

Internal use only

Retail Investor Day

September, 2021



zip

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**



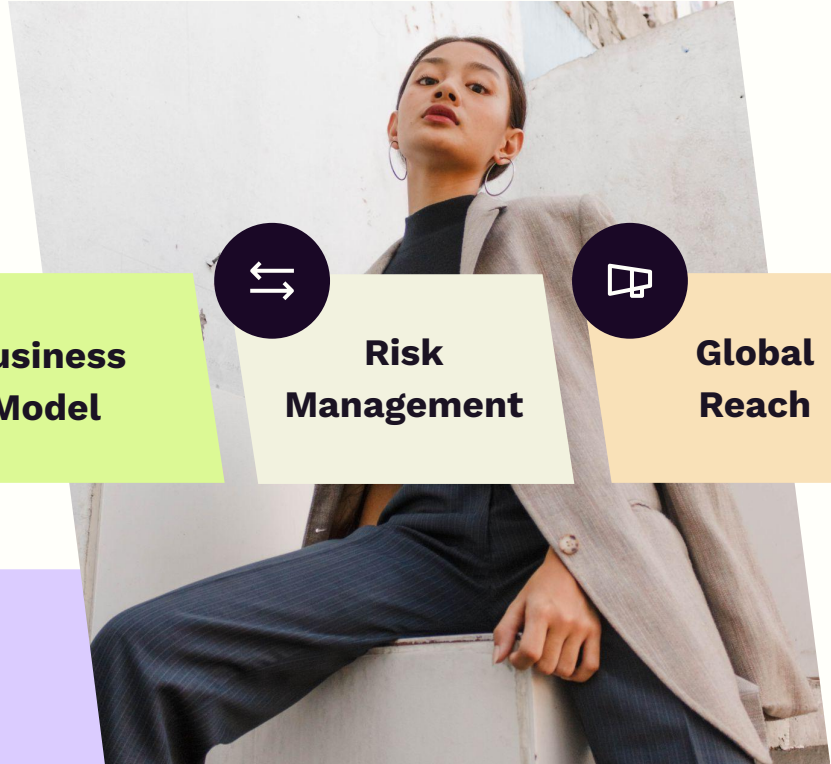
**Business
Model**



**Risk
Management**

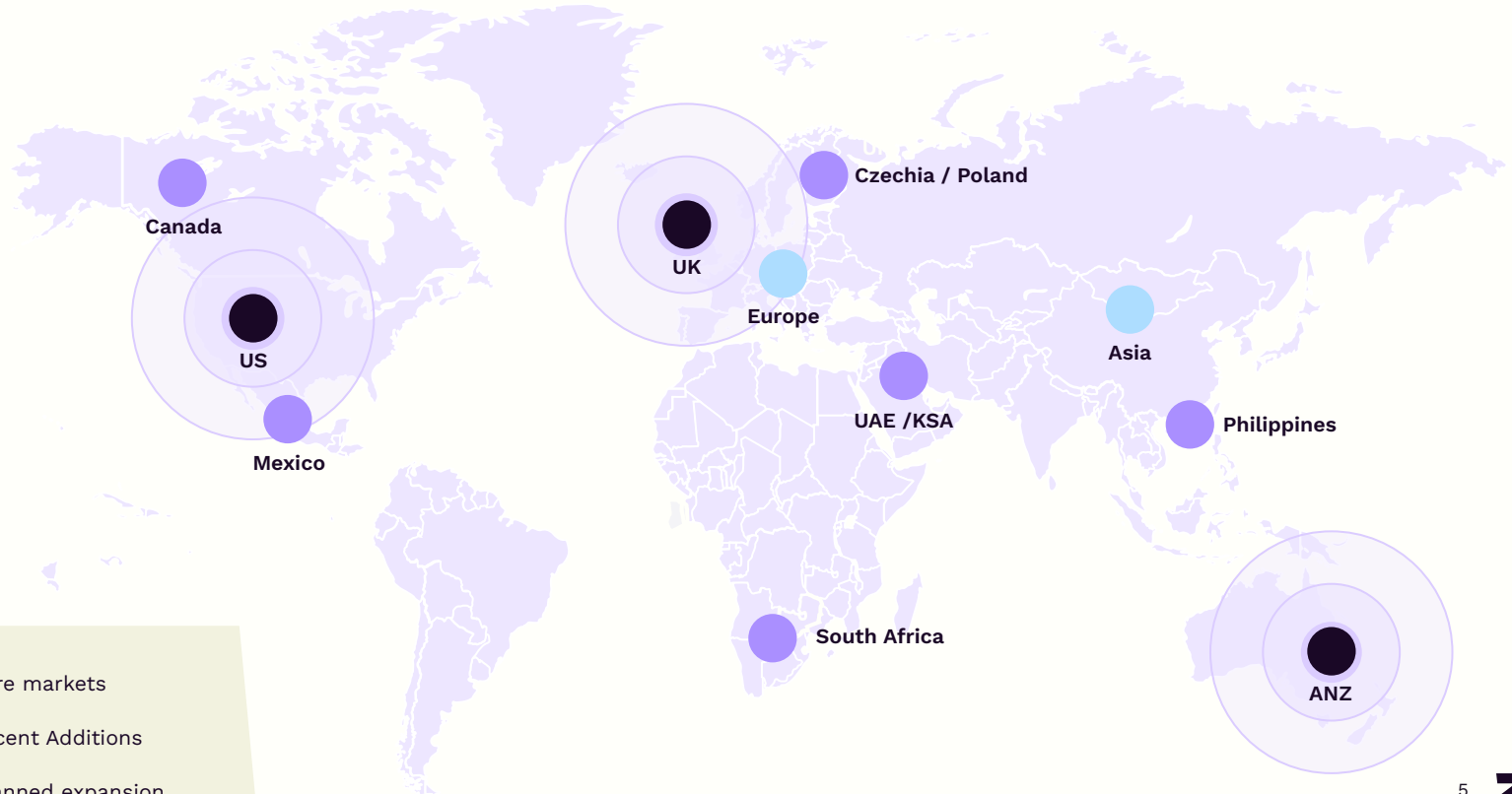


**Global
Reach**



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

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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

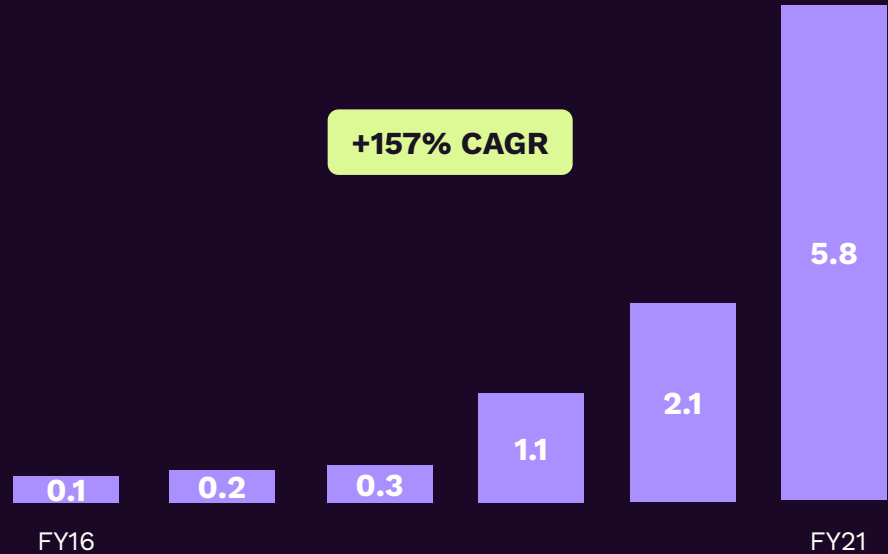


Paul Behrmann

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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)



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Product & Innovation



Today



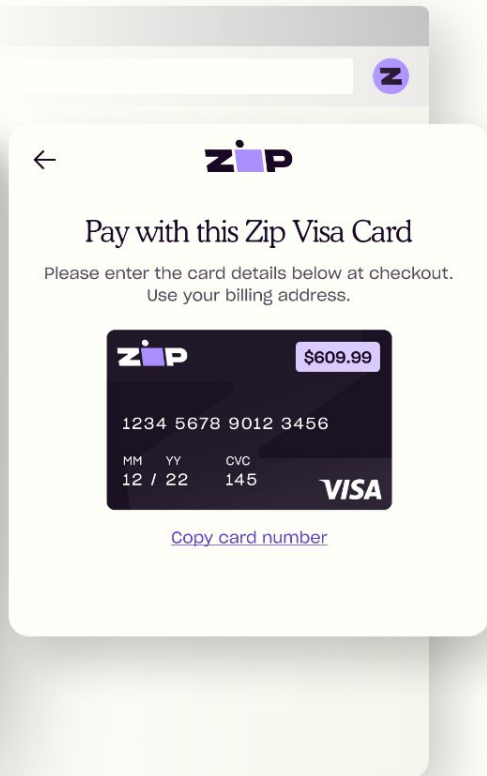
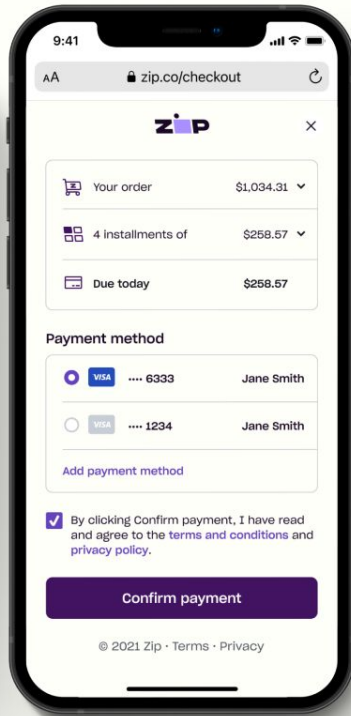
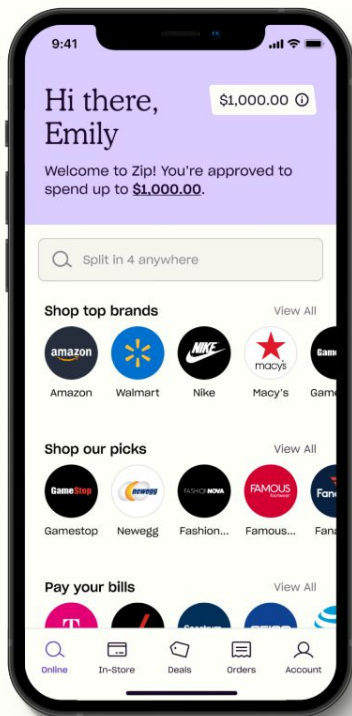
App



Checkout

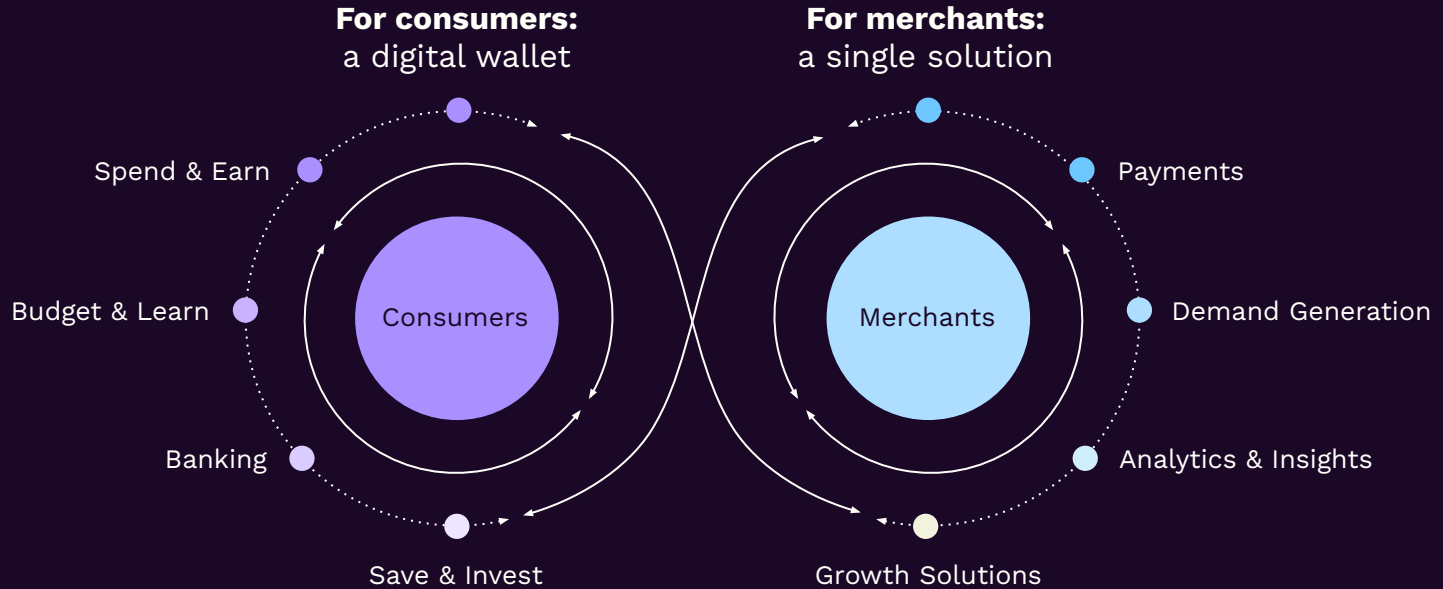


Browser



Our flywheel ecosystem

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



Consumers

Where we're going



Physical Card



Savings Account



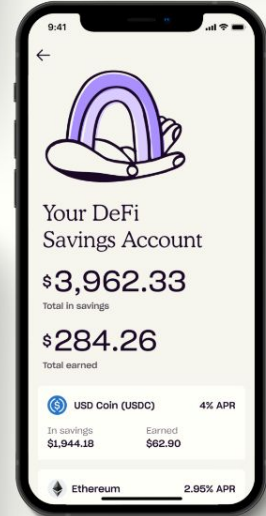
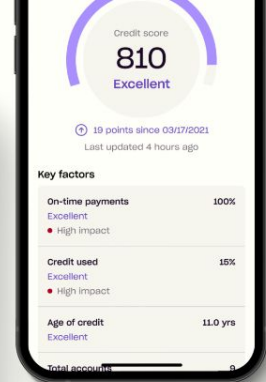
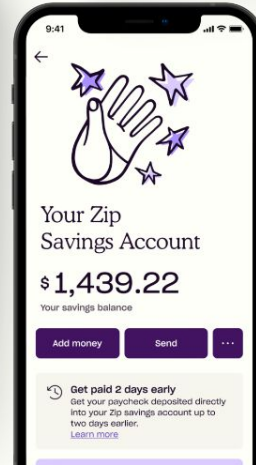
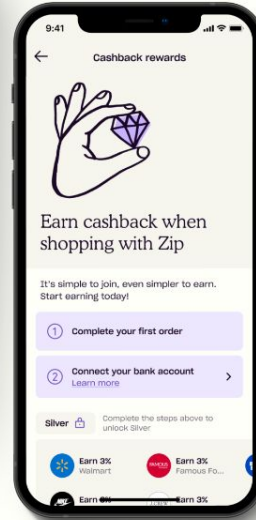
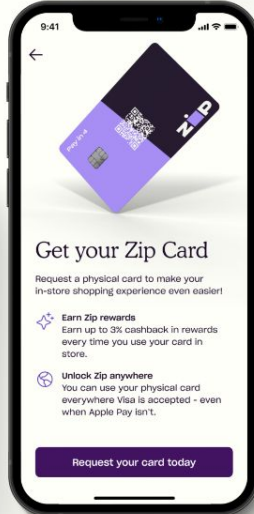
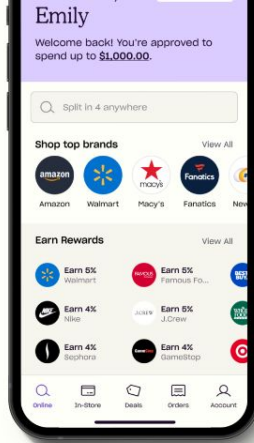
Credit Builder



Rewards



Crypto





Ways to pay

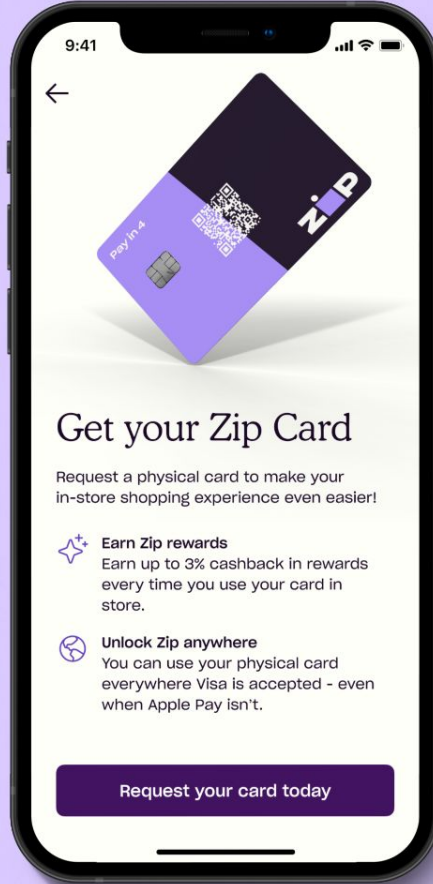
Pay in 4 Card



Personal use only

Pay in 4 Card

Personal use only

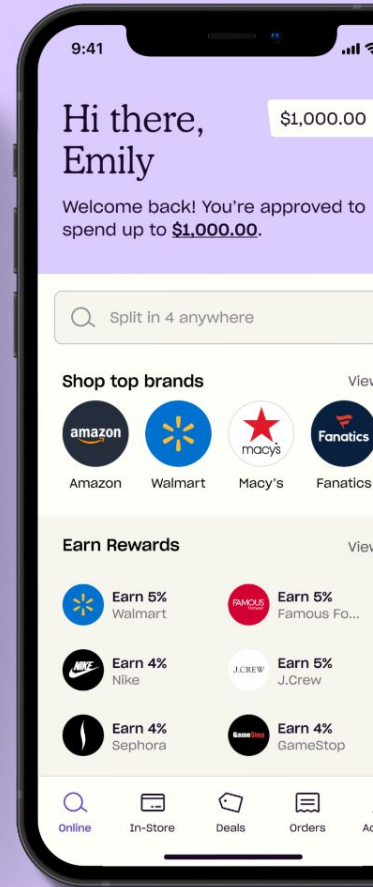
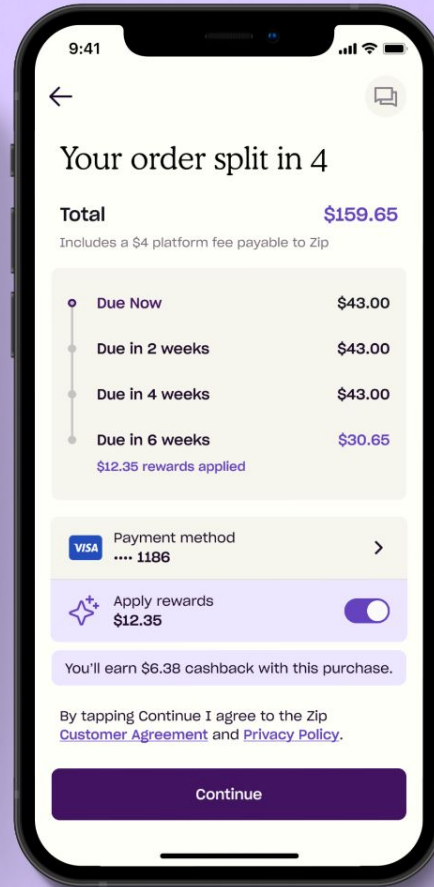
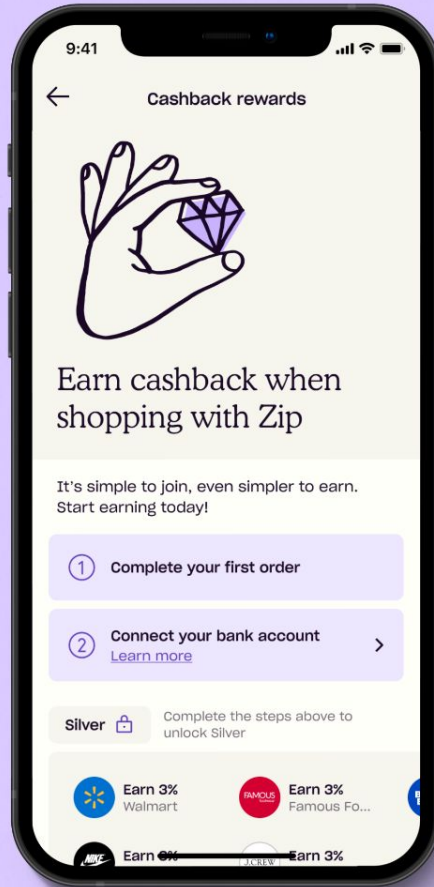


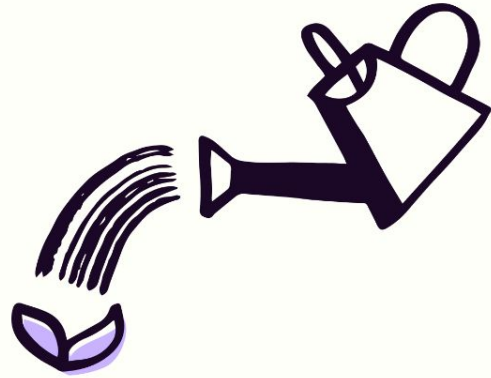


Rewards

Rewards

Final use only

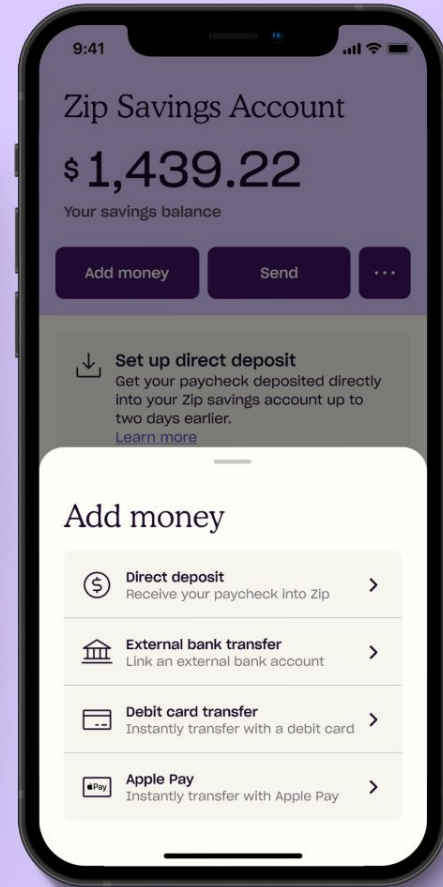
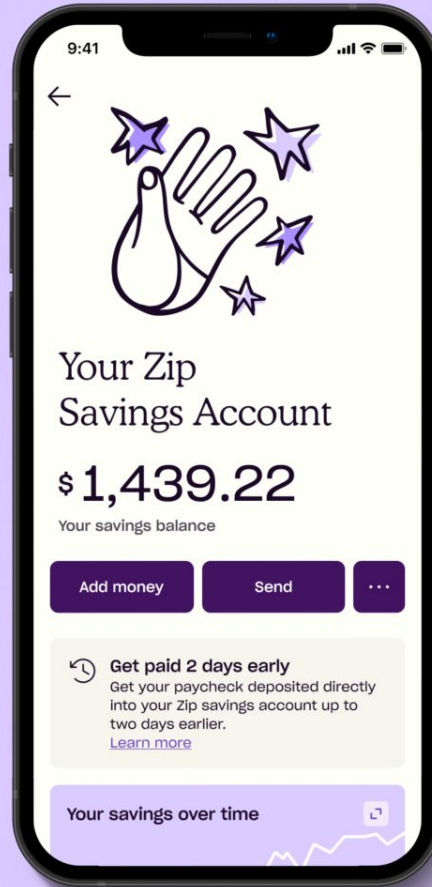




Savings accounts

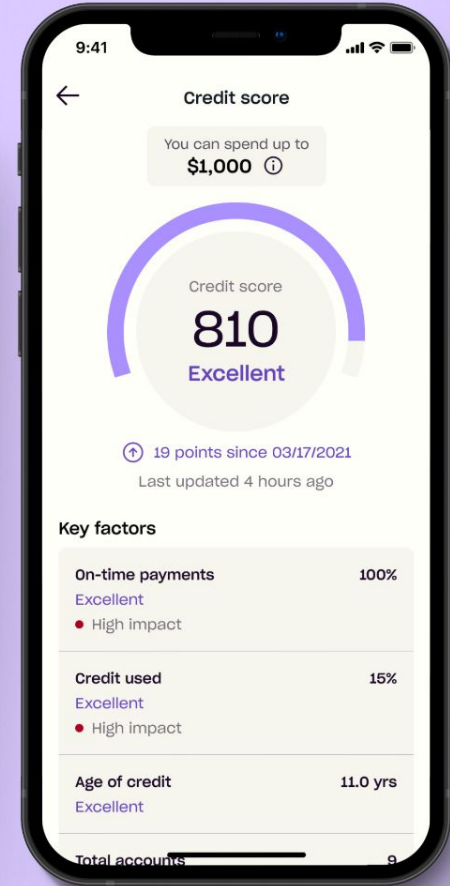
Zip savings account

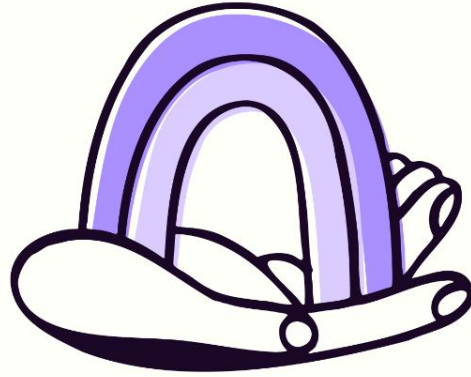
Illustrative use only



Credit builder

Illustrative use only

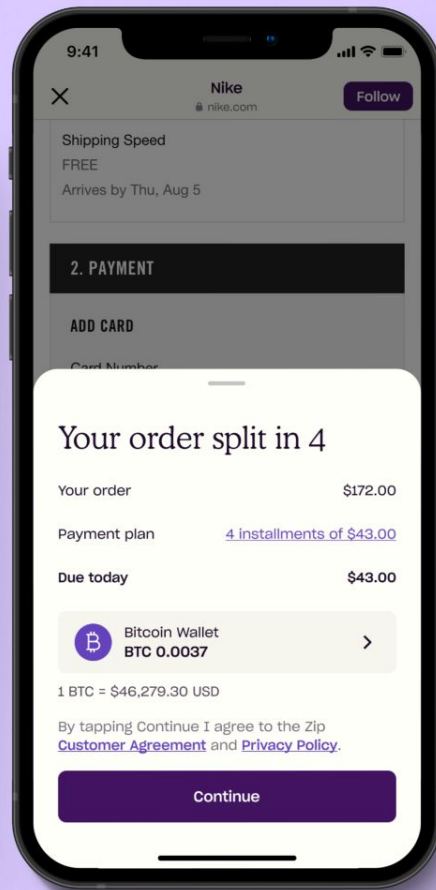
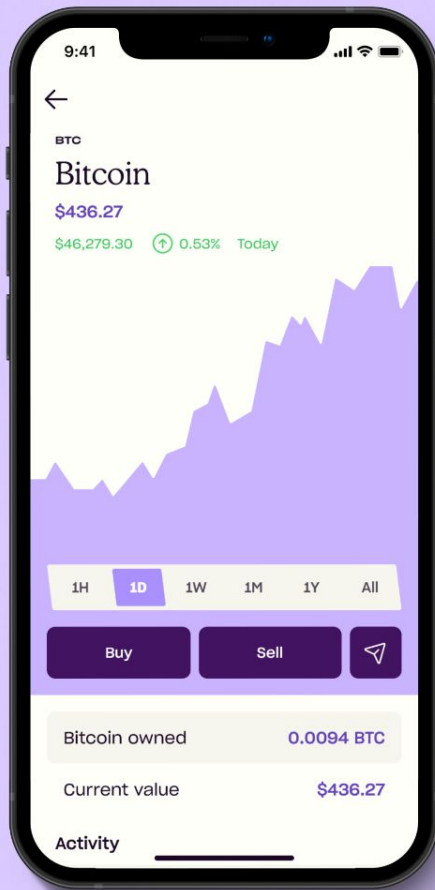




Crypto

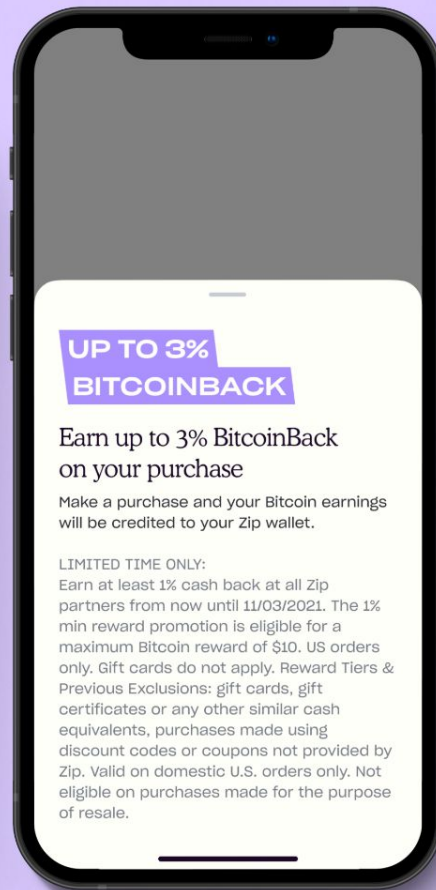
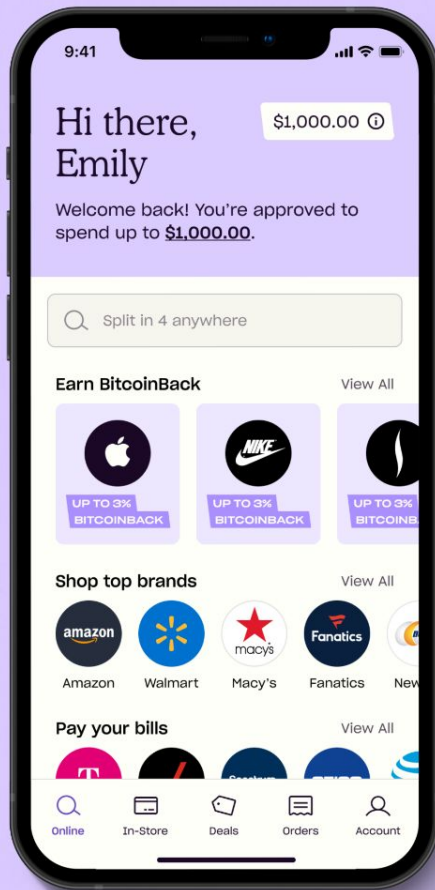
Buy, hold, sell - and pay with crypto

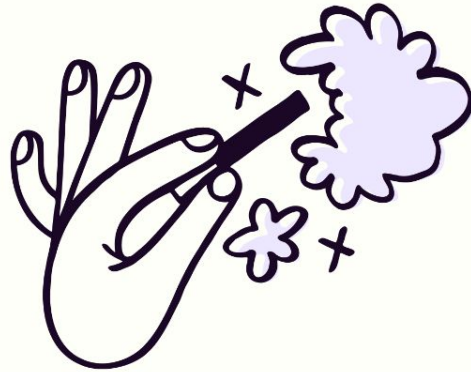
Illustrative use only



Crypto rewards

Personal use only

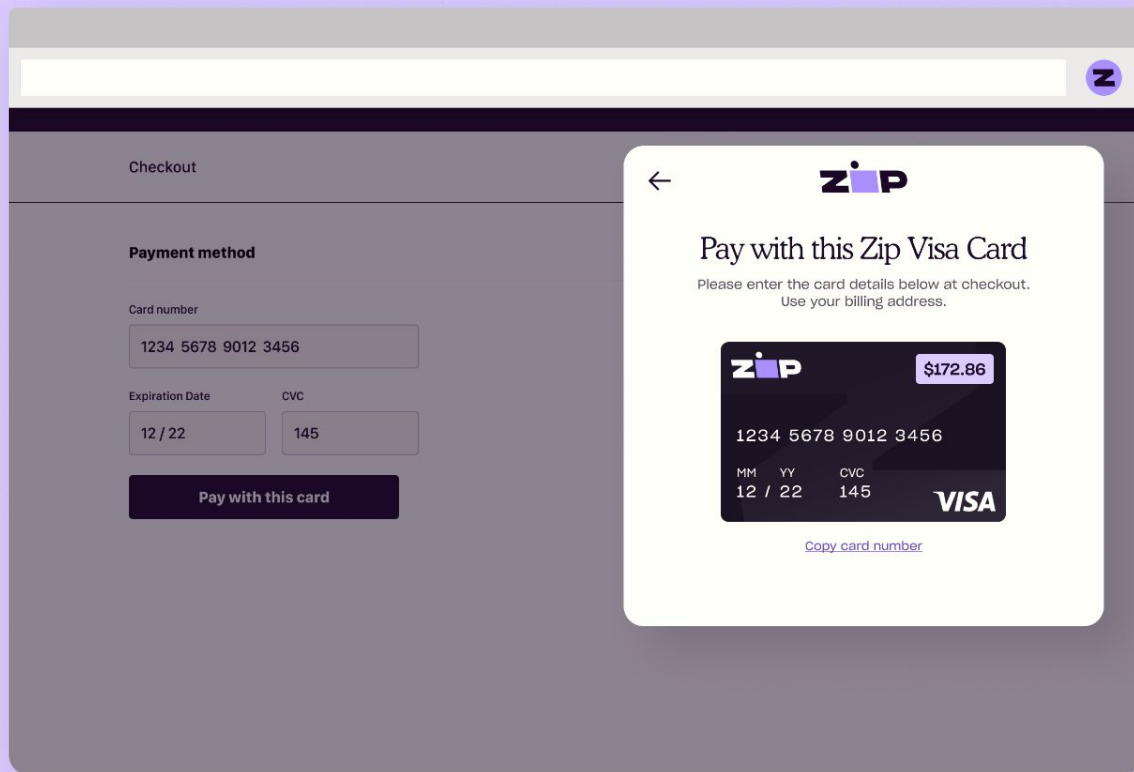




Shopping assistant

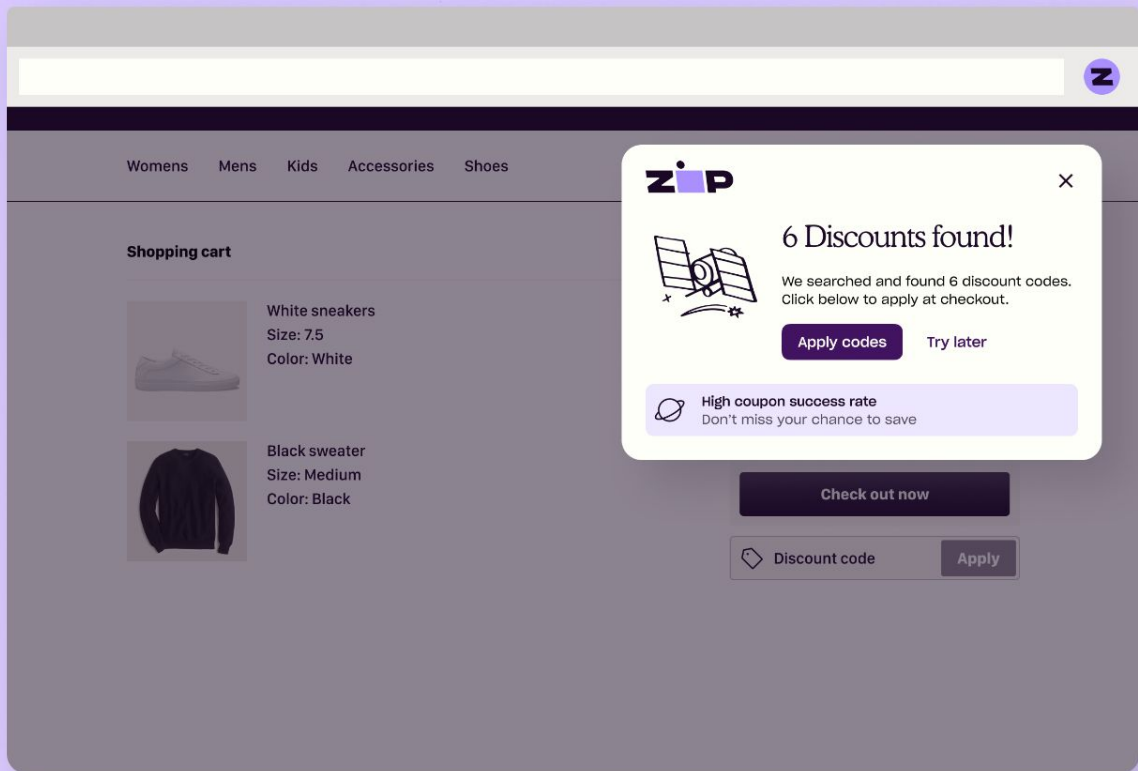
Chrome extension

Coming soon:
Microsoft Edge + Safari



Find discounts

Personal use only

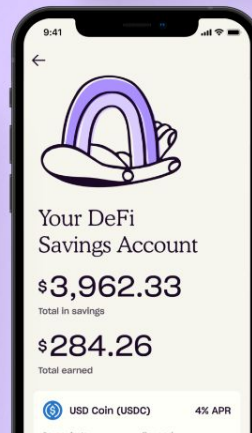
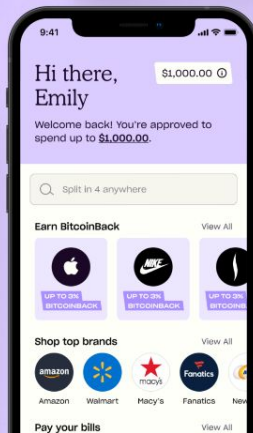
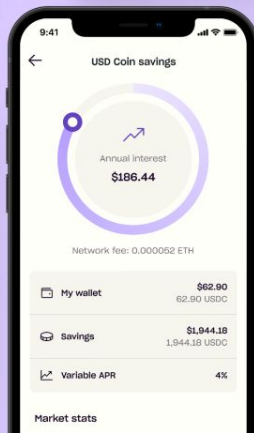
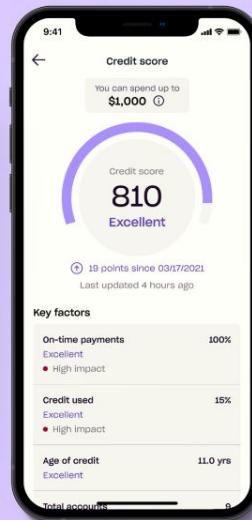
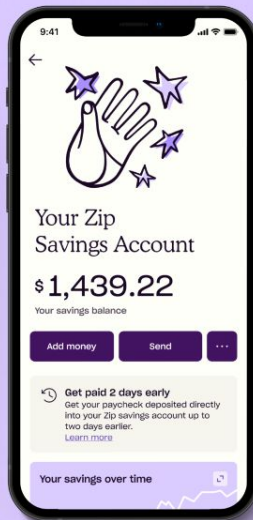
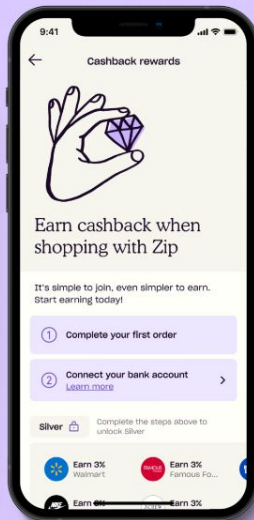


Find better deals

Personal use only

The screenshot shows a mobile shopping app interface. In the background, a product page for Apple AirPods Pro is visible, featuring a large image of the earbuds in their charging case. The price is listed as \$249.99. A search bar and navigation icons are at the top. A white popup window is overlaid on the right side of the screen. The popup has the ZIP logo at the top left and a close button (X) at the top right. The main text in the popup reads "We found a better deal!". Below this, there is a small image of the AirPods Pro and the text "Apple AirPods Pro with Wireless Charging Case". Underneath, it says "BEST DEAL" and lists "Best Buy" with a price of "\$249.99 + tax". A blue button below this says "Shop now and save 15%. Use code ZIP15 at checkout." At the bottom of the popup, there is a section titled "COMPARE MORE PRICES" which lists three other retailers: Amazon at "\$219.00 + tax", Target at "\$234.99 + tax", and Walmart at "\$234.99 + tax". Each retailer entry includes a small logo and a right-pointing arrow.

Illustrative





Innovation for Merchants

Merchants

Where we're going



Long duration



Express checkout



Demand gen



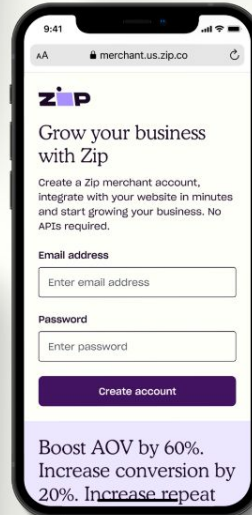
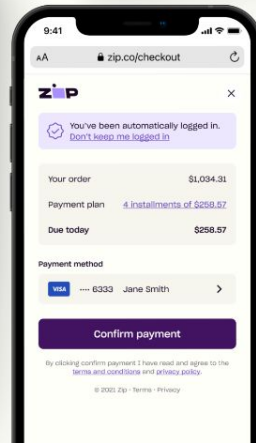
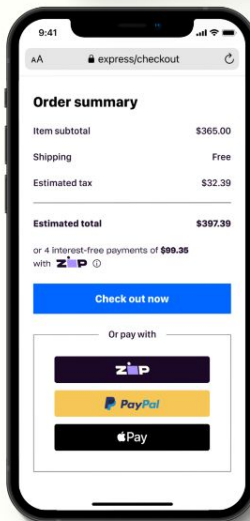
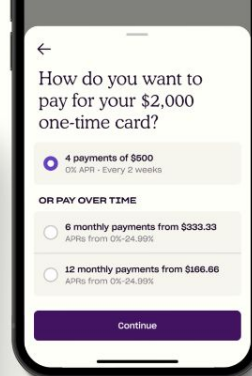
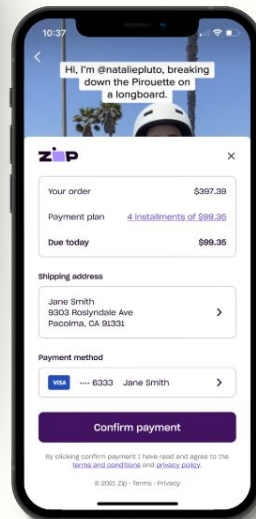
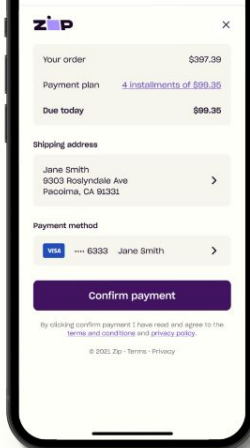
Remember me



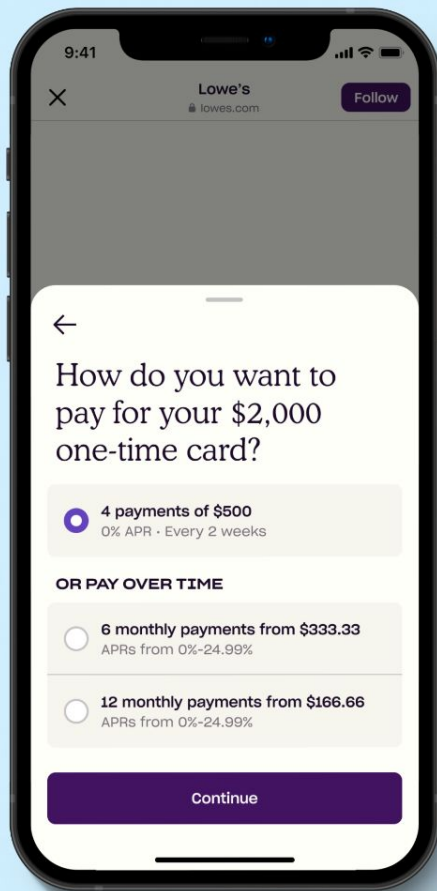
Single global integration



Virtual card integration



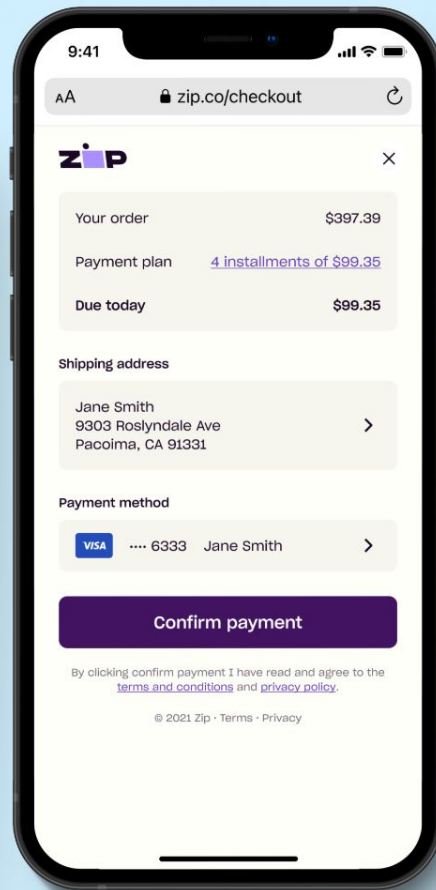
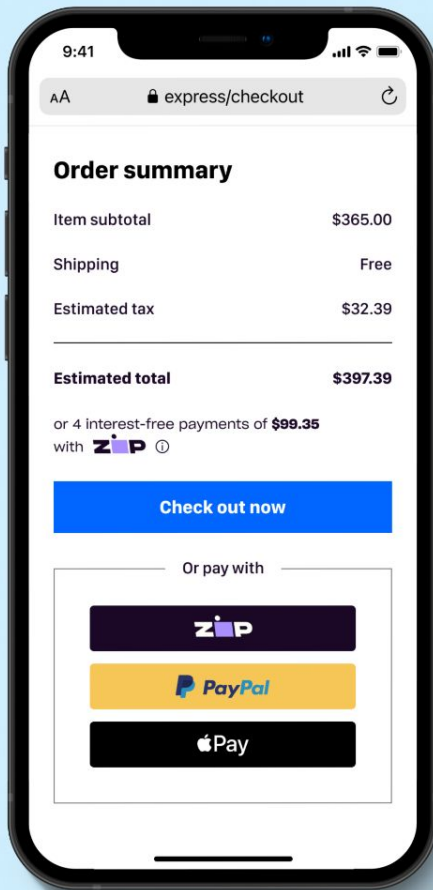
Long duration



Illustrative

Express checkout

Illustrative



Demand gen

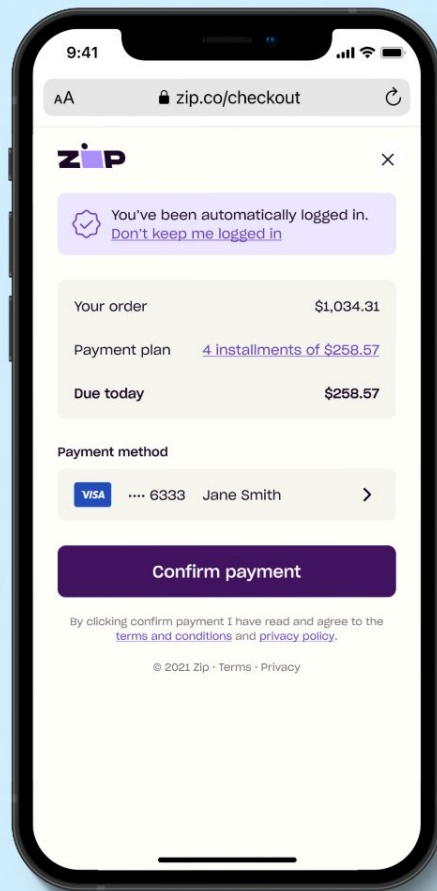
Internal use only

Illustrative

The screenshot shows the ZIP interface for creating a new campaign. The left sidebar contains navigation options: Dashboard, Orders, Transactions, Payments, Disputes, Insights, Grow (highlighted), and Settings. The main content area is titled "Create new campaign" and includes the following sections:

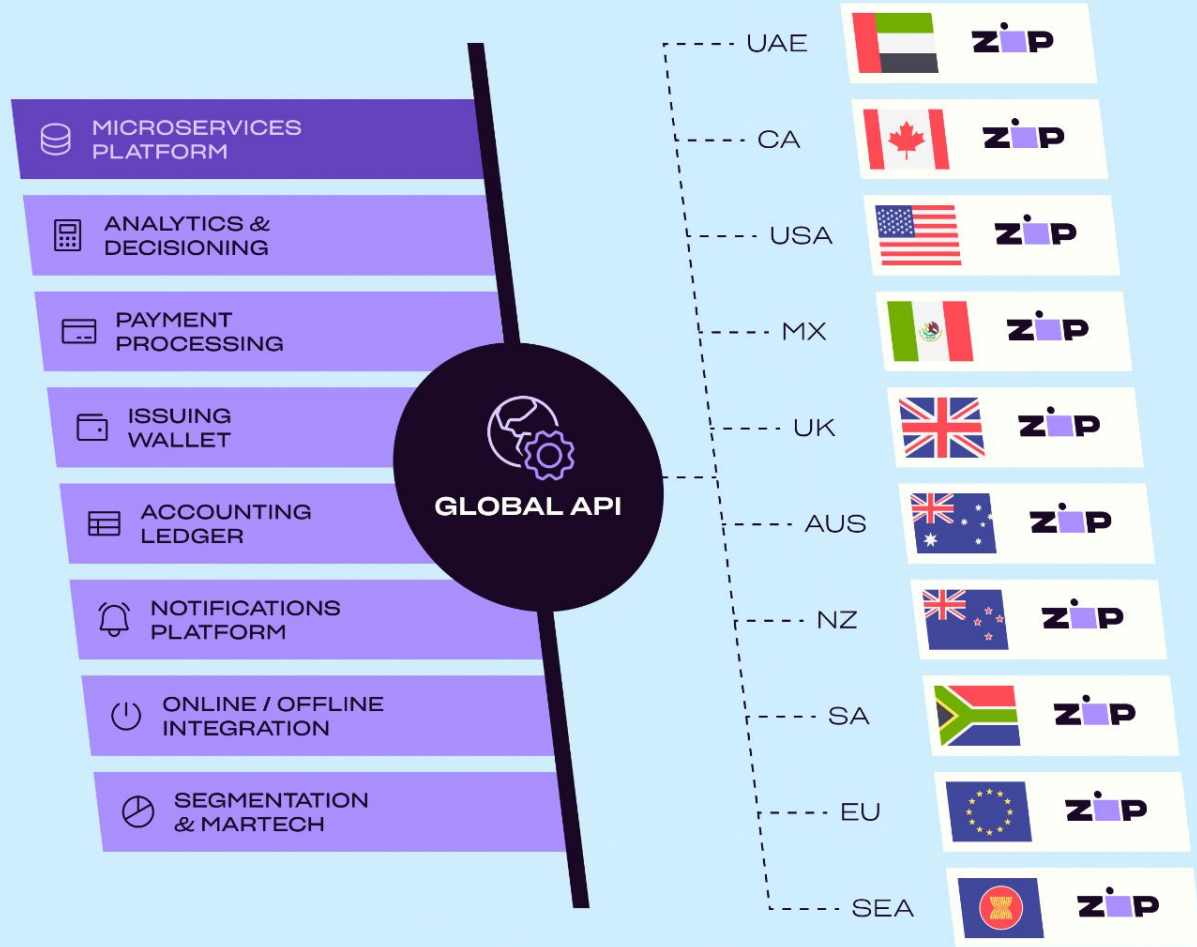
- Campaign info:** Campaign name: "September Cashback"; Campaign Tags: EMAIL, SMS, MOBILE APP, REWARDS.
- Campaign type:** "Cashback rewards".
- Cashback rewards:** Cashback type: "Fixed cashback"; Cashback amount: "\$10.00".
- Cashback rules:** "If Order value is greater than \$100.00".
- User segment:** "Disengaged customers".
- Timing:** Start date: "Wed, Sept 1, 2021"; End date: "Friday, Oct 1, 2021".

Remember
me

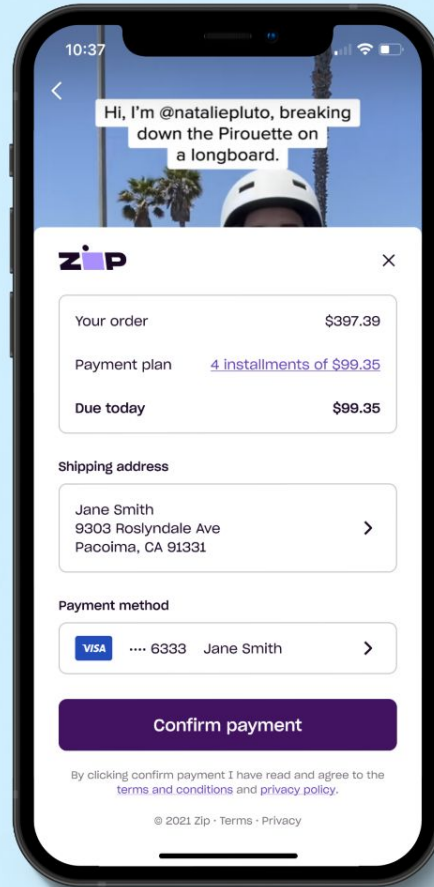


Single global integration

Internal use only



Virtual card integration



Illustrative

amazon.com.au



Microsoft

SHEIN

boohoo

COTTON:ON

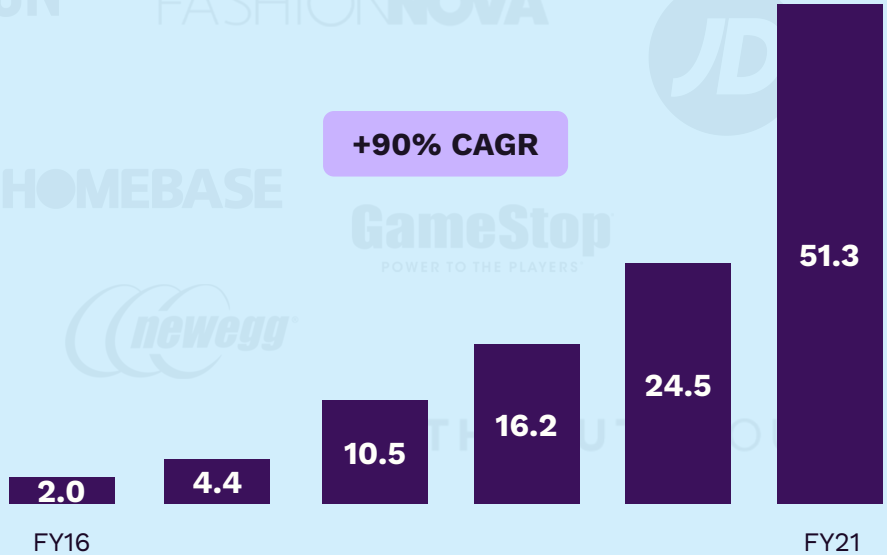
FASHIONNOVA



We continue to scale with world leading brands

Total Merchants ('000)

+90% CAGR



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

Internal use only

mal use only

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



zip UK
Canada
Mexico

Land > Expand

Minority
Investments



spotii **payflex**
twisto **TendoPay**

Invest > Monitor > Scale

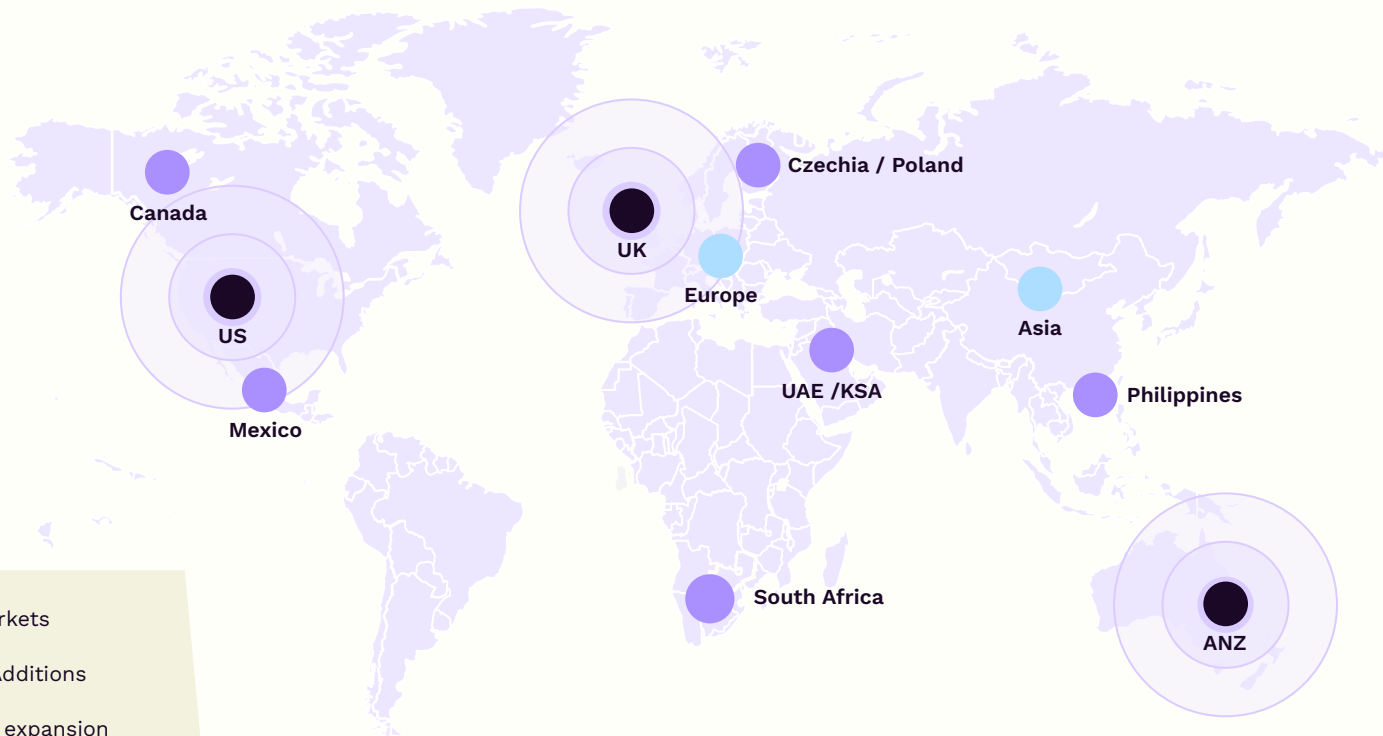
Acquisitions



PartPay
quadpay

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



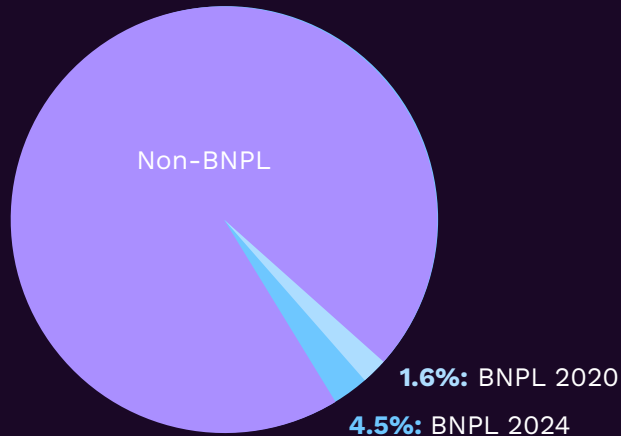
- Core markets
- Recent Additions
- Planned expansion

Internal use only

The US is our highest priority...

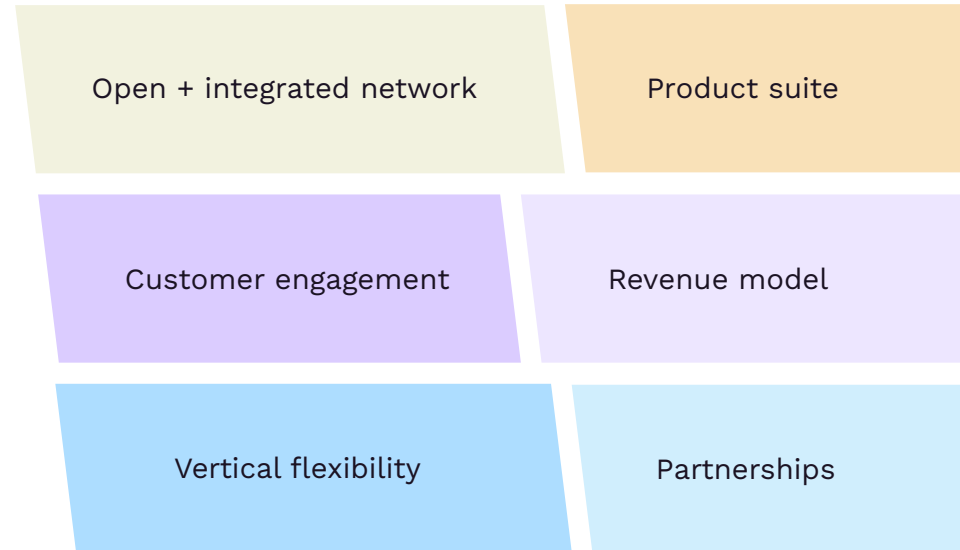
\$5.2tn US retail market¹

BNPL share of e-commerce spend²



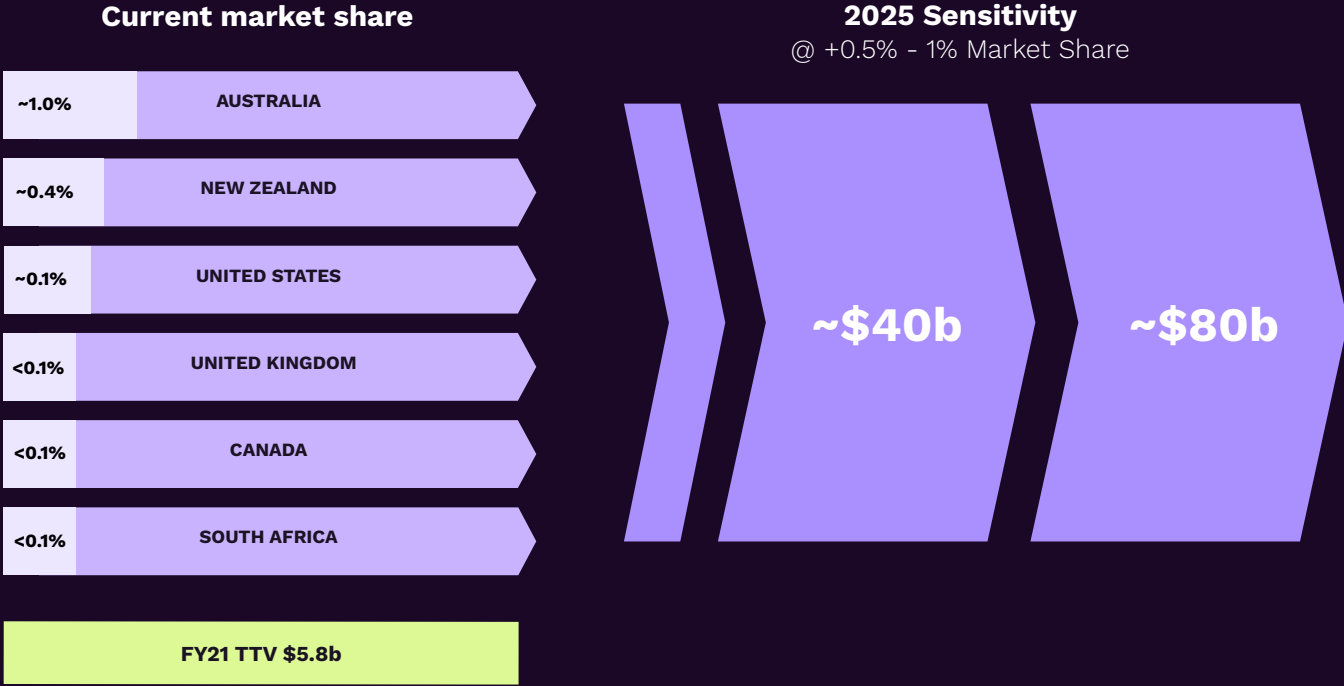
Note: 1. US Census, 2019. 2. Worldpay global payments report, 2021.

...we have the tools to win



Executing our plan will deliver material growth

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

mal use only

Performance



Investing in Zip

mal use only



Growth business



Long term focus

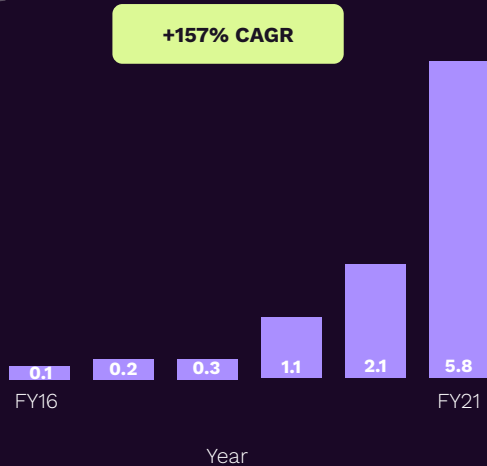


Scalable unit economics

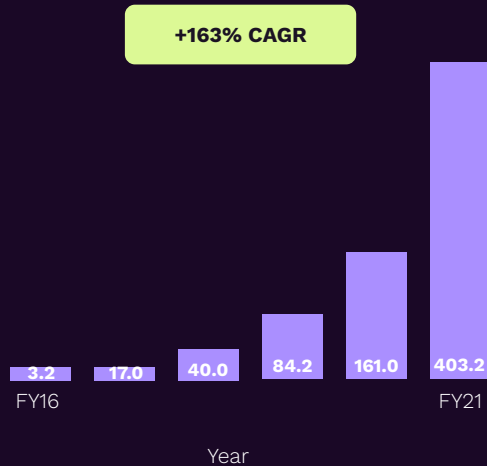


We are a growth business

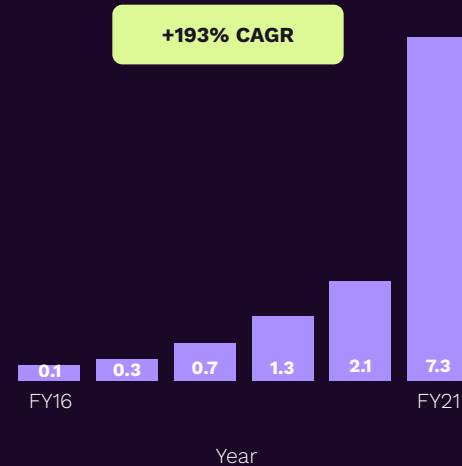
Total Transaction Volume
(\$AUDb)



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)

×

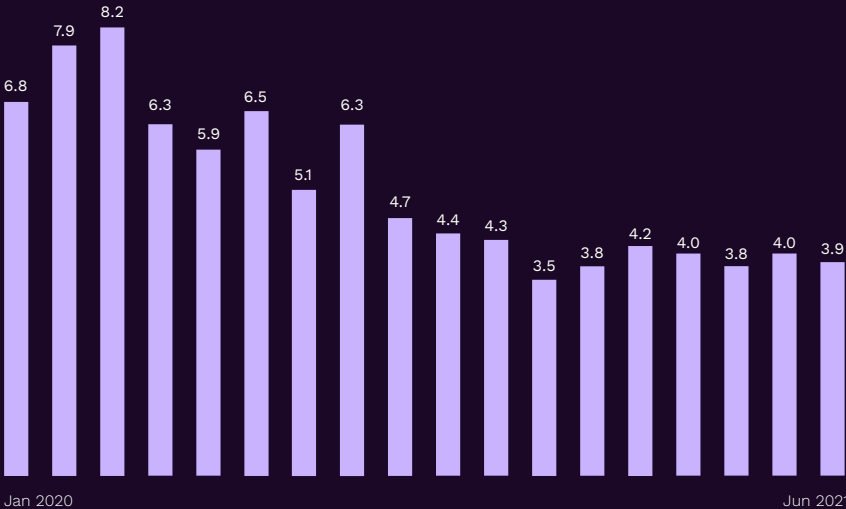
Transactions per MTU

=

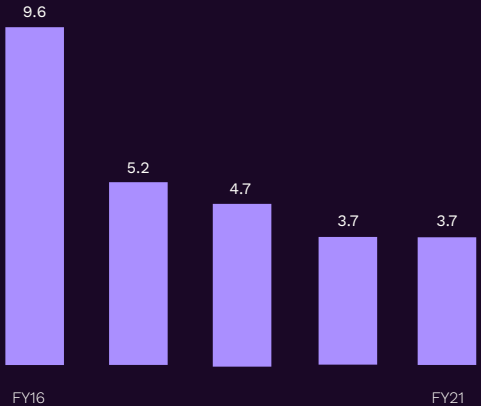
Total Transaction Volume (TTV)

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

Repayment velocity
(average months to recycle book)



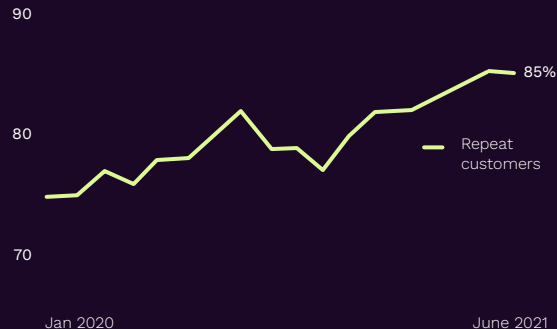
Interest rate on loans
(Weighted average interest rate %)



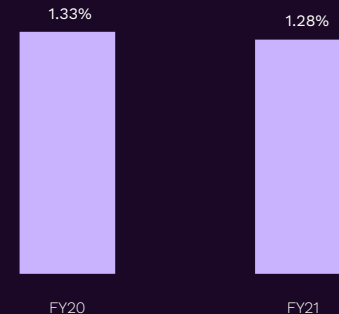
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High repeat usage rates and investment in our decisioning capability support ongoing management of losses

Returning Customer Contribution¹
(as a % of TTV)



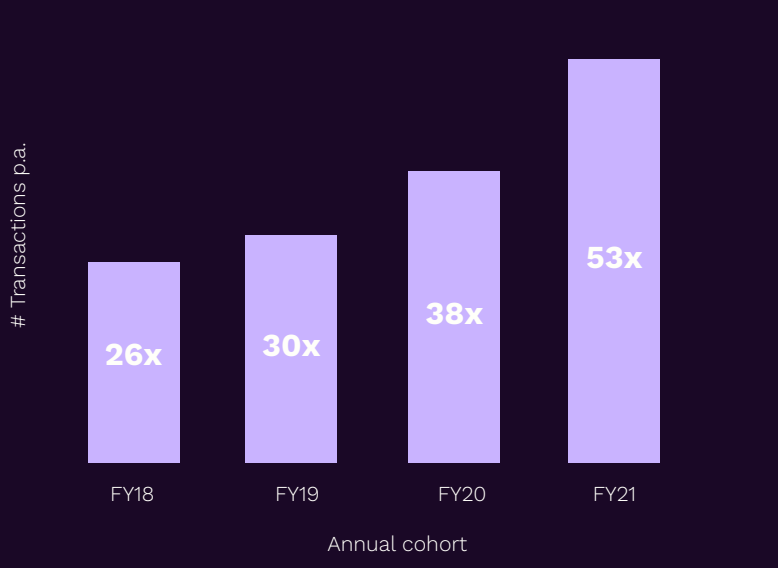
Net Bad Debts Written Off^{2,3}
(as a % of TTV)



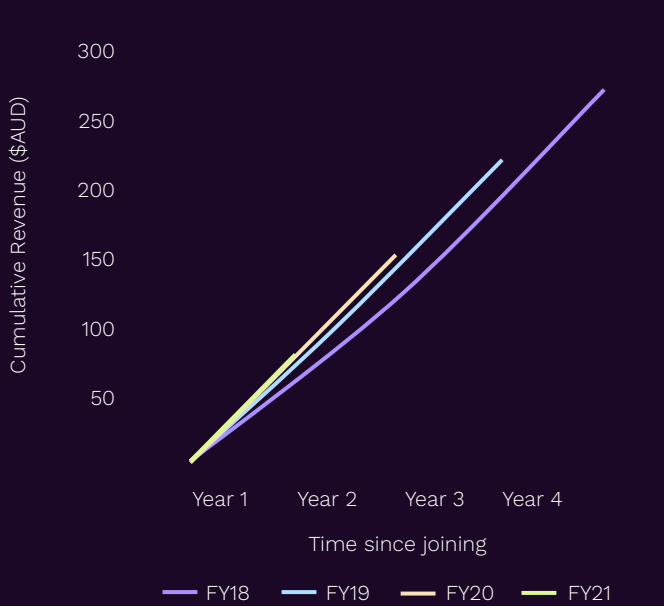
Note: 1. Includes Australia and US, 2. Zip Group, 3. Net bad debts represents impaired receivables written off during the year, net of any recoveries.

Deepening engagement and healthy margin creates higher customer lifetime value

Annual transactions, top 20% ANZ customers¹



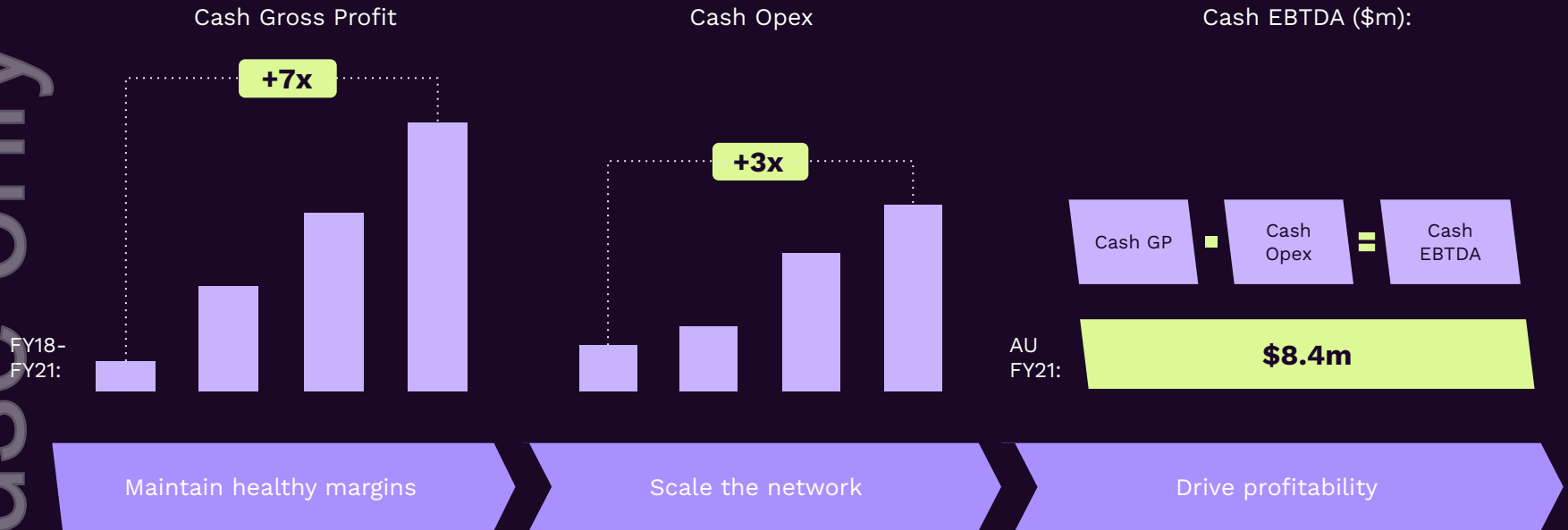
Cumulative revenue per ANZ customer²



Internal use only

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**

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Q&A



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Thank you.



Disclaimer and Important Notices

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