

Internal use only

Retail Investor Day

September, 2021



Agenda



CEO Address

(Larry Diamond, Co-founder & Global CEO)



Product & Innovation

(Brad Lindenberg and Adam Ezra, Co-CEOs US)



Growth

*(Larry Diamond, Co-founder & Global CEO
and Tommy Mermelshtayn, CSO)*



Performance

(Peter Gray, Co-founder & Global COO)



Q&A



Mission

To be the first payment choice,
everywhere and every day.

Purpose

Create a world where people can
live fearlessly today, knowing they're
in control of tomorrow.

Promise

A more financially fearless world.



We have a unique set of competitive advantages that enable us to win



Product



**Flexible
Solutions**



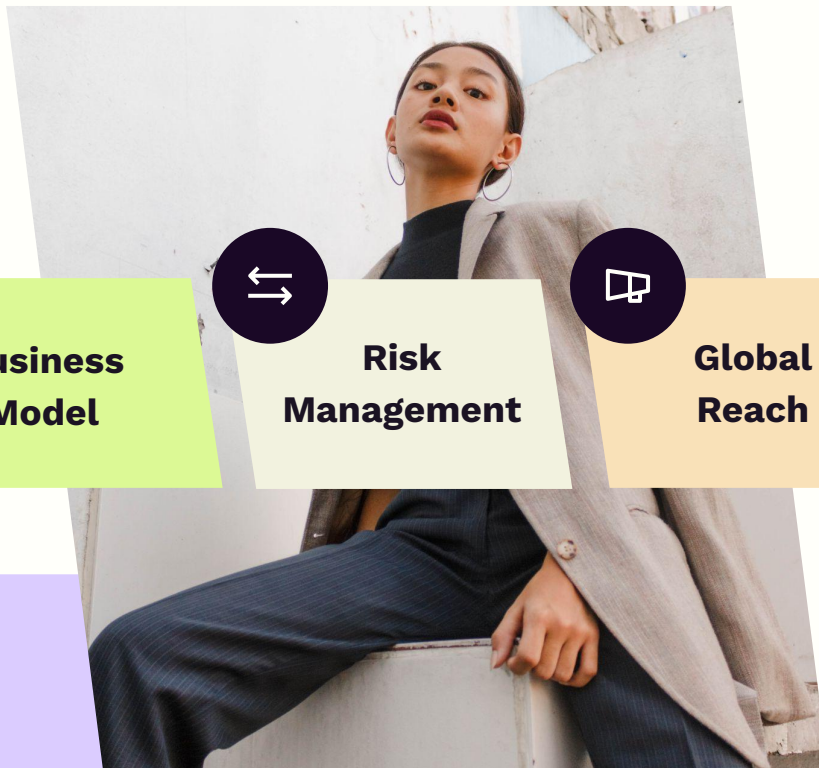
**Business
Model**



**Risk
Management**

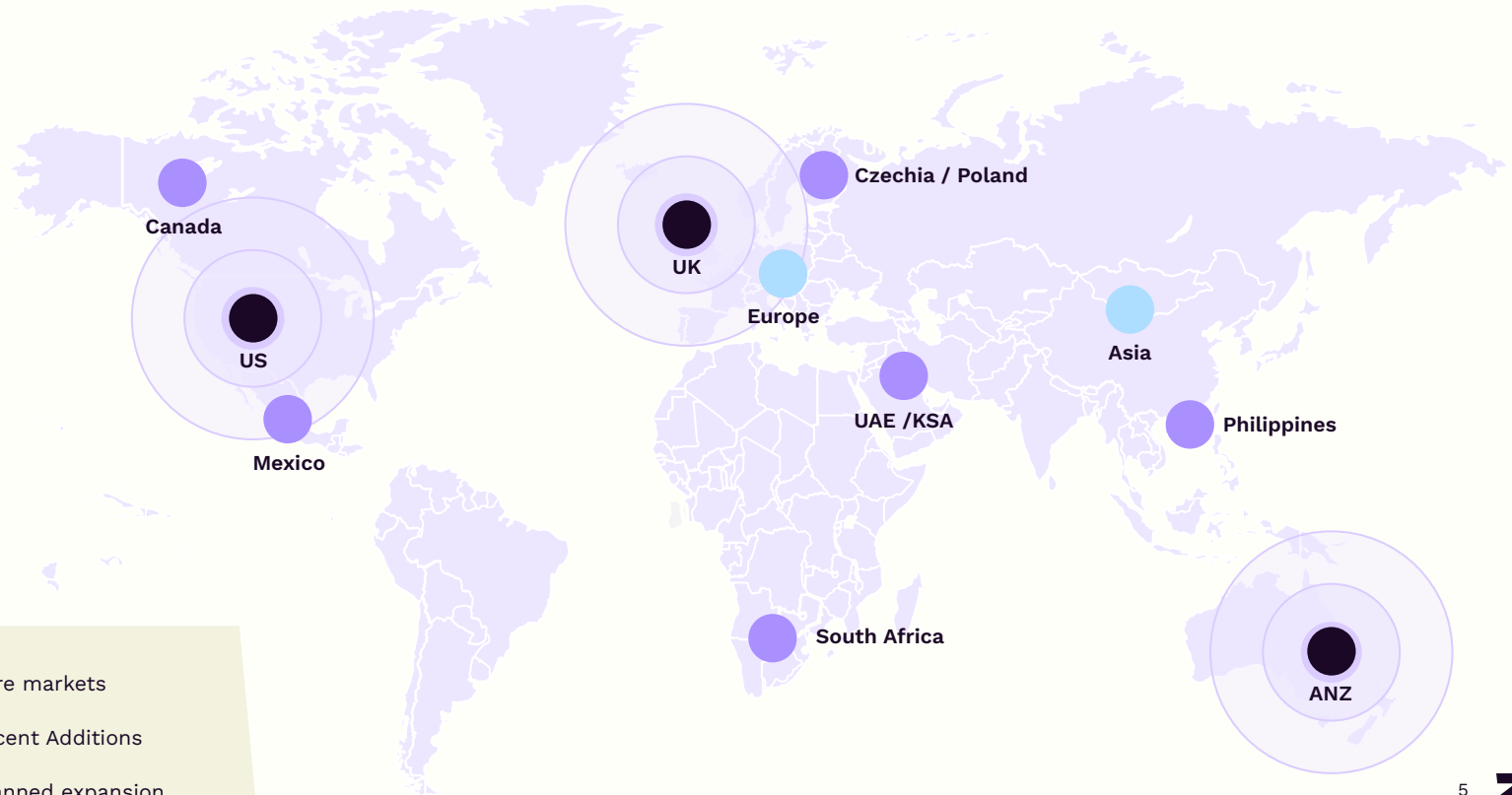


**Global
Reach**



We are a truly global player

We have successfully landed in our priority regions with plans to scale quickly



We are global leaders in BNPL with local expertise in every market

We adopt a “Coalition of Founders” approach to expansion, under a common brand and technology platform

Global



Larry Diamond

US



Adam Ezra

Europe



Michal Smida

Asia



Hamish Moline

Middle East
& Africa



Anuscha Iqbal

UK



Anthony Drury

Mexico



Carlos Magaña

NZ



Todd Wackrow



Peter Gray



Brad Lindenberg



Renata Salata



Tasneen Padiath



Paul Behrmann

We continue to deliver significant growth...

Total transaction volume (\$AUDb)



Note: 1 Compound annual TTV growth rate from FY16-FY21

...creating
material value
for Zip
shareholders

Z1P Share Price (\$AUD)



Product & Innovation



Today



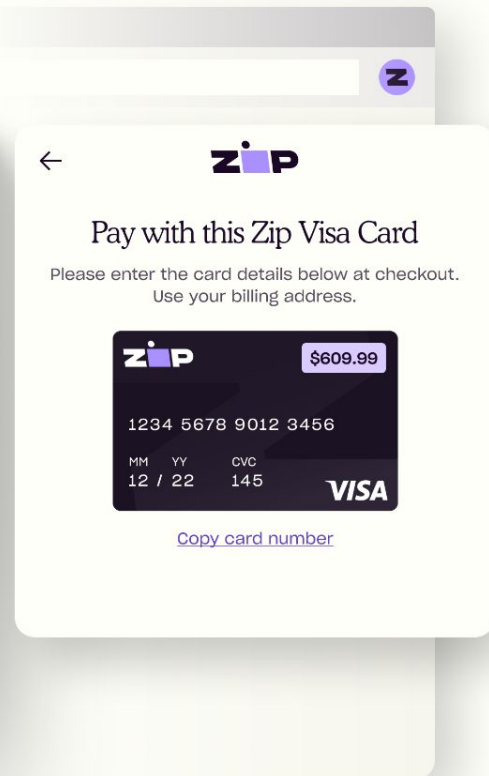
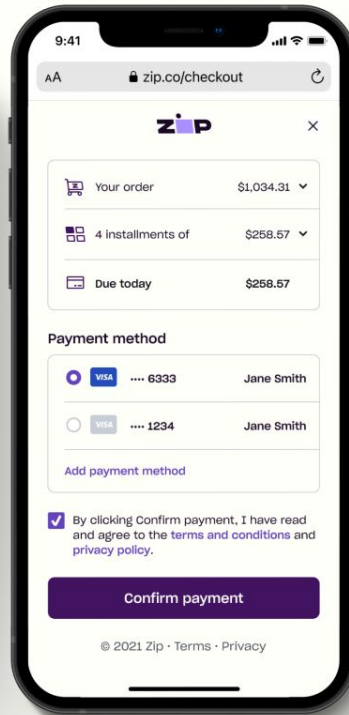
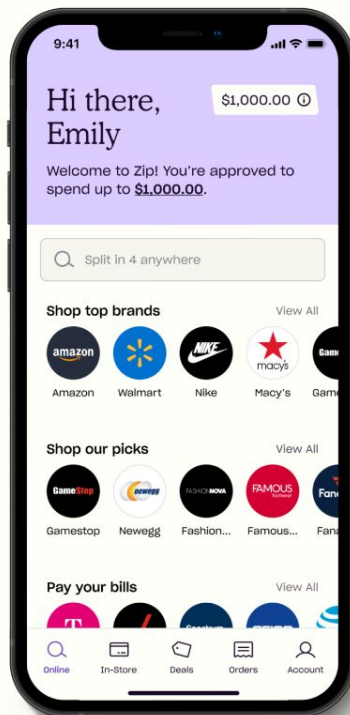
App



Checkout

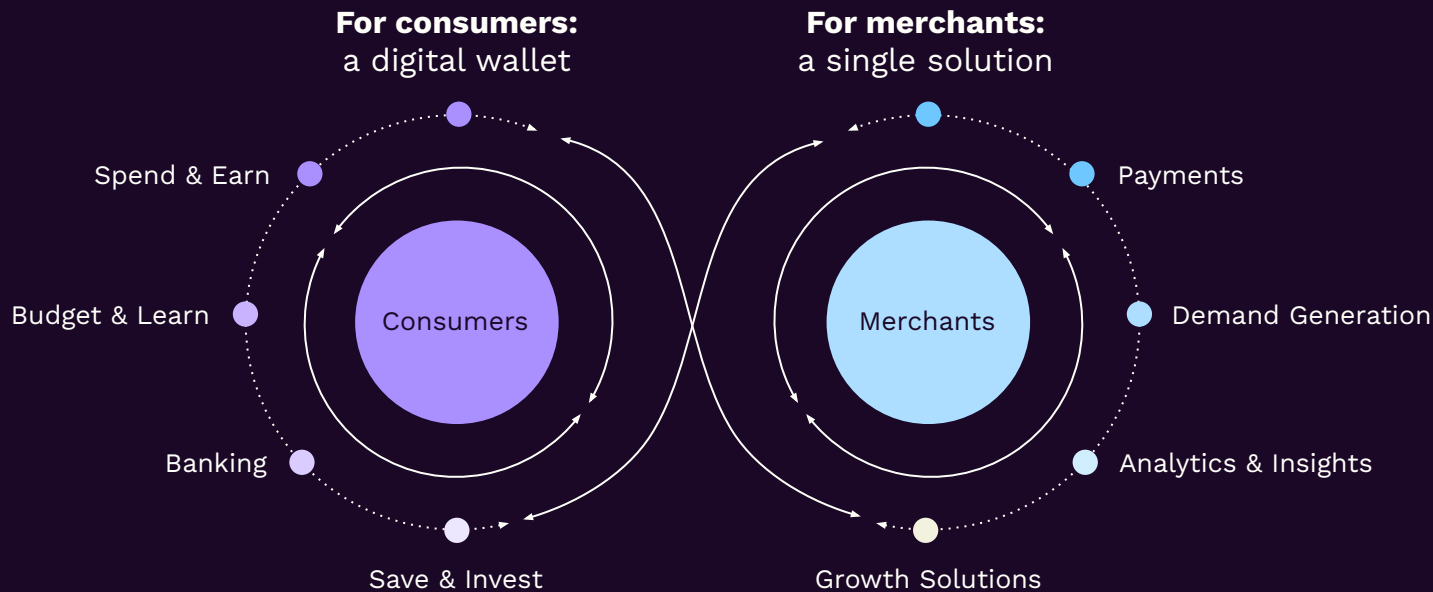


Browser



Our flywheel ecosystem

We bring customers & merchants together for fair and valued payment experiences



Consumers

Where we're going



Physical Card



Savings Account



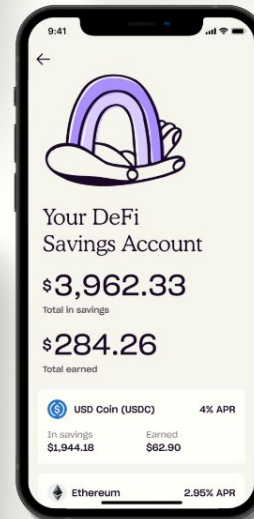
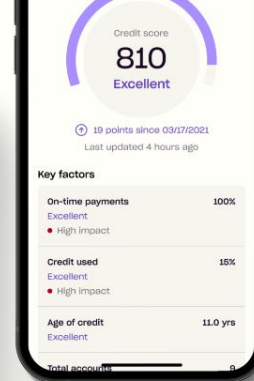
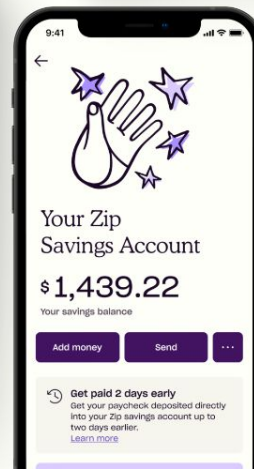
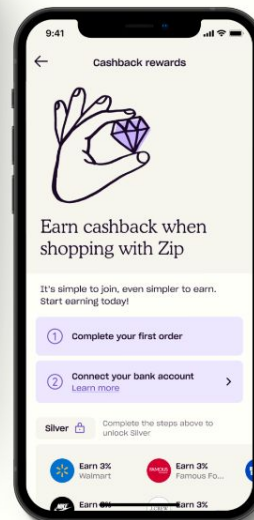
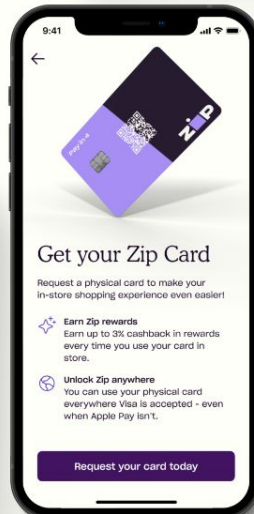
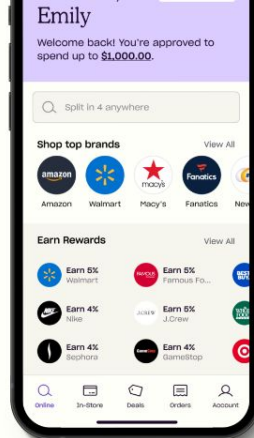
Credit Builder



Rewards



Crypto





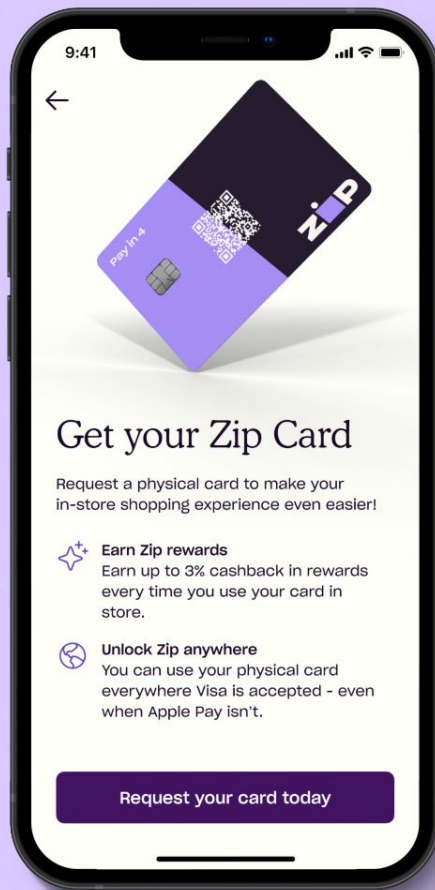
Ways to pay

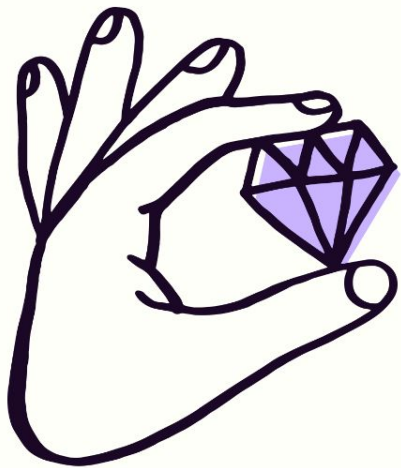
Pay in 4 Card



Pay in 4 Card

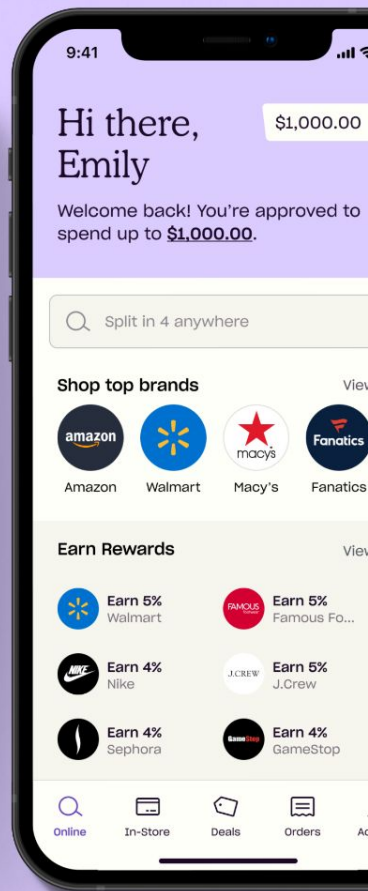
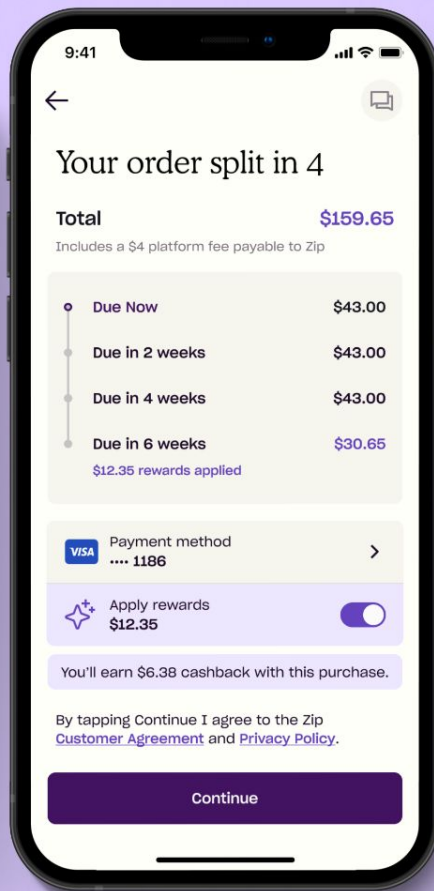
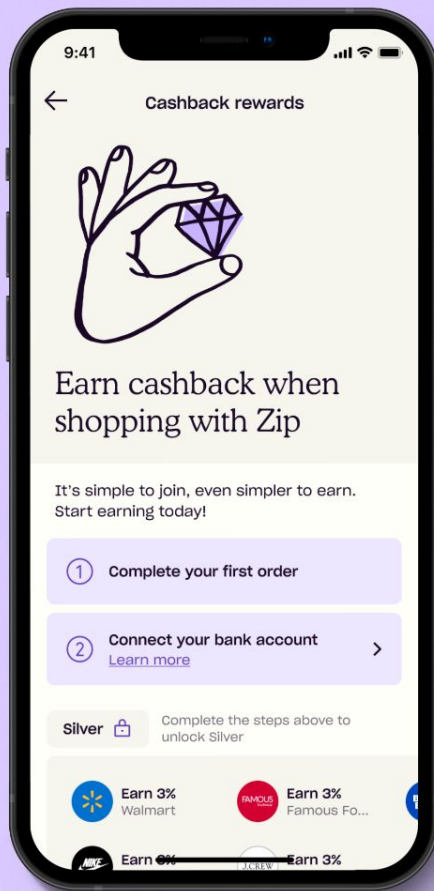
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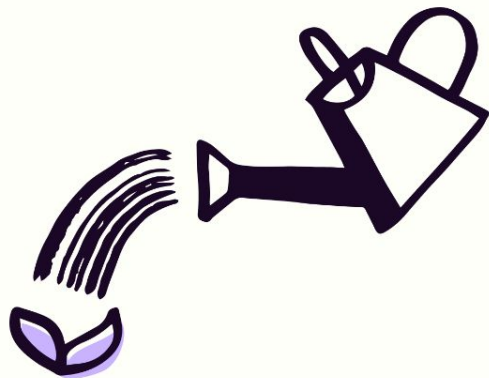




Rewards

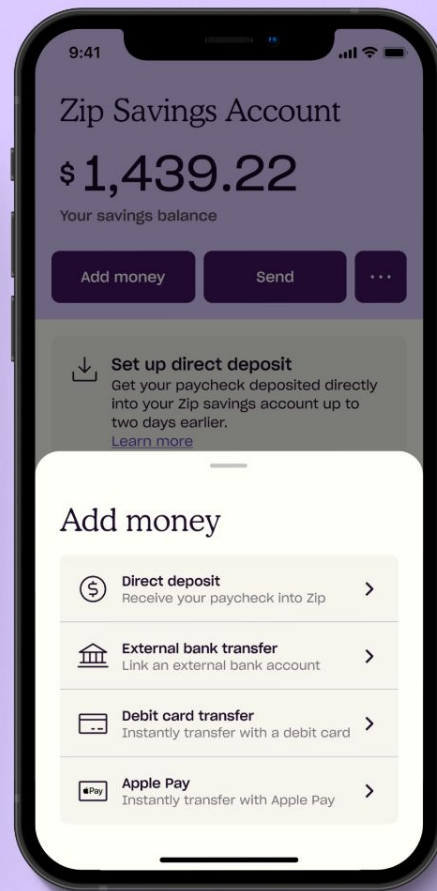
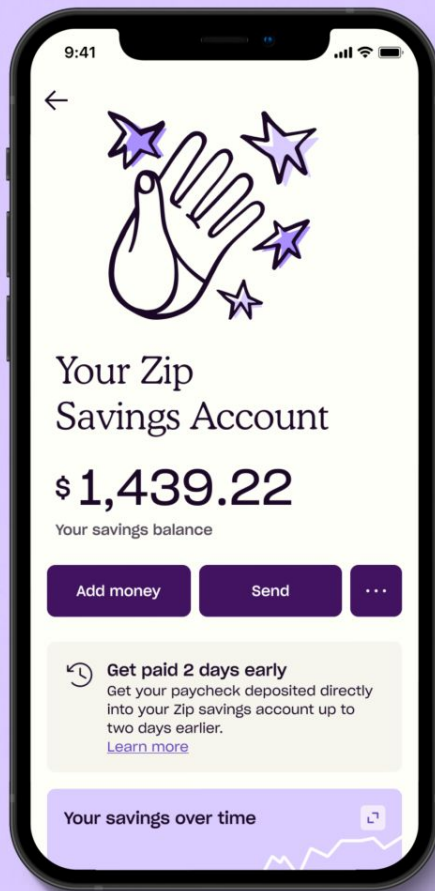
Rewards



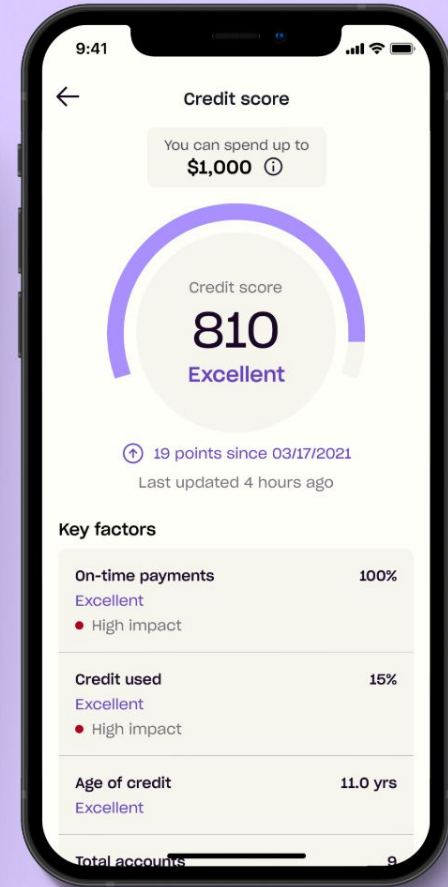


Savings accounts

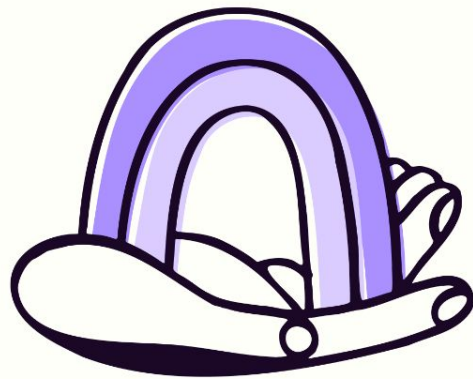
Zip savings account



Credit builder

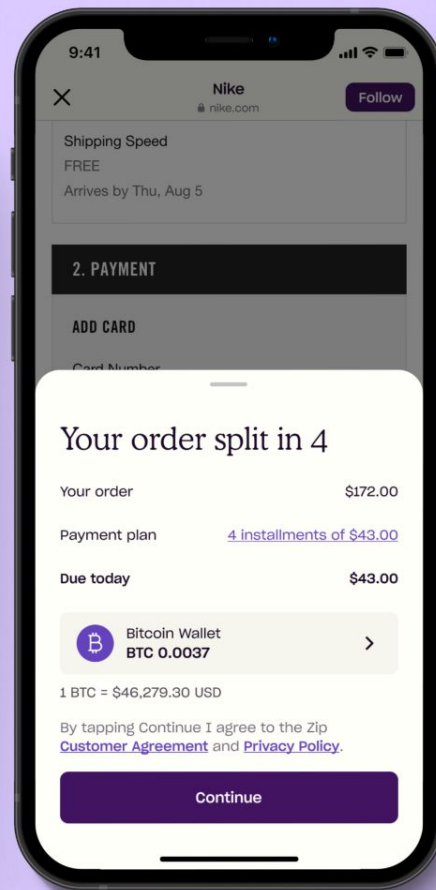
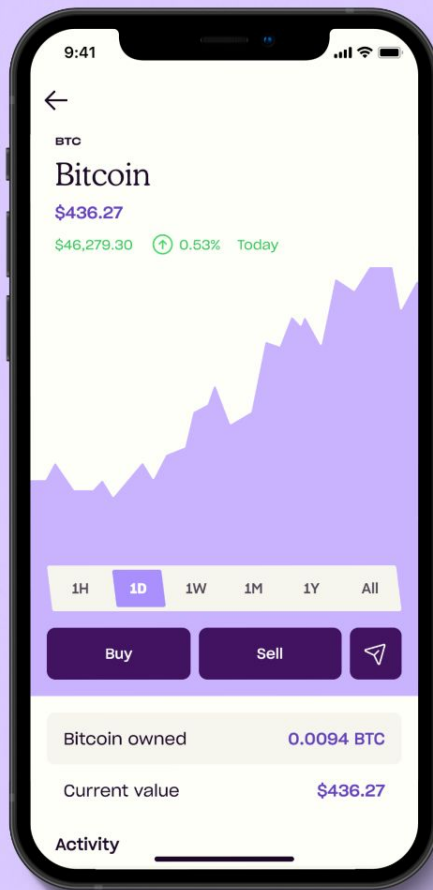


Illustrative



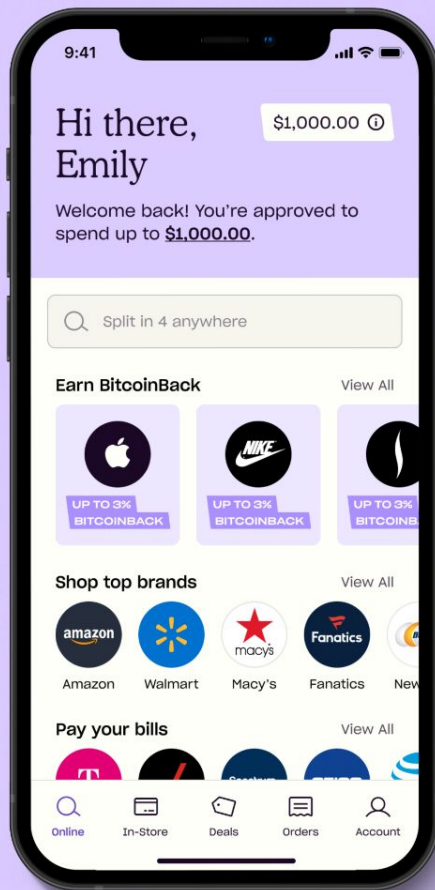
Crypto

Buy, hold, sell -
and pay with
crypto

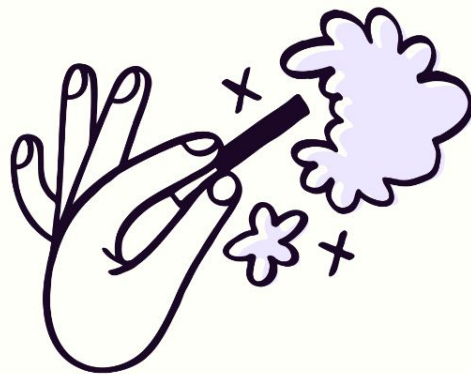


Illustrative

Crypto rewards



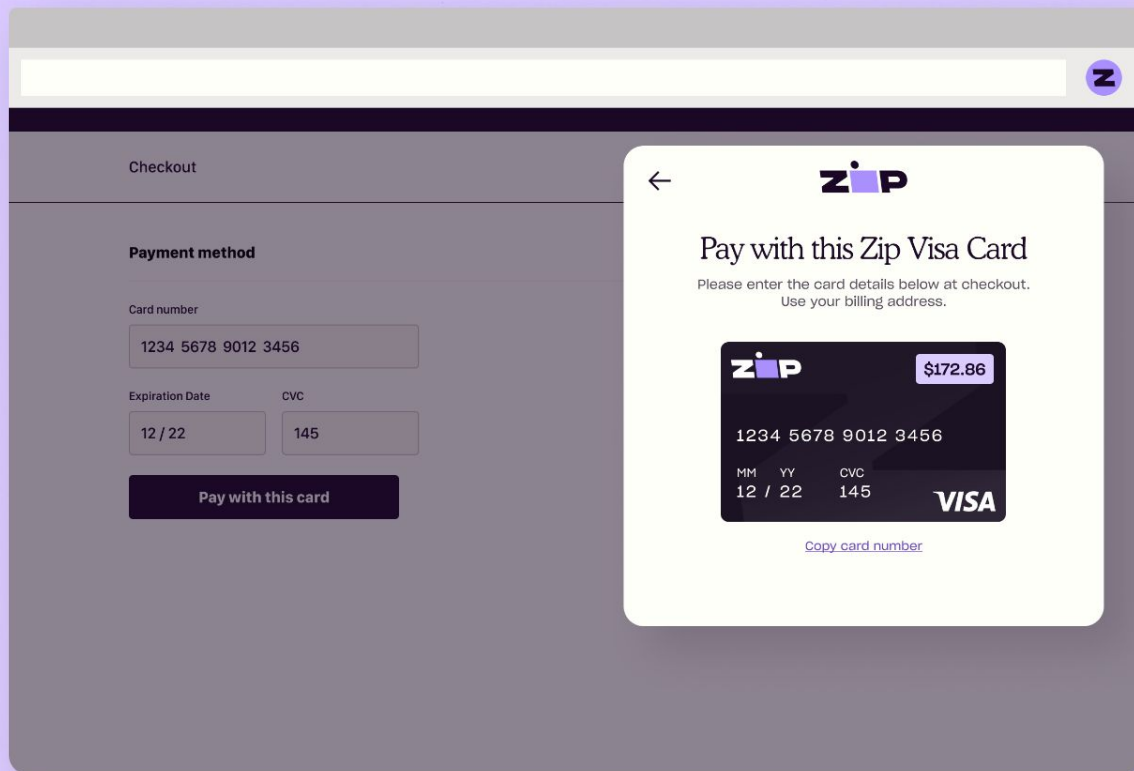
Illustrative



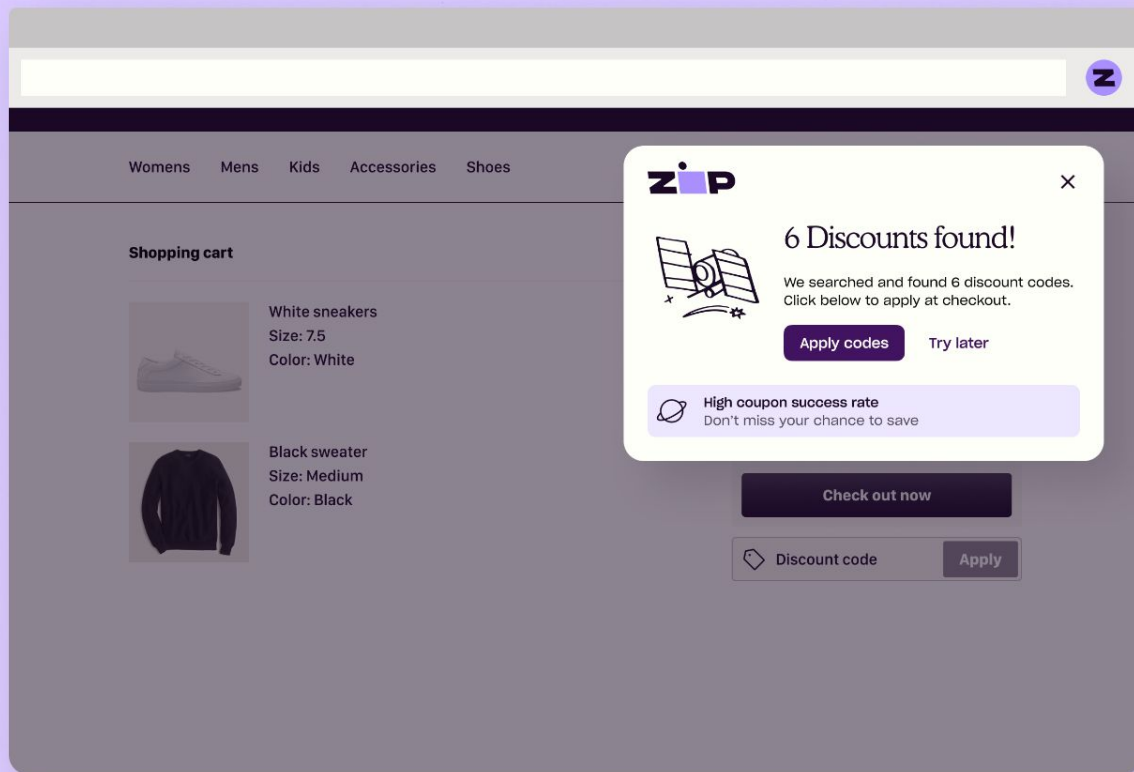
Shopping assistant

Chrome extension

Coming soon:
Microsoft Edge + Safari



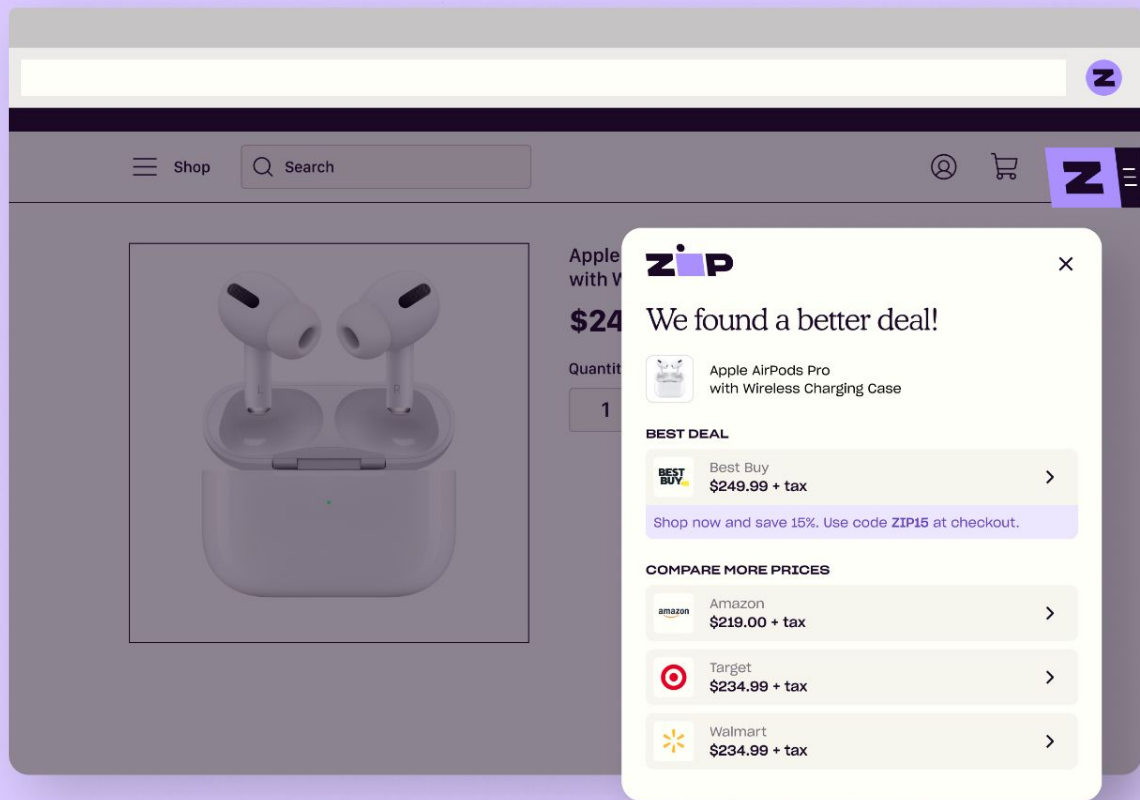
Find discounts



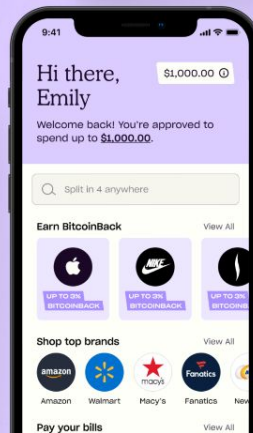
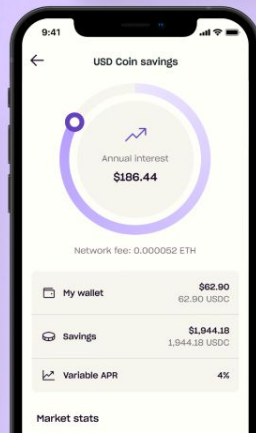
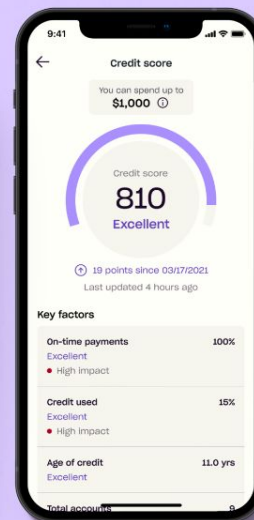
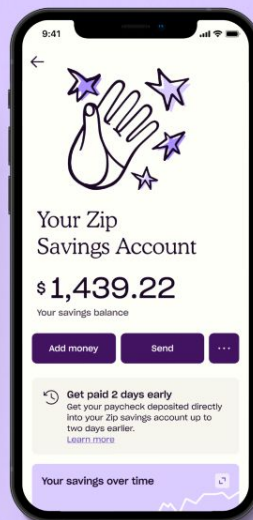
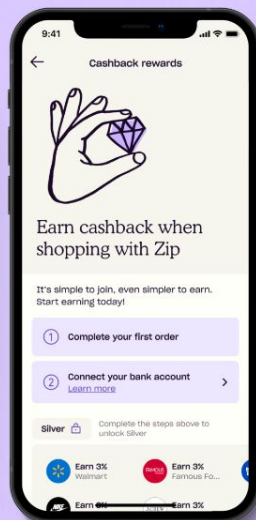
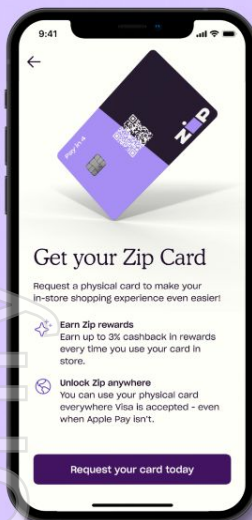
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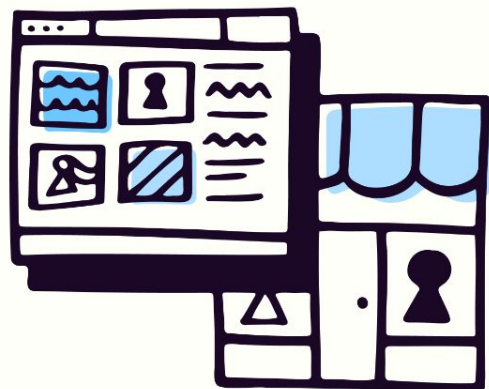
Find better deals

Illustrative use only



Illustrative





Innovation for Merchants

Merchants

Where we're going



Long duration



Express checkout



Demand gen



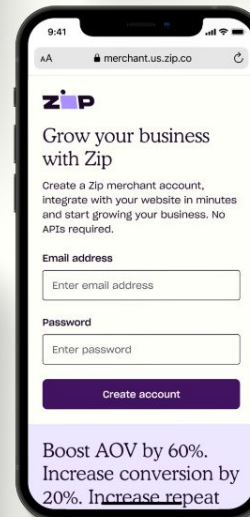
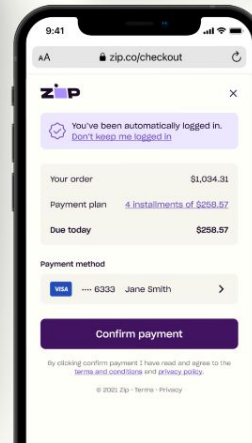
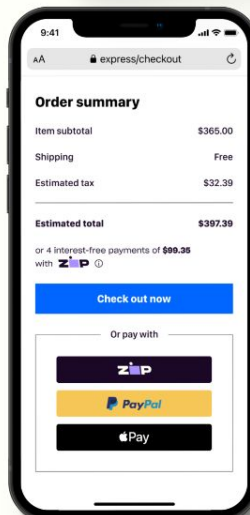
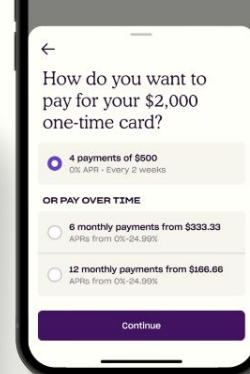
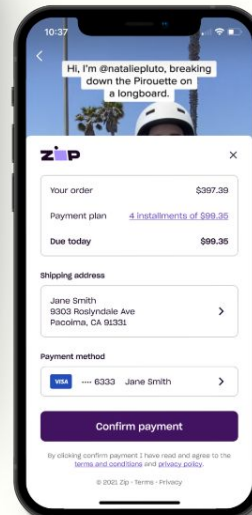
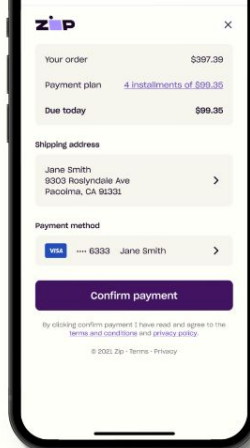
Remember me



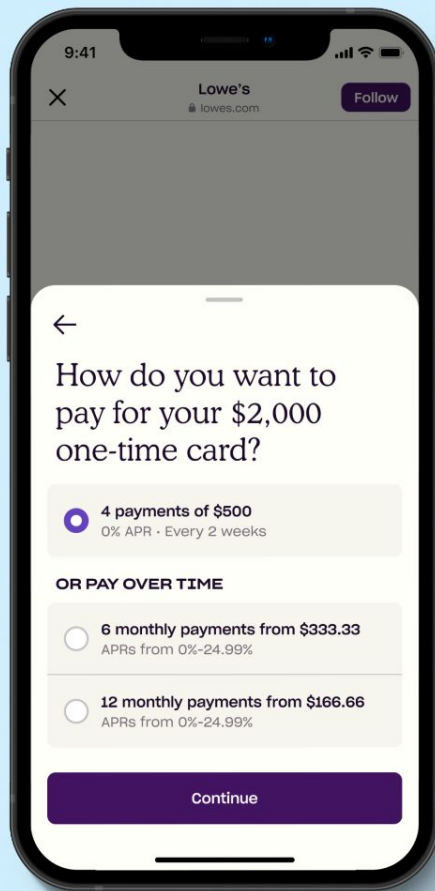
Single global integration



Virtual card integration

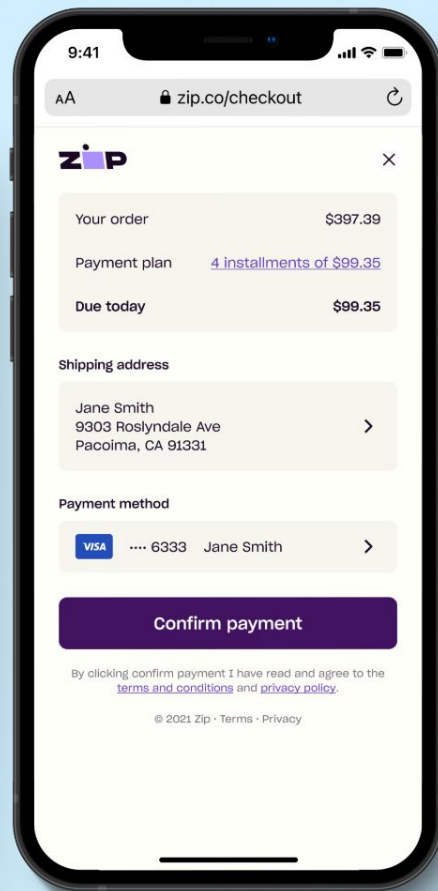
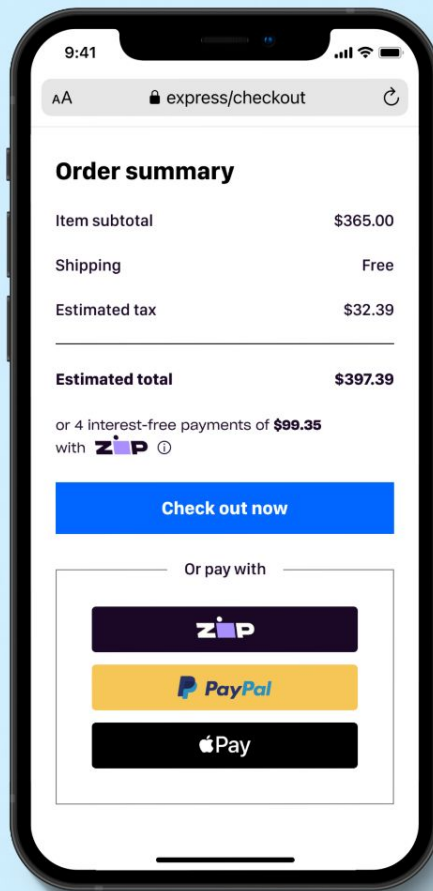


Long
duration




Illustrative

Express checkout



Demand gen



Dashboard

Orders

Transactions


Payments

Disputes

Insights

Grow

Settings


 Dynamic Ads

Cashback campaigns

Segments

Abandoned Cart

Create new campaign


 Campaign info

Campaign name


September Cashback

Campaign Tags

EMAIL X SMS X MOBILE APP X REWARDS

 Campaign type

Cashback rewards

 Cashback rewards

Cashback type

Fixed cashback


Cashback amount

\$10.00

Cashback rules


If Order value is greater than \$100.00

+ Add condition

 User segment

Select a user segment for your campaign.

Disengaged customers

 Timing

Select campaign start and end dates.


Start date

Wed, Sept 1, 2021

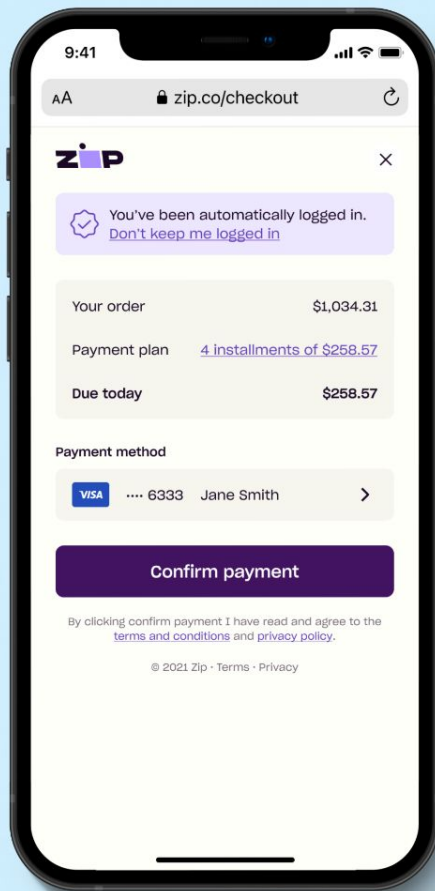
End date

Fridav, Oct 1, 2021

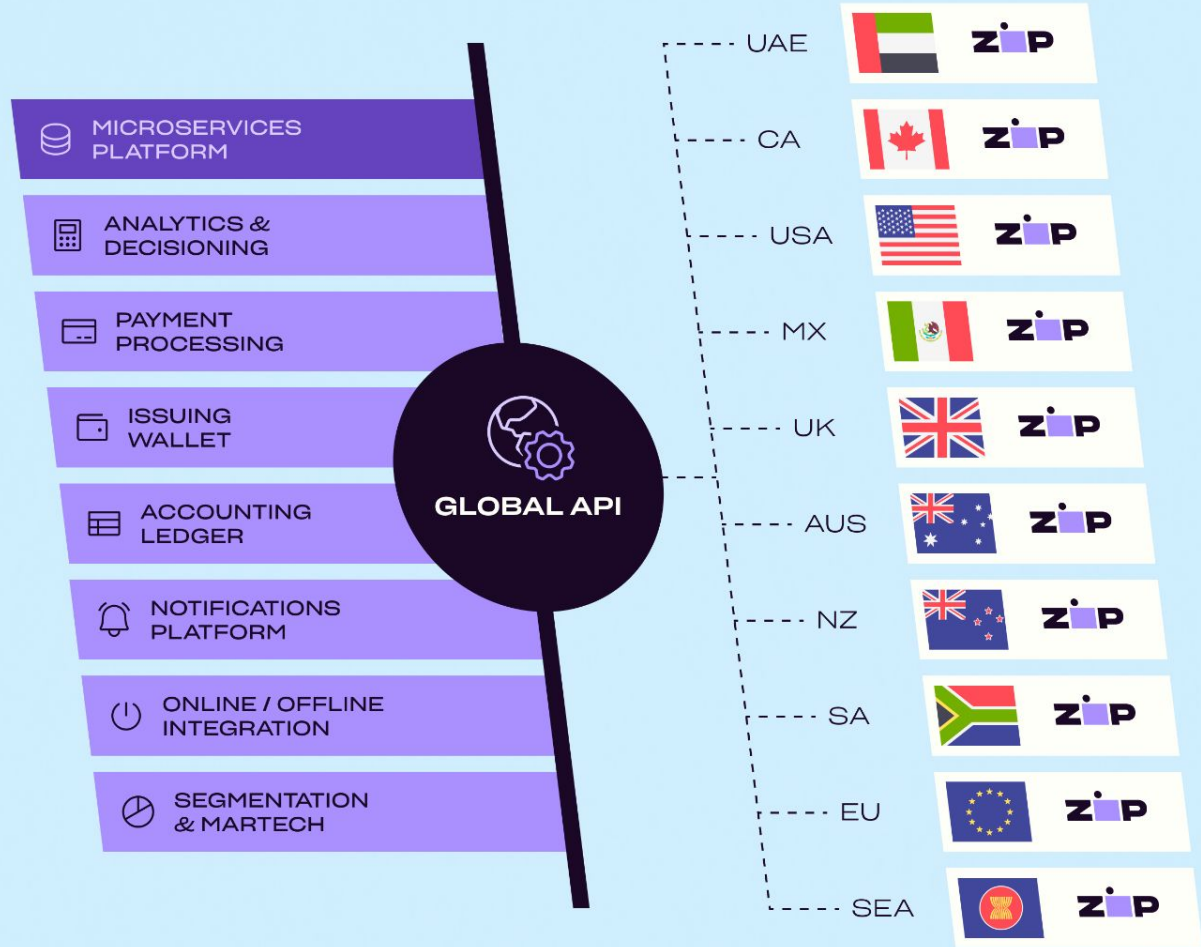
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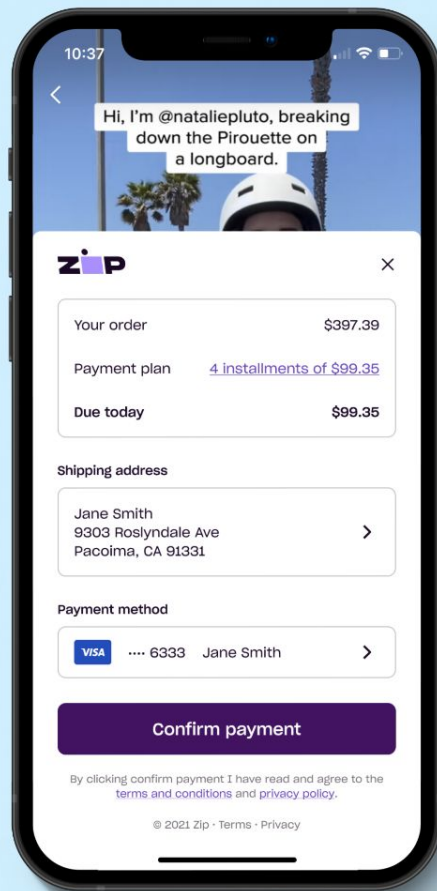
Remember
me



Single global integration

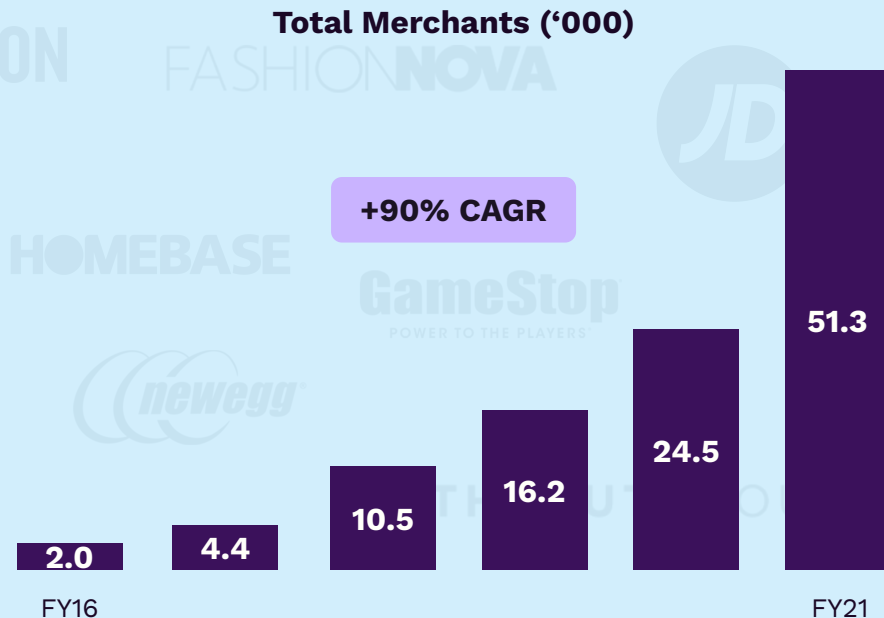


Virtual card integration



Illustrative

We continue to
scale with world
leading brands



Note: 1 Compound annual TTV growth rate from FY16-FY21

Growth



We are set to outperform

Tailwinds for growth

- Installments
- eCommerce
- Debit > Credit
- Digital wallets
- Payments tech

Why Zip wins

- Global footprint
- Local teams
- Scalable tech
- Credit expertise
- Product suite

Three key levers for growth



Consumers



Merchants



Global expansion



We methodically invest for long term growth and scale



A global proposition that helps merchants grow and provides customers everywhere access to fair and transparent payment products

We enter selected markets in ways that help us win

Greenfield
Expansions



UK
Canada
Mexico

Land > Expand

Minority
Investments



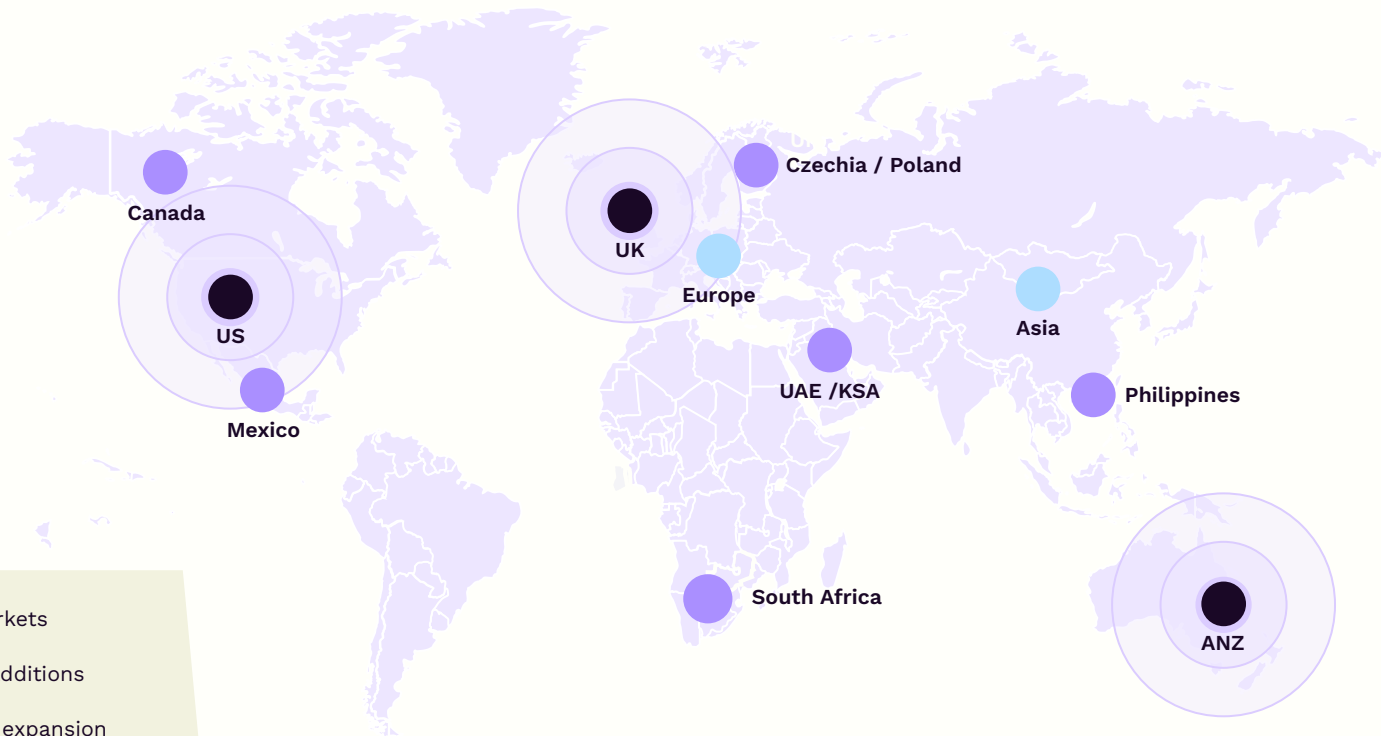
Invest > Monitor > Scale

Acquisitions



Our footprint provides the platform to expand into the world's largest markets

We have successfully landed in our priority regions with plans to scale quickly

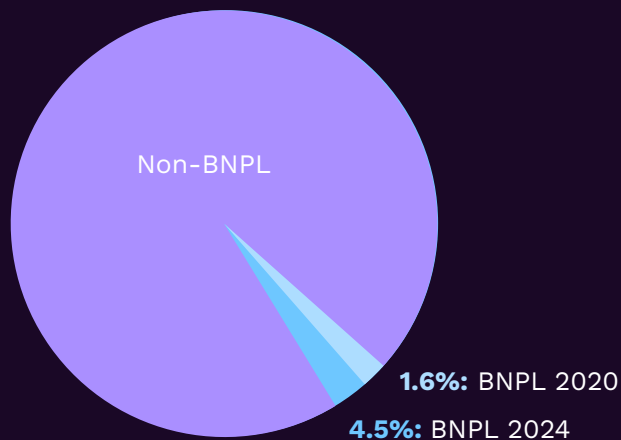


- Core markets
- Recent Additions
- Planned expansion

The US is our highest priority...

\$5.2tn US retail market¹

BNPL share of e-commerce spend²



Note: 1. US Census, 2019. 2. Worldpay global payments report, 2021.

...we have the tools to win

Open + integrated network

Product suite

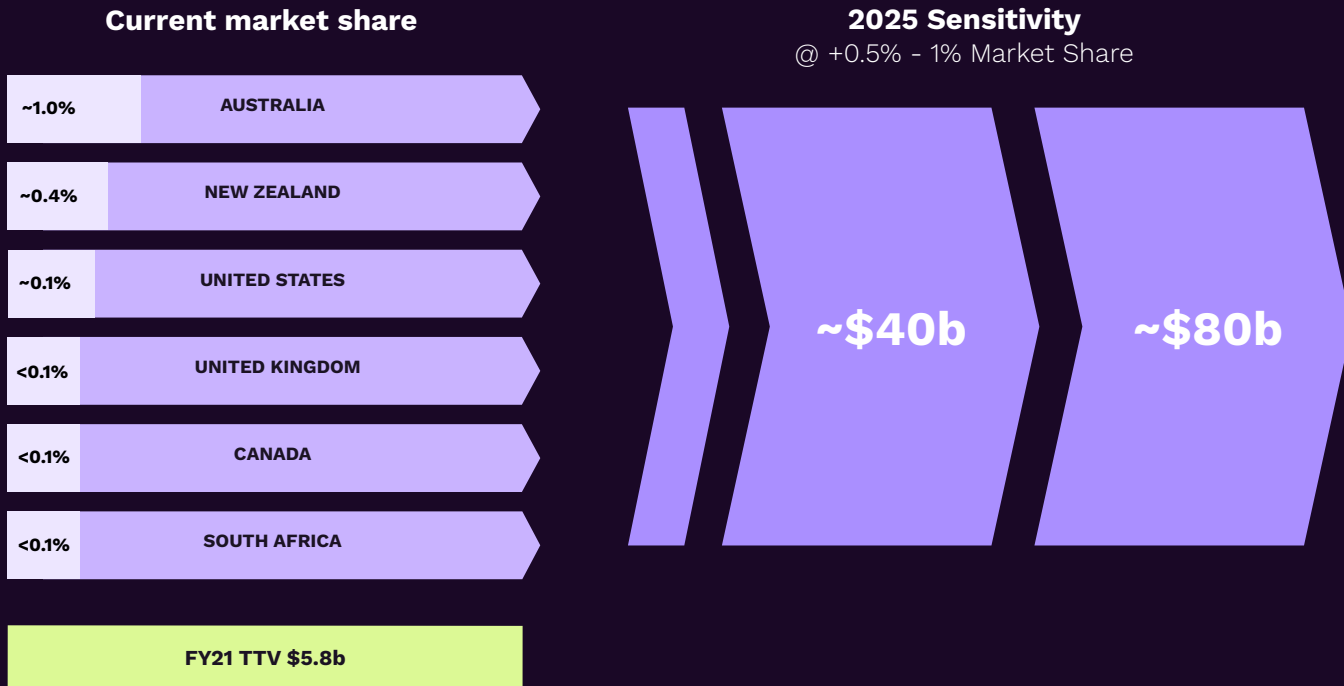
Customer engagement

Revenue model

Vertical flexibility

Partnerships

Executing our plan will deliver material growth



Note: 1 Market share based on total retail per Euromonitor Passport and Zip FY21 TTV excluding Zip Business

Performance



Investing in Zip



Growth business



Long term focus

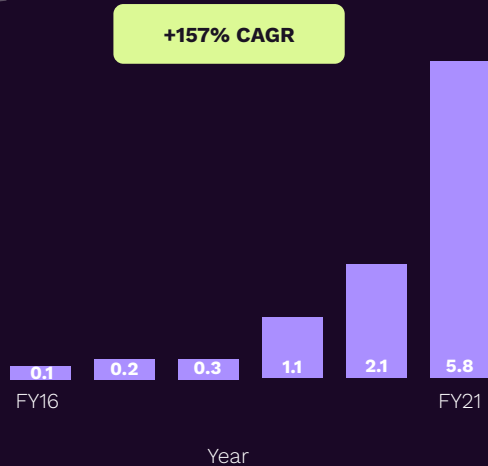


Scalable unit economics

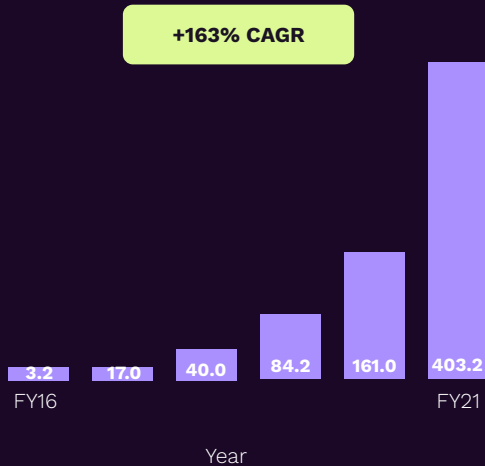


We are a growth business

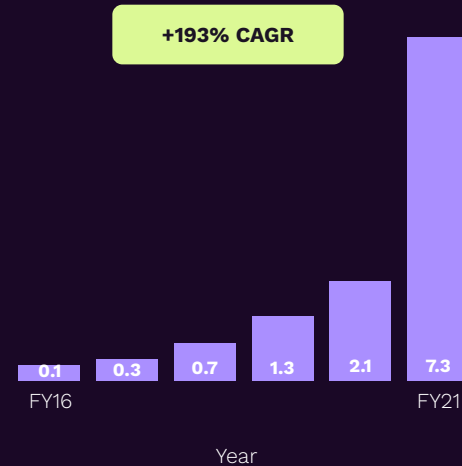
**Total Transaction Volume
(\$AUDb)**



**Total Revenue
(\$AUDm)**



**Total Customers
(m)**



Note: 1 Compound annual growth rate from FY16-FY21

We create margin from every transaction

Unit economics overview

Revenue

Customer	Instalment, account and late fees
Merchant	Merchant service fees, transaction fees
Network	Interchange, affiliate fees

Cash Cost of Sales

Cost of funds	Interest costs
Bad debts	Fraud and losses
Processing costs	Credit checks, repayment processing fees

Cash Transaction Margin	>2%
--------------------------------	---------------

Revenue

—

Cash Cost of Sales

=

Cash Transaction
Margin



We focus on key levers to drive transaction volume

Acquisition

Merchants and products to drive acquisition

Engagement

More places to shop and ways to pay

Frequency

Innovation to drive usage

Volume

Deeper engagement drives top-line growth

Total Customers

×

**% Monthly
Transacting Users
(MTU)**

×

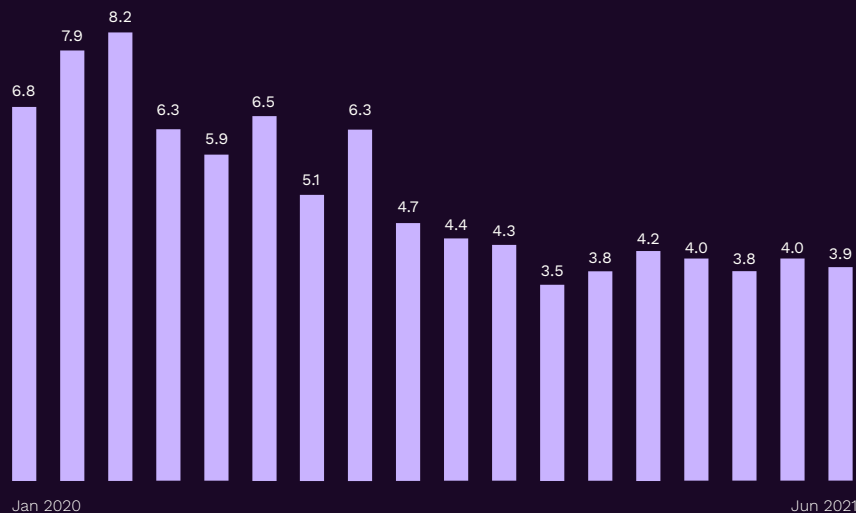
**Transactions
per MTU**

=

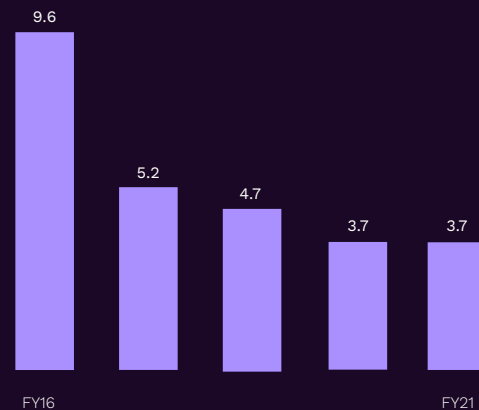
**Total Transaction
Volume (TTV)**

Increased capital recycling and reduced interest rates are driving down interest costs

Repayment velocity
(average months to recycle book)

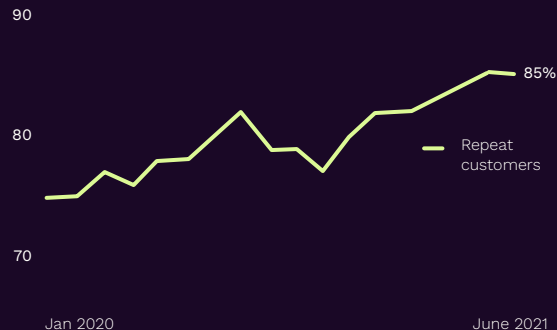


Interest rate on loans
(Weighted average interest rate %)

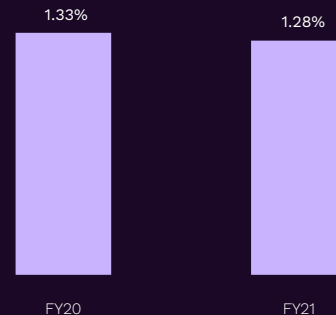


High repeat
usage rates and
investment in
our decisioning
capability
support ongoing
management of
losses

Returning Customer Contribution¹
(as a % of TTV)



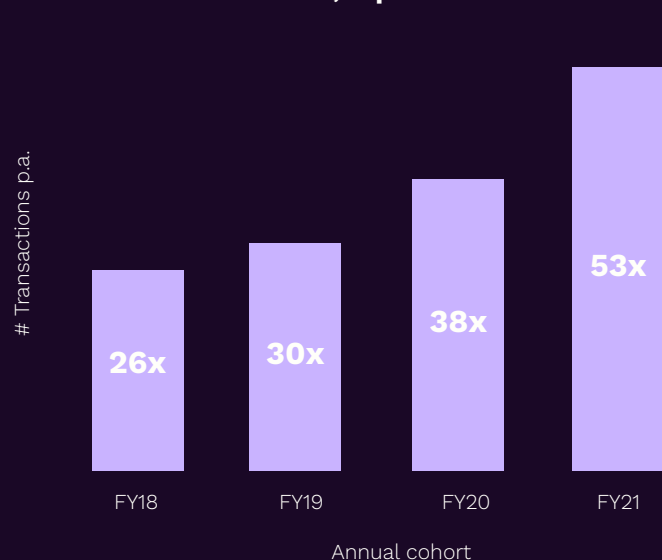
Net Bad Debts Written Off^{2,3}
(as a % of TTV)



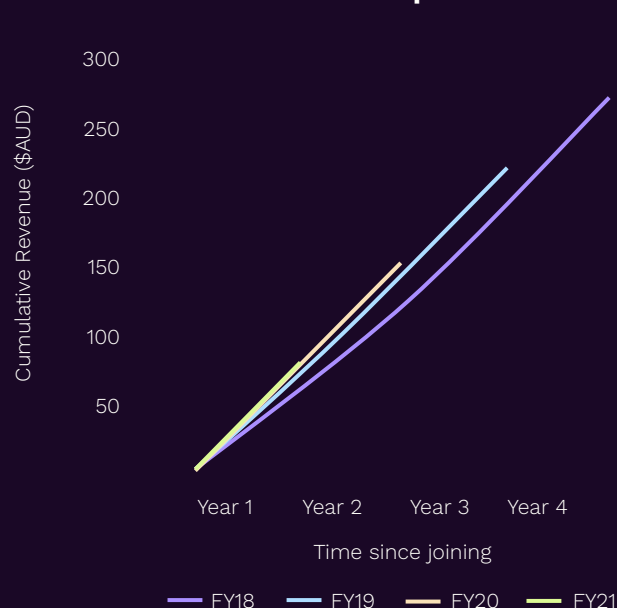
Note: 1. Includes Australia and US, 2. Zip Group, 3. Net bad debts represents impaired receivables written off during the year, net of any recoveries.

Deepening engagement and healthy margin creates higher customer lifetime value

Annual transactions, top 20% ANZ customers¹

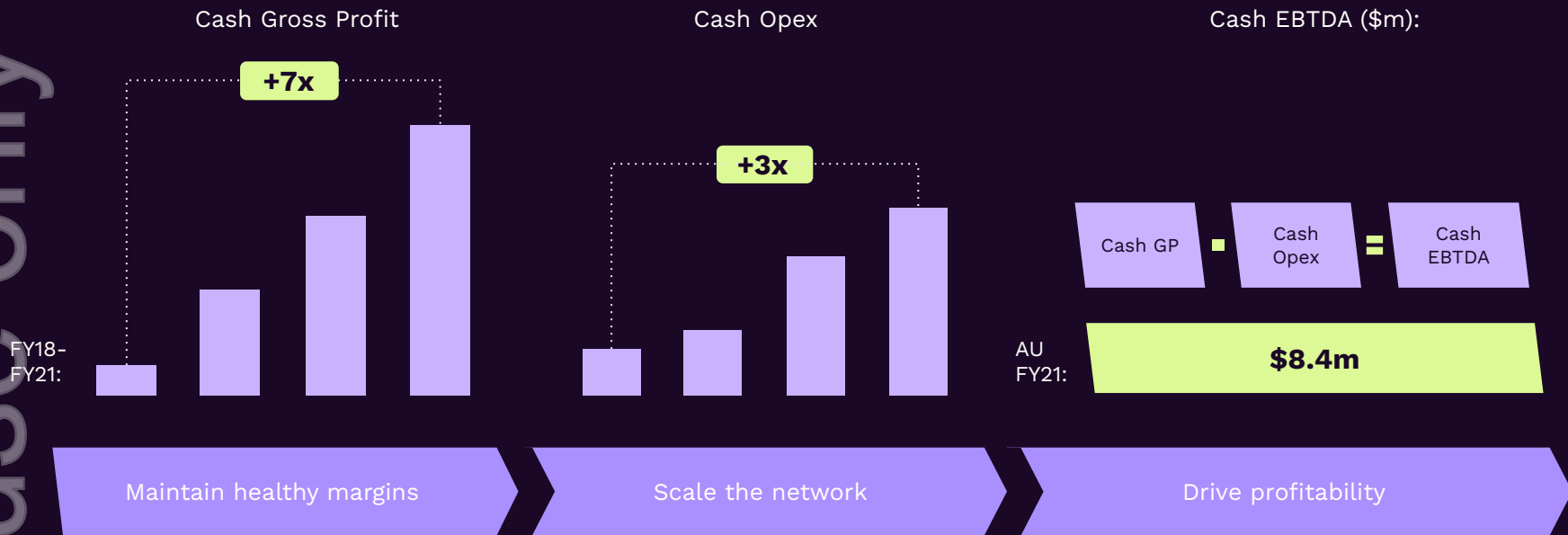


Cumulative revenue per ANZ customer²



Note: 1. Cohorts are based on 12 month active customers, transactions are on a rolling 12 month basis, 2. Based on cumulative revenue per ANZ customer by annual cohort (FY18 to FY21), 3. Values in AUD.

At scale, strong unit economics converts to profitability



Note: 1. AU only, values in AUD

Value

Customers

Merchants

Growth

**Unit
Economics**

Q&A



nal use only



Thank you.



Disclaimer and Important Notices

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An investment in the Company's shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company. Such risks and uncertainties include, but are not limited to: the acquisition and retention of customers, third party service provider reliance, competition, reliance on key personnel, additional requirements for capital, the ability to raise sufficient funds to meet the needs of the Company in the future, potential acquisitions, platform disruption, commercialisation, changes in technology, reliance on new products, development timeframes, product distribution, insurance, security breaches, maintenance of key business partner relationships, management of growth, brand establishment and maintenance, as well as political and operational risks, and governmental regulation and change in laws. Additional risks and uncertainties that the Company is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect the Company's operating and financial performance.

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This release was approved by the Chief Executive Office on behalf of the Board.