

ASX ANNOUNCEMENT (ASX: LBY)

9 April 2021

Investor presentation – BNPL ShareCafe Webinar

Attached is a copy of a presentation to be given out later today by Managing Director Gary Rohloff to the BNPL ShareCafe Investor Webinar.

The presentation provides an update on FY21 operating performance. In March, Laybuy is pleased to report Annualised¹ Gross Merchandise Value (GMV) of NZ\$704 million and the addition of 479 Active merchants and 23,000 Active customers during the month. Based on this performance, FY21 GMV increased 159% to NZ\$589 million (above forecast given on 8 March 2021 of NZ\$581 – NZ\$586 million). This includes significant UK GMV growth of 504% year on year.

H2 FY21 represents Annualised² GMV of NZ\$688 million, an increase of 155% on H2 FY20 and 40% on H1 FY21.

Key FY21 operating metrics include:

	FY21	FY20	% increase
UK GMV	NZ\$296m	NZ\$49m	504%
ANZ GMV	NZ\$293m	NZ\$178m	65%
GMV	NZ\$589m	NZ\$227m	159%
UK Active Customers	463,000	153,000	202%
ANZ Active Customers	293,000	251,000	17%
Active Customers³	756,000	404,000	87%
UK Active Merchants	1,785	335	433%
ANZ Active Merchants	7,341	4,869	51%
Active Merchants⁴	9,126	5,204	75%

To access further details of the Share Café Webinar event and to register at no cost, please copy and paste the following link into your internet browser:

https://us02web.zoom.us/webinar/register/WN_WccCiTteRsQKH6ERddeo9A

A recorded copy of the webinar will be made available following the event

1 Annualised GMV is calculated by multiplying the actual GMV for March 2021 by 12. GBP and AUD denominated GMV have been converted to NZD at the month average exchange rate for March 2021
2 Annualised GMV is calculated by multiplying the actual GMV for H2 FY21 by two. GBP and AUD denominated GMV have been converted to NZD at the average historical exchange rates for the half years
3 An 'Active Customer' is a customer who has made a purchase through the Laybuy platform with the 12 months prior to the relevant period
4 An 'Active Merchant' is a merchant who has received payment for a purchase through the Laybuy platform within the 12 months prior to the relevant period



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This announcement was approved for release by Gary Rohloff, Managing Director

About Laybuy

Launched in 2017, Laybuy is a rapidly growing fintech company providing buy now, pay later services partnering with over 9,000 retail merchants. Laybuy is available in New Zealand, Australia, the UK and the USA. The unique, fully integrated payment platform is helping to revolutionise the way consumers spend. Laybuy is simple. Customers can shop now, receive their purchase straight away, and pay it off over six weekly payments without paying interest. For more information visit laybuyinvestors.com.





Laybuy (ASX:LBV)
BNPL ShareCafe Webinar

9 April 2021

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All numbers are stated in New Zealand dollars (NZ\$) unless stated otherwise.

Investment Highlights

Laybuy is a fast-growing “Buy-Now-Pay-Later” (BNPL) provider with a market leadership position in New Zealand and a growing presence in the United Kingdom (UK) and Australia.



A leading **BNPL provider** in New Zealand

Focused on growth in the large **UK Market**

Partnerships with UK merchants and strategic partners driving **rapid growth**

UK GMV growth of 504% on prior year to NZ\$296m. Total FY21 GMV⁽¹⁾ of NZ\$589m was up 159% on prior year.

Attractive merchant position, **9,126 active merchants**⁽²⁾, 75% growth since FY20

Differentiated offering for consumers, **756,000 active customers**⁽²⁾, 87% growth since FY20

Funding options and capital efficient business model to facilitate future **growth up to NZ\$4bn** GMV

Highly scalable and flexible technology platform

Laybuy managed by retailers for retailers

Proven management and board

Continued growth through COVID-19 period

Well positioned for regulation

1. Gross Merchandise Value (GMV) for the financial year to 31 March 2021 (FY21), compared to prior year to 31 March 2020 (FY20).

2. As at 31 March 2021 (FY21), compared to 31 March 2020 (FY20).

Differentiated Offering

Laybuy aims to differentiate itself against other BNPL and traditional credit offerings through the combination of the following features

6 weekly payments. We aim to be the leading weekly BNPL provider

We **never** charge interest – ever

First to market with **Laybuy Boost** which allows customers to increase the value of their purchase by providing a larger first payment in one seamless transaction. This lifts our ROI as we charge our commission on the total value of the transaction

Laybuy is **currency agnostic** through Laybuy Global, enabling international purchases with seamless currency conversion

Laybuy is available **in-store and online**

Laybuy runs **credit checks** via third parties including Experian and Centrix, and utilises advanced fraud mitigation technologies from Sift Science, 3D secure, and Onfido



Laybuy Business Platform

A customer acquisition and marketing tool for merchants and a convenient and cost effective payment option for customers

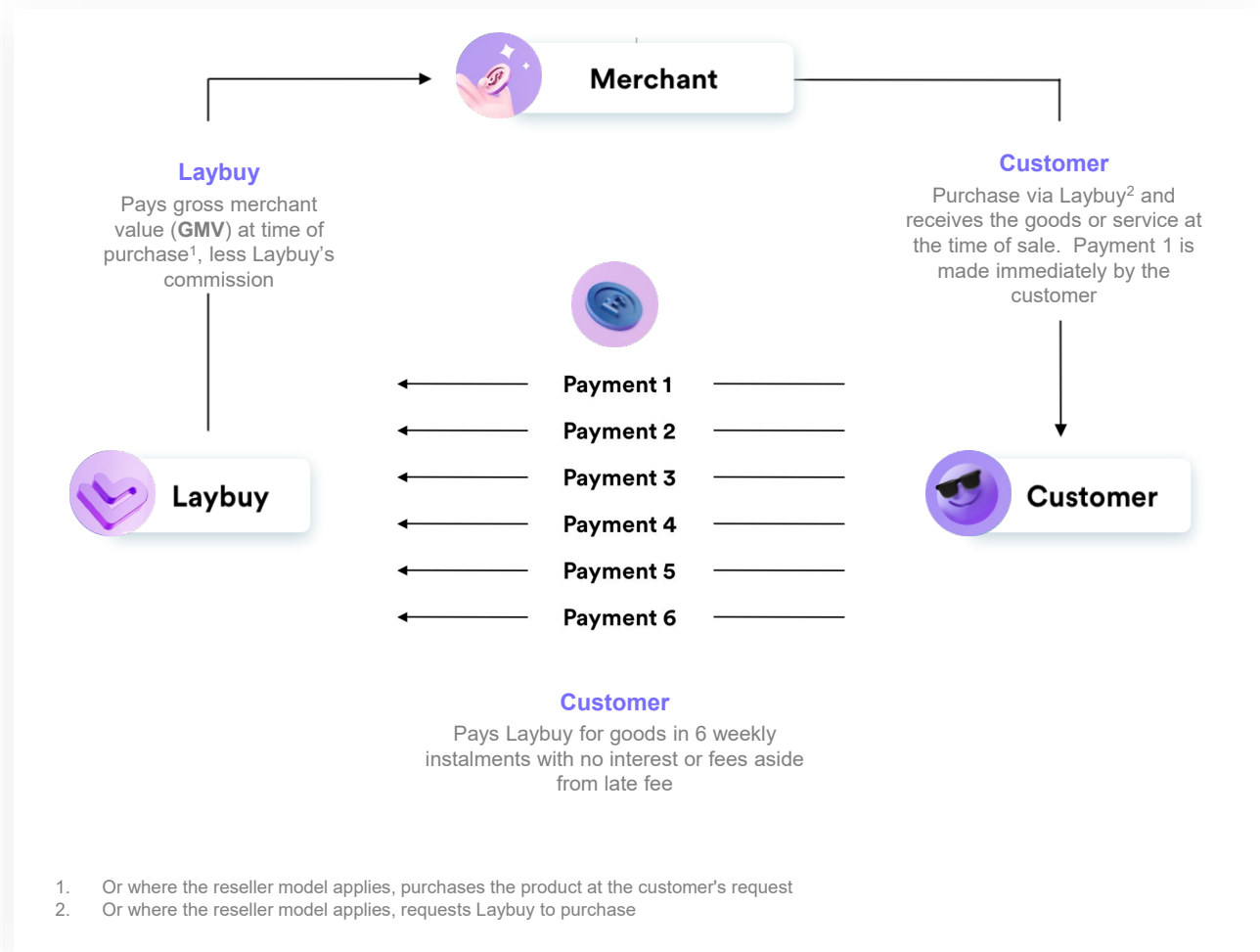
Allows customers to **buy now**, pay one sixth of the selling price upfront, and the balance over the following five weeks

Free for customers with **no interest** to pay

Sign up and credit check **in minutes**, via the Laybuy smartphone app or website

Merchant credit risk is borne by Laybuy. Sale proceeds are less Laybuy's commission

Simple, quick and low cost to integrate for Merchants



Market leader in responsible lending

Laybuy was founded with a vision of making life easier for consumers by helping them better manage their budgets and avoid the traps of high-interest credit. At Laybuy, we work hard to prevent customers from falling into debt they cannot afford.



Purchase price split into six, weekly instalments.
No interest charged, ever!



Strict credit limits and automatic suspension of account in event of missed payment to prevent accruing of additional debt – average customer transaction limit is £240.



Late fees capped, and 97% of customers never pay a late fee.



Championing the development of an industry-wide Code of Practice that protects consumers while establishing an enabling but effective self-regulatory framework for the BNPL sector.



Independent credit checking of every new customer to provide an assessment of their ability to fulfil future repayment commitments.



Robust hardship policy and commitment to work proactively with customers in financial difficulty.



Laybuy pays any and all collection fees so customers only ever pay the amount borrowed.

Laybuy Growth Strategy

Laybuy's global growth strategy is anchored around leveraging its scalable platform and proven execution



Increase market share in already established markets

- Improve Laybuy's penetration in existing industries and sectors through co-branded marketing campaigns.
- Laybuy will seek to expand in the health, beauty, digital, travel and ticketing verticals.
- Grow merchant numbers through the global partner programme.



Acceleration of growth in the UK market

- The Laybuy platform is built for global scalability.
- Target large, influential merchants to drive scale, network effects and brand recognition.
- Target SME merchants through the partnership program to diversify the concentration away from the larger merchants, driving merchant commissions up.
- US beta to continue into Q2 FY22 for ANZ and UK merchants to access US based customers.
- US market remains a long term growth opportunity.
- Potential M&A opportunities may arise from industry consolidation.



New Laybuy Platform enhancements to drive network effects

- Future platform enhancements to improve operational efficiencies and merchant and customer experience.
- Laybuy will focus on increasing user engagement and repeat purchases through improvements to the Laybuy App.
- Card project, including Mastercard® collaboration will deepen customer engagement with the Laybuy App.

Focused on large UK market opportunity

Laybuy has seen significant growth in the UK market and seeks to continue that momentum

UK Opportunity

Laybuy has seen significant growth in the UK.
GMV growth of 504% on prior year to NZ\$296m with momentum continuing.

Laybuy is looking at targeting large, influential merchants in order to drive scale, network effects and brand recognition

Laybuy will then use its customer base and exclusive relationships to target SMEs through its partnership program in order to diversify its retailer base and increase average commissions

UK Retail Market¹



£394bn (NZ\$757bn)
Addressable retail market opportunity



£75bn (NZ\$145bn)
UK e-commerce market

Competitive Advantages

Key exclusive partnerships with major professional sporting clubs providing Laybuy with a unique opportunity to leverage a number of mutually exclusive, global supporter bases

Scalable technology stack with a nimble and flexible team who truly service merchant needs

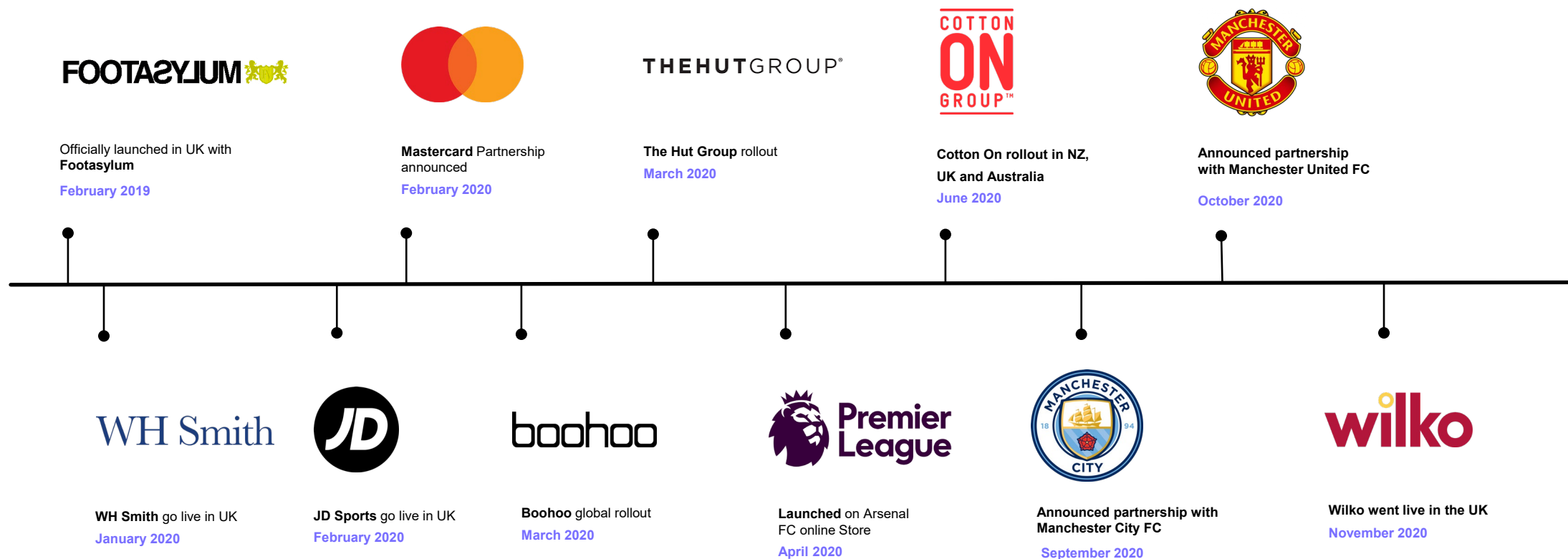
Upcoming launch of Laybuy's digital "Tap to Pay" card program²

¹ Retail market estimates are approximate and rounded as at 2019. Retail market : Predominantly food stores, Non-specialised stores, Textile, Clothing and footwear stores, Household goods stores, Other stores and Non-store retailing. Converted at NZD/GBP of 0.52

². Currently on hold due to COVID-19 lockdown restrictions in the UK.

Delivering on our strategy

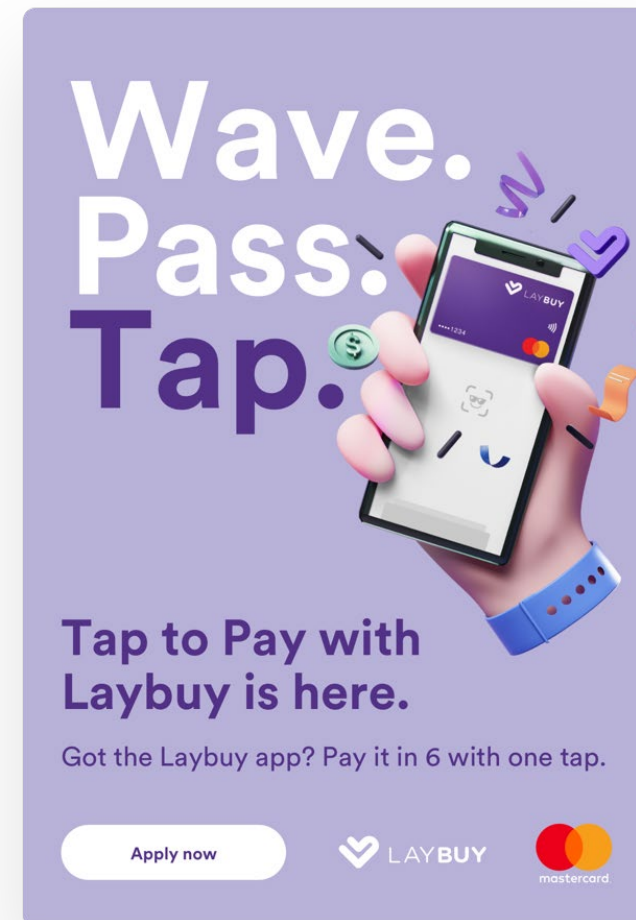
Momentum is building fast in the UK with further large brands coming on board in 2021 which will support step changes in GMV



Digital Card is transforming the in-store customer and merchant experience

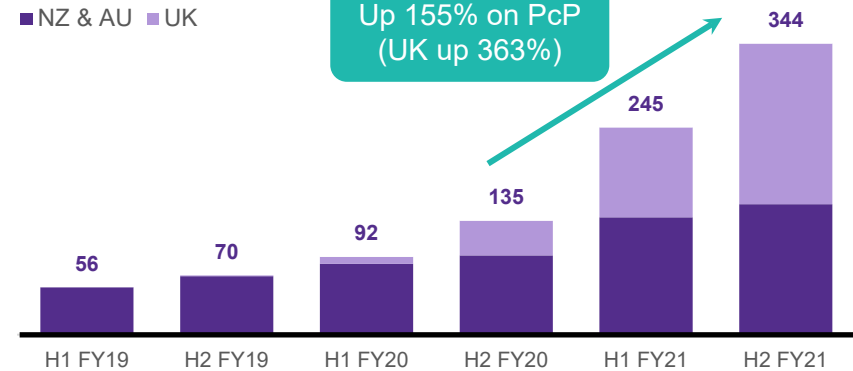
Currently live in AU and NZ, the UK to closely following easing of COVID19 restrictions, this “Tap to Pay” BNPL offering allows customers to bypass a number of steps currently required for in-store transactions

- Significant acceleratory for Laybuy’s in-store offer.
- The digital card is live in Australia and New Zealand, UK on hold until COVID restrictions are lifted.
- Digital card integrates with the existing Laybuy App and offers integrated payment support for the majority of mobile devices, including iOS and Android.
- The digital card makes it easier for customers to use Laybuy in-store because it allows them to skip a number of steps that are usually required when making purchases using BNPL.
- Allows retailers to enable Laybuy with unparalleled ease, making it even easier for them to introduce “Tap to Pay” BNPL to their shoppers

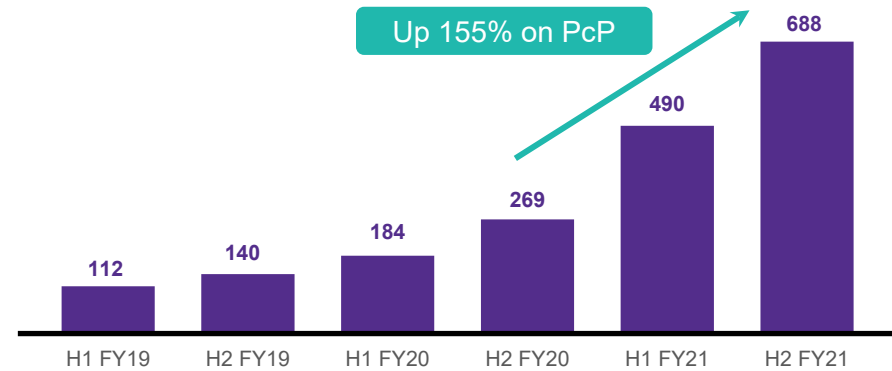


Demonstrating record growth across all key operating metrics

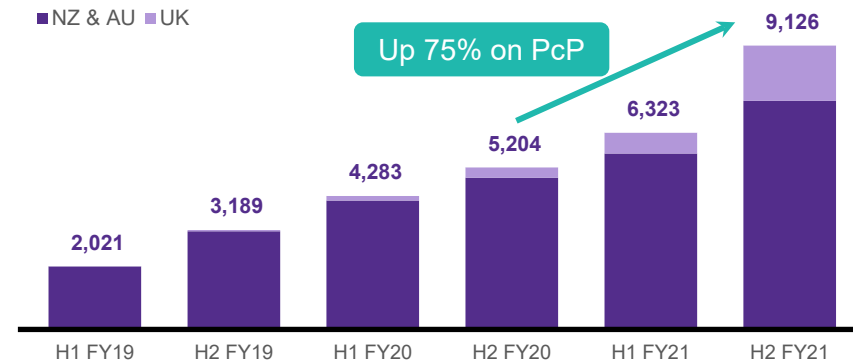
GMV (NZ\$m)



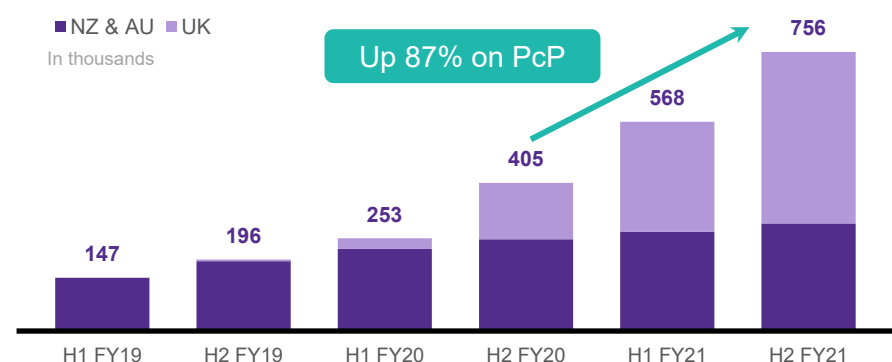
Annualised GMV (NZ\$m)⁴



Active merchants⁵



Active customers⁶



4. Annualised GMV is based on annualising the GMV for the relevant half year

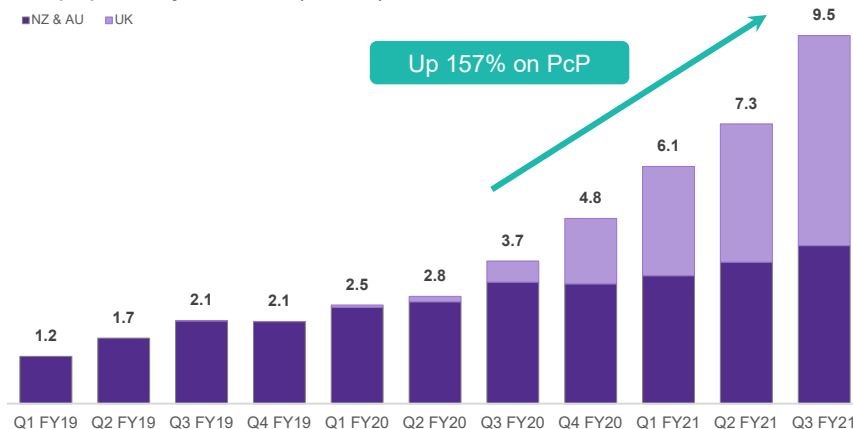
5. An "Active merchant" is a merchant who has received payment for a purchase through the Laybuy platform within the 12 months prior to the end of the relevant period

6. An "Active customer" is a customer who has made a purchase through the Laybuy platform within the 12 months prior to the end of the relevant period

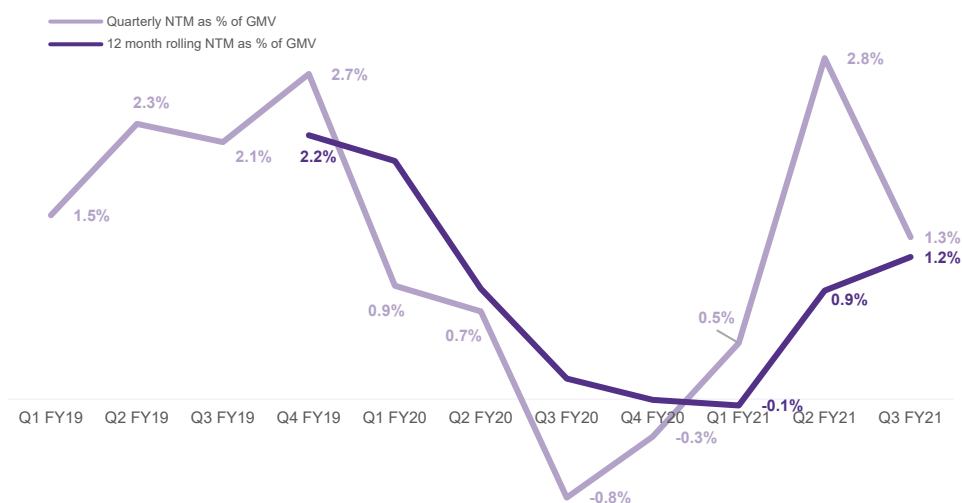
Rapidly Growing Income

Quarterly income continues to grow rapidly, largely supported by growth in the UK, while NTM remains positive. Revenue increased by 157% in Q3 FY21 compared to Q3 FY20.

Group quarterly revenue (NZ\$m)



Transaction Margin (% of GMV)



Full year FY21 Results

Laybuy's differentiated offering and growing brand awareness is delivering strong growth rates across all regions in the key operating and financial metrics.



Laybuy has made significant progress against its growth strategy during FY21, delivering on key strategic initiatives such as its global partnering programme and “Tap to Pay”

Despite seasonality and COVID-19 lockdown impacts, Q4's growth remained strong (YoY)

- FY21 GMV up 159% on PcP to \$589m (above forecast given on 8 March 2021 of \$581m - \$586m)
- Laybuy expected to deliver results above analyst consensus expectations for Revenue and Net Transaction Margin
- Operating cash flows for the quarter were slightly ahead of the break-even position originally forecasted in the December result announcement
- Laybuy continues to increase its investment in people, product and partnerships to support growth ambitions

Operational Metrics	FY21	FY20	% change
UK GMV¹	\$296m	\$49m	504%
ANZ GMV¹	\$293m	\$178m	65%
GMV	\$589m	\$227m	159%
Active Customers²	756,000	404,000	87%
Active Merchants³	9,126	5,204	75%

Below outlook was provided in the “Laybuy Market Update” (ASX announcement 8 March 2021)

FY21 Forecast	FY21	FY20	% change
Revenue⁴	\$32.0m - \$33.0m	\$13.7m	134 - 141%
Net Transaction Margin (NTM)⁴	\$10.2m - \$10.7m	-\$0.02m	

1. FX rates used to calculate UK/AU results to NZD equivalent: converted NZD/GBP at 0.51 and NZD/AUD at 0.93

2. Number of Active Customers. An 'Active Customer' is a customer who has made a purchase through the Laybuy platform within the last 12 months

3. Number of Active Merchants. An 'Active Merchant' is a merchant who has received payment for a purchase through the Laybuy platform within the last 12 months

4. Forecast for the full year Revenue and NTM. Provisioning rates (included in calculation of NTM) have been estimated based on the expected credit loss model and may change based on actual losses when determined

Thank you.



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