FY24 Investor Presentation

Zip Co Limited

27 August 2024

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This presentation was approved by the Board.

01.
FY24 highlights

Zip is a simpler, stronger and sustainably profitable business

Record profitable growth

Simplified balance sheet

Standout US performance

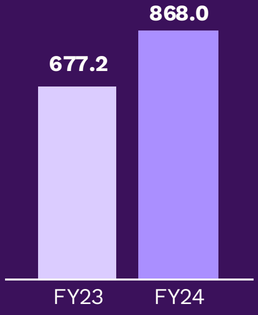
Continued ANZ profitability

Well positioned for future growth

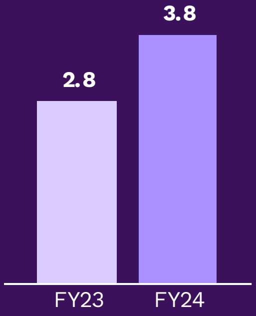
Zip has reset its capital structure, delivered record profitability in FY24 and established strong foundations for growth

Disciplined execution drove strong business momentum and outstanding FY24 results[1,2]

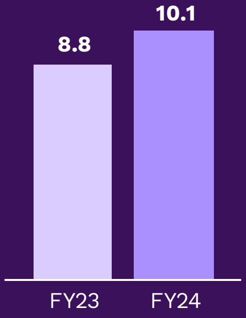
Revenue ($m)
+28.2% YoY



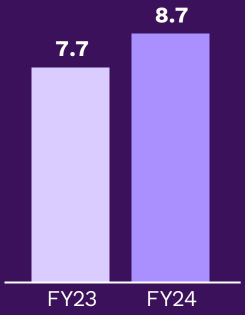
Cash transaction margin (%)
+96bps YoY



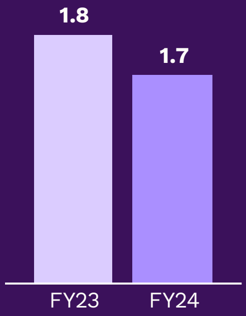
TTV ($b)
+14.0% YoY



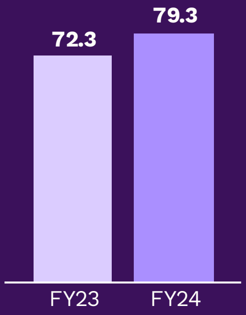
Revenue margin (% of TTV)
+96bps YoY



Net bad debts (% of TTV)
-18bps YoY



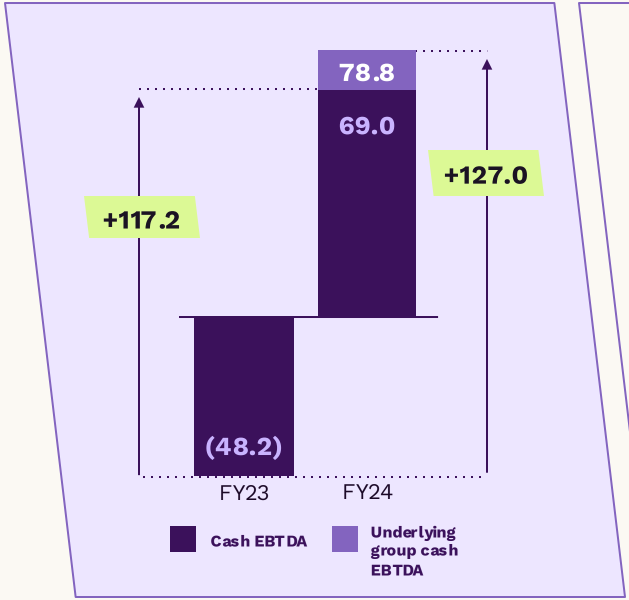
Merchants (#k)
+9.6% YoY



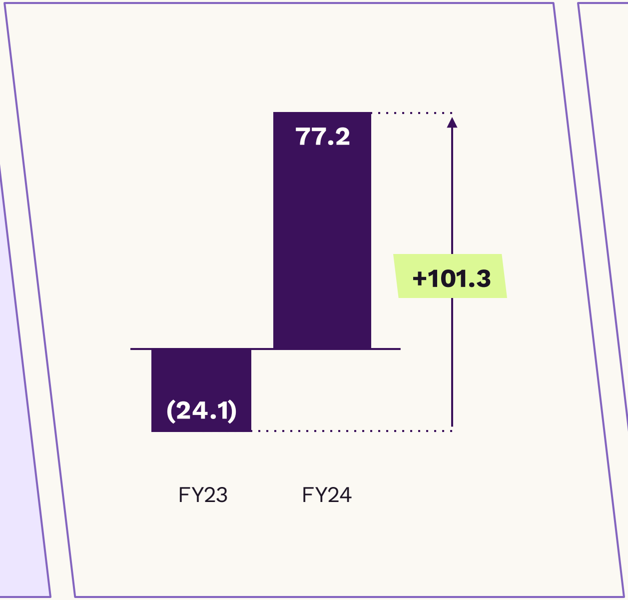
Note: (1) Metrics correspond to ANZ and Americas business. Comparative metrics have been adjusted to remove discontinued operations. (2) All $ values in AUD unless otherwise stated.

Zip delivered record profitability in FY24

Group cash EBTDA[1] ($m)



Americas cash EBTDA ($m)



ANZ cash EBTDA ($m)

Strong revenue growth and disciplined cost management delivered significant operating leverage

Note: (1) Group Cash EBTDA is Earnings Before Tax, Depreciation and Amortisation, less non-cash and one-off items. Underlying Group Cash EBTDA excludes the FY24 adjustment for the cash component of employee Short Term Incentive payments (STI).

Zip delivered on its FY24 strategic priorities

Growth and profitability

Extending distribution and performance of core products

- ✓ **Revenue margin of 8.7%**
- ✓ **Cash transaction margin of 3.8%**
- ✓ **AU portfolio yield increased to 18.4% in June 24**

Product innovation

Unlocking new customer and market segments for growth

- ✓ **Record growth in TTV to $10.1b**
- ✓ **New products launched in ANZ and the US**

Operational excellence

Strengthening our platforms and balance sheet to support scale

- ✓ **Extinguished all convertible notes**
- ✓ **Delivered significant operating leverage**
- ✓ **No corporate debt as at July 2024**

Strong foundations to support further growth

Zip remains committed to operating sustainably and responsibly

Financial inclusion and wellbeing

- In Australia, Zip enhanced its hardship application flow to ensure a simplified and streamlined process that supports strong customer outcomes
- In the US, Zip piloted a financial literacy hub for our most engaged app customers with content addressing various financial needs

DEI and employee wellbeing

- Employee engagement remains high with 96% participation in the FY24 Zip Group engagement survey and an overall engagement score of 80%
- Gender balance remains a priority, with 43% women across Zip's total workforce and 50% women on Zip's Board
- Gaps in gender pay equity decreased to 0% in ANZ and 1% in the US, while gender pay gaps decreased to 15% in ANZ and 13% in the US

Environmental sustainability

- For the third consecutive year, Zip partnered with an external consultant to calculate our Greenhouse gas emissions across Scope 1, 2 and 3 and invested in carbon offsetting initiatives to neutralise FY23 emissions[1]
- To further support transparency and gain valuable insights on ESG performance, Zip participated in the Carbon Disclosure Project and Corporate Sustainability Assessment

Note: (1) Zip is currently in the process of calculating our total emissions for FY24. Results will be provided in our FY24 Sustainability report.

02. Business performance

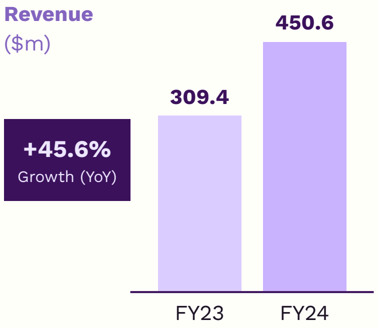
Zip is focused on balancing growth, profitability and capital efficiency

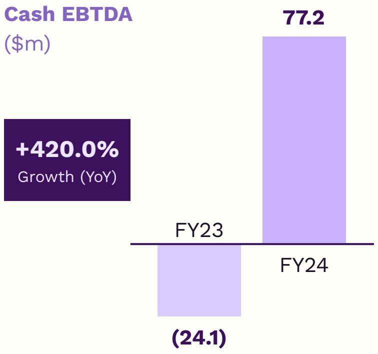
		Measures of success		
Regional	Growth	TTV ($m)	Active customers (#m)	
	Profitability	Revenue margin (% of TTV)	Cash NTM (% of TTV)	Cash EBTDA ($m)
Group	Profitability	Operating margin (Cash EBTDA / Revenue)		
	Capital efficiency	Return on allocated capital		

Americas: Accelerated QoQ business momentum led to a >$100m improvement in cash EBTDA

Key performance metrics (AUD)

	FY24	FY23	Change
TTV	**$6.5b**	**$4.7b**	**39.5%**
Revenue	**$450.6m**	**$309.4m**	**45.6%**
Transactions	33.9m	25.3m	33.6%
Active customers	3.8m	3.9m	(1.4%)
Merchants	24.2k	24.0k	0.7%
Cash NTM	3.6%	2.6%	100bps
Cash EBTDA	$77.2m	($24.1m)	420.0%



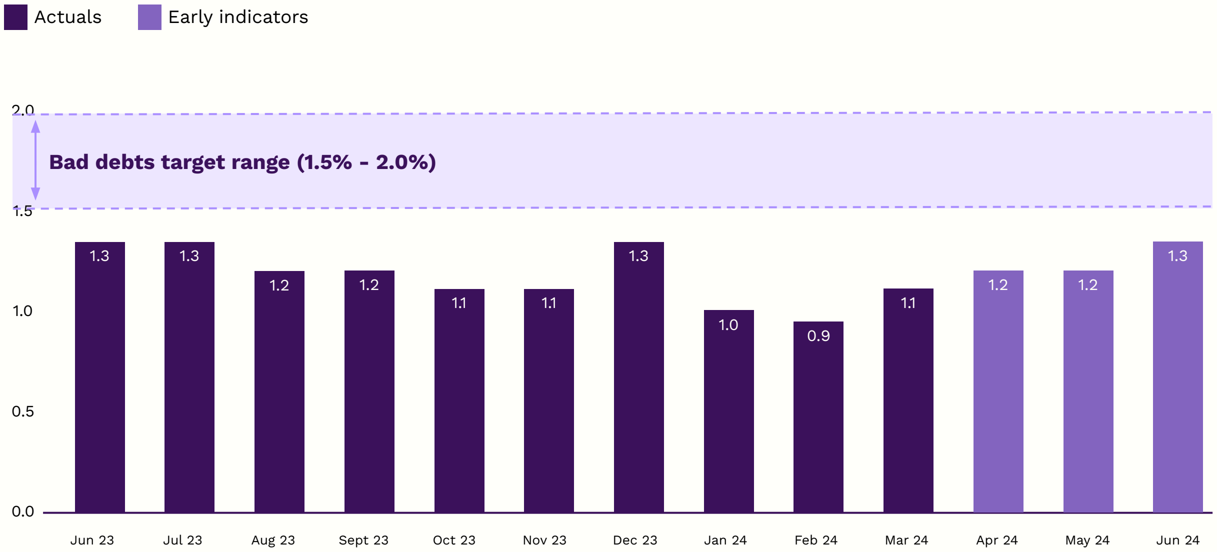


- Record TTV and revenue, with growth accelerating through the year due to continued optimisation across product and underwriting, deepening customer engagement
- Record cash EBTDA, driven by growth in high margin channels (app, physical card), continued improvements in NTMs and increased operating leverage
- Physical cards scaling, driving strong in-store engagement. Card volume +148.1% vs FY23 and in-store now driving more than 20%
- Piloted a new “Pay in 8” product for app and checkout, delivering pleasing early results
- Positioning the business to respond well to the evolving regulatory landscape by moving Zip’s online integrated checkout on merchant websites to the third party bank partnership model
- Expanded into new verticals including automotive, and commenced specific marketing efforts, including sponsorships with NASCAR and Speedway Motorsports. Signed a brand ambassador, WNBA Star and Olympic gold medallist, Kelsey Plum

Americas: Focused credit decisioning and recovery management

Consumer demand and Zip's credit risk management approach supported strong asset quality throughout FY24

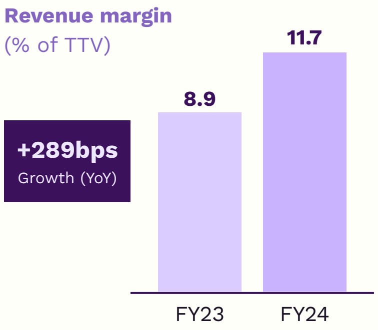
US monthly cohorts, 120-day bad debt performance
(% of cohort TTV)

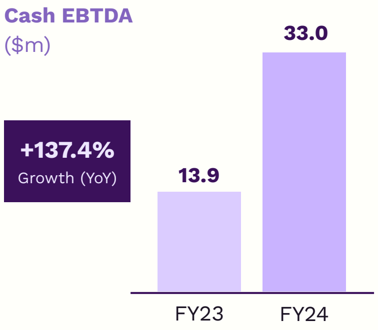


ANZ: Cash EBTDA grew 2.3x YoY underpinned by margin expansion

Key performance metrics (AUD)

	FY24	FY23	Change
TTV	**$3.6b**	**$4.2b**	**(14.5%)**
Revenue	**$417.4m**	**$367.8m**	**13.5%**
Transactions	42.3m	47.4m	(10.8%)
Active customers	2.2m	2.3m	(5.4%)
Merchants	55.1k	48.3k	14.1%
Cash NTM	4.0%	3.0%	100 bps
Cash EBTDA	$33.0m	$13.9m	137.4%



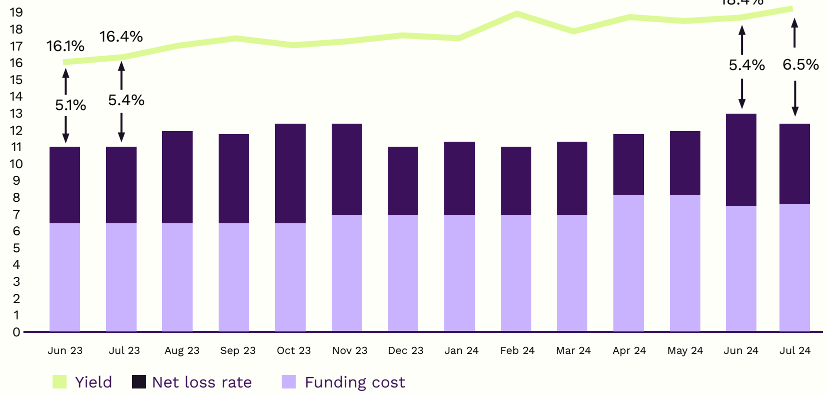


- Record cash EBTDA result despite a significant increase in interest costs and a more challenged operating environment
- Two-sided revenue model delivered strong revenue growth of 13.5% and revenue margin increase of 289bps to 11.7% in FY24 (vs FY23)
- TTV and customer growth were tempered by adjustments to credit risk settings in response to the external environment
- Success with early initiatives launched in 4Q24, to drive engagement and profitable growth
- Launched Zip Plus, an NCCPA-regulated product, driving deeper customer engagement and margin expansion
- Strong rollout of new merchants across targeted verticals including travel, ticketing, telecommunications and healthcare
- Business positioned for growth to coincide with a more accommodating macro economic environment

ANZ: Portfolio positioned for yield with strong credit performance despite the challenging macro environment

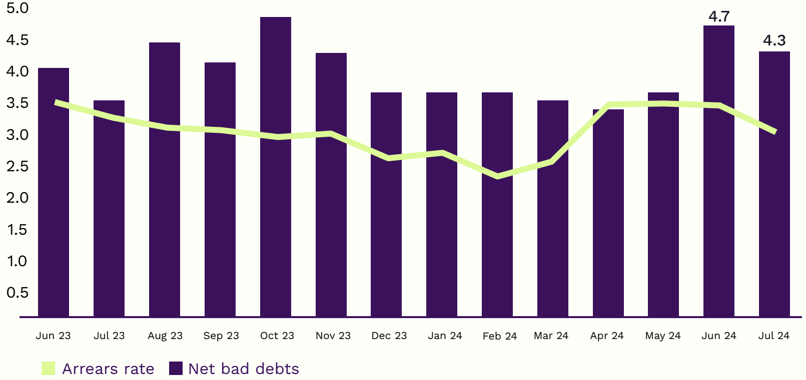
FY24 book performance (excess spread)[1]

(% of AU consumer receivables)



Arrears rate and net bad debts[1,2]

(% of AU consumer receivables)



Increased yield (+230bps YoY) underpinned by new product innovation and strategic credit management

Excess spread improved to 5.4% (in June 2024), a 30bps improvement YoY

Seasonal net loss peak in June and July showing reversion

Risk settings actively managed to drive profitable growth

Actions to improve credit performance, including tightened lending criteria and portfolio management are delivering results

Seasonal peak in June 2024 normalised in July 2024 with net bad debts down 40bps MoM. Reducing arrears rate supports future loss performance

Zip continues to proactively monitor risk settings in response to the external environment

Note: (1) Calculated on receivables related to Zip AU's Master Trust facilities and funding vehicle 2017-1 Trust. (2) Net bad debts is calculated as annualised net write-offs for the month over opening receivables for the month.

03. Financial performance

Income statement

Revenue growth, margin expansion and continued cost management delivered a step change in profitability

- Revenue increased 28.2% vs FY23 due to a 39.5% increase in TTV in the Americas and further portfolio yield expansion in ANZ
- Cash gross profit up 52.8% vs FY23 as a result of increased TTV, revenue and an improvement in bad debts performance
- The Group's focus on operational excellence drove continued cost discipline to deliver operational leverage. Removing the $9.8m FY24 adjustment for the cash component of STI, FY24 cash operating expenses were $297.1m
- Corporate and one-off adjustments reflect the execution of balance sheet simplification activities which result in a stronger balance sheet
- Refer to slide 33 for information on non-cash items, corporate and one off adjustments

$m	FY24	FY23[4]	Change %
Revenue	**868.0**	**677.2**	**+28.2**
Cash cost of sales[1]	**(495.1)**	**(433.3)**	**+14.3**
Cash gross profit	**372.9**	**243.9**	**+52.8**
Cash GP%	43.0%	36.0%	+700bps
Other income	7.1	4.5	+57.8
Cash operating costs[2]	(306.9)	(299.3)	+2.6
Zip Business - discontinued[3]	(4.0)	2.7	(251.1)
Cash EBTDA	69.0	(48.2)	+243.2
Non-cash items	(5.0)	(102.4)	(95.1)
Corporate and one-off adjustments	25.5	(152.9)	+116.7
EBTDA	89.5	(303.5)	+129.5
Depreciation and amortisation	(64.4)	(62.8)	(2.6)
Earnings before tax (NPBT)	25.1	(366.3)	+106.9
Income tax expense	(19.4)	36.4	(153.3)
Net profit after tax (NPAT)	**5.7**	**(329.9)**	nm

Note: (1) Cash cost of sales and cash operating costs comprise those expenses that have an operating cash outflow, (2) Cash operating costs exclude acquisition costs and unrealised foreign exchange movements, (3) Zip Business was discontinued on 30 June 2024. (4) Comparatives have been restated to exclude discontinued operations.

Unit economics

Transaction margins improved 96bps despite rising interest rates, enabling a 50% improvement in cash gross profit

Strong Group NTM expansion of 96bps to 3.8% and a 52.8% increase in cash gross profit despite increasing interest rate environment:

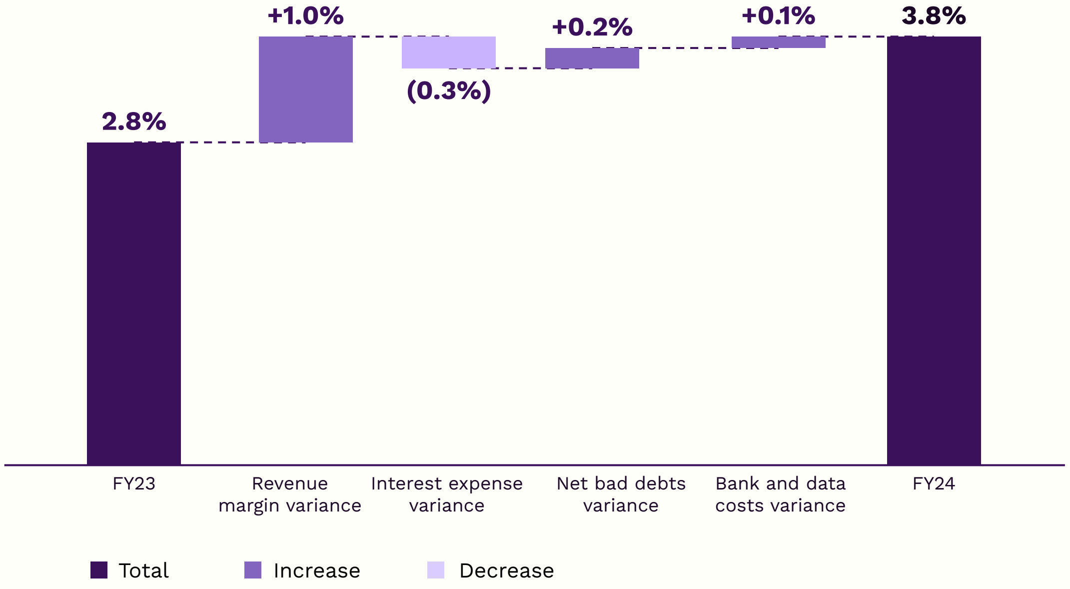
- TTV grew to $10.1b, +14.0% vs FY23, primarily driven by strong growth in the Americas (up 39.5%)
- Revenue growth, +28.2% vs FY23, reflecting record TTV growth in the Americas and margin expansion in ANZ
- Revenue margins increased to 8.7%, +96 bps vs FY23, driven by benefits of the two-sided revenue model and growth in higher margin products
- Interest expense increase reflects rising interest rates impacting the cost of funds, together with increased volumes in the US
- Net bad debts written off improved to 1.7% of TTV, as a result of improved credit performance in the US and a more disciplined credit underwriting appetite in ANZ given the economic environment

$m	FY24	FY23[1]	Change %
TTV	**10.1b**	**8.8b**	**+14.0**
Revenue	**868.0**	**677.2**	**+28.2**
Interest expense[2]	(199.3)	(150.2)	+32.6
Net bad debts written off[3]	(166.9)	(161.8)	+3.2
Bank fees and data costs	(128.9)	(121.3)	+6.3
Cash cost of sales[1]	**(495.1)**	**(433.3)**	**+14.3**
Cash gross profit[4]	**372.9**	**243.9**	**+52.8**
Cash GP%	**43.0%**	**36.0%**	**+7.0**
% of TTV			
Revenue	8.7	7.7	+96bps
Interest expense	2.0	1.7	+28bps
Net bad debts written off	1.7	1.8	(18bps)
Bank fees and data costs	1.3	1.4	(10bps)
Total cash cost of sales	4.9	4.9	+0bps
Cash transaction margin (Cash NTM)	**3.8**	**2.8**	**+96bps**

Note: (1) Comparative information has been restated to exclude discontinued operations. (2) Interest expenses related to customer receivables exclude amortisation of funding costs, (3) Excluding the movement in the provision for expected credit losses. (4) Excluding other income.

Cash NTM increased by 96 bps to 3.8% underpinned by margin expansion

FY24 vs FY23 movements in cash NTM
(% of TTV)



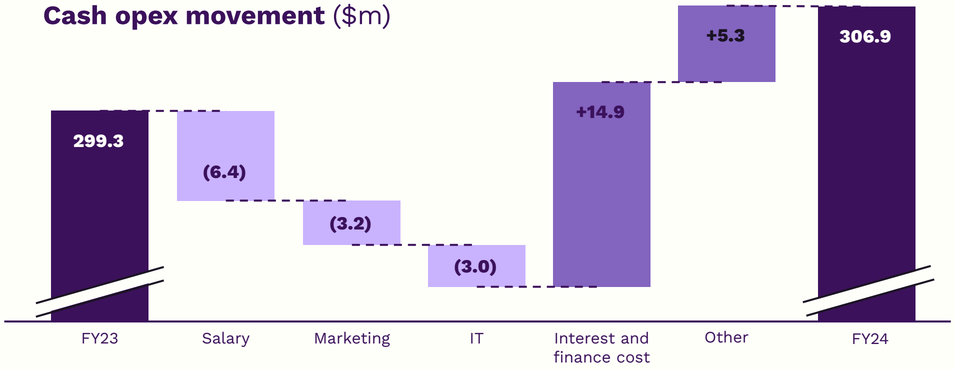
Cash operating expenses

Strong cost discipline has enabled Zip to develop material operating leverage

- FY24 cash operating expenses of $306.9m reflecting Zip's disciplined approach in an inflationary environment whilst maintaining business growth
- When adjusting for the $9.8m cash component of STI (not present in FY23) the cash opex would be have been $297.1m. A marginal decrease on prior year
- FY23 reported cash operating expenses of $303.7m have been adjusted to remove Zip Business, resulting in cash operating expenses of $299.3m
- Salaries and employment related costs down 3.8% driven by FTE reductions in FY23 and FY24 to streamline operations and Zip's cost base
- Marketing costs declined 7.6% vs FY23 due to disciplined merchant promotions in the US
- Information technology costs down reflecting actions to rationalise supplier costs
- Other operating costs increased due to higher interest and related costs of the higher notional corporate debt facility

$m	FY24	FY23[2]	Change %
TTV	**$10.1b**	**$8.8b**	**+14.0**
Cash operating costs[1]	**306.9**	**299.3**	**+2.6**
% of underlying volumes	3.0%	3.4%	(36bps)
Salaries and employment related costs	161.0	167.4	(3.8)
Marketing costs	38.2	41.4	(7.6)
Information technology cost	41.1	44.1	(6.8)
Other operating costs	66.6	46.4	+43.5

Cash opex movement ($m)

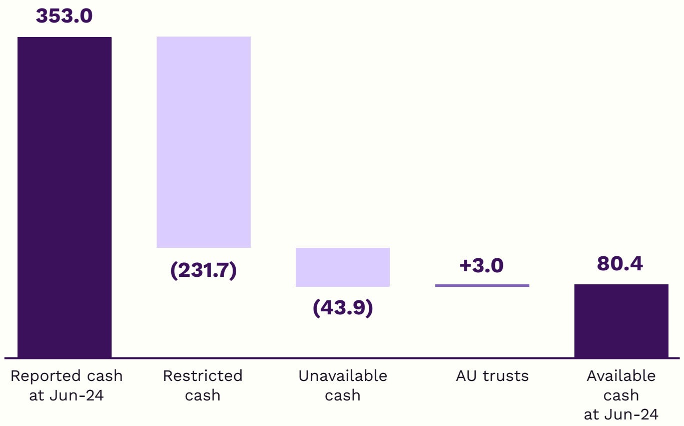


Note: (1) Cash operating costs exclude acquisition costs and unrealised foreign exchange movement, (2) Comparative information has been restated to exclude discontinued operations.

Liquidity

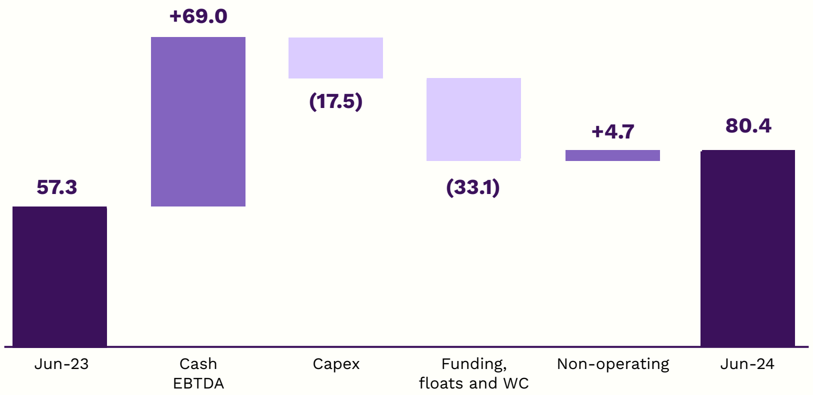
Material improvement in available cash with four consecutive quarters of positive operating cash flow

Cash at 30 June 2024 ($m)



- Zip had $80.4m available cash at 30 June 2024
- Restricted cash of $231.7m at 30 June 2024 includes cash held in securitisation warehouses and special purpose vehicles
- Unavailable cash of $43.9m at 30 June 2024 includes floats held to support transactions volumes and cash in transit
- Additional cash available in late August following completion of the retail Share Purchase Plan (SPP) of $50.0m

FY24 movements in available cash ($m)



- Operating cash inflows of $18.4m: Strong cash EBTDA performance (up $117.2m vs FY23) offset by funding required for TTV growth
- Capex represents capitalised software and IT development expenses (which are not included in Cash EBTDA)
- Non-operating cash flows of $4.7m incorporating a $20.0m repayment of corporate debt facility at FY24 and restricted cash released from funding facilities

Receivables financing

With transactions executed in FY24, Zip has extended the tenor of financing with both existing and new debt investors involved, at materially improved credit margins

- In the US, executed an agreement to refinance the US$225.0m facility for a three-year term with a single finance partner and maturity of December 2026. This facility has an option for upsize to US$300m as agreed with the financier
- In AU, successfully completed two $300.0m rated note issuance in the Master Trust (Series 2023-2) and (Series 2024-1) with the senior notes being AAA-rated
- Successfully established a new $300m warehouse facility (labelled VFN3) in April 2024 with new investors
- In June 2024, Zip repaid early and removed a receivables warehouse (VFN2) on commercial grounds, following the steep tightening of margins as well as headroom position
- Funding headroom as at 30 June 2024 was $269m for Australian receivables and USD $37m for the US (with option to increase this to USD $112m)
- In August 2024, a new $300m warehouse with new investors is being finalised (VFN4) and a $350m rated issuance (2024-2) has been launched and priced. Both for settlement in September 2024

As at 30 June 2024	Facility vehicle	Facility limit	Drawn at Jun-24	Maturity
AU	Zip Master Trust			
	- Rated Note Series			
	*2021-2[2]	$663.5m	$663.5m	Sep-24
	*2023-1	$190.0m	$190.0m	May-26
	*2023-2	$285.0m	$285.0m	Oct-26
	*2024-1	$285.0m	$285.0m	Oct-25
	- Variable Funding Note	$468.3m	$378.2m	Mar-25
	- Variable Funding Note 3	$285.0m	$142.5m	Apr-26
	2017-1 Trust	$116.6m	$80.2m	Jul-26
	Total	**$2,293.4m**	**$2,024.4m**	
US[1]	AR3LLC	US$225.0m	US$188.0m	Dec-26
NZ	Zip NZ Trust 2021-1	NZ$20.0m	NZ$11.0m	Jul-26
Corporate	Corporate Facility (Closed in July 2024)	$130.0m	$130.0m	Dec-27

Note: (1) Zip has the option within the facility to increase to an aggregate amount of up to US$300.0m, subject to approval of terms from both parties, (2) The 2021-2 series is expected to be refinanced in Sep-24 through a combination of proceeds from new warehouse (VFN4), new ABS bond (2024-2) and existing headroom.

Capital structure

Zip reset in FY24 providing flexibility and liquidity to pursue further profitable growth

Convertible notes[1]

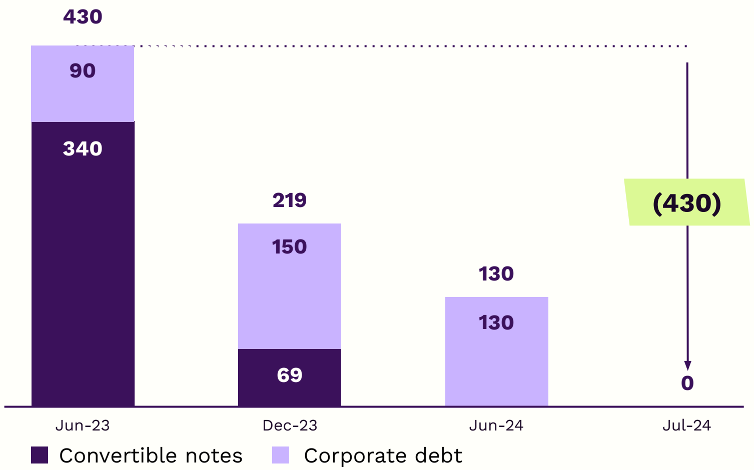
Extinguished all $340m notional of existing Convertible Notes being:

- $50m of CVI Convertible Notes (Private)
- $290m Senior Convertible Notes (Public) through a combination of actions

Corporate debt

- Refinanced the corporate debt facility in December 2023 from $90m to $150m for a four-year term to support growth and re-set company capital structure
- Executed an institutional equity placement in July 2024 to pay down remaining corporate debt
- Decision to repay corporate debt is earnings accretive and will lead to a reduction in funding costs

Zip corporate debt



As at August 2024, Zip has zero corporate debt

Note: (1) Senior Convertible Notes refers to Zip's $400.0m convertible notes issued on 23 April 2021 which are listed on the Singapore Securities Trading Exchange. CVI Convertible Notes refers to Zip's convertible notes issued 1 September 2020 to CVI Investments, Inc (CVI).

04.
Strategy and outlook

Zip remains strongly positioned to drive growth in a dynamic operating environment

Operating environment	**Regulatory developments in both core markets**	**Continued shift to digital wallets and instalment payments**	**Consumer credit growth remains strong; arrears trending back to pre-pandemic levels**
Zip position	✓ Holds an Australian credit licence ✓ Operated NCCPA regulated products in AU for >10-years ✓ Maintains a third party bank partnership model in the US ✓ Fully compliant with new CFPB interpretive rule (US)	✓ Zip now processing >$10b in annual TTV ✓ Opportunity to further innovate Zip digital wallet proposition	✓ Competitive advantages driving margin expansion (cash NTM) ✓ Tightened risk settings have improved portfolio credit quality in AU ✓ US losses continue to trend below target range

Merchants and payment ecosystem partners create a significant distribution network for Zip

Key merchants

Distribution partners

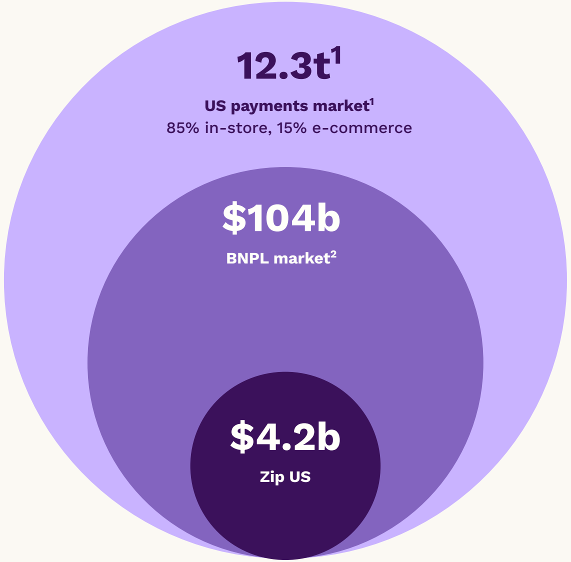
E-commerce platforms

Americas: Significant potential to expand TAM by investing in growth multipliers across core and adjacent markets

Levers to grow Zip's core consumer finance offering with 100m underserved Americans

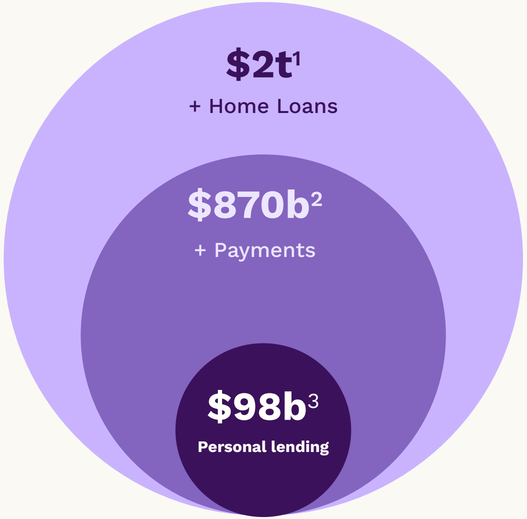
- **Continued momentum in core Pay in 4 product through deeper customer engagement and new merchant verticals**
- **Scaling Pay in 8 to more customers and merchants**
- **Embedding Zip product and expanding distribution through strategic partnerships**

Total addressable market (USD)



Note: (1) 2023 volume, according to The Global Payments Report, 2024, (2) Total BNPL market estimated at $104b. Sources referenced in analysis include The Global Payments Report, 2024; Statista; eMarketer; US Census Bureau; and Federal Reserve Bank of Boston

ANZ: Disrupting financial services profit pools with compelling, next generation consumer propositions



Future focus areas

- **Deeper penetration of personal lending market**
- **Developing capital-light propositions in new profit pools**
- **Strategic partnerships that unlock new customer segments and/or merchant verticals**

Note: (1) APRA Monthly Authorised Deposit-taking Institution Statistics, June 2024, owner occupied and investment loans outstanding, (2) WorldPay, 2024, Australia and New Zealand, (3) APRA Monthly Authorised Deposit-taking Institution Statistics, June 2024, credit cards and other household lending balances outstanding.

Zip has a clear strategy to drive growth in FY25 and beyond

Growth and engagement

Secure new merchant and strategic partnerships

Scale embedded distribution channels

Enhance value proposition of existing products

Product innovation

Scale Pay in 8 (US)

Scale Zip Plus (ANZ)

Launch and rollout new higher margin products

Operational excellence

Design and build exceptional customer journeys

Invest in core operations

Drive scale and operating leverage

Zip's two-year outlook

	FY24 result	FY25 focus areas	Two-year range [1]
Revenue (% of TTV)	**8.7%**	• Drive shift to higher margin channels and products • Share of revenue from US expected to increase • US TTV growth outlook for FY25 above average pay in 4 market growth[2]	**8.0% - 9.0%**
Cash NTM (% of TTV)	**3.8%**	• Drive improved cost of sales through scale • Balance TTV growth with credit performance	**3.5% - 4.0%**
Cash EBTDA (% of TTV)	**0.7%**	• Make measured investment in innovation and capability building • Develop capital-light propositions • Deliver cash EBTDA margin ≥1% in FY25	**1.0% - 2.0%**
Operating margin (cash EBTDA as a % of revenue)	**7.9%**	• Improve revenue to cash EBTDA conversion • FY24 pro-forma operating margin of 9.8% (after adjusting for corporate interest costs)	**12.0% - 17.0%**

Target ranges deliver significant cash EBTDA and free cash flow generation as the business scales

Note: (1) Subject to market conditions, (2) Market growth considers volume growth in comparable US BNPL instalment products over the past two quarters to Jun-24, which has been estimated at 30 to 32% YoY.

Q&A

Appendix

Segment information

FY24				
$m	**ANZ**	**Americas**	**Corporate and non-core**	**Consolidated Group**
Total revenue (inc. other income)	423.0	451.3	0.8	875.1
Cash cost of sales	(279.3)	(215.6)	(0.2)	(495.1)
Cash gross profit	**143.7**	**235.7**	**0.7**	**380.0**
Cash operating expenses	(110.7)	(158.5)	(37.7)	(306.9)
One-off items	0.0	0.0	(4.1)	(4.1)
Cash EBTDA	**33.0**	**77.2**	**(41.1)**	**69.0**
Movement in bad debt provision	2.1	(5.2)	(0.0)	(3.2)
Share based payments	(1.8)	(2.7)	(2.1)	(6.6)
Non cash non operating expenses, gains and losses	0.0	0.0	64.6	64.6
Other non cash operating expenses	(0.9)	0.3	(33.6)	(34.3)
EBTDA	**32.3**	**69.6**	**(12.4)**	**89.5**
Depreciation and amortisation	(14.7)	(49.1)	(0.6)	(64.4)
Profit or loss before income tax	**17.6**	**20.5**	**(13.0)**	**25.1**

Income statement

Breakdown of corporate and one-off adjustments

$m	FY24	FY23[1]
Revenue	**868.0**	**677.2**
Cash EBTDA	**69.0**	**(48.2)**
Non-cash items	(5.0)	(102.4)
Reported EBTDA	**64.0**	**(150.6)**
Corporate and one-off adjustments	**25.5**	**(152.9)**
Share-based payments	(6.6)	(14.3)
Non-operating expenses, gains and losses	64.6	(80.3)
Convertible notes incentivised payments and other costs	(31.5)	(31.9)
Loss on derecognition of financial liabilities and assets	(1.0)	(10.1)
Termination fee	-	(16.3)
EBTDA	**89.5**	**(303.5)**
Depreciation and amortisation	(64.4)	(62.8)
Earnings before tax (NPBT)	**25.1**	**(366.3)**

Note:, (1) Comparatives have been restated to exclude discontinued operations.

Balance sheet

$m	Jun-24	Jun-23
Cash and cash equivalents	121.3	152.0
Restricted cash	231.7	124.0
Other receivables	100.8	87.2
Term deposit	4.5	7.2
Customer receivables	2,398.6	2,596.8
Investments at FVTPL and in associates	-	16.0
Property, plant and equipment and ROU assets	19.7	23.7
Intangible assets	96.1	141.6
Goodwill	209.5	209.2
Deferred tax assets	-	36.9
Total assets	**3,182.2**	**3,394.7**
Trade and other payables	258.5	213.6
Employee provisions	18.5	8.8
Lease liabilities	17.1	17.7
Borrowings	2,403.1	2,591.2
Financial liabilities - convertible notes and warrants	-	327.2
Other financial liabilities	86.5	1.9
Total liabilities	**2,783.7**	**3,160.4**
Net assets	**398.5**	**234.3**

Cash flows

$m	FY24	FY23
Revenue from customers	871.8	728.8
Payments to partners, suppliers and employees	(363.0)	(438.5)
Net increase in receivables	(6.6)	(338.3)
Borrowing transaction costs	(6.6)	(2.8)
Interest received from financial institutions	6.2	3.6
Interest paid	(229.4)	(161.5)
Proceeds from disposal of loans	3.2	-
Termination payment fee	-	(16.3)
Net cash flow from/ (used in) operating activities	**272.5**	**(225.0)**
Payments for software development, plant and equipment	(17.5)	(24.6)
Disposal of discontinued operations, net of cash disposed	27.3	5.8
Deferred consideration	(2.0)	(4.0)
Proceeds from/(payments for) investments	1.6	(4.3)
Decrease/(increase) in term deposits	2.7	(4.3)
Net cash flow used in investing activities	**(12.0)**	**(30.5)**
Proceeds from borrowings	1,589.2	757.8
Repayment of borrowings	(1,741.2)	(487.6)
Repayment of convertible notes	(10.8)	(53.8)
Payment of incentives on convertible note conversion	(31.5)	(12.5)
Repayments of principal of lease liabilities	(3.0)	(4.0)
Proceeds from the issue of shares	-	33.6
Transaction costs related to issue of equity, convertible notes and debt	(11.0)	-
Net cash (used in) / from financing activities	**(208.3)**	**236.6**
Net increase / (decrease) in cash and cash equivalents	**76.2**	**(18.9)**

Funding

$m	Jun-24	Jun-23
Secured funding facilities		
Facility limits		
AU	2,293.4	2,365.6
US[2]	339.7	339.4
SME	-	59.8
NZ[2]	18.3	18.4
Total limits	**2,651.4**	**2,783.2**
Facilities drawn		
AU	2,024.4	2,232.1
US[2]	283.8	198.1
SME	-	51.9
NZ[2]	10.1	10.1
Total drawn	**2,318.3**	**2,492.2**

Corporate facility		
Facility limit	130.0	90.0
Facility drawn	130.0	90.0
Cost of funds [1]	**8.42%**	**7.35%**

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 0.6624; AUD at NZD 1.0927.

Glossary

Term	Definition
FY	Financial year ending 30 June of the relevant financial year
1H	Six months ending 31 December of the relevant financial year
2H	Six months ending 30 June of the relevant financial year
1Q	Three months ending 30 September
2Q	Three months ending 31 December
3Q	Three months ending 31 March
4Q	Three months ending 30 June
bps	Basis points (1.0% = 100bps)
CY	Calendar year
NPS	Net promoter score
nm	Not meaningful
PcP	Prior corresponding period
HoH	Half on half
YoY	Year on year
TXNs	Transactions
TTV	Total transaction volumes
CTM	Cash transaction margin
NTM	Net transaction margin
CoS	Cost of sales
EBTDA	Earnings before tax, depreciation and amortisation
Group Cash EBTDA	EBTDA less non-cash and one-off items
WAM	Weighted average margin
FX	Foreign currency exchange