

ASX ANNOUNCEMENT (ASX: LBY)

21 March 2023

Laybuy provides pre-delisting update

Laybuy today announced that it intends to further restructure part of its business as it looks to secure its pathway to sustainable profitability.

The proposal, which will impact approximately 10 per cent of the company's workforce, is in response to the challenging macroeconomic environment and a softening retail market.

Laybuy Managing Director Gary Rohloff says the company's path to profitability has been a core strategic pillar for the last 12 months.

"Like many companies, we have experienced a larger than anticipated softening in the retail environment in all three of the markets we operate as consumers respond to a change in economic circumstances," says Rohloff.

"As a result, there is a possibility that we might need to slightly extend the delivery of our profitability objective beyond 31 March 2023 (as previously signalled to the market). Laybuy remains committed, however, to achieving profitability and sustaining that goal in the short-term."

Rohloff says that the first two months of the new calendar year, which are always traditionally softer following the Christmas peak, had delivered lower than anticipated activity as consumers faced cost of living pressures and rising interest rates."

"In light of that softness, the Company is taking a proactive and prudent approach to this weaker environment by ensuring the business is further right-sized. Taking this action now will place the business in a stronger position for the future.

"This work will further support the very strong results we are achieving through our focus on credit and fraud risk management. While we have significantly improved our credit and fraud losses, the risk of a continued decline in consumer discretionary spending means that we need to continue to review the efficiency of our operations right across the business."

The Laybuy Board today also announced that Harry Haberlin, Independent Director and Chairman of the Audit and Risk Committee, has resigned effective 24 March 2023.

"We want to thank Harry for his contribution to the business since our listing in September 2020," says Laybuy's Chairperson Steve Fisher.

Mr Haberlin's resignation coincides with the company delisting from ASX on the Friday 24 March 2023.

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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 14,000 retail merchants. Laybuy is available in New Zealand, Australia and the UK. 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.

