



The way forward.

2Q21 Presentation

17 AUGUST 2021

This presentation is authorised for
release by the Board
16 August 2021

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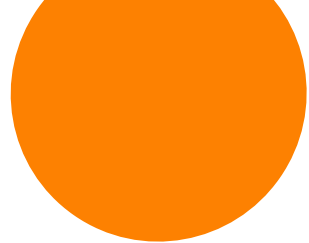
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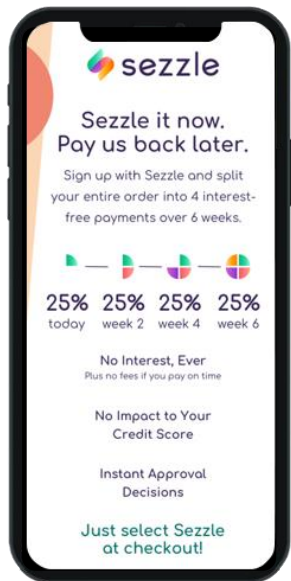


OUR MISSION

**Financially
Empower the Next
Generation**



A Different Kind of Payments Company



Budgeting
Flexibility



Mission
Driven



Consumer
Financial
Freedom



Improved
Merchant
Results



Seamless
Integration



Partnership
Approach



Two-sided Network for Merchants and Consumers

For Consumers



No interest¹



Tap and build credit



Fully Digital Experience



Payment flexibility



Access new brands



High Approval Rates



For Merchants



Increased AOV and lower product returns



Consumer insights and marketing



Easy integration



Higher Purchase Frequency



Daily settlement and no credit or fraud risk



Improved customer satisfaction

¹ Not including long-term installment payment plans with Ally Financial.



Scaled Platform

\$1.4 billion

LTM UMS^{1,4}

3.0 million

Active Consumers^{2,4}

41,800

Active Merchants^{3,4}

2.2 million+

Cumulative App Downloads⁵

49x

Average Annual Transactions
for Top 10% of Consumers⁶

4.8 / 5.0

Trustpilot Rating⁷

¹ UMS defined as total value of sales made by merchants based on the purchase price of each confirmed sale through the Sezzle Platform with LTM representing the Last Twelve Months. July 2021 UMS was US\$150.6M, up 109.7% YoY. ² Active Consumers is defined as unique end users who have purchased through the Sezzle Platform within the last twelve months. ³ Active Merchants is defined as merchants who have had transactions through the Sezzle Platform in the last twelve months, and there is no minimum required number of transactions to meet the Active Merchant criteria. ⁴ As of 31-July-2021. ⁵ As of 30-Jun-2021. ⁶ Based on UMS over rolling 12-month period ended 30-June-2021. ⁷ As of 14-July-2021.



We're Just Getting Started With Our Growth Plans



Market Penetration

- ✓ Large upside potential given low BNPL penetration of e-commerce (1.6% in North America¹)
- ✓ New product verticals seeing increased user and merchant demand for BNPL offerings



Product Innovation

- ✓ Long-term installment offering through bank partnerships (with Ally Financial)
- ✓ In-store capabilities with Sezzle Virtual Card
- ✓ Credit-building through Sezzle Up offering



Geographic Expansion

- ✓ Launched in Canada in Spring 2019
- ✓ Positive trends in India, favorable cross-border discussions in Europe, and in the early stages of entering Brazil



Growth in New Verticals

- ✓ Expansion into new categories including health, electronics, and travel
- ✓ Themed categorization to allow consumers to shop their values, including black-owned, sustained, location-specific, and other designations



Diversified Merchant Partners

- ✓ Continued buildout of omnichannel offering with scale retailers including Target, GameStop, and Pure Hockey
- ✓ Actively onboarding established direct to consumer (DTC) and enterprise retailers while expanding in-store offerings to SMBs



Tapping into a Global Market.



Canada

- Launched in Spring 2019
- UMS run-rate > US\$100M (based on May 2021 UMS)
- 2Q21 Active Consumers rose 320% to > 150k
- 2Q21 Active Merchants up 290% to > 2,600

United States

- Primary Market

Brazil

- Launched in April 2021 and on track

Europe

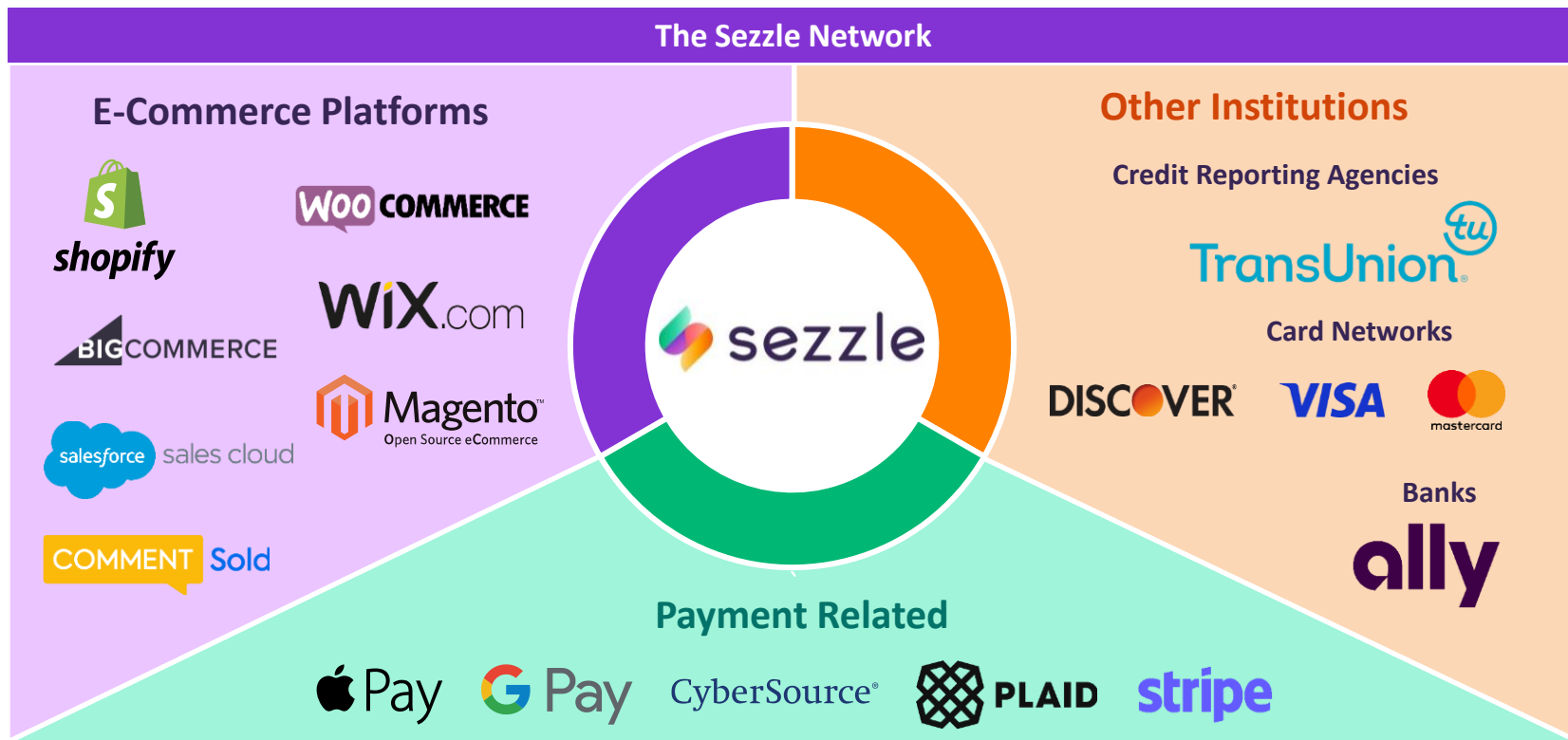
- Pilot/Market Development began at the end of 2020
- Step up on cross-border discussions with merchants and merchant acquisition platforms
- 2Q21 signed THG PLC (The Hut Group) and Valencia CF

India

- Launched in July 2020
- Tracking similarly to Sezzle US at the same stage in terms of consumer growth
- Favorable trends in processing costs and loss rates
- Further improvement needed in unit economics before making larger scale investment



Building Network of Omnichannel Solutions



Partnership with



- 19 July 2021, Sezzle issued Discover Financial Services (“Discover”) 4,559,270 shares of the Company’s common stock for US\$30.0 million.
- Sezzle and Discover are finalizing a definitive commercial agreement, including:
 - Plans for a buy now, pay later network solution on the Discover Global Network.
 - Dedicated referral program introducing Discover credit and debit products to Sezzle’s consumer base.



DISCOVER FAST FACTS

- One of the largest digital banks in the United States with total assets in excess of US\$110.0 billion as of 31 December 2020.
- Discover accepted at over 50 million locations in 2020 through its Discover Global Network (Discover Network, PULSE Debit Network, and Diners Club International).
- In 2020, the Discover Global Network had US\$417 billion in volume.

Preferred BNPL Partner for



- 03 August 2021, BigCommerce announced Sezzle, as a new preferred buy now, pay later partner.
- As of 30 June 2021, BigCommerce served ~58,000 online stores across industries in ~147 countries.
- Natively integrated as a payment gateway in the BigCommerce Control Panel, merchants can enable the Sezzle payment option with a single click to display a Sezzle widget at checkout.
- BigCommerce (Nasdaq: BIGC) is a leading SaaS ecommerce platform that empowers merchants of all sizes to build, innovate and grow their businesses online.

“There are a number of BNPL providers in the market right now, but Sezzle’s commitment to giving consumers a responsible way to slowly build credit without taking on large amounts of debt was a key differentiator in deciding to make them a preferred BNPL partner.”

Mark Rosales, Vice President of Payments at BigCommerce

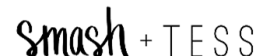
From Start-ups to Large Retail Enterprises



Frank And Oak



RUDSAK



peak design



SPARTAN CAMERA





Key Digital Payments Platform

Leading recognition across the industry

THE INNOVATORS 2021 GLOBAL FINANCE

Banking CIO Outlook
Top 10 Payment and Card Solution Providers

facebook
4.7 ★★★★★
14,392 Reviews

Google Play
4.8 ★★★★★
14,000 Reviews

App Store
4.9 ★★★★★
28,000 Reviews

2021 Inc. BEST WORK-PLACES

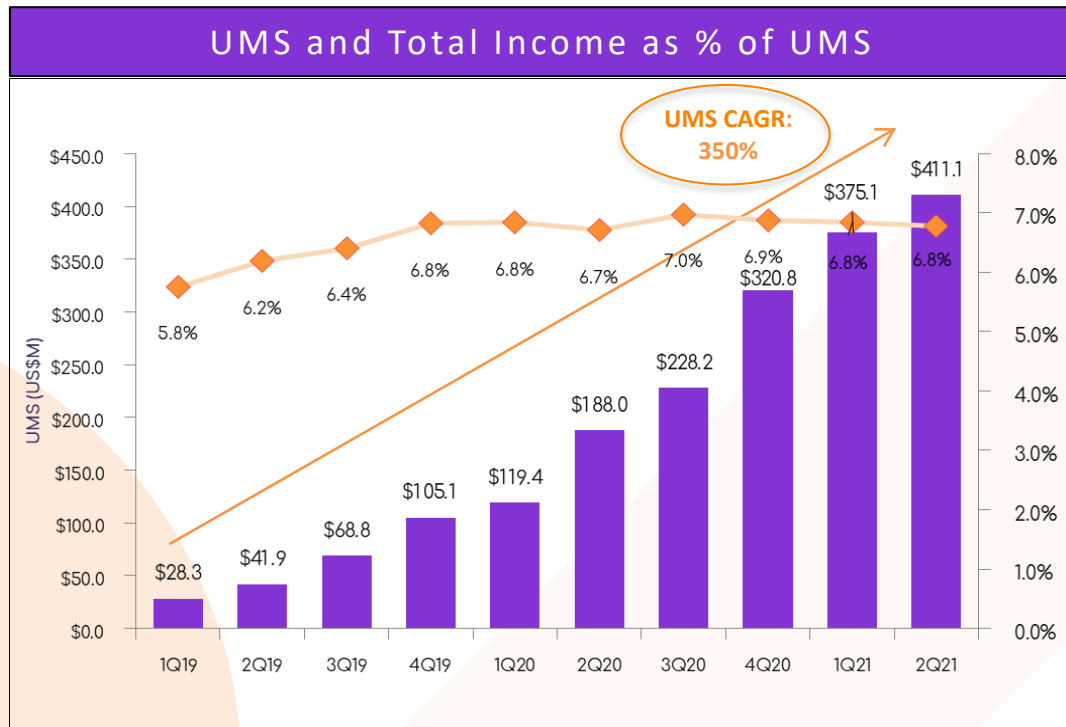
Top Installment Platform

Trustpilot
4.8 ★★★★★
6,252 Reviews

the balance
Best Buy-Now-Pay-Later App for Students

Forbes BEST STARTUP EMPLOYERS 2020

Strong Underlying Merchant Sales and Healthy Income Levels



Commentary

Key drivers of growth include:

- Active Consumers, Active Merchants, and Repeat Usage.
- Active Consumer repeat usage grew to 91.6% in June 2021 (30th consecutive month).
- Top 10% of Sezzle’s consumers based on UMS, transact 49 times per year (~4 times per month).
- Continued headway with larger enterprise merchant partners evidenced by recent additions of Target, Lamps Plus, and Market America Worldwide.

Note: Repeat Usage defined as cumulative orders made by returning end-customers to date relative to total cumulative orders to date.
Top 10% of consumers measured by UMS over rolling 12-month period ended 30 June 2021.

Transaction and Net Interest Expense

US\$M	Quarter ended			
	31/03/20	30/06/20	31/03/21	30/06/21
Payment processing costs	\$ 2.7	\$ 3.9	\$ 6.5	\$ 7.0
Other transaction expenses ¹	0.8	1.3	2.4	2.6
Total transaction expense	\$ 3.5	\$ 5.2	\$ 8.9	\$ 9.6

As % of UMS

Payment processing costs	2.2%	2.1%	1.7%	1.7%
Other transaction expenses	0.7%	0.7%	0.7%	0.6%
Total transaction expense	2.9%	2.8%	2.4%	2.3%

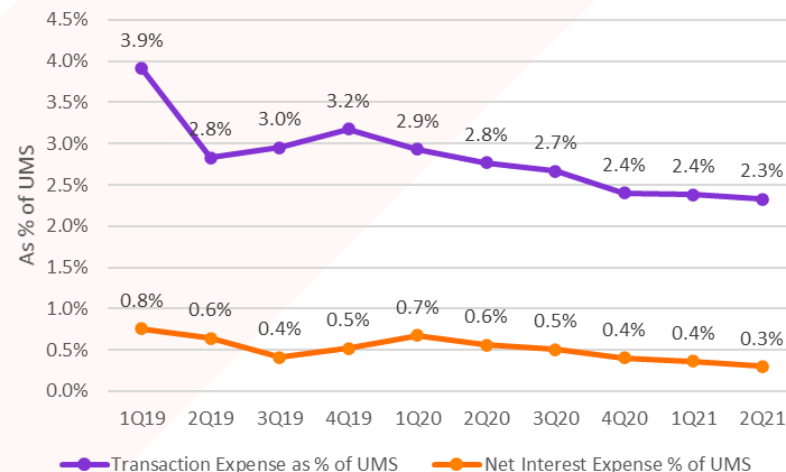
¹Other transaction costs include items such as merchant affiliate and partnership fees and consumer communication costs.

US\$M	Quarter ended			
	31/03/20	30/06/20	31/03/21	30/06/21
Net interest expense	\$ 0.8	\$ 1.0	\$ 1.4	\$ 1.2

As % of UMS

Net interest expense	0.7%	0.6%	0.4%	0.3%
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Favorable trends in transaction and net interest expense from ACH, higher AOVs and new credit facility



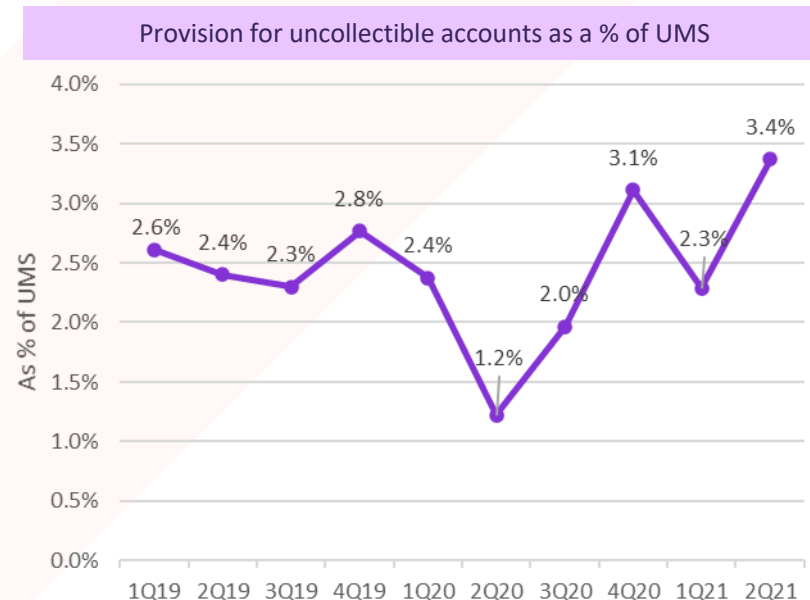
Provision for Uncollectible Accounts

US\$M	Quarter ended			
	31/03/20	30/06/20	31/03/21	30/06/21
Provision for uncollectible accounts	\$ 2.8	\$ 2.3	\$ 8.6	\$ 13.8

As % of UMS				
Provision for uncollectible accounts	2.4%	1.2%	2.3%	3.4%

Provision for uncollectible accounts affected by:

- Expansion testing with large enterprise merchants
- Non-integrated product offerings
- COVID-19 and resulting stimulus



Other Operating Expenses

Other operating expenses (US\$M)	Quarter ended		2H20	FY 2020	Quarter ended	
	31/03/20	30/06/20			31/03/21	30/06/21
Personnel	\$3.2	\$3.4	\$10.5	\$17.1	\$7.0	\$7.5
Equity and incentive-based compensation	0.6	2.6	10.4	13.6	5.3	6.9
Third-party technology and data	0.4	0.5	1.6	2.5	1.2	1.1
Marketing, advertising, and tradeshows	0.3	0.5	3.5	4.3	1.5	1.9
General and administrative	0.9	0.8	5.5	7.2	2.4	3.9
Total other operating expenses	\$5.3	\$7.9	\$31.4	\$44.6	\$17.4	\$21.3

- Other operating expenses growth is mostly driven by personnel and related compensation costs which represent over 65% of other operating expenses. About 47% of personnel and related compensation costs are non-cash in the form of equity and incentive-based compensation.
- General and administrative costs were the second highest category after personnel and related compensation. The YoY increase in 2Q G&A was driven by third-party implementation costs, legal fees associated with filing with the SEC, and other public company reporting costs in connection with our listing on the ASX.



Well-Capitalized for the Future

- Subsequent to quarter end, Sezzle received a US\$30M investment from Discover.
- In February 2021, refinanced receivables funding facility with a new 28-month US\$250M facility.
 - ✓ Lowered borrowing costs,
 - ✓ Extended maturity, and
 - ✓ Increased capacity.
- Certain merchants elect not to receive transaction proceeds up front and leave cash with Sezzle, which totaled US\$79.0M as 30 June 2021.

	Audited	Unaudited
(US\$M)	31-Dec-2020	30-Jun-2021
Cash and cash equivalents	\$84.3	\$58.2
Restricted cash	\$4.8	\$1.8
Total cash	\$89.1	\$60.0
Drawn on line of credit	\$40.0	\$21.0
Unused borrowing capacity	\$23.9	\$56.8
Total line of credit	\$100.0	\$250.0



Thank You

