

**ASX ANNOUNCEMENT (ASX: LBY)**

28 July 2021

**Q1 FY22 Results Presentation**

Attached is Laybuy's Q1 FY22 Results Presentation relating to the Quarterly Activities Update and Appendix 4C released earlier today.

A Zoom webinar will be held **29 July 2021 at 13:00 (AEST)/ 15:00 (NZT)** by Gary Rohloff (CEO and Managing Director) and Katrina Kirkcaldie (Chief Financial Officer) to discuss the Q1 Business Update. Please click this URL to join <https://laybuy.zoom.us/j/86378305149>. Or join by phone using meeting ID 863 7830 5149. International numbers available at the following link: <https://laybuy.zoom.us/j/kd85u5LlaH>. Registration is required.

**ENDS**

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**This announcement was approved for release by Gary Rohloff, Managing Director of Laybuy Group Holdings Limited.**

**About Laybuy**

Launched in 2017, Laybuy is a rapidly growing fintech company providing buy now, pay later services partnering with over 10,000 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](https://laybuyinvestors.com).





Laybuy (ASX:LBY)

# Q1 FY22 Results Presentation

28 July 2021





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All numbers are stated in New Zealand dollars (NZ\$) and relate to the three months ended 30 June 2021 (Q1 FY22) and comparisons relate to the three months ended 31 March 2021 (Q4 FY21 or QoQ) or to the three months ended 30 June 2020 (Q1 FY21 or YoY) unless stated otherwise.



# Q1 FY22 – Performance Highlights

Record GMV growth delivered in Q1 of FY22, supported by acceleration in the UK and continuous growth in ANZ.

Annualised Gross Merchandise Value (GMV<sup>1</sup>) increased to

**NZ\$738m**

A record quarter for Laybuy  
↗ Up 58% on YoY

Revenue for the quarter was a record

**NZ\$10.4m**

Supported by strong GMV growth and improved merchant fee income  
↗ Up 70% on YoY

UK GMV growth of

**107%**  
on YoY

Increasing to £49 million or £196 million annualised

Net Transaction Margin (NTM) at

**2.0%**  
of GMV

For Q1 FY22, up from 0.5% YoY

Active Customers<sup>2</sup> reached

**829,000**

↗ Up 356,000 or 75% on YoY

Active Merchants<sup>3</sup> reached over

**10,000**

↗ Up 4,759 or 84% on YoY

Laybuy remains on track to **exceed annualised GMV of NZ\$1 billion** during FY22

Acceleration of UK growth:

Successful capital raise

**A\$40m**

To support the UK region growth

**Launched Tap to Pay** in the UK in Q1 to provide Laybuy's digital in-store solution to UK customers

**Strategic partnership** Rakuten, Awin and Sovrn in tech development, expected to go live in Q2, which will further boost GMV

<sup>1</sup> GBP and AUD denominated GMV and metrics are converted at the average historical exchange rates for each of the quarters. Annualised GMV is calculated as quarter GMV multiplied by four

<sup>2</sup> 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

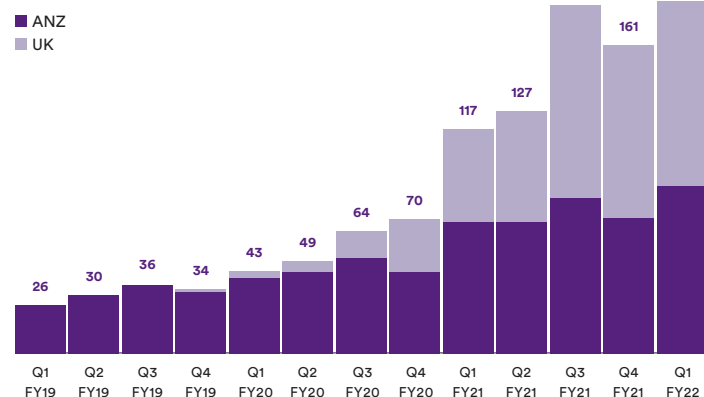
<sup>3</sup> An "Active merchant" is a merchant who has received payment for a purchase through the Laybuy platform within the 12 months prior to the end of the relevant period



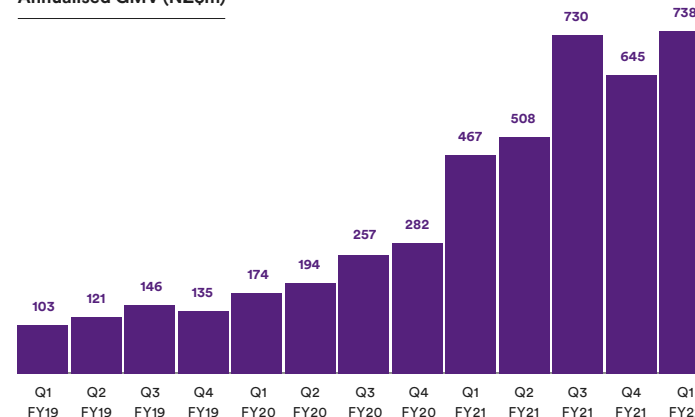
## Record GMV delivered in Q1

Laybuy continues to deliver with record GMV in Q1, up 58% YoY with the UK up 107% YoY. This was supported by strong new merchant growth, an increase in active customers and thereby supporting GMV growth.

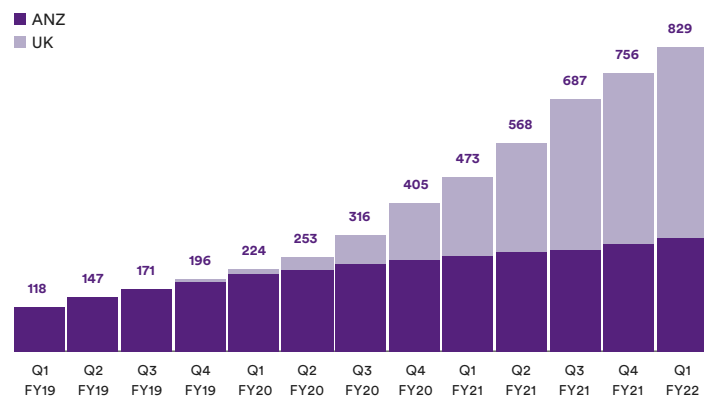
GMV quarterly (NZ\$m)



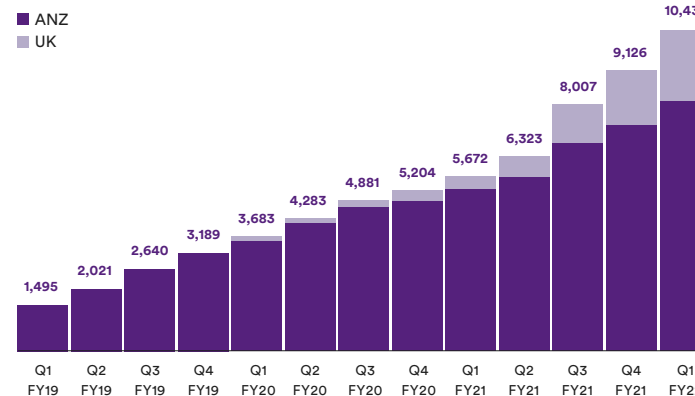
Annualised GMV (NZ\$m)



Active customers ('000)



Active merchants

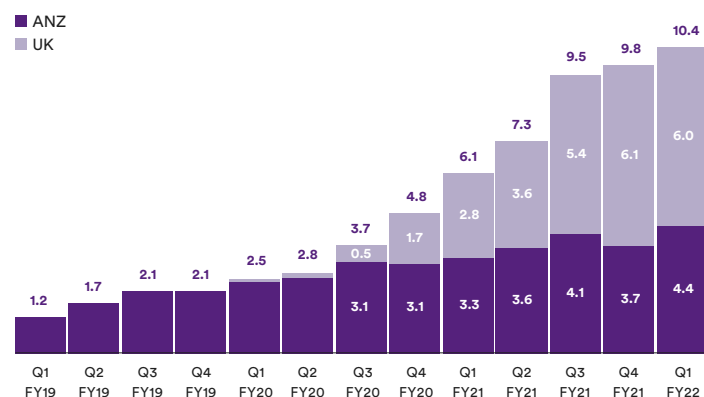




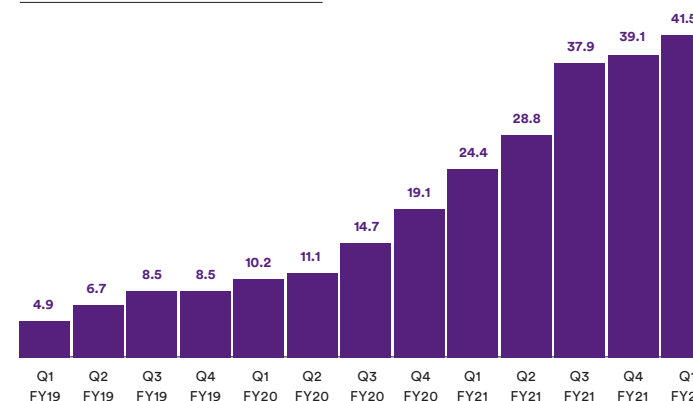
## Revenue momentum continues to grow

Laybuy's revenue continues to improve quarter on quarter, with merchant commission rates increasing.

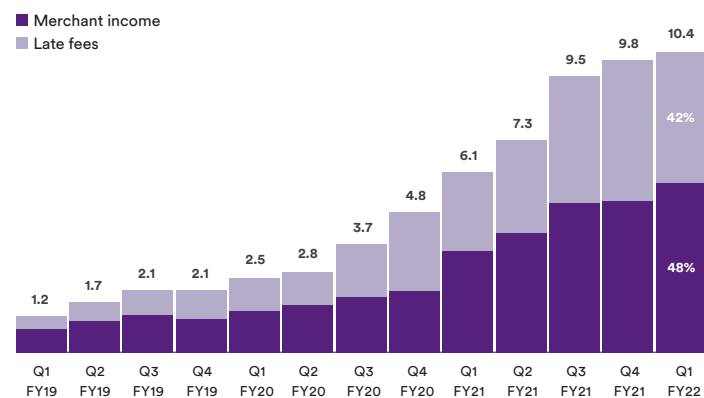
Quarterly income by region (NZ\$m)



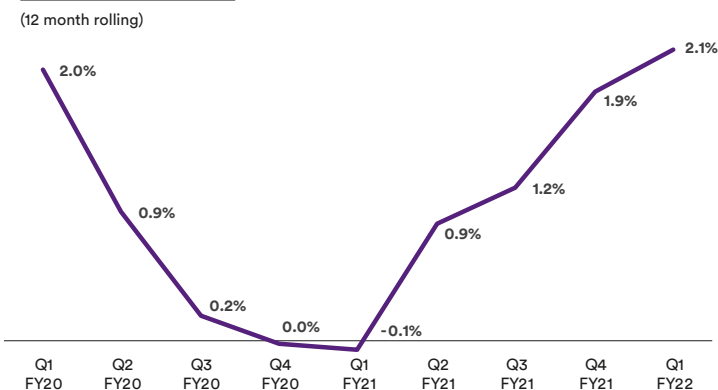
Quarterly annualised income (NZ\$m)



Quarterly income by type (NZ\$m)



Net transaction margin %





# Financial Information





## Key financial and operational metrics

Record GMV and income supported by strong growth in the UK and ANZ

	Q1 FY22	Q4 FY21	Q1 FY21	% increase QoQ	% increase YoY
<b>Group (NZ\$m)<sup>1</sup></b>					
GMV	\$184m	\$161m	\$117m	14%	58%
Annualised GMV <sup>2</sup>	\$738m	\$645m	\$467m	14%	58%
Active Customers <sup>3</sup>	829,000	756,000	473,000	10%	75%
Active Merchants <sup>4</sup>	10,431	9,126	5,672	14%	84%
Income	\$10.4m	\$9.8m	\$6.1m	6%	70%
Annualised Income	\$41.5m	\$39.1m	\$24.4m	6%	70%
Net Transaction Margin (NTM) <sup>5</sup>	\$3.7m	\$4.0m	\$0.6m	(11%)	568%
NTM % of GMV	2.0%	2.5%	0.5%	(0.5%)	1.5%
Defaults % of GMV	2.5%	2.1%	3.4%	0.4%	(0.9%)
<b>UK (£m)</b>					
GMV	£49m	£46m	£24m	6%	107%
Annualised GMV	£196m	£186m	£95m	6%	107%
Active Customers	516,900	463,100	212,300	12%	143%
Repeat Customers <sup>6</sup>	62%	62%	56%	0%	5%
Active Merchants	2,314	1,785	442	30%	424%
<b>ANZ (NZ\$m)</b>					
GMV	\$88m	\$72m	\$69m	23%	28%
Annualised GMV	£354m	£287m	£276m	23%	28%
Active Customers	312,000	293,000	261,000	6%	20%
Repeat Customers	72%	73%	68%	(1%)	4%
Active Merchants	8,117	7,341	5,230	11%	55%

- **Annualised GMV of NZ\$738 million, up 58%** on Q1 FY21, with UK growth up 107% YoY.
- **Annualised income of \$41.5 million, up 70%** on Q1 FY21, supported by strong GMV growth through increased active customers and active merchants. Merchant commission % improved YoY as a result of improved mix of merchants, while late fees continue to reduce as a % of total income.
- **UK income** increased by 261% on Q1 FY21, supported by strong GMV and improved merchant fee income.
- **NTM increased** to 2.0%, up from 0.5% in Q1 FY21, as defaults reduced from 3.4% to 2.5% YoY.
- **Active customers** increased by 75% to 829,000. **Repeat customers** continued to increase in all regions. UK increased 5% YoY while ANZ increased 4% YoY.
- **Active merchants** increased by 84% to over 10,000, with the UK up 424%.

<sup>1</sup> FX rates used to calculate UK/AU results to NZD equivalent: converted NZD/GBP at 0.52 and NZD/AUD at 0.93

<sup>2</sup> Annualised GMV multiplies the current quarter by four

<sup>3</sup> An 'Active Customer' is a customer who has made a purchase through the Laybuy platform within the last 12 months

<sup>4</sup> An 'Active Merchant' is a merchant who has received payment for a purchase through the Laybuy platform within the last 12 months

<sup>5</sup> 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

<sup>6</sup> A customer who has made more than one purchase through the Laybuy platform within the 12 months prior to the end of the relevant period





# Regional Performance

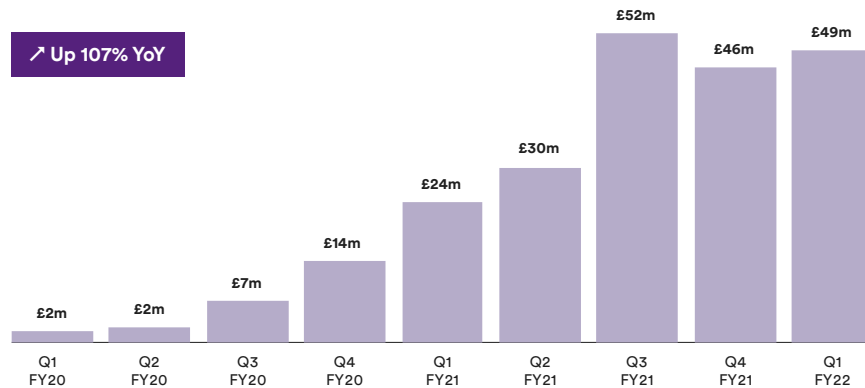




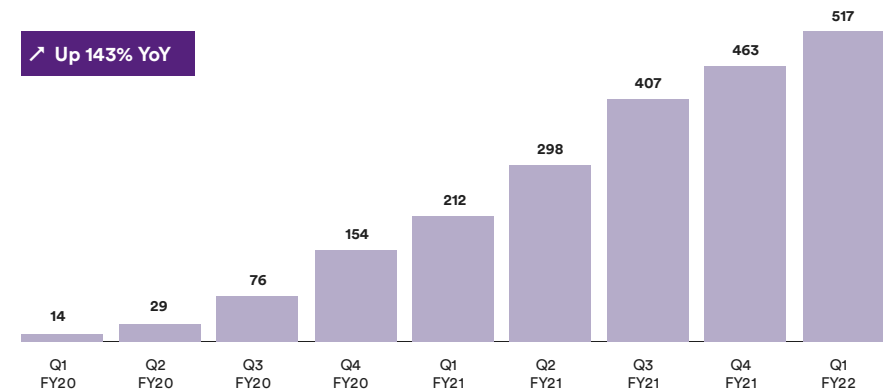
## United Kingdom

Record growth across all operating metrics, GMV up 107% YoY. Tap to Pay launched in Q1 to support acceleration of GMV growth.

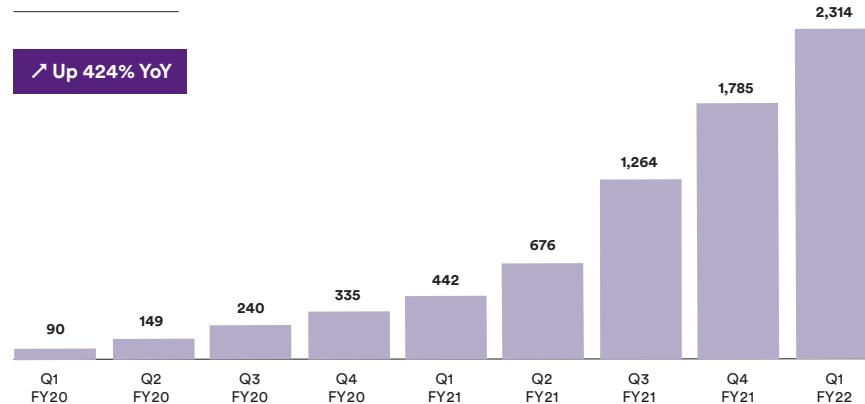
UK quarterly GMV (£m)



UK active customers ('000)



UK active merchants



Key merchants

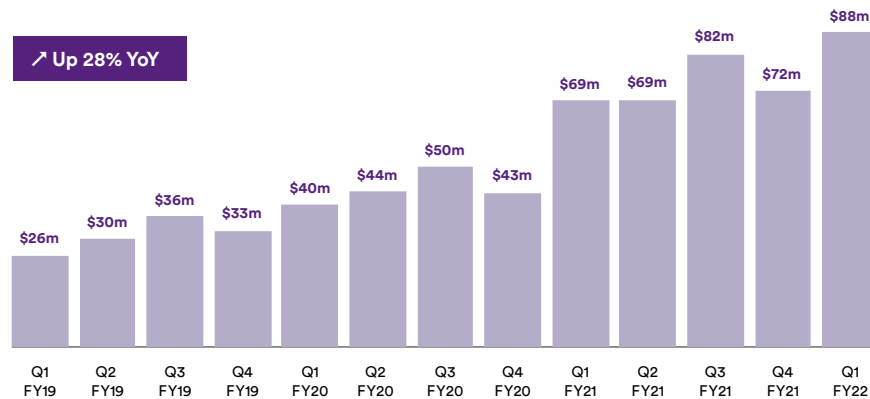




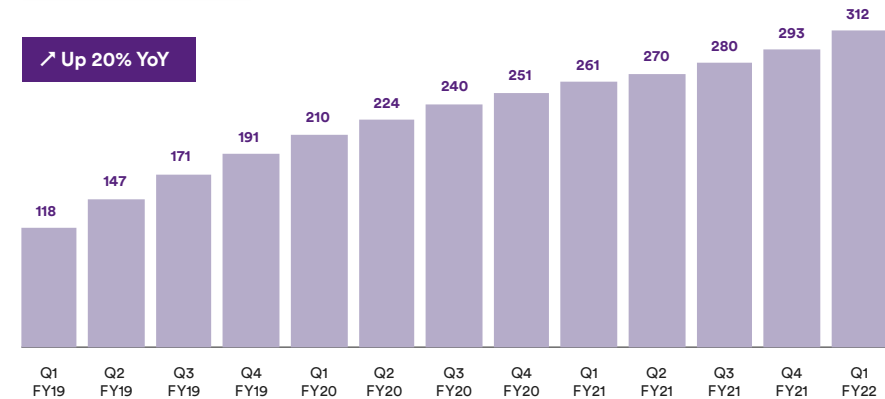
## Australia & New Zealand (ANZ)

Laybuy is a market leader in New Zealand, and has a growing presence in Australia.

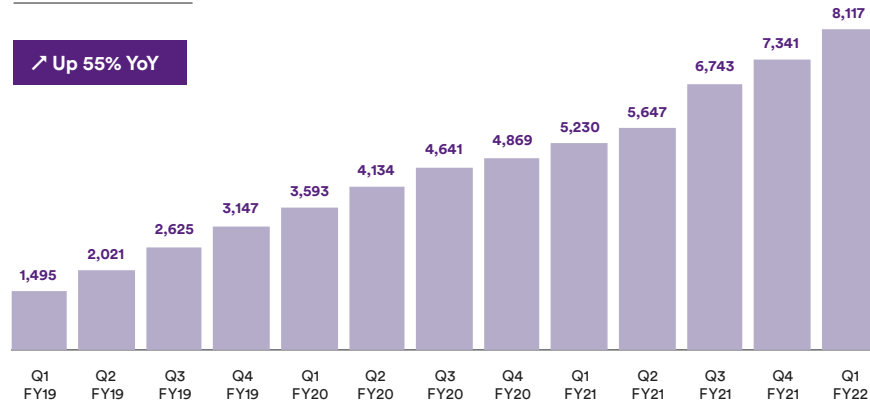
ANZ quarterly GMV (NZ\$m)



ANZ active customers ('000)



ANZ active merchants



Key merchants





# Strategy and Outlook



## Laybuy expands its merchant offering

A number of household brands onboarded in Q1, with more in the pipeline for Q2 and beyond.



### United Kingdom

[WAREHOUSE.]



OASIS

stichd®

Providing online merchandise stores for



AMG  
PETRONAS  
FORMULA ONE TEAM



### Australia

ADOREBEAUTY



BOARDRIDERS.

STATESIDE  
SPORTS



colette  
by colette hayman

XX  
MISSYEMPIRE



### New Zealand



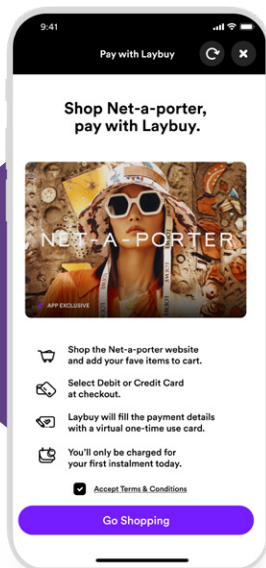
<sup>1</sup> Largest automotive industry body in NZ, representing 3,700 members\*\*



## Affiliate marketing network

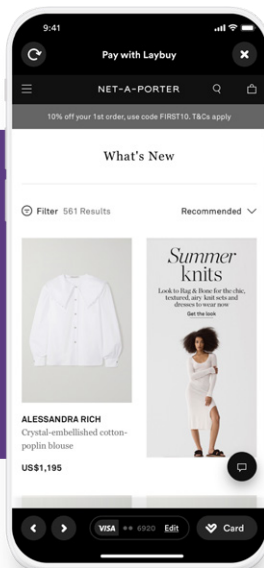
Laybuy announced a strategic partnership with Awin, Rakuten and Sovrn in Q1, which will see customers gain access to thousands of merchants in the UK, with large influential household brands.

- Customers access affiliate retailers through the **Laybuy Shop Directory** and can pay by Laybuy over 6 weeks, interest free
- No merchant integration required
- Laybuy enables the BNPL service through a digital card **Tap to Pay**
- More than **half a million active customers** in the UK



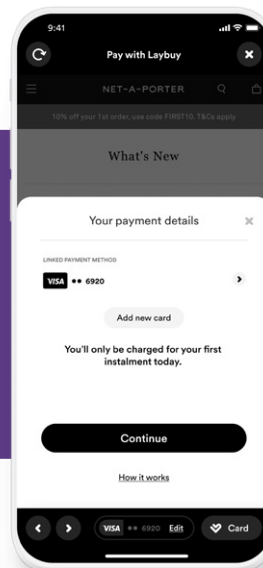
### Step 1

The customer explores our Shop Directory and finds your brand featured.



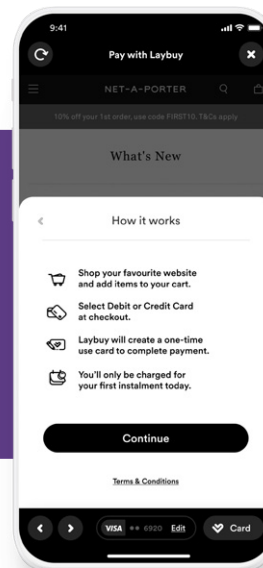
### Step 2

The customer shops your store and adds their items to their cart as normal.



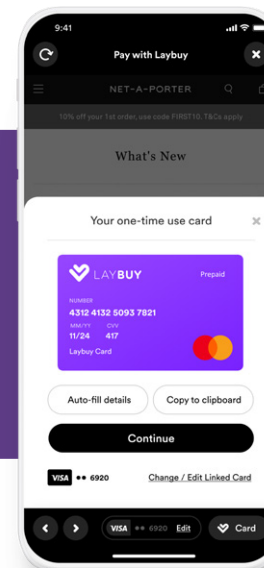
### Step 3

The customer can view their assigned card and change payment details for the order.



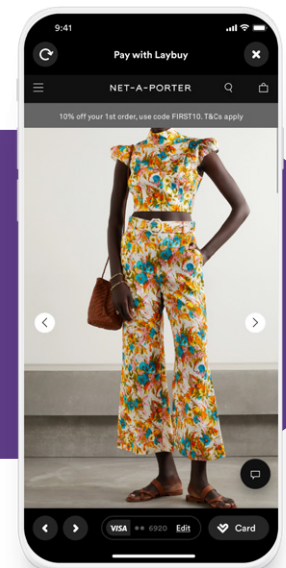
### Step 4

We provide an overview of the experience, every step of the way.



### Step 5

Phantom Card is automatically filled into the credit/debit card section at checkout.



### Step 6

The order is confirmed, you've paid the full amount of the sale and the customer repays Laybuy over 6 weeks.



## Affiliate marketing network

Brands we're working with

amazon

NET-A-PORTER

ebay

NEW  
LOOK

asos  
discover fashion online

RIVER ISLAND



M&S  
EST. 1884

 lululemon

 adidas

Foot Locker

ESTÉE LAUDER



Chloé

 sunglass hut

FARFETCH

PANDORA

REISS

schuh

MATCHES  
FASHION



## UK Retail Market and BNPL

The UK market continues to grow its online retail spend and POS financing<sup>1</sup> is starting to make a change to the way consumers purchase in traditional brick and mortar stores.

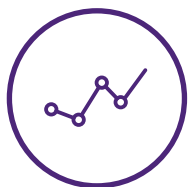


**Online sales** have risen three fold in the last 10 years<sup>2</sup>

**324%**



Average **annual growth** of **45%** in online retail sales in 2020<sup>2</sup>



**Online sales** as a percentage of total retail increased from **19% to 28%** (2019 to 2020)<sup>2</sup>



**Laybuy GMV** growth FY21 vs FY20

**504%**



**POS financing** accounting for nearly **4%** of all retail sales made online in 2020<sup>2</sup>



Almost a **fifth of the UK's population** have used POS financing as they shift away from credit cards<sup>3</sup>

<sup>1</sup> Point of Sale (POS) financing includes Buy Now Pay Later as well as other non-traditional credit card payment methods

<sup>2</sup> Retail market estimates are approximate and rounded as at 2019 and 2020. Retail market: predominantly food stores, non-specialised stores, textile, clothing and footwear stores, household goods stores, other stores and non-store retailing. Source: <https://www.retailconomics.co.uk>

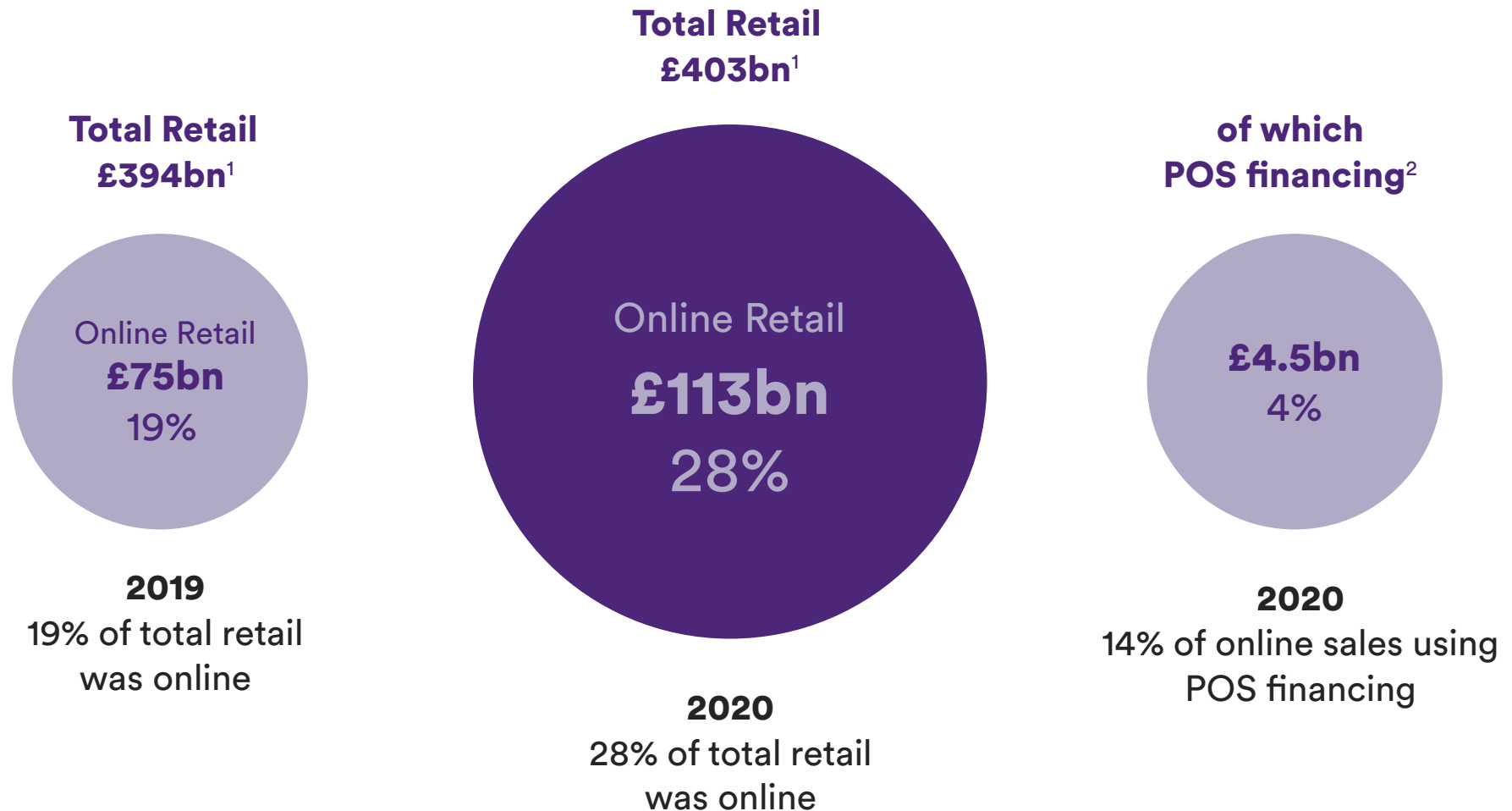
<sup>3</sup> <https://internetretailing.net/mobile-theme/mobile-theme/almost-a-fifth-of-the-uks-population-have-used-buy-now-pay-later-as-they-shift-away-from-credit-cards-and-towards-mobile-22843>





## UK Retail Market and BNPL

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



<sup>1</sup> Retail market estimates are approximate and rounded as at 2019 and 2020. Retail market: predominantly food stores, non-specialised stores, textile, clothing and footwear stores, household goods stores, other stores and non-store retailing. Source: <https://www.retailconomics.co.uk>

<sup>2</sup> Point of Sale (POS) financing includes Buy Now Pay Later as well as other non-traditional credit card payment methods



## FY22 Outlook

Laybuy continues to remain confident of strong growth across all its markets as it continues to deliver on key strategic initiatives.

### Strong momentum continues into FY22

GMV remains strong into July and expected to boost even further as new merchants are onboarded and the affiliate marketing network goes live later in Q2.

The first merchants who will go live as part of the UK affiliate network include household brands such as:

amazon

NET-A-PORTER

ebay

NEW  
LOOK

asos  
discover fashion online

NIKE

M&S  
EST. 1884

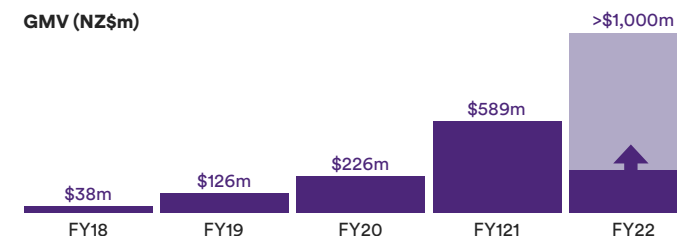
adidas

### Global capital management

Victory Park Capital

### Laybuy's outlook for FY22 remains on track as per previously reported

Outlook		
GMV growth	On track to exceed GMV of NZ\$1bn	<ul style="list-style-type: none"> <li>• Strong ongoing growth</li> <li>• Customer and merchant growth together with increased repeat usage</li> </ul>
Income growth	90% - 100% growth on FY21	<ul style="list-style-type: none"> <li>• Ongoing GMV growth across all regions led by the UK and;</li> <li>• Continued growth in new merchants and active customers</li> </ul>
NTM (12 month rolling) growth	Continue to improve on FY21	<ul style="list-style-type: none"> <li>• Driven by lower defaults and increased repeat customers</li> </ul>



# Thank You



**Gary Rohloff**

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**Katrina Kirkcaldie**

Chief Financial Officer

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