ZIP CO LIMITED

HY22 Investor Presentation

28 FEBRUARY 2022

Our Promise

A more financially fearless world.

Our Purpose

To create a world where people can live fearlessly today, knowing they are in control of tomorrow.

Our Mission

To be the first payments choice everywhere and every day.

Agenda

01 Highlights

02 Financial Performance

03 Business Performance

04 Financial Statements

05 Outlook and Priorities

01.

Highlights

We are Zip

HY22 snapshot

$9.0b
Annualised TTV[1]

$604.4m
Annualised Revenue[1]

140%+
YoY transaction growth[2]

11m+
All time app downloads[3]

9.9m
Customers[4]

81.8k
Merchants[4]

Note: 1. HY22, annualised, 2. HY21 v HY22, 3. App Annie 2022, 4. As at 31 Dec 2021.

Zip is a global payments technology leader with a footprint across 14 markets.

zest – India

TendoPay – Philippines

Zip markets

Strategic investments

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

Products

We offer short and long term duration instalments in a single checkout experience

Network Flexibility

We operate both an open and integrated network, accelerating our flywheel and enabling customers to BNPL everywhere

Revenue Model

Our unique revenue model drives income from customers and merchants, enabling us to support partners in any vertical and deliver healthy unit economics

Risk Management

Our proprietary decisioning platform drives superior approvals and conversion for merchant partners while delivering profitable outcomes

Global Scale

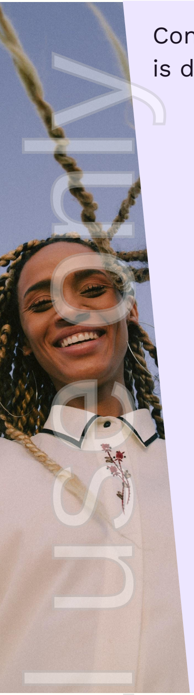
We are a global payments technology leader. Our technology platform enables us to unlock 14 markets for partners through a single API integration

Proof points

Products	Network Flexibility	Revenue Model	Risk Management	Global Scale
>25% of AU customers adopt Zip Pay and Zip Money, within six months of joining[1]	AU & US customers transacted at >270k merchants in Dec 21 demonstrating the power of the network	Continuing to record strong and stable revenue margins (6.7% in HY22)	Underwritten over $14.3b[2] in instalments globally	55+ global merchants onboarded to our single merchant interface since May 20

Note: 1. Based on July 21 customer cohort, 2. From July 17 to Dec 21.

HY22 highlights



Deep Customer Engagement

Continued focus on innovation is driving deeper engagement:

- New **products** / services e.g. Bill Switching (AU); Rewards & Gift cards (US)
- Delivered **Tap & Pay for Zip Business** allowing business customers to shop anywhere
- Top 20% of customers transacted **>6x** per month in CY21 (AU)[1]
- App customers delivered a **163% increase** YoY in TTV (US)[2]

More Value For Merchants

More value for merchants through enhanced solutions:

- Partnered with **enterprise merchants** including Mercari, Nespresso and Virgin Australia
- Delivered **280%+ uplift** in TTV HoH for our affiliate partners (AU)
- **Driving demand for merchants** with 36.3m transactions processed in HY22 up 147% YoY

Sustainable Global Expansion

Capitalising on sustainable opportunities globally:

- Entry into **India** via a strategic investment in **ZestMoney**
- **Officially launched in Singapore;** strong early customer adoption
- Completed the **acquisition** of **Spotii** and **Twisto**
- **Delivered $50m+** TTV from **Expansion Markets** in Nov 21 and Dec 21[3]

A Financially Fearless World

Investing in our people, and social and financial wellbeing:

- Partnered with **Young Change Agents** and **Way Forward**
- Hired **key roles** including Global Chief Technology Officer, ANZ MD and Chief US Growth Officer
- Reached **42% female** representation in our global workforce

Note: 1. Top 20% of FY21 cohort, 2. 1H21 v 1H22, 3. Includes Canada, Mexico, Middle East, Europe and South Africa.

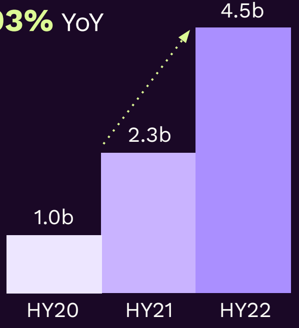
02.

Financial Performance

70%+ growth across all key metrics

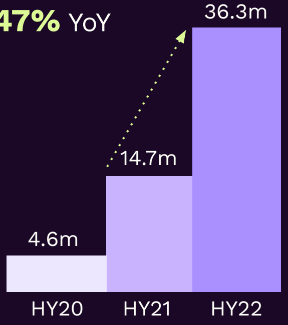
TTV ($)

Up **93%** YoY



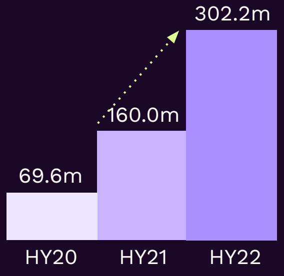
Transactions (#)

Up **147%** YoY



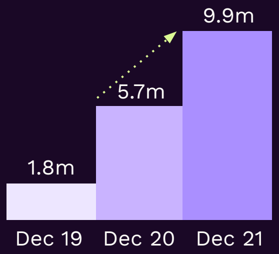
Revenue ($)

Up **89%** YoY



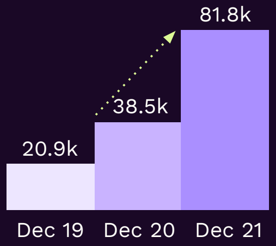
Customers[1] (#)

Up **74%** YoY



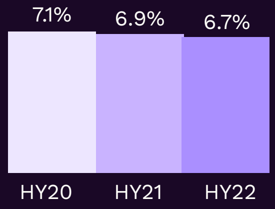
Merchants[1] (#)

Up **113%** YoY



Revenue margin (%)

Revenue margins remain strong at 6.7%



Note: 1. As at 31 Dec 2019 v 31 Dec 2020 v 31 Dec 2021.

Unit economics

We continue to deliver sustainable financial performance

- Transaction volumes grew 93% YoY with revenue up 89% YoY
- Revenue margins remained steady with Zip's unique revenue model continuing to outperform Zip's peer set
- Strong revenue margins ensured cash transaction margin remained healthy (>2%)
- Decline in cash transaction margin driven by increased weighting to the US and rising bad debt costs; management is taking targeted action to improve performance
- Australia evidences a robust and mature model delivering the 14th consecutive quarter of positive cashflow

Financial performance[1]	HY22	HY21
Total Transaction Volume (TTV)	$4.5bn	$2.3bn
Revenue (less other income)	$301.3m	$159.8m
% of TTV	6.7%	6.9%
Cash cost of sales[2] (COS)	$205.8m	$73.7m
% of TTV	4.6%	3.2%
Cash gross profit	$95.5m	$86.1m
Cash transaction margin (CTM)	2.1%	3.7%

Note: 1. Calculated figures may not reconcile due to rounding, 2. Cash Cost of Sales comprises Net Bad Debts written off, Bank Fees and Data Costs, and Interest Costs.

Cash cost of sales

- Interest costs improved driven by reduced rates on US and AU facilities and faster book recycling driven by US pay-in-4 volumes
- Processing costs increased in line with US contribution to group volume
- Increase in losses driven by both external (e.g. slow down in US stimulus), internal (increased acquisition risk appetite in early 2021) influences, and entry into new markets
- Management are taking direct action to improve bad debt performance

% of TTV	HY22	HY21	% change
Revenue	6.7%	6.9%	-0.2%
Interest expense	0.7%	1.1%	-0.4%
Net bad debts written off	2.6%	1.0%	+1.6%
Bank fees and data costs	1.3%	1.1%	+0.2%
Cash cost of sales	4.6%	3.2%	+1.4%
Cash transaction margin (CTM)	2.1%	3.7%	-1.6%

03.

Business Performance

Continuing growth in the US is our highest priority

Growth
Strong growth, delivering 70%+ YoY growth across all key metrics. BNPL penetration remains low (~2% of 2020 e-commerce spend) with significant headroom for growth[1]

Customer engagement
Driving deeper engagement with top 10% of App customers transacting 40x+ p.a.,[2] a 14% increase over FY21. 90%+ of orders are coming from repeat customers in HY22

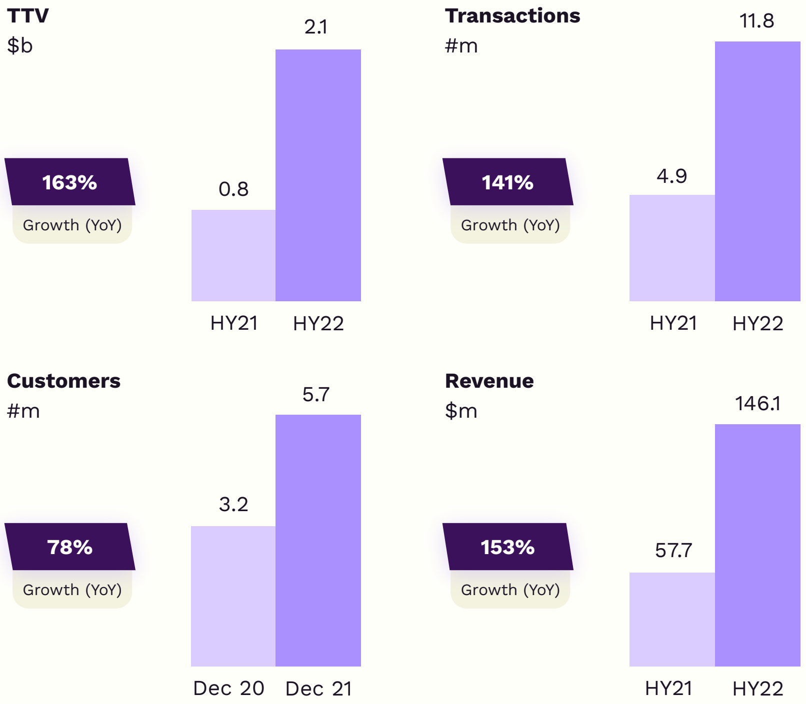
Banking Partnership
Established a partnership with WebBank to enable further product innovation and lending capabilities

Product innovation
Strong product development performance:
- Completed product testing to scale physical cards in March
- Performed initial testing of Microsoft Edge extension, with scaling expected by end of FY22
- Released Remember Me on iOS, driving increased checkout conversion

Risk management
Developed new fraud and machine learning models to improve decisioning outcomes

Select new merchants
Swappa, REVOLVE, MERCARI, carparts.com, Emma, DrivenBrands, POLARIS, Electronic Express, IMAGE SKINCARE

Key performance metrics



Source: 1. Worldpay global payments report, 2021.
Note: 2. Includes App customers that transacted between Jan 21 to Dec 21.

New customers and increasing engagement is driving growth in ANZ

Growth
Continued growth in Zip's most mature market; 44% YoY in TTV after eight years of operation

Zip Business
Launched Tap to Pay[2] and Single Use Cards, enabling Trade customers to transact anywhere in-store and online. A strong partnership pipeline in place to further fuel acquisition and engagement

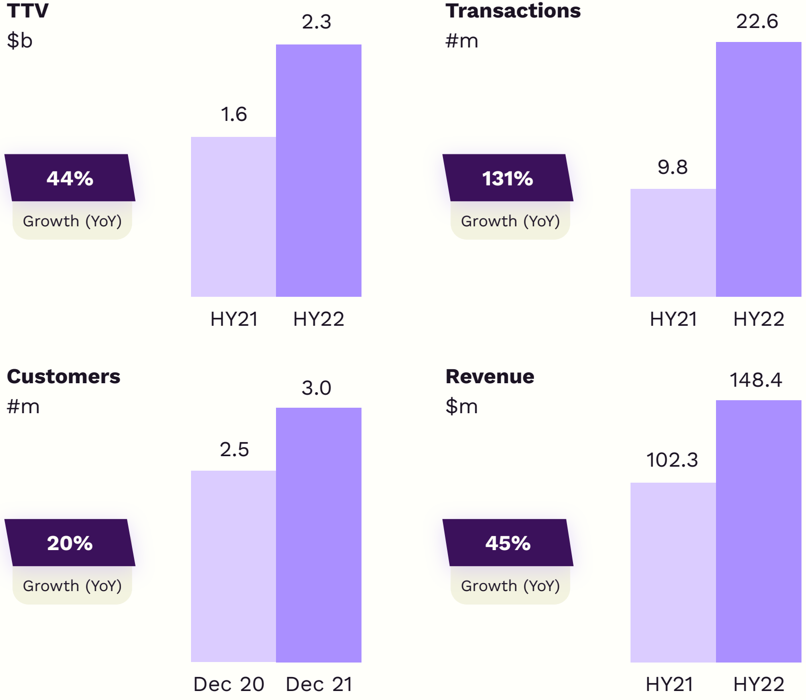
Customer engagement
Engagement continues to deepen, with revenue per customer increasing by 20% YoY.[3] Our top 20% of users transacted 73.5x in the 12 months to December[4]

Product innovation
Product enhancements include bill switching and improved personalisation of Zip's rewards offering. A rich pipeline of new product launches set for H2

Select new merchants

Virgin australia, SHEIN, UNDER ARMOUR, STRANDBAGS, Foot Locker, DELL, culture kings

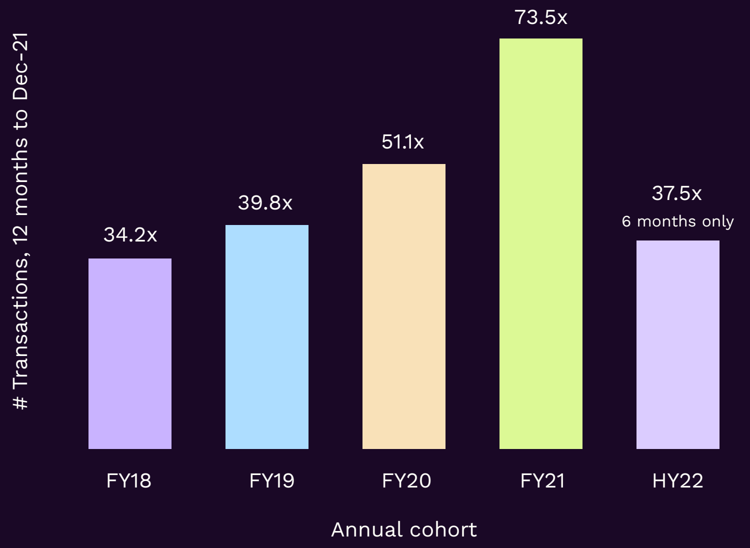
Key performance metrics[1]



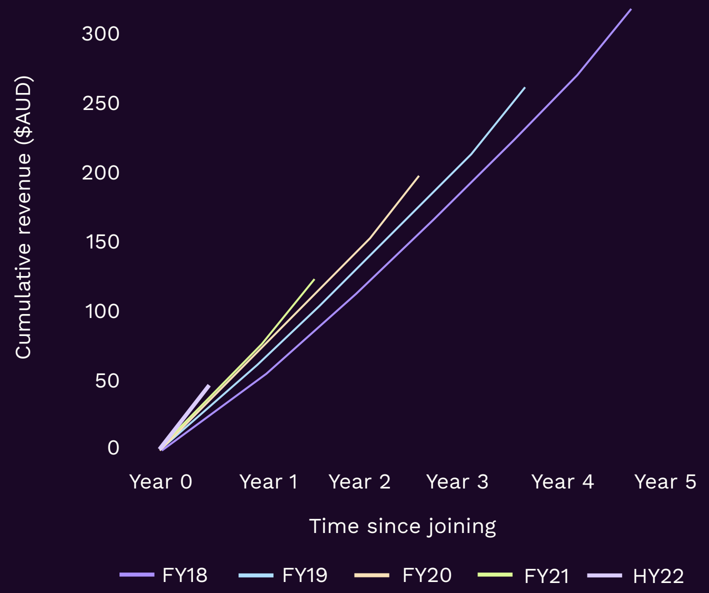
Note: 1. ANZ figures includes Zip Australia, Zip New Zealand and Zip Business, 2. Tap to Pay available to Trade Plus customers only, 3. Refers to reported total revenue divided by total number of customers in 1H22 and 1H21, 4. FY21 cohort, on a rolling 12 month basis to Dec 21.

Deeper engagement is creating higher customer lifetime value

Total transactions, top 20% ANZ customers[1,2]



Cumulative revenue per ANZ customer[3]



Note: 1. For FY18-FY21, transactions are on a rolling 12 month basis to Dec-21, 2. For HY22 cohort, transactions are on a rolling 6 month basis to Dec-21, 3. Based on cumulative revenue per ANZ customer by annual cohort.

Expansion markets TTV annualising at >$600m[1]

Canada
Strong adoption of cross border shopping. Merchant wins include: Newegg, Fanatics, Lids, Famous Footwear and Naturalizer in HY22

Mexico
Strong adoption at leading marketplace, Claroshop. Sales momentum continues partnering with Telmov, The Style Rack, Opticas Lux and Kipling

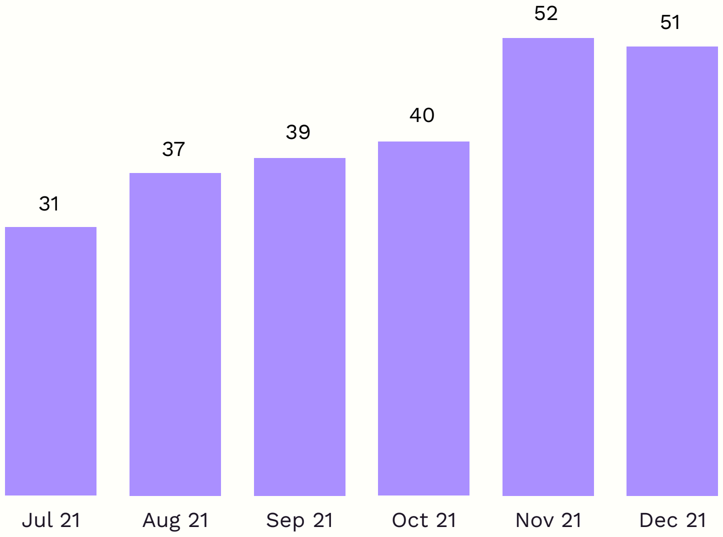
Twisto
Continued growth with TTV up >75% YoY.[4] PayU partnership providing access to 20k+ new merchants

Spotii
Rapid growth with TTV volumes up >7x YoY.[4] New merchants include: Virgin Mobile, Nissan, Renault, Infiniti and Lal's

Payflex[3]
Scaling quickly with TTV volumes up >2x YoY.[4] PayU integration providing access to key merchants including: Moresport, Cape Union and JD Group, supporting position as South Africa's largest BNPL[6]

Monthly pro-forma TTV[2]
$m

Reaching >$50m in November and December



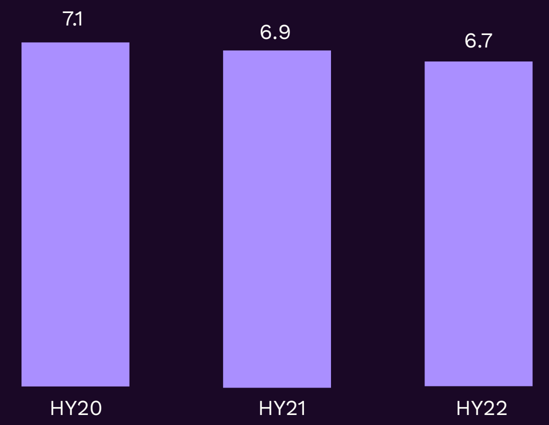
Note: 1. Dec-21 annualised, 2. Includes Canada, Mexico, Middle East, Europe and South Africa, 3. Payflex not included in reported numbers, 4. Based on pro-forma financials, 1H21 v 1H22, 5. Values in AUD
Source: 6. Zip sets sight on Africa with acquisition of Payflex, Finextra, Sep 21.

Our differentiated revenue model has ensured income margins remain strong

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	**2.5-3%** (medium term target)

Revenue margin[1]
(Revenue as a % of TTV)



New incremental revenue streams (e.g. long duration lending) to be introduced throughout FY22/23

We have successfully managed credit headwinds before, whilst maintaining growth

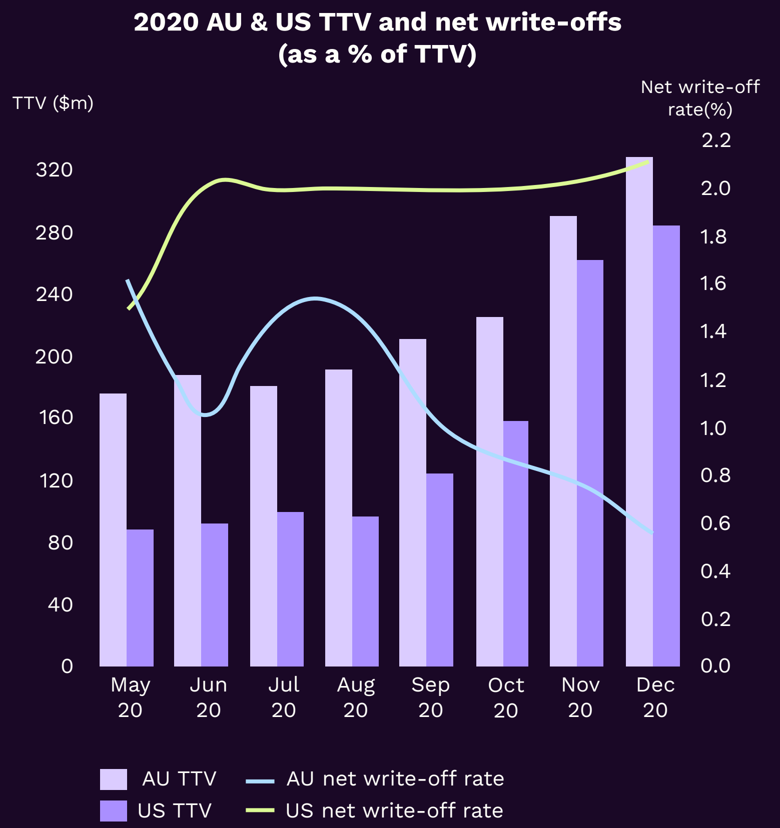
Several factors influenced credit performance in HY22:

- Easing of government stimulus packages related to Covid-19
- Increasing our acquisition risk appetite in early 2021
- Entry into new, high-growth markets

Following the onset of COVID-19 in early 2020, we experienced similar headwinds and took action to improve credit performance *(see chart on right hand side)*.

- **US**: optimised risk settings to maintain write-offs in target range (~2%) while capitalising on growth in the US market
- **AU**: promptly tightened decisioning rules in April 2020 to manage write-offs within target range while monitoring customer behaviours

We expect current actions to deliver similar outcomes (throughout FY23), bringing credit performance back in line with target range (<2%), improving financial performance.

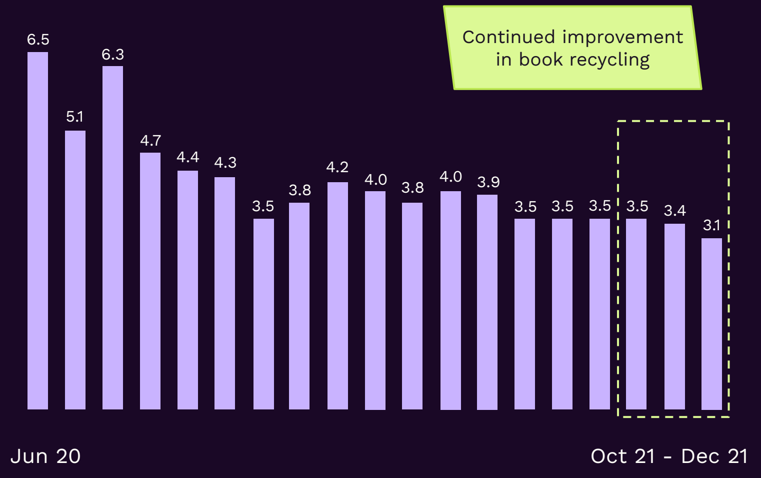


Improved capital recycling and reduced cost of funding positions us well to support execution

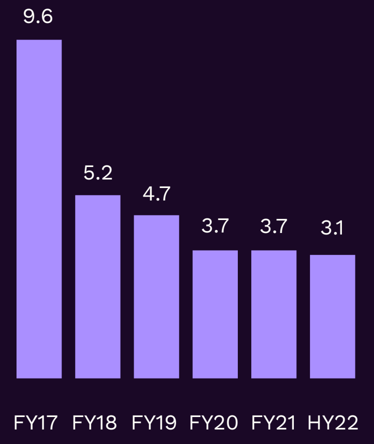
We remain well placed to manage rising interest rates:

1. Significant headroom across the group's funding facilities to support future growth
2. Continued benefit from recent repricing of funding instruments in Australia
3. Pay-in-4 product construct mitigating interest rate rises (e.g. ~25bps increase in base rate increases US cost of funds by ~2bps per transaction)

Repayment velocity
(average months to recycle book)



Interest rate on loans[1]
(Weighted average interest rate %)



Note: 1. Reflects weighted average interest rate on loans outstanding at the end of the period.

We strategically allocate capital to where we see the most significant opportunity for profitable growth

1. ANZ

Engine for earnings growth, innovation and knowledge sharing

Market Profile

- Eight years old
- Achieved cash profitability in ~5 years
- 14 consecutive quarters of positive cashflow

Actions

Drive higher EBTDA margins

2. US

Strongly performing market following ANZ's path to positive cashflow

Market Profile

- Four years old
- Significant addressable market (US$5.5tn[1])
- Following ANZ glidepath to positive cashflow

Actions

Improve NTM by addressing credit performance; accelerate path to profitability

3. Rest of the world

Longer term horizon to scale and positive cashflow

Market Profile

- =<2 years old[2]
- ~5% of Dec-21 TTV
- Longer term path to positive cashflow

Actions

Review global presence and right size global cost base

We are focused on sustainable growth and profitability in core markets

Source: 1. Retail Trade in the US, Ibis World, 2021.
Note: 2. Excluding Twisto (8 years old).

04.

Financial Statements

Segment financials

- APAC continues to grow and innovate, remaining Cash EBTDA positive
- Zip's international footprint now generating over 50% of Group Revenue
- As we exit COVID, Zip Business starting to see opportunities to deliver on the significant SME opportunity
- Corporate costs include one-off re-branding cost of $17.6m, legal, compliance, finance, and other general and administrative costs not directly allocated or attributable to a segment

HY22 $m	**APAC**	**AMERICAS**	**EMEA**	**Zip Business**	**Total**
Revenue	140.3	146.4	7.4	8.1	302.2
Group contribution	46.4%	48.4%	2.5%	2.7%	100.0%
Cash EBTDA	3.9	(54.7)	(19.9)	(3.5)	(74.2)
Corporate cash Costs					(33.9)
Group cash EBTDA					(108.1)

Income statement

- Operating Income hit record levels, 89% increase on HY21. Strong growth in TTV and revenue margins maintained
- Zip has diverse income streams, from Merchants, Customers, interchange and affiliate networks. Interchange and affiliate networks income up to 15% of total
- Cash Gross Profit 32%, reflecting net bad debt performance
- Average Interest Costs reduced from 3.9% to 3.4% due to lower average rate across the AU portfolio and use of surplus funds in funding vehicles
- Salaries and Employment Related Costs increased as the Group invested in growth and geographic expansion
- The Group completed a global rebrand during the half, including the rebrand of QuadPay, incurring one off costs of $17.6m
- Expected Credit Loss provision 5.6%, compared to 5.0% at 30 June, due to movements in roll rates
- Cash EBTDA loss of $108.1m reflecting one off costs, investment in growth, and net bad debt performance

	HY22 $m	**HY21** $m
Operating Income	301.3	159.8
Cash cost of sales[2]	(205.8)	(73.7)
Interest costs	*(33.8)*	*(25.5)*
Bank fees and data costs	*(56.6)*	*(25.8)*
Net bad debts written-off	*(115.4)*	*(22.4)*
Cash gross profit	**95.5**	**86.1**
Cash GP%	**32%**	**54%**
Other income	0.9	0.2
Cash operating costs[3]	(204.5)	(86.1)
Salaries and employment related costs	*(84.3)*	*(38.7)*
Marketing costs	*(74.5)*	*(26.4)*
Information technology cost	*(20.8)*	*(9.7)*
Other operating costs	*(24.9)*	*(11.3)*
Cash EBTDA[1]	**(108.1)**	**0.2**
Unrealised FX movements	1.7	(3.5)
Effective interest on convertible notes	(14.8)	(2.4)
Movement in provision for expected credit loss	(32.9)	(7.1)
Amortised finance costs	(3.5)	(2.0)
Reported EBTDA	**(157.6)**	**(14.8)**

Note: 1. Cash Earnings Before Tax, Depreciation and Amortisation and excluding Share of loss of associate and Acquisition Costs, 2. Cash Cost of Sales and Cash Operating Costs comprise those expenses that have an Operating Cash Outflow, 3. Cash Operating Costs exclude acquisition costs.

Corporate items and one-off adjustments

- Acquisition costs incurred in acquiring Twisto and Spotiii and investing in ZestMoney
- Share-Based Payments include $15.3m relating to retention and performance shares agreed on the acquisition of QuadPay. The first and second performance hurdles have been met. $63.4m reported in the half to 31 Dec 20
- Fair Value adjustments largely relate to revaluation of derivatives and warrants
- Goodwill attributable to the UK CGU fully impaired as re-allocation of investment capital reduces forecast growth rate

	HY22 $m	**HY21** $m
Reported EBTDA	**(157.6)**	**(14.8)**
Share of loss of associates	(3.0)	(0.2)
Acquisition costs	(3.3)	(7.8)
Share-based payments	(44.6)	(74.4)
Fair value gain / (loss) on financial instruments	70.9	(33.2)
Net adjustment relating to the acquisition of QuadPay	-	(306.2)
Impairment of goodwill	(44.7)	-
EBTDA	**(182.3)**	**(436.6)**
Depreciation and amortisation	(31.9)	(17.2)
Earnings Before Tax	**(214.2)**	**(453.8)**
Add back:		
Net adjustment relating to the acquisition of QuadPay	-	306.2
Acquisition costs	3.3	7.8
Re-branding costs	17.6	-
Fair value gain relating to the acquisitions	(5.0)	-
Impairment of goodwill	44.7	-
Adjusted loss before tax	**(153.6)**	**(139.8)**

Balance sheet

- $266.8m of cash and cash equivalents at Dec 21, which included $116.6m in restricted cash. Restricted balance seasonally higher due to holiday period volumes
- Accrued income and payments due from processing partners included in other receivables.
- Twisto fully consolidated no longer reported as an investment at FVTPL
- Investments in Associates, leading Indian BNPL operator ZestMoney
- Intangible assets include $49.0m acquired on the acquisition of Twisto and Spotii
- Goodwill increased by $133.6m following the acquisition of Twisto and Spotii. After the impairment of the UK and FX movements reported goodwill rose by $121.2m
- Twisto holdback consideration of $19.3m to satisfy any claims that may arise under the acquisition agreement
- Fair value gain of $66.0m reported on Convertible Notes and Warrants

	DEC 21 $m	**JUN 21** $m
Cash and cash equivalents	266.8	330.2
Other receivables	64.0	32.7
Term deposit	1.5	1.5
Customer receivables	2,497.1	1,988.0
Investments at FVTPL	-	19.0
Investments in associates	73.3	7.0
Property, plant and equipment	4.4	3.3
Right-of-use assets	4.8	5.9
Intangible assets	250.5	203.8
Goodwill	894.2	773.0
Total assets	**4,056.6**	**3,364.4**
Trade and other payables	74.5	73.1
Employee provisions	8.5	6.0
Deferred contingent consideration	19.3	7.0
Lease liabilities	5.1	6.3
Borrowings	2,368.7	1,659.2
Financial liabilities - convertible notes and warrants	418.8	470.0
Total liabilities	**2,894.9**	**2,221.6**
Net assets	**1,161.7**	**1,142.8**

Cashflows

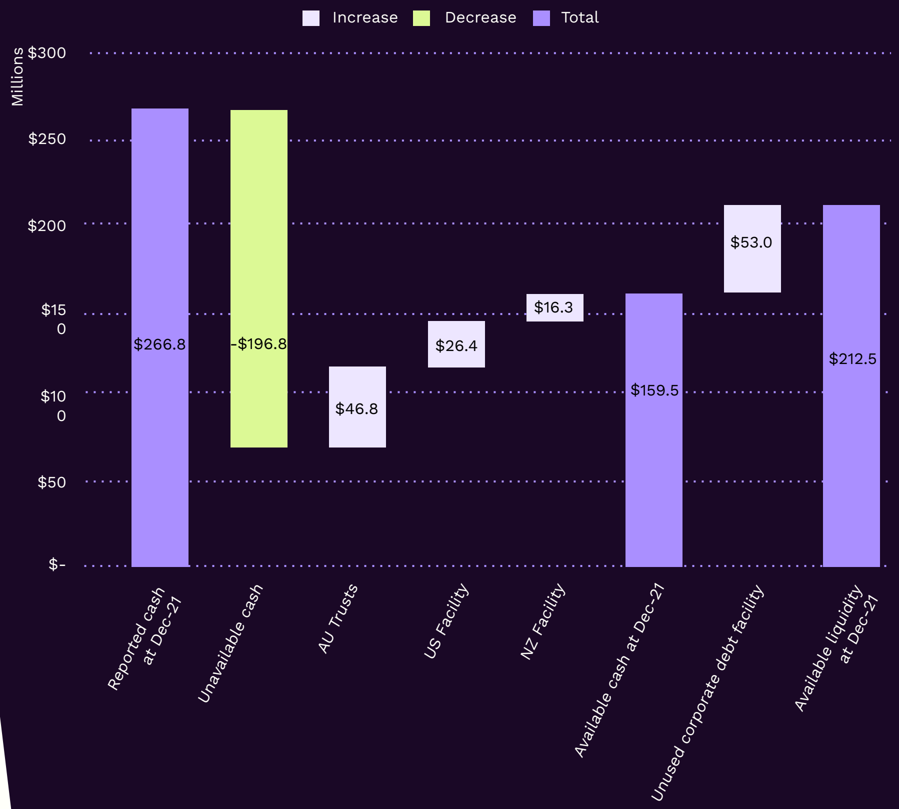
- Net Cashflow to operations of $25.3m, including $17.6m on the Global re-brand, investment in growth and new markets ($22.0m excluding acquisition costs)
- Reviewing global presence and rightsizing global presence to deliver cashflow benefits
- The acquisitions of Twisto and Spotii added $11.3m in cash (net) to the Group
- Invested $69.2m for a minority interest in leading Indian BNPL operator ZestMoney and invested an additional $2.8m in TendoPay
- Inaugural issue in the Master Trust structure repaid ($475.0m) and $1.1bn drawn under new and existing facilities

	HY22 $m	**HY21** $m
Operating income from customers	301.6	160.0
Payments to suppliers and employees	(290.3)	(114.3)
Interest received from financial institutions	0.6	-
Interest paid	(33.9)	(25.2)
Acquisition of business costs	(3.3)	(6.6)
Net cashflow (to) from operating activities	**(25.3)**	**13.9**
Payments for plant and equipment	(2.2)	(0.7)
Payments for software development	(13.6)	(4.5)
Net increase in receivables	(602.5)	(453.3)
Payments for acquisitions, net of cash acquired	11.3	26.2
Payments for investments in associates	(72.1)	(3.3)
Payments for investments at FVTPL	-	(3.2)
Net cashflow to investing activities	**(679.1)**	**(438.8)**
Borrowing transaction costs	(1.8)	(2.1)
Proceeds from borrowings	1,119.4	466.0
Repayment of borrowings	(475.0)	(66.2)
Proceeds from issue of convertible notes	-	96.8
Repayments of principal of lease liabilities	(2.2)	(1.7)
Proceeds from the issue of shares	0.1	121.1
Costs of share issues	-	(1.8)
Net cashflow from financing activities	**640.5**	**612.1**
Net (decrease) increase in cash and cash equivalents	**(63.9)**	**187.2**

Available cash

- Zip had $212.5m available cash and liquidity at 31 December 2021
- Unavailable cash for the Group of $196.8m was higher at 31 December compared to 30 June balance of $148.9m due to increase in the Group's receivables book and retail seasonality peaks in November and December
- At 31 December, Zip had $89.5m invested in funding vehicles that would otherwise be drawn from Zip's funding facility providers
  - $46.8m in Notes in Zip's AU funding vehicles
  - $26.4m in Zip's US funding facility
  - $16.3m in Zip's NZ funding facility
- The Group has access to $53m of corporate debt facility that is currently unused and available

Zip Group - Total available cash and liquidity at 31 December 21



Funding update

- The Company is well placed with regards to available debt financing to support its global growth plans
- In September 21, Zip issued its first primary issuance under the Master Trust with a AAA rating assigned on the senior notes reflecting Zip's receivables performance
- Weighted average margin reduction of 1.58% achieved in latest rated note issuance compared to the debut issuance in 2019
- Variable Funding Note facility in the Master Trust structure extended to Mar-24, weighted average margin reduced by 0.5%, with a 2% reduction in subordination requirement to 5%
- Additional Variable Funding Note added to the Master Trust structure in January with a new Senior Funding partner
- The weighted average interest rate on loans outstanding at 31 December 2021 was 3.08% compared to 3.67% at 30 June 2021
- Undrawn facilities totalled $568.2m at 31 December 2021
- Established a NZ$30m facility with Bank of New Zealand to support the growth of SME receivables by Zip New Zealand
- In November 2021, Zip completed the acquisition of Central European BNPL provider Twisto. Twisto has debt facilities with a combined limit of €45.8m and an undrawn balance at 31 December of €9.2m

	DEC 21 $m	**JUN 21** $m
Facility limits		
AU	2,277.6	2,131.4
US[2]	413.5	399.0
SME	146.3	146.2
NZ[2]	28.2	-
Europe[2]	71.5	-
Total limits	**2,937.1**	**2,676.6**
Facilities drawn		
AU	2,045.7	1,475.4
US	223.1	148.8
SME	43.1	39.0
NZ[2]	-	-
Europe[2]	57.0	-
Total drawn	**2,368.9**	**1,663.2**
Cost of funds[1]	**3.08%**	**3.67%**

Note: 1. Cost of funds reflects weighted average interest rate on loans outstanding at the end of the period, 2. Converted to $AUD at $USD 0.7256; $AUD at $NZD 1.0628; $AUD at €0.6408

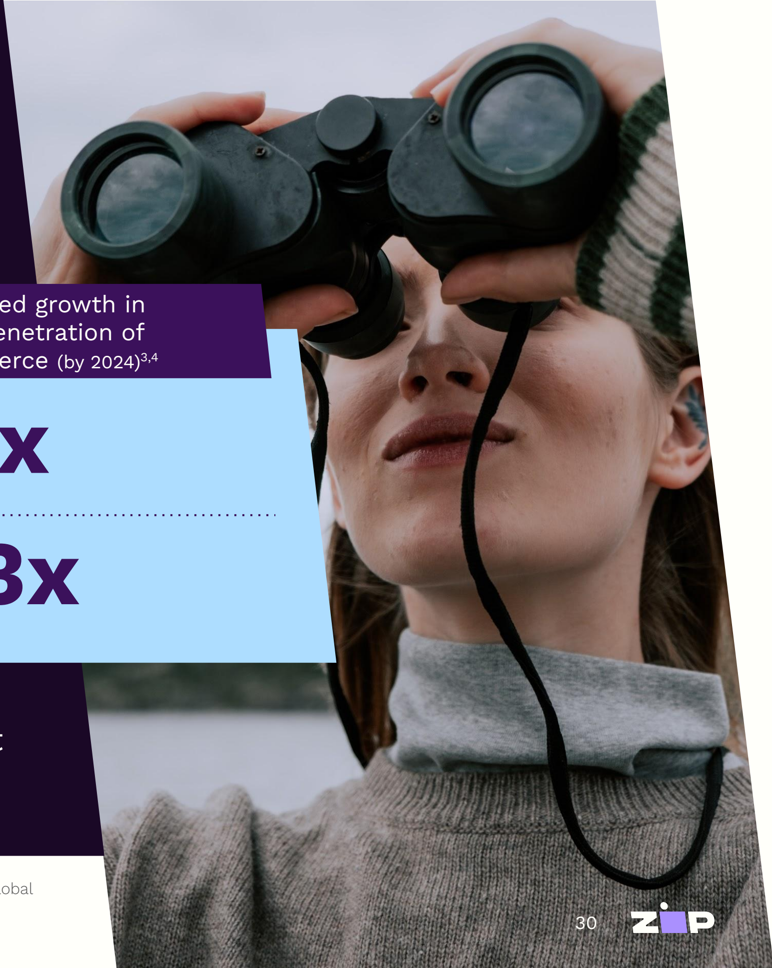
05.

Outlook and Priorities

We continue to see a significant opportunity to scale

	Addressable retail market[1,2,5]	BNPL penetration of eCommerce spend[3,4]	Estimated growth in BNPL penetration of eCommerce (by 2024)[3,4]
Global:	$25t	2.1%	2x
US:	$5.5t	1.6%	3x

BNPL expected to be the fastest growing eCommerce payment method over the next two years[3]



Source: 1. eMarketer Global Ecommerce Forecast, 2021, 2. Retail Trade in the US, Ibis World, 2021, 3. Based on North America, WorldPay Global Payments Report, 2021.
Note: 4. Based on eCommerce BNPL penetration rates 2020-2024, 5. Figures in USD.

We have refined our priorities with a focus on accelerating our path to profitability

Growth

Growth in core markets
Continue to pursue sustainable growth in our core markets

- Invest for growth and scale in the US; accelerating the path to profitability
- Deliver new products and services to our large and highly engaged ANZ customer base, driving higher LTV
- Pursue large enterprise merchant partnerships
- Strengthen our balance sheet to support execution of business priorities

Unit Economics

Improve unit economics
Take action to improve cost of sales performance

- Adjust risk rules and take action to reduce loss rates
- Leverage scale to drive down data and processing costs
- Enhance customer repayment experience and optionality to increase velocity of repayments

Cost Management

Optimise global cost base
Review global presence and right size our global cost base

- Review market presence and right size expansion market spend in line with path to profitability (e.g. UK)
- Review global organisation structure to realise efficiencies and create a more lean operation (e.g. consolidation of AU and NZ corporate functions)
- Reduce operating expenditure on non-core functions and processes (i.e. not customer or merchant related)
- Leverage economies of scale and consolidate operating platforms

This focus will deliver improved financial performance

	Management actions	Medium term target (% of TTV)
Revenue	• Scale affiliates and rewards programs (AU) • Scale physical cards (US) • Deliver revenue accretive products and services (e.g. crypto, long duration lending)	**6.5%-7%**
Cash cost of sales	• Adjust risk rules to manage losses to within management’s target range (<2%) while maintaining growth • Leverage learnings from mature markets (i.e. ANZ) to improve decisioning engines in Expansion Markets • Optimise repayments and collections capabilities (i.e. enhancing user experience and communications) • Deliver lower cost processing through scale and alternate repayment options (e.g. ACH) • Diversify funding options (e.g. managed investment scheme in AU)	**3.5%-4%**

Cash Transaction Margin **2.5%-3%**