

19 August 2021

ASX Announcement

BNPL Business Offering & Operational Update

Highlights

- **Immediate Uptake of BNPL service offering continues to accelerate with myIOU BNPL transactions completed in the first half of the September Quarter (1 July to 16 August):**
 - **\$2,906,253 in Total Transaction Value (“TTV” (iii)) has been transacted; delivering**
 - **\$250,666 in Net Transaction Revenues (“NTR” (iv))**
- **Growth in Consumer and Merchant sign ups, approval and onboarding:**
 - **1,408 merchants now onboarded (up 72% since 30 June)**
 - **333 merchants system activated and listed on myIOU (up 162% since 30 June)**
 - **7,372 consumer downloads of myIOU (up 340% since 30 June)**
 - **1,948 consumer activated accounts (up 333% since 30 June)**
- **Razor testing and launch timing update, currently anticipated to be early September 2021**
- **Digital Marketing Strategy launch to include social media influencers and the announcement of the premiere “Face of myIOU” international singer-songwriter, Yuna, to drive expanded reach and engagement with both businesses and consumers in Malaysia**

IOUpay Limited (ASX:IOU) (**‘IOUpay’ or the Company**) is pleased to announce this BNPL & Operational Update with information current to 16th August 2021.

BNPL Business Offering Update

TTV and NTR Performance Metrics

Values for Period	June 2021 (i)	1 July - 16 August 2021 (i) (ii)
Total Transaction Value	\$584,459	\$2,906,253
Net Transaction Revenues	\$48,413	\$250,666
Cumulative Totals as at	30 June 2021	16 August 2021
Merchants Signed	955	1,492
Merchants Onboarded	820	1,408
Merchants System Active	127	333
Consumer Downloads	1,677	7,372
Consumers Onboarded	1,189	5,034
Consumer Account Activations	450	1,948

Note: (i) All amounts in AUD, assumed MYR/AUD exchange rate 3.1 using RBA sourced reference
(ii) Post 30 June 2021 values are determined as at 16th August 2021
(iii) Total Transaction Value (TTV) means total value of purchases made by myIOU customers
(iv) Net Transaction Revenue (NTR) means TTV less the amounts paid to merchants

Razer Merchant Services (RMS)

In the Company's June Quarterly Report and Business Activity Update announced 29th July 2021, it reported that testing of integration between RMS and IOUpay systems was expected to be completed by early August. Due to the ongoing impacts of continued level 4 lockdown conditions in Malaysia, the timetable for testing has been extended with completion now expected by early September. As previously announced, once testing is completed, a pilot group of merchants will go live with full implementation to be activated on a timetable to be agreed with RMS.

Digital Marketing Strategy ("DMS") Launched

The Company has implemented a sophisticated digital marketing strategy that targets key cultural demographic groups throughout Malaysia. A portfolio of social media influencers has been developed with fourteen selected individual influencers who have significant followings and alignment with the Company's brand values to drive awareness in and engagement with the myIOU service offering.

The portfolio of influencers is being actively managed with data analysis used to measure performance and for the purposes of shaping campaign initiatives. Social media influencer campaign content is being deployed across a variety of platforms and channels targeting specific communities of consumers and merchants that the Company believes will benefit from and engage most with its myIOU BNPL services.

The Company's portfolio of social media influencers and Yuna provide an aggregate reach in excess of 10 million followers (based upon number of followers for each channel for each influencer). Since 1st August, the Company's influencers have been engaging with Malaysian consumers and merchants with unique, localised and engaging content and myIOU awareness campaigns.

Brand Ambassador and "Face of myIOU" Announced for Launch of DMS

The Company announces and is making press and media releases in Malaysia and Australia, the signing of award-winning international singer-songwriter, Yuna, as the 'Face of myIOU'.

This announcement marks a significant achievement for the Company as it rolls out a sophisticated, targeted digital marketing strategy across Malaysia, where the myIOU BNPL service has been launched.

With over a million followers on social media, Yuna has previously worked with major brands including Malaysia Airlines. Her wide reach and connection to her followers across the South East Asia region will support the Company's objectives to grow its user base and connection with local businesses and consumers.

Through this partnership, Yuna will be representing the brand as an opinion leader of myIOU through campaigns and promotional activities across online and offline media platforms.

The release of this announcement was authorised by the Board of the Company and released by the Company Secretary.

Yours faithfully,

IOUpay Limited

**Jarrold White
Company Secretary**

Media Enquiries:

Hannah Blackiston
Media & Capital Partners
hannah.blackiston@mcpartners.com.au

About IOUpay (ASX:IOU):

IOUpay Limited (ASX:IOU) provides fintech and digital commerce software solutions and services that enable its institutional customers to securely authenticate end-user customers and process banking, purchase and payment transactions.

The Company's core technology platform enables large customer communities to connect to end user customers using any mobile device and integrate mobile technology throughout their existing business and customer product offerings. The Company's business divisions consist of Mobile Banking and Digital Payments which service leading banks in Malaysia and large telcos and corporates in Malaysia & Indonesia. IOUpay also works with telecommunication network providers to provide mobile OTT (over-the-top) services that leverage their subscriber base to build active communities.