspx>; or by sending a request to Canaccord Genuity Corp. Research, Attn: Disclosures, P.O. Box 10337 Pacific Centre, 2200-609 Granville Street, Vancouver, BC, Canada V7Y 1H2; or by sending a request by email to disclosures@cgf.com. The reader may also obtain a copy of Canaccord Genuity's policies and procedures regarding the dissemination of research by following the steps outlined above.

General Disclaimers

See "Required Company-Specific Disclosures" above for any of the following disclosures required as to companies referred to in this report: manager or co-manager roles; 1% or other ownership; compensation for certain services; types of client relationships; research analyst conflicts; managed/co-managed public offerings in prior periods; directorships; market making in equity securities and related derivatives. For reports identified above as compendium reports, the foregoing required company-specific disclosures can be found in a hyperlink located in the section labeled, "Compendium Reports." "Canaccord Genuity" is the business name used by certain wholly owned subsidiaries of Canaccord Genuity Group Inc., including Canaccord Genuity LLC, Canaccord Genuity Limited, Canaccord Genuity Corp., and Canaccord Genuity (Australia) Limited, an affiliated company that is 80%-owned by Canaccord Genuity Group Inc.

The authoring analysts who are responsible for the preparation of this research are employed by Canaccord Genuity Corp. a Canadian broker-dealer with principal offices located in Vancouver, Calgary, Toronto, Montreal, or Canaccord Genuity LLC, a US broker-dealer with principal offices located in New York, Boston, San Francisco and Houston, or Canaccord Genuity Limited., a UK broker-dealer with principal offices located in London (UK) and Dublin (Ireland), or Canaccord Genuity (Australia) Limited, an Australian broker-dealer with principal offices located in Sydney and Melbourne.

The authoring analysts who are responsible for the preparation of this research have received (or will receive) compensation based upon (among other factors) the Investment Banking revenues and general profits of Canaccord Genuity. However, such authoring analysts have not received, and will not receive, compensation that is directly based upon or linked to one or more specific Investment Banking activities, or to recommendations contained in the research.

Some regulators require that a firm must establish, implement and make available a policy for managing conflicts of interest arising as a result of publication or distribution of research. This research has been prepared in accordance with Canaccord Genuity's policy on managing conflicts of interest, and information barriers or firewalls have been used where appropriate. Canaccord Genuity's policy is available upon request.

The information contained in this research has been compiled by Canaccord Genuity from sources believed to be reliable, but (with the exception of the information about Canaccord Genuity) no representation or warranty, express or implied, is made by Canaccord Genuity, its affiliated companies or any other person as to its fairness, accuracy, completeness or correctness. Canaccord Genuity

has not independently verified the facts, assumptions, and estimates contained herein. All estimates, opinions and other information contained in this research constitute Canaccord Genuity's judgement as of the date of this research, are subject to change without notice and are provided in good faith but without legal responsibility or liability.

From time to time, Canaccord Genuity salespeople, traders, and other professionals provide oral or written market commentary or trading strategies to our clients and our principal trading desk that reflect opinions that are contrary to the opinions expressed in this research. Canaccord Genuity's affiliates, principal trading desk, and investing businesses also from time to time make investment decisions that are inconsistent with the recommendations or views expressed in this research.

This research is provided for information purposes only and does not constitute an offer or solicitation to buy or sell any designated investments discussed herein in any jurisdiction where such offer or solicitation would be prohibited. As a result, the designated investments discussed in this research may not be eligible for sale in some jurisdictions. This research is not, and under no circumstances should be construed as, a solicitation to act as a securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction. This material is prepared for general circulation to clients and does not have regard to the investment objectives, financial situation or particular needs of any particular person. Investors should obtain advice based on their own individual circumstances before making an investment decision. To the fullest extent permitted by law, none of Canaccord Genuity, its affiliated companies or any other person accepts any liability whatsoever for any direct or consequential loss arising from or relating to any use of the information contained in this research.

Research Distribution Policy

Canaccord Genuity research is posted on the Canaccord Genuity Research Portal and will be available simultaneously for access by all of Canaccord Genuity's customers who are entitled to receive the firm's research. In addition research may be distributed by the firm's sales and trading personnel via email, instant message or other electronic means. Customers entitled to receive research may also receive it via third party vendors. Until such time as research is made available to Canaccord Genuity's customers as described above, Authoring Analysts will not discuss the contents of their research with Sales and Trading or Investment Banking employees without prior compliance consent.

For further information about the proprietary model(s) associated with the covered issuer(s) in this research report, clients should contact their local sales representative.

Short-Term Trade Ideas

Research Analysts may, from time to time, discuss "short-term trade ideas" in research reports. A short-term trade idea offers a near-term view on how a security may trade, based on market and trading events or catalysts, and the resulting trading opportunity that may be available. Any such trading strategies are distinct from and do not affect the analysts' fundamental equity rating for such stocks. A short-term trade idea may differ from the price targets and recommendations in our published research reports that reflect the research analyst's views of the longer-term (i.e. one-year or greater) prospects of the subject company, as a result of the differing time horizons, methodologies and/or other factors. It is possible, for example, that a subject company's common equity that is considered a long-term 'Hold' or 'Sell' might present a short-term buying opportunity as a result of temporary selling pressure in the market or for other reasons described in the research report; conversely, a subject company's stock rated a long-term 'Buy' or 'Speculative Buy' could be considered susceptible to a downward price correction, or other factors may exist that lead the research analyst to suggest a sale over the short-term. Short-term trade ideas are not ratings, nor are they part of any ratings system, and the firm does not intend, and does not undertake any obligation, to maintain or update short-term trade ideas. Short-term trade ideas are not suitable for all investors and are not tailored to individual investor circumstances and objectives, and investors should make their own independent decisions regarding any securities or strategies discussed herein. Please contact your salesperson for more information regarding Canaccord Genuity's research.

For Canadian Residents:

This research has been approved by Canaccord Genuity Corp., which accepts sole responsibility for this research and its dissemination in Canada. Canaccord Genuity Corp. is registered and regulated by the Canadian Investment Regulatory Organization (CIRO) and is a Member of the Canadian Investor Protection Fund. Canadian clients wishing to effect transactions in any designated investment discussed should do so through a qualified salesperson of Canaccord Genuity Corp. in their particular province or territory.

For United States Persons:

Canaccord Genuity LLC, a US registered broker-dealer, accepts responsibility for this research and its dissemination in the United States. This research is intended for distribution in the United States only to certain US institutional investors. US clients wishing to effect transactions in any designated investment discussed should do so through a qualified salesperson of Canaccord Genuity LLC. Analysts employed outside the US, as specifically indicated elsewhere in this report, are not registered as research analysts with FINRA. These analysts may not be associated persons of Canaccord Genuity LLC and therefore may not be subject to the FINRA Rule 2241 and NYSE Rule 472 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

For United Kingdom and European Residents:

This research is distributed in the United Kingdom and elsewhere Europe, as third party research by Canaccord Genuity Limited, which is authorized and regulated by the Financial Conduct Authority. This research is for distribution only to persons who are Eligible Counterparties or Professional Clients only and is exempt from the general restrictions in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the grounds that it is being distributed in the United Kingdom only to persons of a kind described in Article 19(5) (Investment Professionals) and 49(2) (High Net Worth companies, unincorporated associations etc) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005

(as amended). It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. This material is not for distribution in the United Kingdom or elsewhere in Europe to retail clients, as defined under the rules of the Financial Conduct Authority.

For Jersey, Guernsey and Isle of Man Residents:

This research is sent to you by Canaccord Genuity Wealth (International) Limited (CGWI) for information purposes and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. This research has been produced by an affiliate of CGWI for circulation to its institutional clients and also CGWI. Its contents have been approved by CGWI and we are providing it to you on the basis that we believe it to be of interest to you. This statement should be read in conjunction with your client agreement, CGWI's current terms of business and the other disclosures and disclaimers contained within this research. If you are in any doubt, you should consult your financial adviser.

CGWI is licensed and regulated by the Guernsey Financial Services Commission, the Jersey Financial Services Commission and the Isle of Man Financial Supervision Commission. CGWI is registered in Guernsey and is a wholly owned subsidiary of Canaccord Genuity Group Inc.

For Australian Residents:

This research is distributed in Australia by Canaccord Genuity (Australia) Limited ABN 19 075 071 466 holder of AFS Licence No 234666. To the extent that this research contains any advice, this is limited to general advice only. Recipients should take into account their own personal circumstances before making an investment decision. Clients wishing to effect any transactions in any financial products discussed in the research should do so through a qualified representative of Canaccord Genuity (Australia) Limited or its Wealth Management affiliated company, Canaccord Genuity Financial Limited ABN 69 008 896 311 holder of AFS Licence No 239052.

For Hong Kong Residents:

This research is distributed in Hong Kong by Canaccord Genuity (Hong Kong) Limited which is licensed by the Securities and Futures Commission. This research is only intended for persons who fall within the definition of professional investor as defined in the Securities and Futures Ordinance. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. Recipients of this report can contact Canaccord Genuity (Hong Kong) Limited. (Contact Tel: +852 3919 2561) in respect of any matters arising from, or in connection with, this research.

Additional information is available on request.

Copyright © Canaccord Genuity Corp. 2023 – Member CIRO/Canadian Investor Protection Fund

Copyright © Canaccord Genuity Limited. 2023 – Member LSE, authorized and regulated by the Financial Conduct Authority.

Copyright © Canaccord Genuity LLC 2023 – Member FINRA/SIPC

Copyright © Canaccord Genuity (Australia) Limited. 2023 – Participant of ASX Group, Cboe Australia and of the NSX. Authorized and regulated by ASIC.

All rights reserved. All material presented in this document, unless specifically indicated otherwise, is under copyright to Canaccord Genuity Corp., Canaccord Genuity Limited, Canaccord Genuity LLC or Canaccord Genuity Group Inc. None of the material, nor its content, nor any copy of it, may be altered in any way, or transmitted to or distributed to any other party, without the prior express written permission of the entities listed above.

None of the material, nor its content, nor any copy of it, may be altered in any way, reproduced, or distributed to any other party including by way of any form of social media, without the prior express written permission of the entities listed above.