

Feb 9th 2022



Investor Webinar

Product & Customer Insights

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This announcement has been authorised for release to the ASX by the Chief Executive Officer of Beforepay.



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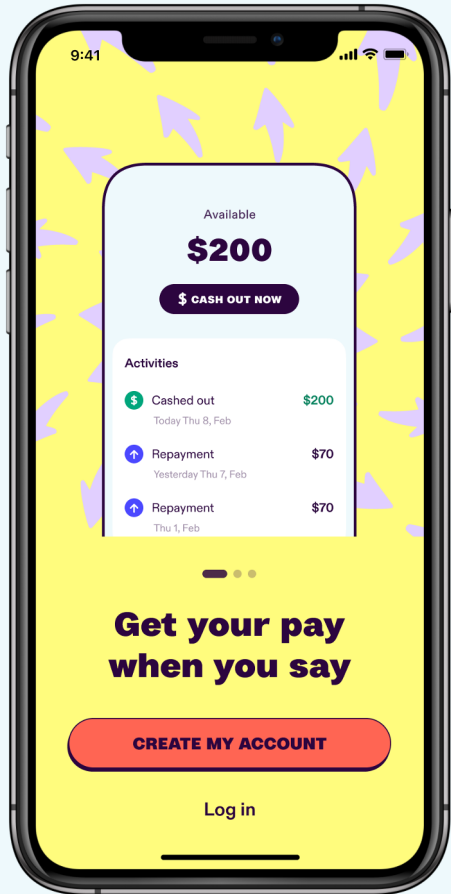
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The Beforepay Product

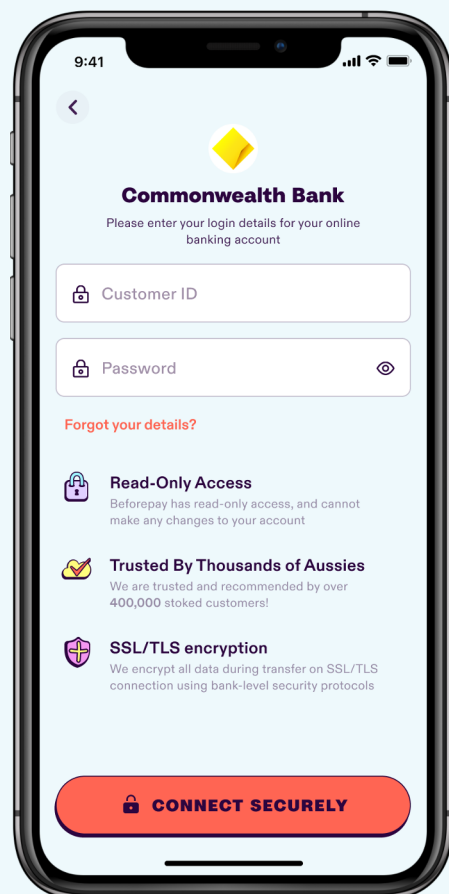
Introducing Pay On Demand



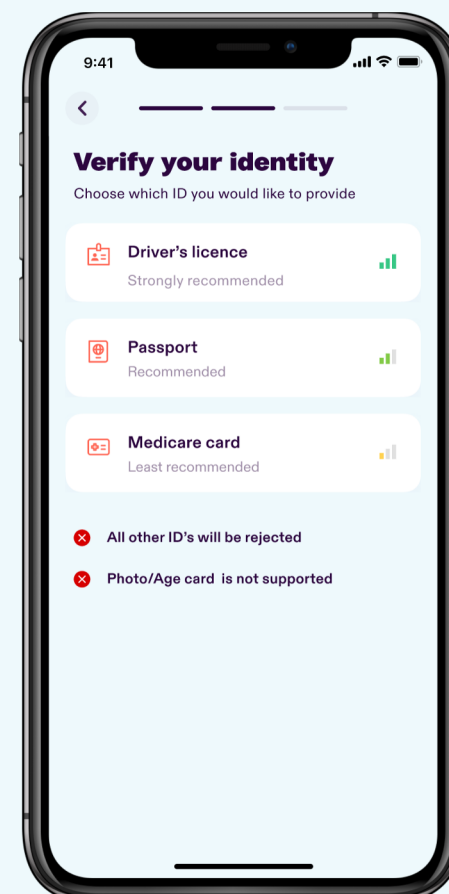
Signup



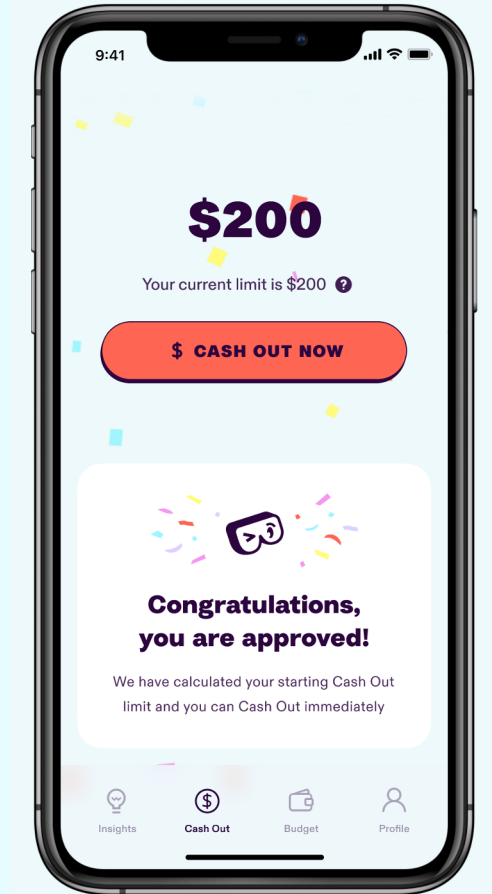
Create Account



Bank Sync



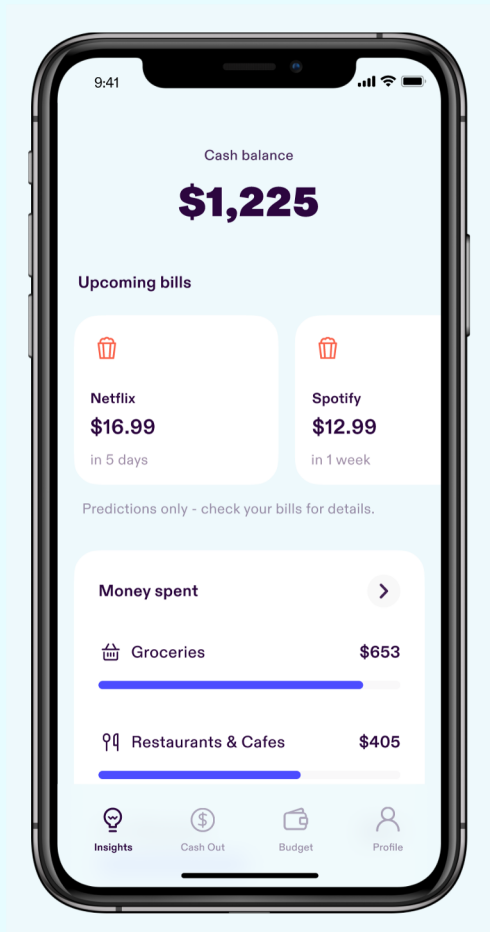
KYC



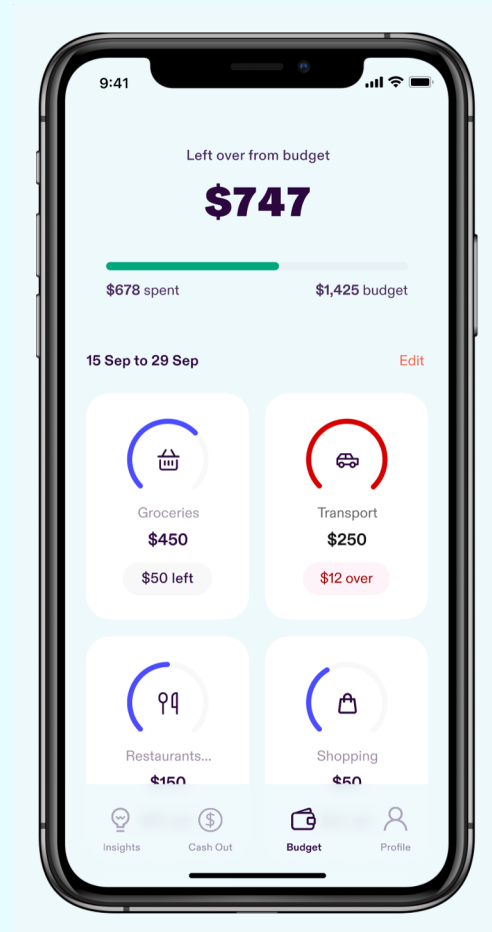
Approved



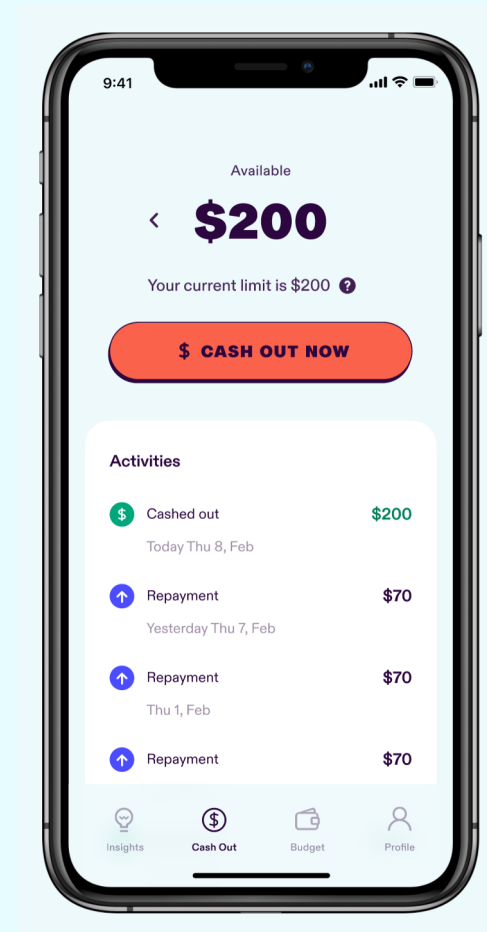
Core App Sections



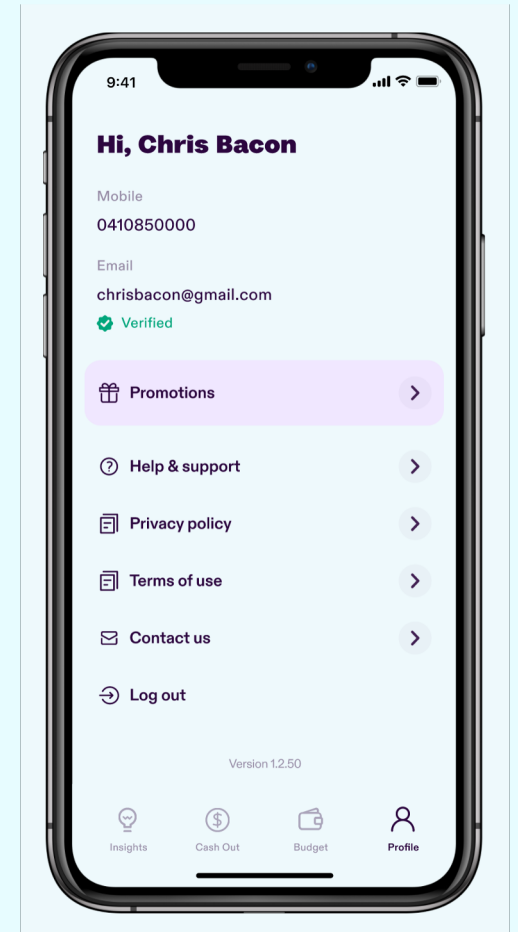
Insights



Budget



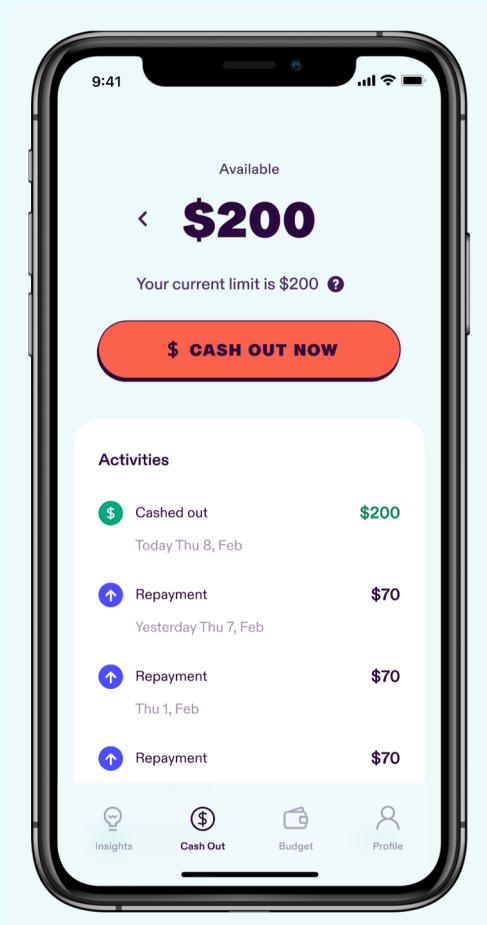
Cash Out



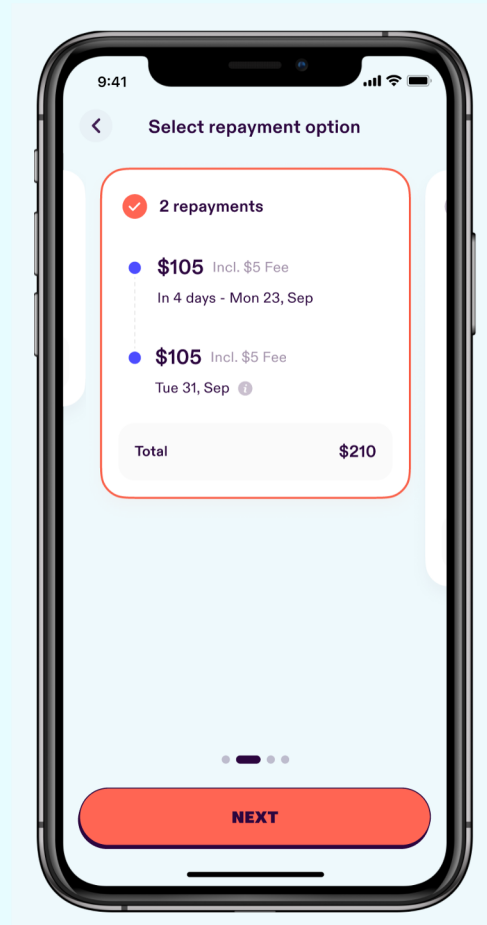
Settings



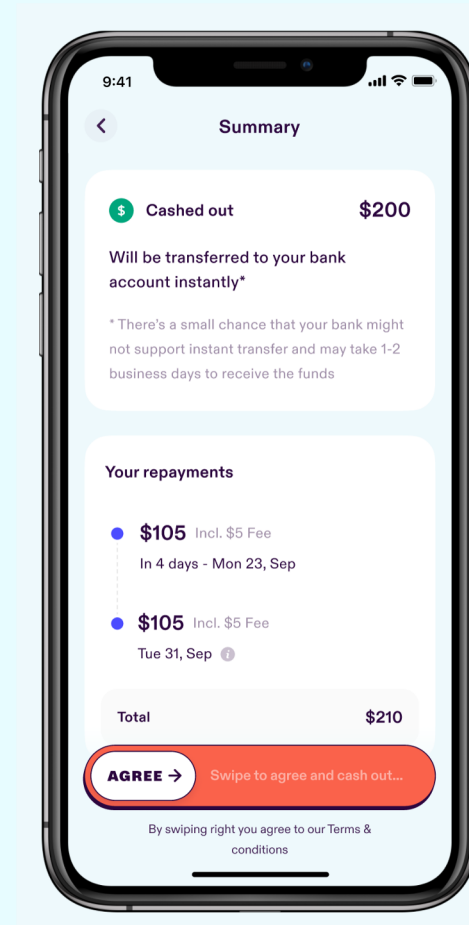
Cash Out Flow



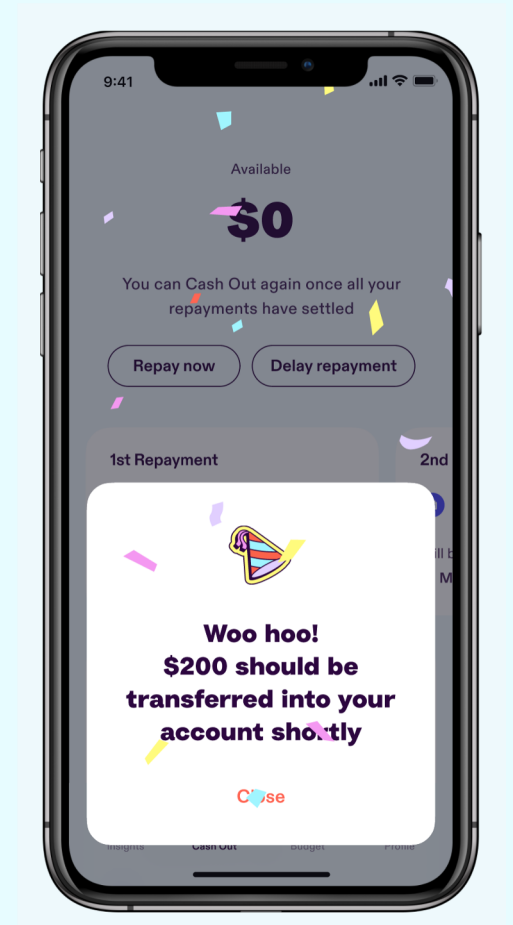
Select Amount



Select Installments



Review



Success



Pay On Demand—a better way

	Payday Loans	Traditional Debt	BNPL
Common product ¹	\$2,000 loan	\$5,000 credit-card	\$250 through a participating merchant
Use case	Anything	Anything	Participating merchants only—mostly retail
Typical duration	16 days to 12 months	Perpetual	4-8 weeks
Revolves?	Yes	Yes	No
Typical cost	20% origination fee, 4% per month fee	\$1,000 p.a. (if fully utilised) + Cash Adv. + Annual fee	Free—cross-subsidized by non-BNPL customers—plus any late fees
Late fees?	Yes, default fee	Yes	Yes



Pay On Demand

- ✓ \$250 pay advance
- ✓ Anything
- ✓ 2-6 weeks
- ✓ No
- ✓ \$5 for every \$100 advanced
- ✓ No

Note:
^{1.} Illustration of an example customer experience from each product vertical



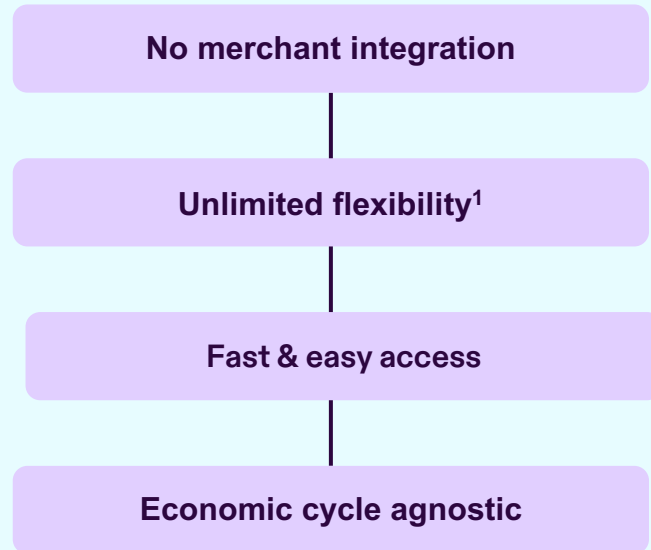
New Customer Eligibility & Safeguards

- Australian resident and 18+ years old
- Have income in their bank account of at least \$300 per week
- Have regular pay schedule
- Not receiving primary income from government benefits (greater than or equal to 50% of income is from an employer)
- Satisfy Beforepay's risk-algorithm criteria
- Repayments set at or below $\frac{1}{3}$ of a customer's net income
- Option to delay repayment once per Cash Out



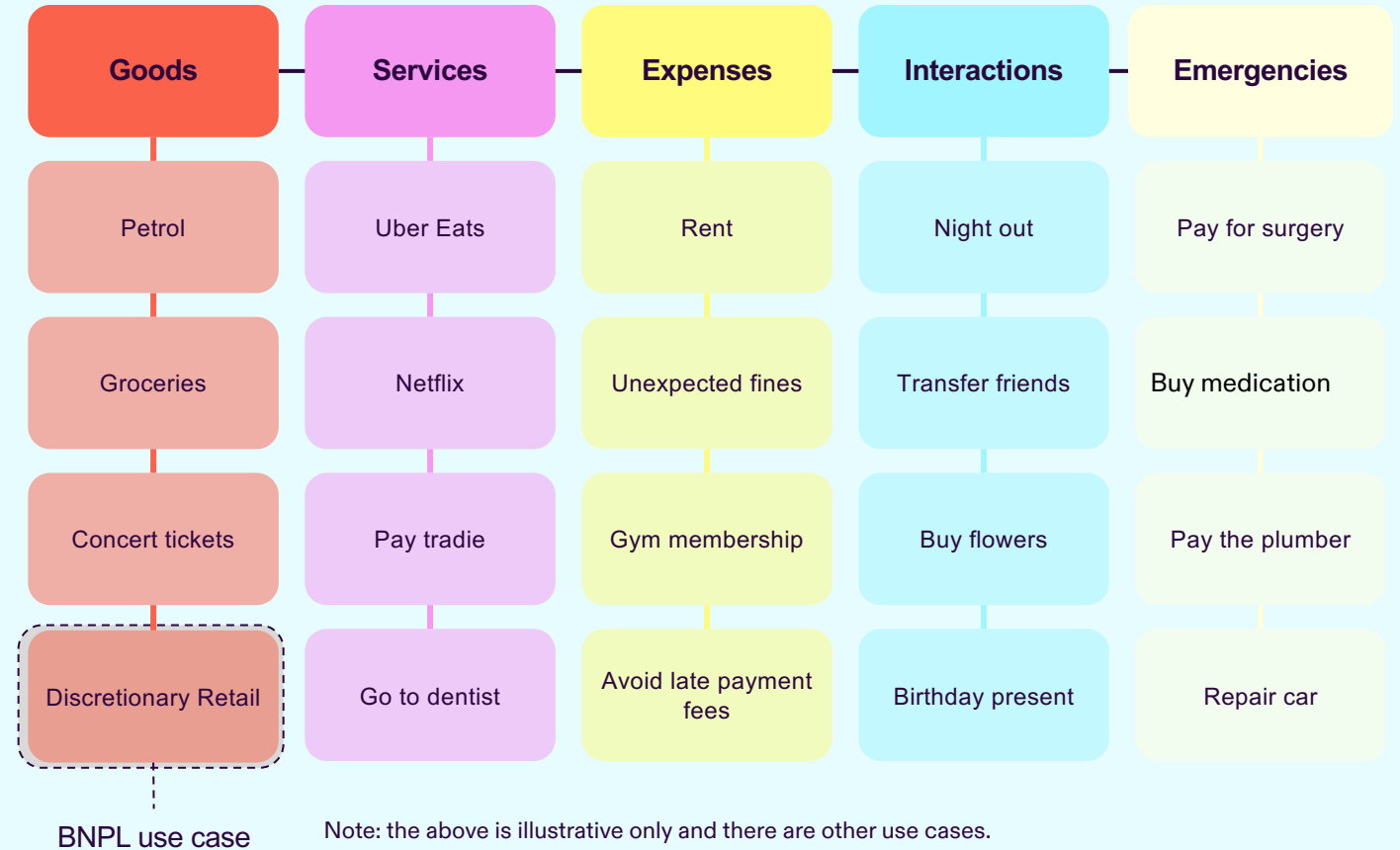
Beforepay Use Cases

The market for everyday lifestyle expenditure is substantially greater than retail expenditure



1 Use case is limited only by the amount of cash advanced; no limitations on use of proceeds.

... supporting the full customer lifestyle



Note: the above is illustrative only and there are other use cases.
Source: Fig. 3.5.6 Potential Beforepay Use Cases, Replacement Prospectus dated 29 November 2021



The Beforepay Product

The Product

- **Core Offering**
 - Spending insights
 - Budgeting
 - Pay On Demand
- **Intuitive user experience**
- **Fast funds, repay in installments¹**

Problems We Solve

- **Customers want to avoid:**
 - Late fees
 - Revolving debt
 - Financial stress

Use Cases

- **Unexpected expenses**
- **Personal cash flow management**
- **Experiences**

1. All Pay Advances must be repaid within 62 days

Beforepay Customer Insights

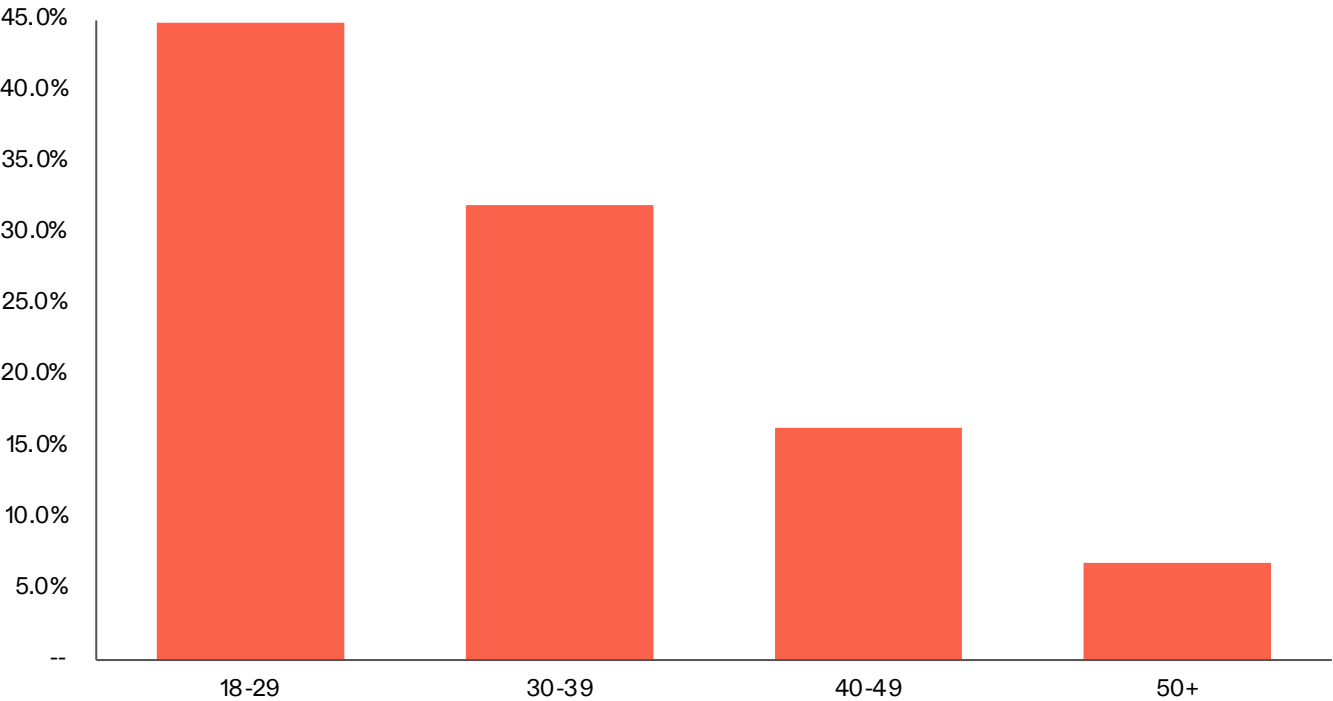


**Who are the Beforepay
customers?**



The Beforepay customer base

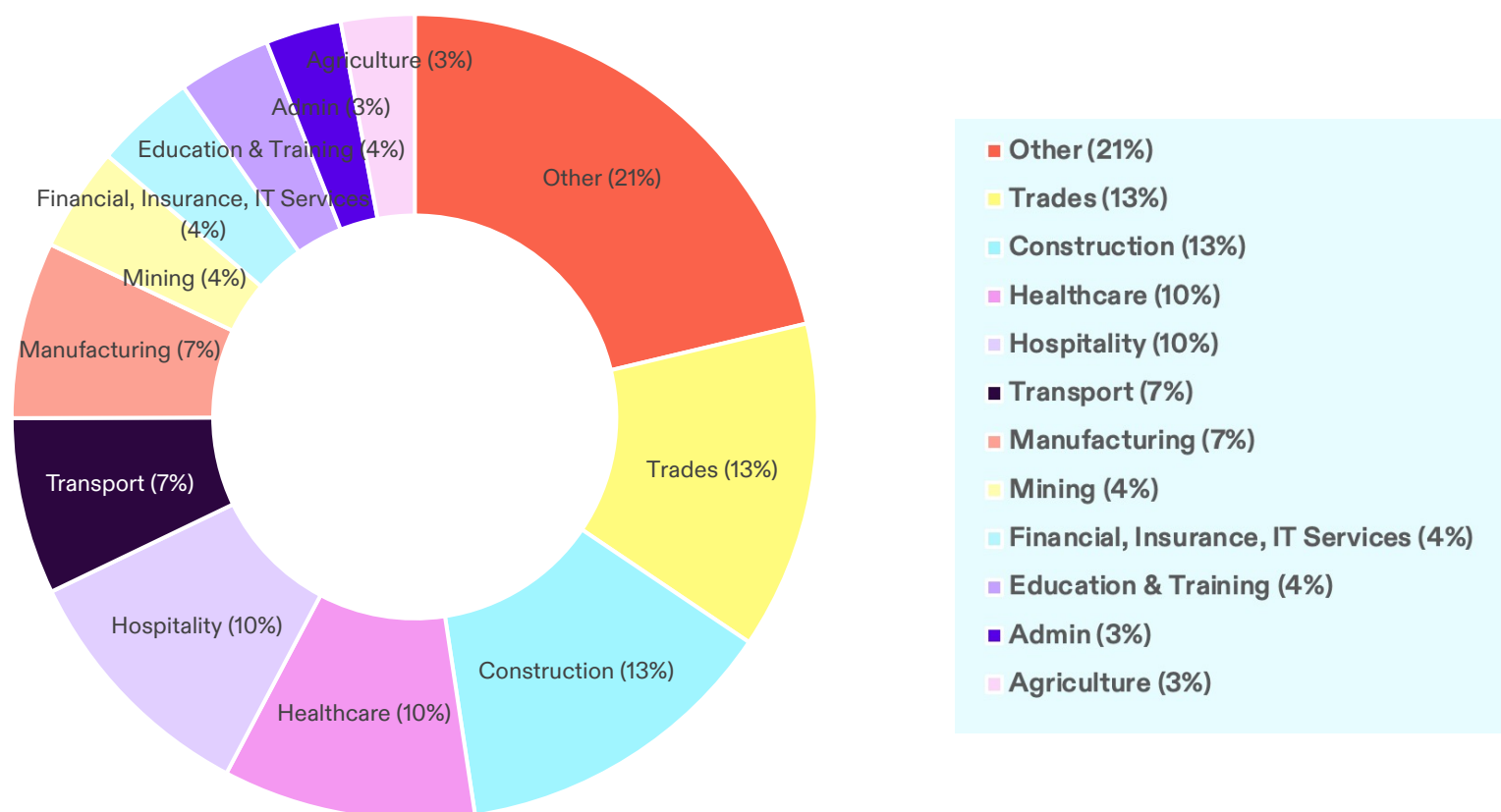
Average age 33



Source: Fig. 3.5.3 Breakdown of Beforepay customers by age groups, Beforepay Replacement Prospectus dated 29 November 2021



The Beforepay customer base





Most customers do not use a credit card. Whilst adoption of credit cards is declining

93%

**of Beforepay's customers do not
use a credit card***

22%

**decline in Credit Cards in
circulation over the last 4 years****

*Source: Page 58, Beforepay Replacement Prospectus dated 29 November 2021. Only 7% of customers have credit-card repayments coming from the bank that they have linked to Beforepay's platform. BNPL statistic based on transactions coming from the customer bank linked to Beforepay's platform. Percentages calculated based on the period 1 July 2020 to 30 June 2021.

**Source: <https://www.finder.com.au/credit-cards/credit-card-statistics>, last accessed 9 February 2022. Finder Credit Card Statistics showed a 22% decline in the number of Credit Cards in circulation from Nov 2017 – Nov 2021.



**What do our customers
say about us?**



20,970 ratings across iOS & Android apps at an average of 4.8/5



App Store



4.9

Over 14K ratings

Play Store



4.7

Over 6.5K ratings

CBA 3.9



ANZ 4.6



Westpac 3.9



NAB 3.6



Latitude 4.6



PayPal 4.4



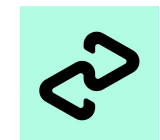
Coinbase 4.3



Klarna 4.6



Afterpay 4.8



ZIP 4.8





What do customers like?

20,024 Ratings of 4* or 5* (95.5%)

Speed of Service

Jan 2022

"So quick and easy to apply for and get your money deposited into account literally as soon as you cash out! So awesome if you're ever in need for some Fast emergency cash. Highly recommend! Love it"

Ease of Use

Jan 2022

"Quick, easy, no hassle access to my pay with next no fees. Love Love Love Beforepay!!! Really great app was very easy to set up and it comes in handy on those days when unexpected bills etc pop up 10/10 recommend"

Fair Fees

Jan 2022

"This is very handy useful and the most fair financial system I've used in my life, very fast, no hassle, it's just great and I'm glad I'm using it. So thanks to you all for creating this successful business."

Money Management

Dec 2021

"I have been struggling with budgeting my money for a while now. The app assistance is awesome. I can see exactly where I am spending money and able to make changes in my spending to start saving for my wedding. Thank you Beforepay, you have saved me financially."

Peace of Mind

Dec 2021

"I did not even know we had this very helpful and accessible option. It's like a breath of fresh air knowing that I can have funds automatically and quickly in my account when I really need it - and with just a tap of a screen, life's everyday heavy weight of financial struggle becomes just a tad bit lighter ❤️ Thank you Beforepay 🙏 Really Satisfied"



What don't customers like?

572 Ratings of 1* or 2* (2.7%)

Customer Support

Mar 2021

"Terrible customer service. Not able to contact when needed"

Ease of Use

Feb 2021

"Not a user friendly app at all half the screens don't work and you get stuck with no where else to go."

Ineligible Customers

Dec 2021

"Yet again government payments are not counted yet there the most stable income."

Direct Debit Lag

Dec 2021

"If you have used them for a while you money should be paid back the same day not wait 2 days for it to clear"

Pay Advance Limit

Jan 2022

"Started off great eventually got the amount up but never got any higher. Generally paid on time few misses here and there or post ponded if I had missed one I paid it off early then the next available date. Recently been glitching and every few months has been going back to original \$50 even when I hadn't missed any payment and they were great and fixed it. All of sudden back to \$50 due to late payment pathetic after a year with them and apparently this time they can't fix it."



Feedback on the 5% fee is validation that we're providing a better way

Jun 2021 *****

"Money is always in my account super quick and **the 5% fee is amazingly fair**"

Jun 2021 *****

"I think its a great service with **only a 5% flat fee its better than a short term cash loan**"

Feb 2021 *****

"Comes in handy if you need some of your salary before your pay day. Before pay, easy to use, **no hidden fees. Just extra 5% of what U borrow** as I understand it. Helps."

Jan 2022 *****

"**5% is actually quite low** better then any pay before app I have used."

Dec 2021 *****

"No fee these guys are awesome **only 5% love it**"

Oct 2020***

"**It's great.** It helped me out when I needed it and it is **only 5%** but pay 5% every fortnight and X that by 26 fortnight's = \$5 X 26 = \$ 400 interest on a loan of \$2600"



In summary

Broad customer adoption

Our base has an average age of 33 with uptake across a range of employment sectors. Top employers aligned with all Australian population.

Meeting new consumer needs

93% do not own a credit card, matching the decline in adoption of traditional forms of credit in Australia

Customers are loving it

20,970 ratings with an average greater than most financial apps, reviews speaking to the positive impact we've had on their finances.

Questions