



AGM  2020

Chairman's address //
**Andrew
Abercrombie**

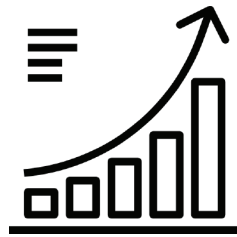
CEO's address //
Rebecca
James



Our mission is to revolutionise the way people buy.

With a single platform serving everybody from Gen Z and millennial spenders, through to young families and SMEs. **hummm** finances everything, from life's little luxuries through to significant purchases.

Our FY20 execution//



High growth

570,000 new customers added (+ 37% YoY)
\$2.5B transaction volume (+17% YoY)¹



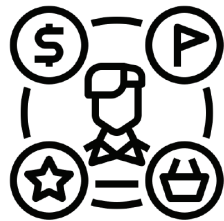
Differentiated proposition with strong unit economics

3rd largest BNPL provider domestically and a profitable leader in transactions >\$1,000



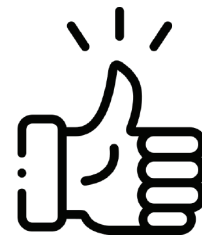
Diversified by design

Resilient business model



eCommerce growth

127% YoY in BNPL by delivering a seamless digital experience to our customers



Strong customer advocacy

9 x customer usage p.a. and growing
57% NPS for **hummm** Australia as at September 2020



New audience and markets

\$450B across AU and NZ
– then there's international growth

1. Excludes Consumer Leasing, Once & Lombard which have ceased.

Simplified //



Final simplification milestone to unify the proposition of interest free instalment payments for consumers and SMEs.

We have a clear and differentiated proposition:

Interest free buying power for everything, everywhere and for everybody.

Simplified service

Through automation, self-service functionality and use of web chat has led to customer service improvements while lowering costs.

Simplified operations

With a \$10M reduction in underlying costs¹ by realising benefits of reduced complexity.

Simplified systems

Including telephony, knowledge management, credit decisioning and fraud.

Continue improving service quality and **targeting cost to income of 40%** by end of FY22.

1. On an annualised basis.

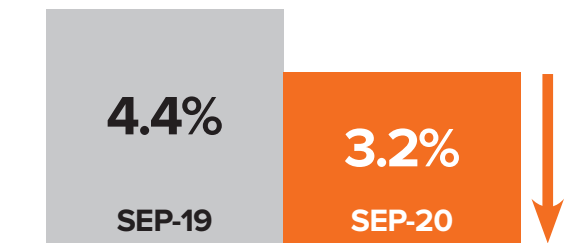
1Q21 performance & outlook //

- >> Solid 1Q21 volume performance in BNPL and Commercial despite the business continuing to take a prudent approach to credit risk and approvals, offset by reduced volumes in AU & NZ Cards.
- >> 1Q21 cost to income ratio of 45% representing a 210bps decrease from the same period last year.
- >> Government stimulus, mortgage deferrals and superannuation withdrawals have contributed to a:
 - Net loss/Average net receivables of 3.5% in 1Q21, up 10bps from the prior corresponding period, driven by a decrease in receivables from larger than normal balance repayments.
 - Continued downward trend in 30+ days arrears from July 2020.
 - 1H21 Cash NPAT expected to be ahead of 1H20 Cash NPAT of \$34.5m in light of improved credit performance and cost management.

BNPL
30+ days arrears



Australia Cards
30+ days arrears



New Zealand Cards
30+ days arrears



Commercial
30+ days arrears



Both the **flexigroup**
brand and our flagship
consumer brands
will now be united
under one name...

hummm®

Loved by our customers //



4.7 Out of 5
App Store rating*

4.7 Out of 5
Play Store rating*

4.7 Out of 5
ReviewTrackers rating*

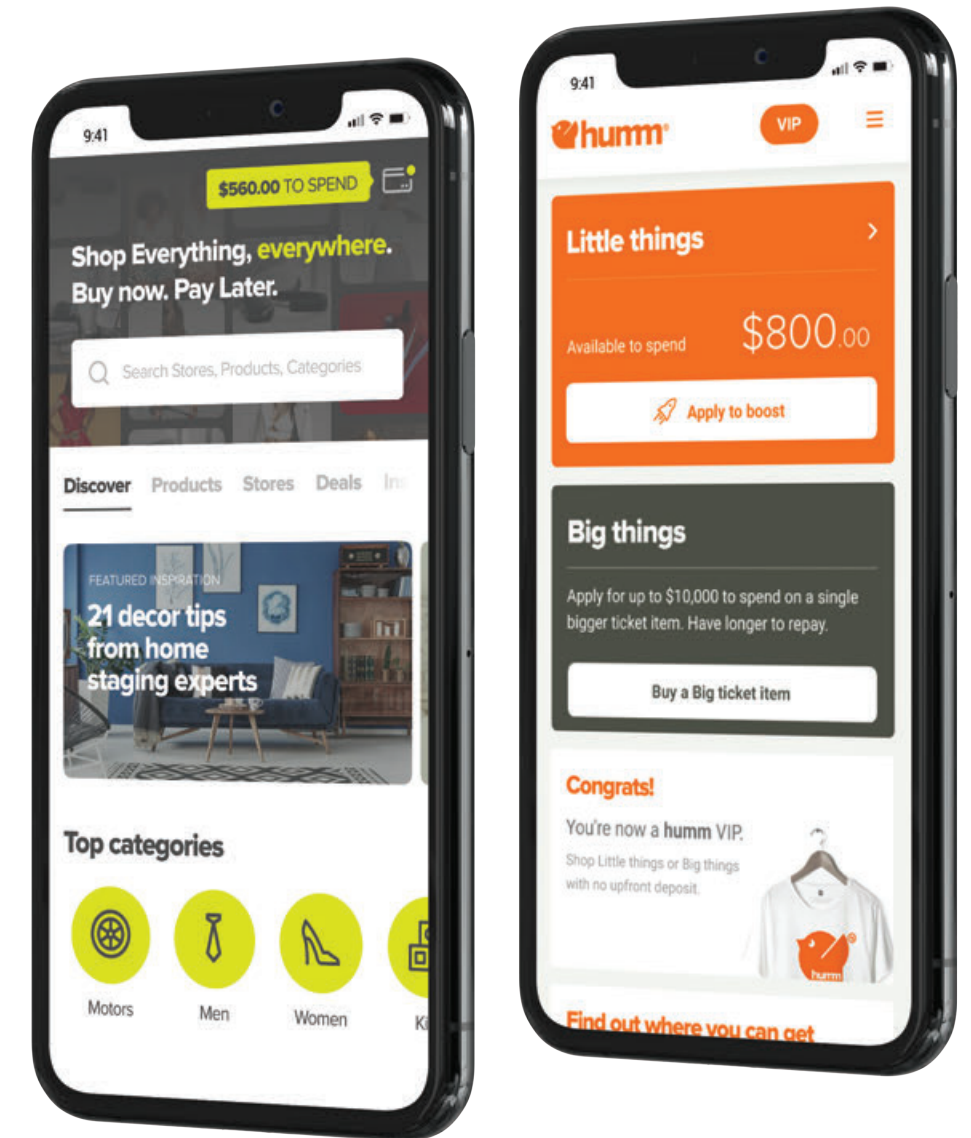
Improvement across all
product ratings and scores^

1m+ App downloads across
the **hummm** ecosystem

14.8K Number
of ratings*

302% Increase
in reviews^

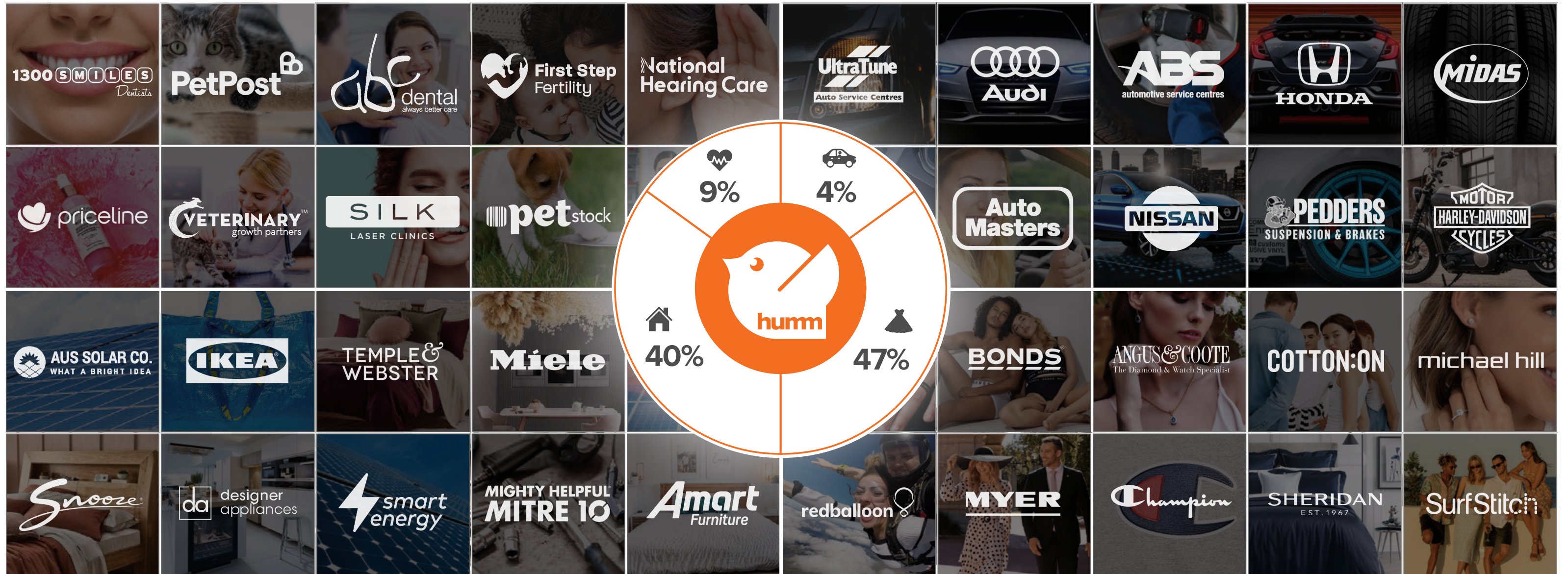
75% Of **hummm** AU transactions
made by repeat customers



* Figures as at 16 November 2020 for the **hummm** app.

^ Over the last 12 months as measured by ReviewTracker as at 16 November 2020.

Strong resonance with retail partners //



Figures relate to BNPL FY20 transaction volumes for Australia and New Zealand.

Single platform //

Serving everybody from Gen Z and millennial spenders, through to young families and SMEs. **hummm** finances everything, from life's little luxuries through to significant purchases.



**Buy Now. Pay Later.
Everywhere.**



Millennials and Gen Z:
The Balancers



Live interest free forever!



Young families:
The Amplifiers



Built to shop.



Young families/HENRY's:
The Shoppers



**Buy Now. Pay Later.
Built for business.**



SMEs:
The Founders

\$2,136M
Volumes in FY20

>\$450B¹

<< Total addressable market (**bundll, humm** and **hummm90**) >>

(Previously AU + NZ Cards)

Launching in FY21

>\$30B²




<< Total addressable market >>

(Previously wired)

Source: 1. Australian Bureau of Statistics (period ending 30 June 2020), Stats NZ (period ending 31 March 2020) and Consumer Market Monitor (period ending 31 December 2019). Annual amounts.
2. Based on management estimates from Reserve Bank of Australia and Reserve Bank of New Zealand data.

Solutions across the entire journey //

CONSUMER SOLUTIONS. (online + in-store)

Payment solution	Maximum limit	Little things	Big things	Description
 bundll powered by humm	<\$1,000	✓		<ul style="list-style-type: none"> >> 2 weeks to repay, snooze for an extra 2. >> Repay over 12 weeks with superbundll.
 humm Little things.	<\$2,000	✓		<ul style="list-style-type: none"> >> Fortnightly repayments in 5 or 10 slices.
 humm Big things.	<\$30,000		✓	<ul style="list-style-type: none"> >> 6-60 months repayment period.
 humm ⁹⁰	<\$50,000	✓	✓	<ul style="list-style-type: none"> >> 90 days interest free. >> Up to 60 months interest free with selected retail partners.



BNPL. Built for business.

Meeting the cashflow needs of small businesses through interest free instalments.

Launching in FY21.

Growth pillars //



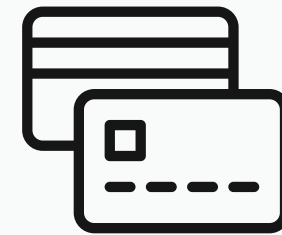
Expanding the core

New merchants and platforms in current markets



Driving customer engagement

Driving customer engagement and transaction frequency



New products for new audiences

Addressing new markets through **bundll** and **hummm pro**



International expansion

Expansion into new markets

Renewables growth // Consolidating leadership position in Australian renewables.



- >> Two year arrangement with AGL signed.
- >> **hum** long-term finance solutions for AGL customers to purchase combined solar and battery systems.



- >> Signed 35 preferred partnerships with solar merchants in FY21 for **hum** to be the exclusive BNPL financier.
- >> **hum** BNPL offered by over 350 solar merchants in Australia.

Merchant growth // Australia.

Home & Home Improvement.



Health & Wellbeing.



Retail.



Platforms.

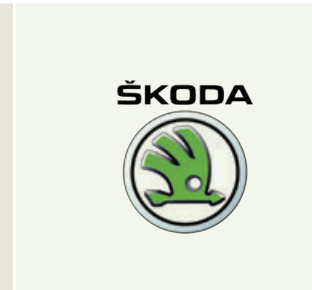
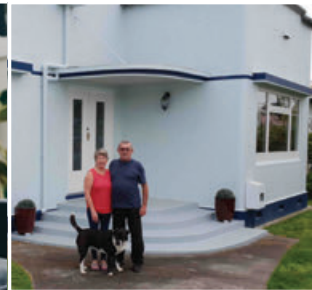


Merchant growth //

New Zealand.

Ireland.

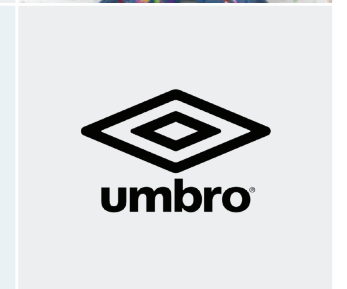
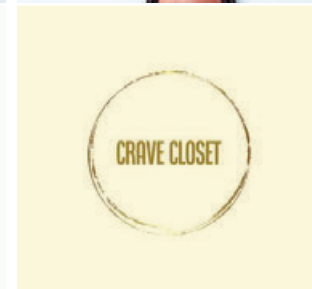
Home & Home Improvement //Automotive.



Health & Wellbeing.



Retail.



Customer engagement//

**Sunnies&
Solar&
Diamonds&
Dental&
Fashion&
Fridges&
Cameras&
Couches.**



Get little luxuries & bigger buys
with the bigger buy now pay later.

>11%

of **hum** Australia
customers have now
completed a little and
big transaction.



BNPL product aimed at disrupting the debit card market is resonating. In built budgeting tools support financial wellness for customers.

1,500

Customers joining each week and climbing

64%

Growth in 4Q20 volumes over 3Q20

76K

Unique merchant IDs – strength of buy anywhere model

11

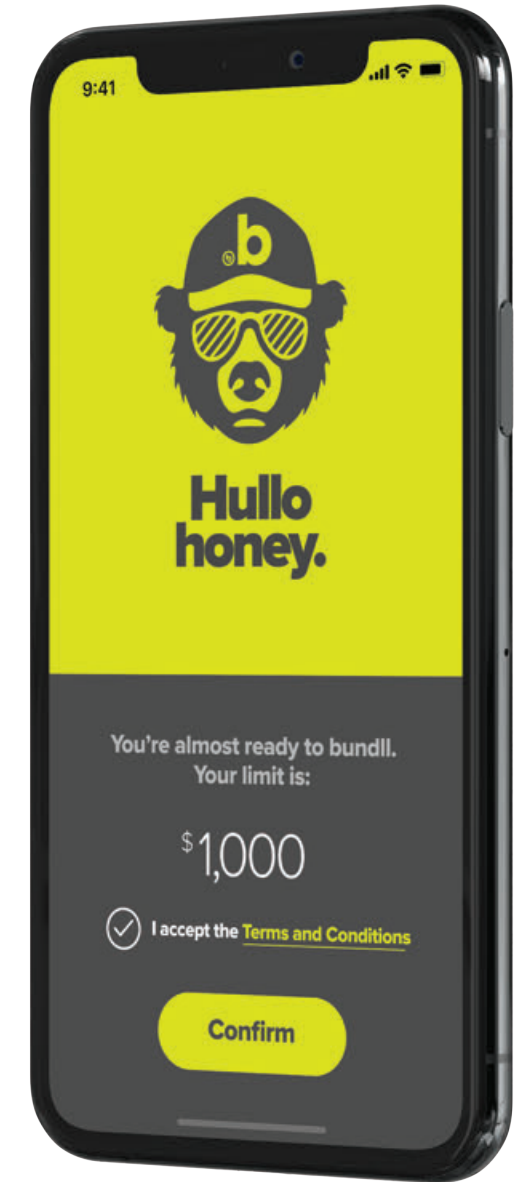
Transactions per month by top 30% of customers

31%

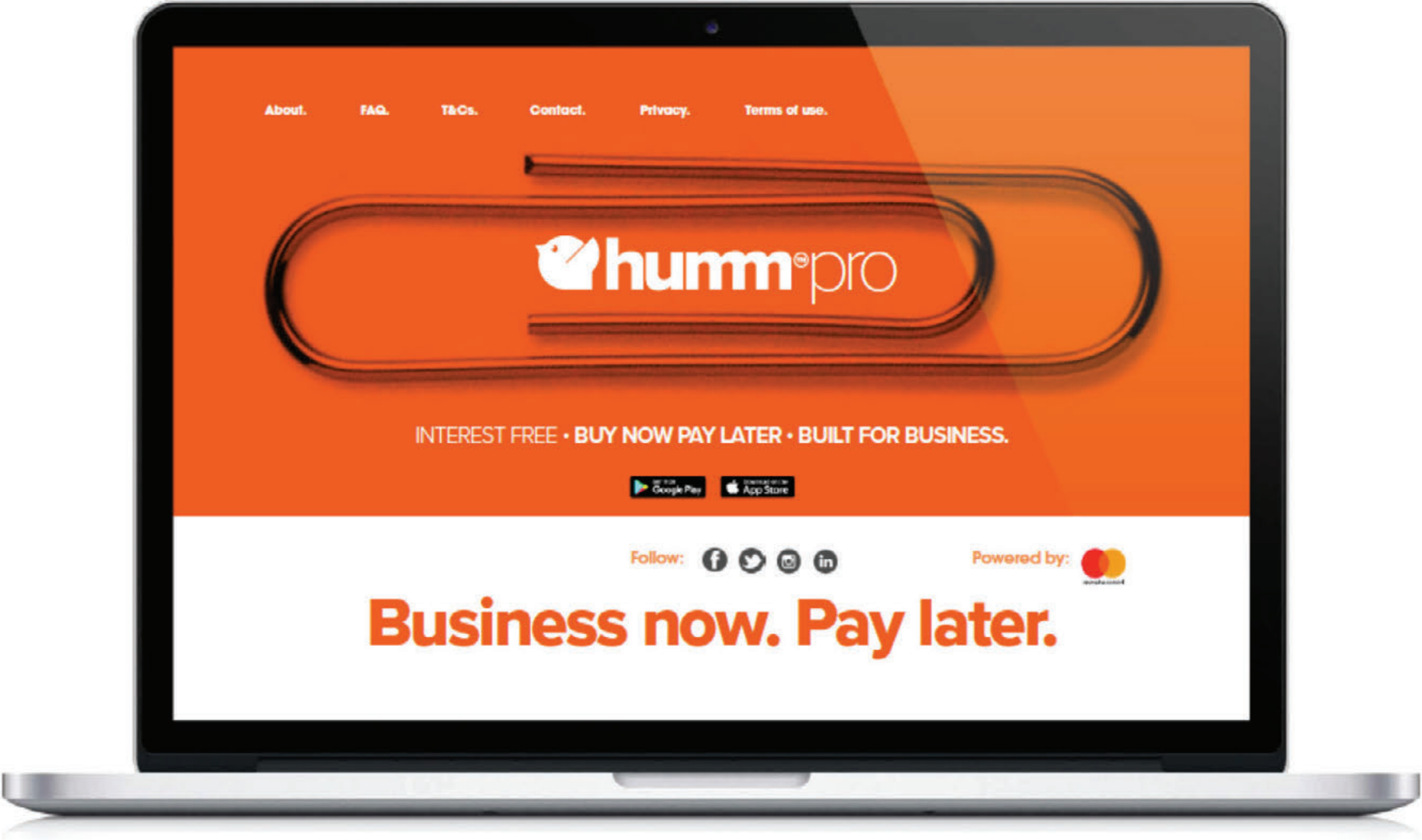
Of transactions made online



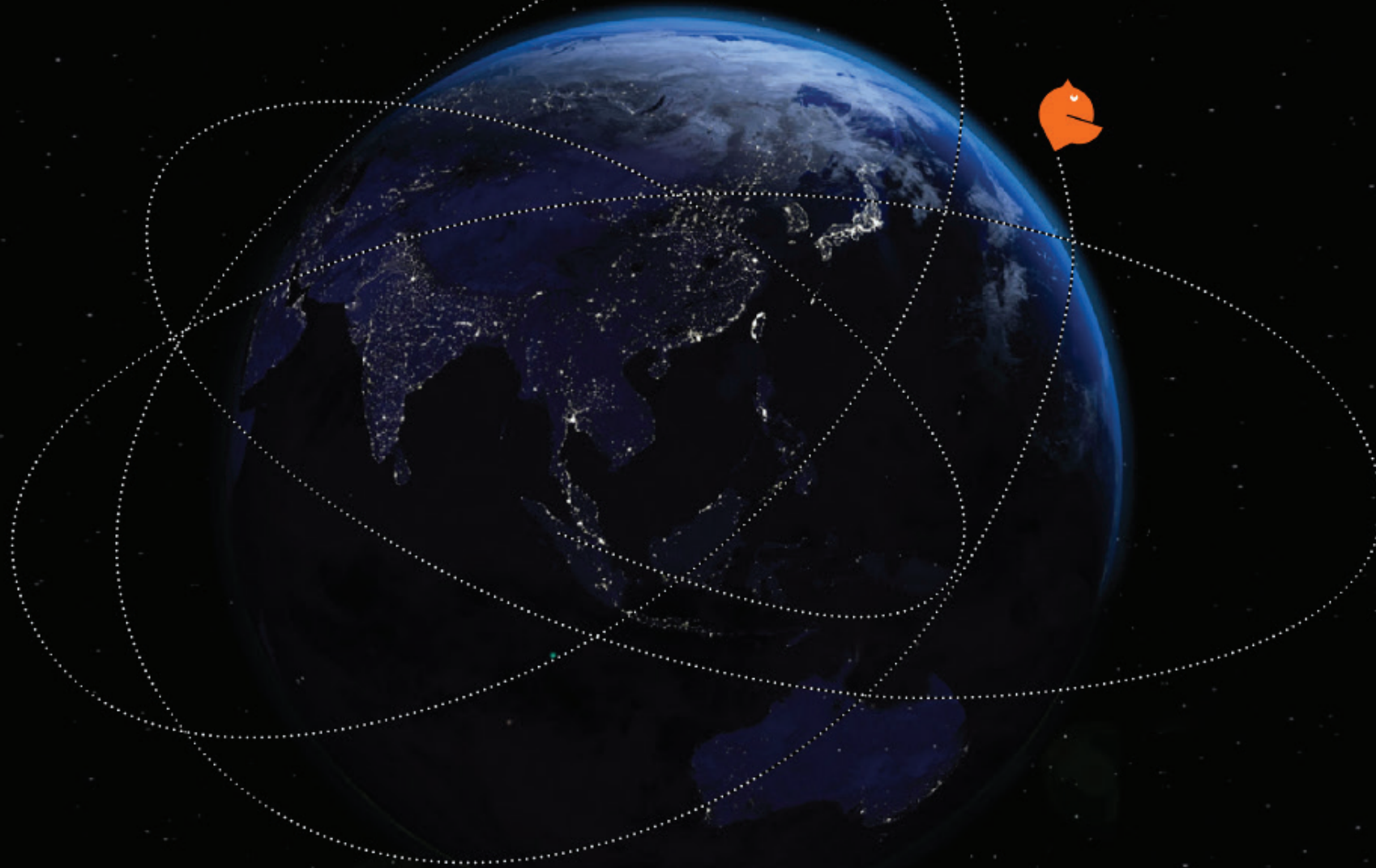
Distribution partnerships



As at August 2020 unless otherwise specified.



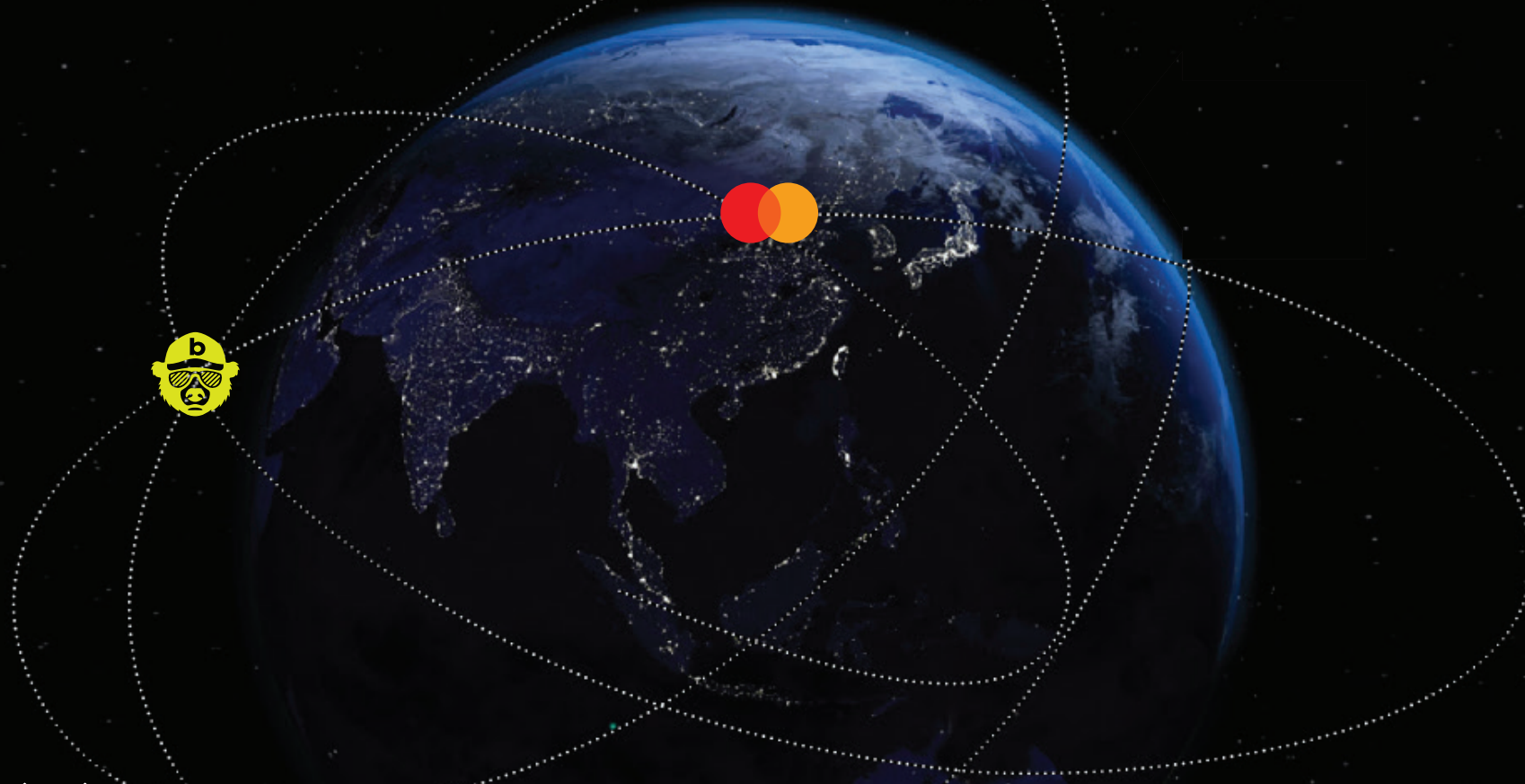
International expansion //



International markets.

- >> Actively pursuing expansion strategies to enter two international markets during 2H21.
- >> Activity well progressed with strong existing retailer, technology and operational relationships in identified markets.
- >> Expected addressable market opportunity of over A\$1.2 trillion.

International expansion //



“ With the growth of BNPL, we know that many issuers around the world are looking to solve for this increasing consumer preference.

Richard Wormald, Divisional President, Australasia, Mastercard

Mastercard® partnership to take bundll global.

- >> Mastercard to drive adoption by banks internationally and support product development to achieve scale globally.
- >> **bundll** chosen for its ability to integrate seamlessly into existing systems to offer BNPL products to existing banking customers.
- >> Discussions well progressed with numerous global banks.
- >> Five year agreement expected to deliver a sustainable exponential growth path for **hummg**roup.
- >> Mastercard, the first strategic partnership for **hum**m ventures, an initiative to explore new and innovative ways to rapidly expand the global reach and distribution of **hum**m's technology.

CEO's address //

In closing

Item 1.

Financial Report, Directors' Report and Auditor's Report

“ To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2020.

Item 2.

Remuneration Report

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

“ That the Remuneration Report (which forms part of the Directors’ Report) for the financial year ended 30 June 2020 be adopted.

Item 2.

Remuneration Report: Proxy Numbers

For	—	165,569,503	95.8%
Against	—	3,362,059	1.9%
Open (at Chair's discretion)	—	2,048,389	1.2%
Abstain	—	1,853,039	1.1%

Item 3.

Re-election of Director

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

- “ That Christine Christian AO, who retires in accordance with ASX Listing Rule 14.5 and Article 10.3(a) of the Company’s constitution, and being eligible, be re-elected as a Director of **flexigroup**.



Item 3.

Re-election of Director: Proxy Numbers

For	—	277,928,103	98.1%
Against	—	2,373,215	0.8%
Open (at Chair's discretion)	—	1,362,432	0.5%
Abstain	—	1,611,526	0.6%

Item 4.

Approval of the change of Company name

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

“ That the Company adopt as its new name, **hummm** Group Limited.



Item 4.

Approval of the change of Company name: Proxy Numbers

For	—	279,437,867	98.6%
Against	—	837,821	0.3%
Open (at Chair's discretion)	—	1,383,655	0.5%
Abstain	—	1,615,933	0.6%

Item 5.

Approval of participation in the **flexigroup** Long Term Incentive Plan

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

“ That, for all purposes, approval is given for the grant of 2,000,000 Options to Ms Rebecca James under the Long Term Incentive Plan (“LTIP”), on the terms described in the Explanatory Statement accompanying and forming part of this Notice of Meeting.

Item 5.

Approval of participation in the **flexigroup** Long Term Incentive Plan: Proxy Numbers

For	–	276,253,132	97.5%
Against	–	3,842,092	1.4%
Open (at Chair's discretion)	–	1,388,085	0.5%
Abstain	–	1,791,967	0.6%

Questions //

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Thank *you* //