



A BETTER WAY TO PAY™

1H 2016 RESULTS PRESENTATION / 29 FEBRUARY 2016



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Who is zipMoney?



About Us

zipMoney, an early mover in the digitised consumer finance space

Licensed and regulated credit provider

Managed by team with 35+ years in retail finance

Transparent, responsible and fairly priced consumer credit products

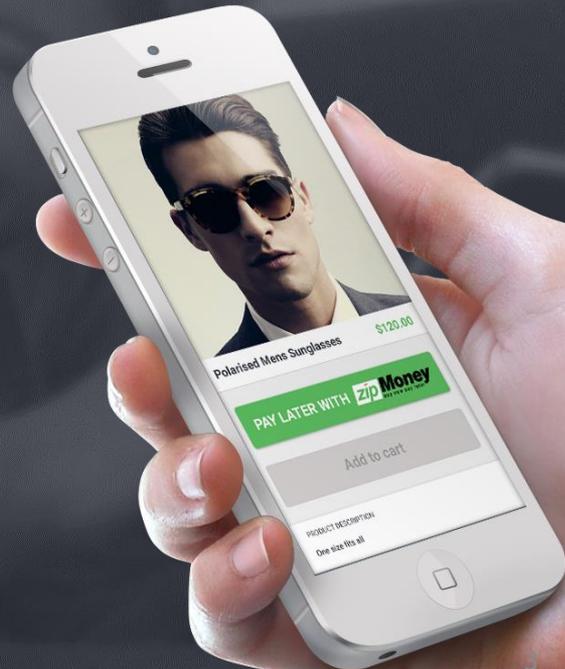


Our Mission

Offering payment flexibility and integrated checkout experiences

Mission to boost conversions and increase client sales, risk-free

Platform entirely digital, proprietary decisioning, credit engine and use of Big Data



1 H 2016 Highlights

- ✓ Listed on ASX Sep-15, raised \$5m @ 20c
- ✓ Established \$100m securitisation warehouse backed by Victory Park Capital, becomes AFSL licensee
- ✓ Core team in place, 30 FTEs in operations, product & technology, sales
- ✓ Significant increase in half-year growth (revenue up 900%, transaction volume up 650%), ~\$15M in transaction volume originated on platform at Dec-15
- ✓ Continued strong growth in 2016, with January volumes up 31% on December
- ✓ More than 10,000 customers, 350 merchants
- ✓ Launches *No Interest Ever* product accelerating customer acquisition through targeting lower ASPs

1H 2016 Financial Results

December half-year comparison

All figures \$	1H 2016	1H 2015
Revenue ¹	751,448	73,397
<i>% growth</i>	<i>924%</i>	<i>n/a</i>
Underlying EBITDA ²	(1,775,851)	(281,396)
Reported NPAT	(5,089,904)	(320,764)
Basic EPS (c)	(4.69)	(0.58)
Cashflow Operations	(583,916)	n/a
Cashflow Investing	(261,389)	n/a
Cashflow Financing	4,046,803	n/a
Net mvmt	3,201,498	n/a
Cash period end	4,226,950	n/a

1. Revenue from ordinary activities (includes merchant fees, customer fees)
2. Underlying EBITDA normalised for listing costs (2.3m), Share payments (253k) and convertible note costs (525k)

- Maiden revenue result as re-listed Company up 924% on 1H 2015
- Revenue derived from merchant (35%) and customer fees (65%)
- Statutory result includes \$2.3m associated with the cost of listing
- Financing cashflows include receivables growth (\$6m), debt drawdown (\$4.5m) and share issuance (\$6.1m)
- Cash at bank \$3.53m (excludes \$693k in restricted cash)

Strong 1H 2016 Results, January up 31%...

Monthly (LHS) and Aggregate (RHS) transaction volume (\$m)



	1H 2014	2H 2015	1H 2016
Aggregate Transactions	3,165	8,629	17,324
Customers	1,882	5,147	10,053
Merchants	81	147	379

- Strong month-on-month (mom) volume growth since listing
- Close to \$20M written on platform
- Dec-15 saw largest month ever – \$2M in volume
- Beaten by Jan-16, \$2.6m in new loan originations (up 31% mom) and revenue of \$237,438 (up 41%)
- Over 10,000 customers, 350 locations online and in-store

Strong loan book performance in half...

Half-year comparison

All figures \$	1H 2016	2H 2015	1H 2015
Receivable/Loan Book	8,911,939	2,916,660	833,851
<i>% growth</i>	206%	250%	
Credit Capacity ¹	21,044,587	8,325,240	2,007,085
Transactions	9,902,582	3,536,606	1,308,119
<i>% growth</i>	180%	170%	
Repayments	3,701,500	1,479,406	428,118
Arrears ²	2.19%	1.54%	0.42%
Bad Debt ³	0.73%	0.51%	0.01%

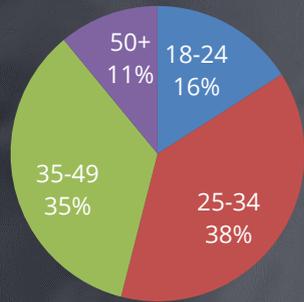
Note: above comparison based on previous half, rather than previous corresponding period

1. Credit capacity calculated as aggregate of active customer credit limits
2. Reported arrears are defined as accounts 60 days or more overdue
3. Bad debts are written off in line with policy after 180 days

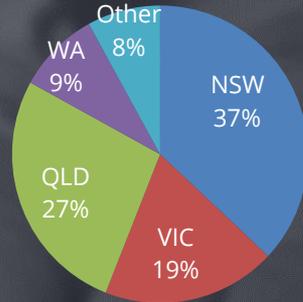
- Receivables up 200% on June half (2H 2015)
- \$21m in credit capacity, 42% utilisation; average \$2,000 per borrower
- Healthy repayment profile, 9-10% of book repaid each month
- Credit performance in line with management projections
- Bad debts well below industry benchmarks of ~3%

Diverse loan portfolio, diverse end-industries...

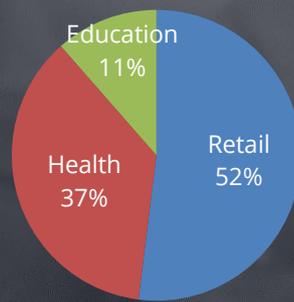
Age¹



State / Locale¹

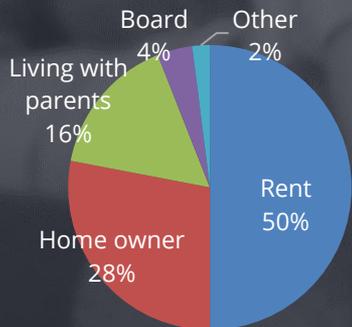


Merchant Category²

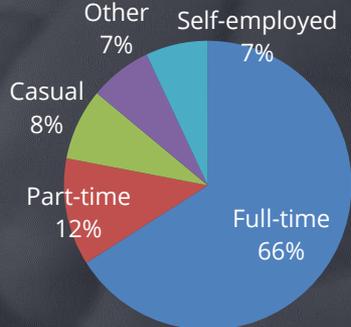


- Strong penetration under under 35s
- National footprint, exposure to eastern seaboard
- 28% of borrowers are home-owners, 66% are employed full-time
- No reliance on any single merchant or end industry
- No single merchant accounts >10%, top 10 accounts for ~55% of volume

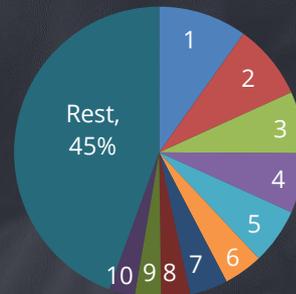
Residential status¹



Employment status¹



Top 10 Merchants²



1. Data based on customer receivables (current)
 2. Data based on transaction volume over December quarter

Securitisation warehouse operational...

- \$107.67 million⁴ in committed wholesale debt financing
- Asset-backed, securitisation warehouse (zipMoney Trust 2015-1)
- 2 year maturity with options to extend; interest only
- Facility secured against underlying pool of receivables, no credit recourse back to zipMoney
- Pricing on all classes of notes (unrated) is undisclosed
- zipMoney trust manager/servicer

All figures \$	1H 2016	2H 2015
Receivables and customer loans ¹	8,911,939	2,916,660
Cash held by securitisation warehouse ² (restricted)	693,169	961,060
Total	9,605,109	3,877,720
Borrowings related to Receivables	8,510,000	3,555,000 ³

1. Provision for bad debt in Dec-15 and Jun-15 of \$296,491 and \$86,802, respectively
2. Reflects cash in zipMoney Trust 2015-1 (Dec-15); in Jun-15 reflects restricted cash on zipMoney balance sheet (prior to establishment of trust)
3. Borrowings exclude any working capital loans
4. \$100m committed by VPC, \$6.67m committed by private Class B investors and \$1m invested by zipMoney as a 'first loss' position

Go-To-Market strategy in place...

Board adopting a more aggressive roll out strategy to capitalise on zipMoney's strong product market fit.

2 key appointments in 2015 to spearhead strategy:

- Craig Dufficy (National Sales Manager)
- Jonathan Kelly (Director Merchant Services)

Hand-picked team of 10 BDMs* and AMs; past experience with PayPal and FlexiGroup

Existing relationships across retail, education, health, hospitality channels

Now servicing national accounts in all major states and territories; personnel in NSW, QLD and VIC

* Business Development Managers (BDM) and Account Managers (AM)



Craig Dufficy

National Sales Manager

15+ years experience in credit cards, interest-free, consumer & sales finance. Formerly National Sales Manager at FlexiGroup and Lombard.



Jonathan Kelly

Director Merchant Services

10+ years experience across Australasia in strategy, sales and marketing in merchant services and payments. Formerly Head of Retail Services at PayPal.

We are growing in all categories – *electricals, appliances, furniture, sports & outdoors, auto, food, health and education...*



Significant market opportunity in Australia...



OPPORTUNITY

- Online and in-store
- Over 200 partners
- Dental, cosmetic, elective health
- \$5m on platform, 20 partners
- Fee for service
- Work with large, credible players
- Over 25 partners
- Enter late 2016

Source: IBIS and ABS (2014), Quantum, Wotif Scheme 2014, zipMoney estimates

Continuing to bolster in-house technology...

Core product & technology team in place (10) sourced from big-4 banks with proven experience in the finance, payments and loyalty sectors.

zipMoney system implemented using latest in cloud-based technologies. Multi-tenanted environment, dynamic scaling, industry standard security practises

All core areas of technology owned and managed in-house, agile methodology, rapid development and deployment.

Technology focus on consumer products, integration services (API, SDKs), merchant services and in-store payments.

Customer and behavioural data-models / business intelligence supports proprietary next-generation decision software.

Strong focus on product, new initiatives...

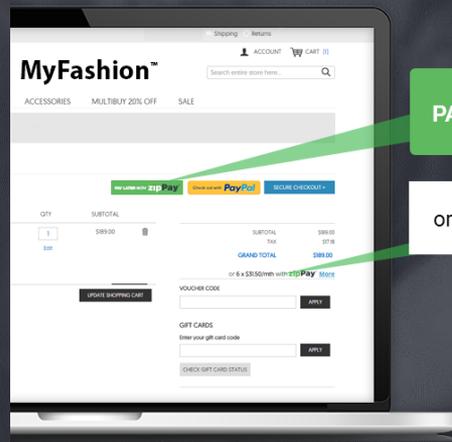
Continued investment in product development and innovation to remain at the forefront of digital retail finance and payments.

1 Launch of *No Interest Ever* product **zipPay**

- Digital wallet (no credit card)
- Omni-channel solution
- 100% automation

2 In-store payments

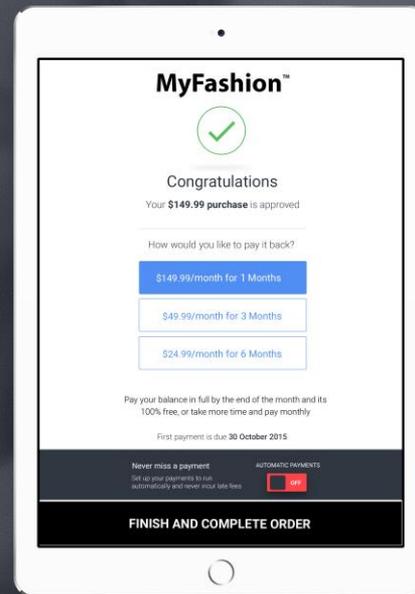
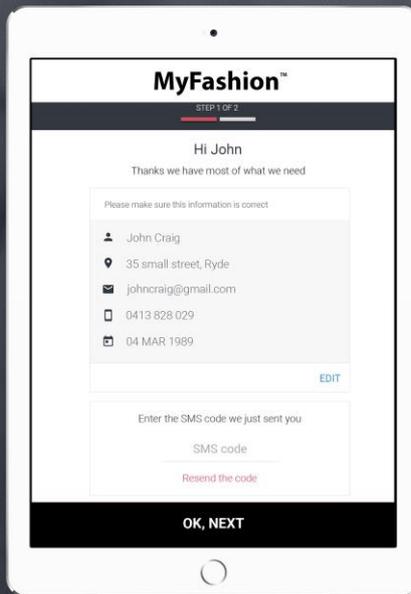
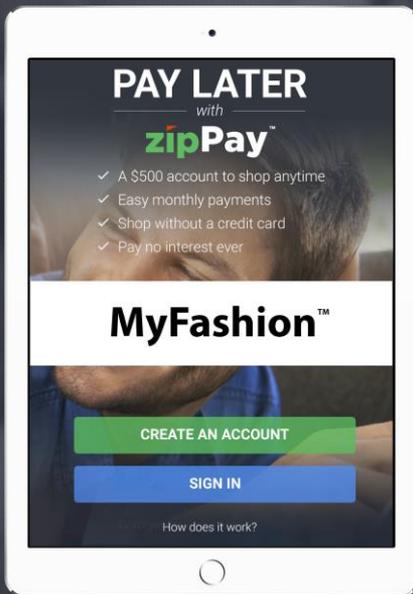
- Native app development
- Customer onboarding
- Seamless processing



PAY LATER WITH **zipPay™**

or 6 x \$31.50/mth with **zipPay™** [More](#)

zipPay simple sign-up, 100% automation...



zipMoney's proven value proposition...

A fashion label, Case Study



+27%

Share of checkout



+61%

Average order value



x 3.4

Repeat transactions

“ Our sales have increased by over 20% with zipMoney. The account concept has really driven repeat purchasing behaviour and brand loyalty – customers can sign up on the fly. zipMoney makes it very simple for customers to buy what they love today and pay for it later, particularly for new range releases ”

Simon Griffin, Kitten D'Amour

ASX: ZML Corporate Overview

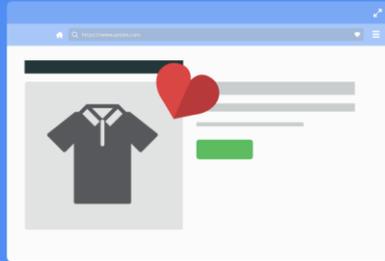
Description	Shares	Options ¹	Performance shares ²
Currently on issue	157,196,888	6,725,000	46,544,878

Market Capitalisation ³ @ 35c (undiluted)	\$55.0m
Cash (as at 31 Dec 2015) ⁴	\$3.5m
Enterprise Value	\$51.4m
Founders and Management	~43%

1. 5m shares @ exercise price 20c and 1.725m @ 70c.
2. Performance shares related to vendor and advisors. Excludes 20m performance shares issued to Columbus Capital who were unable to achieve the agreed performance hurdles and consequently unlikely to convert to ordinary shares.
3. Share price as at Friday 26 February 2015.
4. Excludes \$693,169 in restricted cash in securitisation warehouse (zipMoney Trust 2015-1)

Using zipMoney is quick and easy...

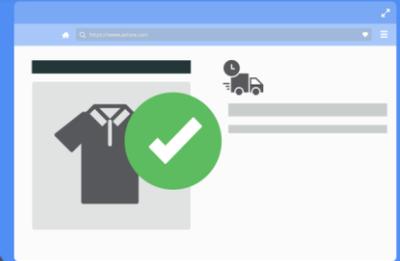
**STEP.1
FIND THE
ITEMS YOU
LOVE**



**STEP.2
CHECKOUT
WITH
ZIPMONEY**



**STEP.3
BUY NOW
PAY LATER,
INTEREST-
FREE**



*Offering payment flexibility and seamless checkout experiences
online and in-store*



Thank You!



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