

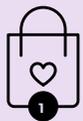
Shop now. Pay later. Always interest free.

Afterpay enables merchants to offer a “buy now, pay later” service that does not require customers to enter into a traditional loan or pay upfront fees or interest. The product is completely free for customers who pay on-time.

Afterpay is not a line of credit. It applies to discrete, low-value purchases with an average purchase price of \$155.

Unlike traditional credit products, the Afterpay product does not push customers into revolving and extended debt.

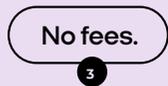
A late payment results in the customer being unable to use the service to make additional merchant purchases, so the customer cannot grow his or her debt. This helps encourage responsible spending.



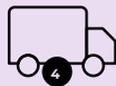
Customer purchases product



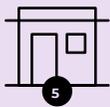
Customer pays first 25% upfront



No interest, establishment or monthly fees paid to Afterpay



Customer receive his/her product(s) immediately



Afterpay settles with merchant upfront (less Afterpay fee)



Afterpay retrieves funds from customer through an automated end-to-end process

About Afterpay. (ATG)

Founded by Nick Molnar and Anthony Eisen in 2014, Afterpay was built as a retail company (not a finance company) to be a simple way to connect the best brands in the world to new customers.

At the age of 24, Molnar, an ecommerce entrepreneur as a teenager, built the Afterpay service in his home in Sydney with his-then neighbor Eisen.

The founders based the company on the simple idea that millennials prefer a cashless and credit-free lifestyle – a way to pay without incurring debt or compounding interest.

Since that day, Afterpay’s mission has been to make purchasing feel great for customers around the world, in a way that is safe, transparent and consumer-friendly.

In 2016, Afterpay debuted on the Australian public market, and today is a top 20 ASX company, based on market valuation.

In 2017, Afterpay merged with Touchcorp to elevate its customer offerings and service levels.

In 2018, Afterpay launched in the U.S. market.

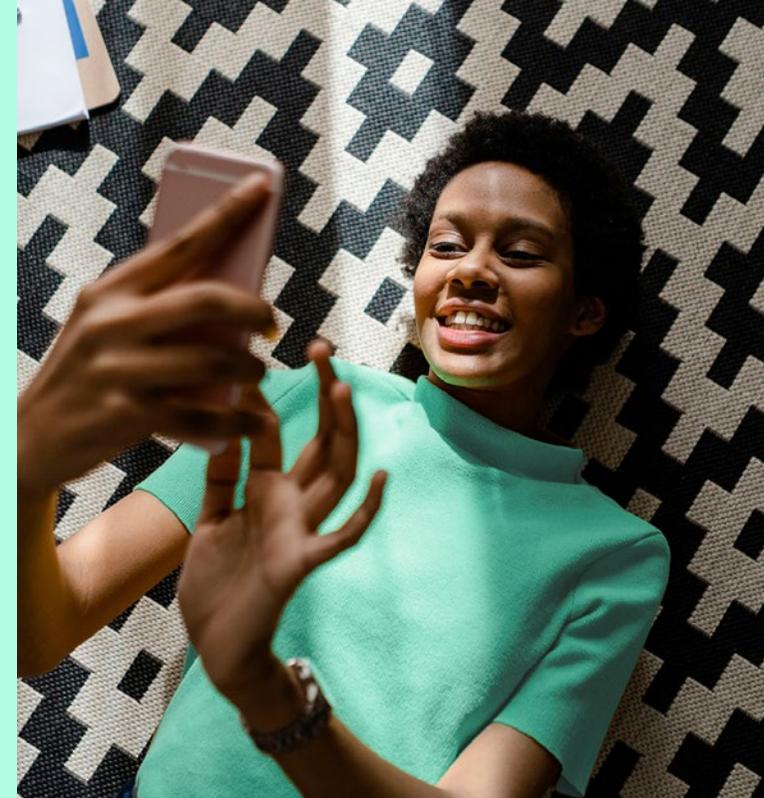
In 2019, Afterpay launched in the U.K. market, with the Clearpay name.

In 2019, Afterpay was awarded ‘Retail Technology Game Changer of the Year’ at the World Retail Congress and Best Fintech Innovator of the Year at the Australian Banking & Innovation Awards.

In 2020, Afterpay reached 5 million active customers in the U.S., and, in June 2020, hit 1 million active customers in the U.K. market. Afterpay launched in Canada.

Launched in Europe in March 2021.

Contact
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Key facts.

North America – April 2021

Afterpay is a global leader in the ‘Buy Now, Pay Later’ space that offers interest-free installment payments at top fashion, beauty, and lifestyle retailers in North America, Europe, U.K., Australia and New Zealand.

Afterpay gets its revenue from the merchant.

- Merchant partners receive the amount of each purchase from Afterpay up front (minus Afterpay's fee).
- Afterpay takes on the full risk of repayment, which means that Afterpay is incentivized to encourage responsible spending.



The value of Afterpay.

With Afterpay, merchants gain access to a large and growing segment of shoppers who prefer not to incur credit card debt or interest.

For this reason, Afterpay delivers:

- Increased conversion rate and incremental sales – approximately **20-30% higher** than other payment methods
- Increased customer engagement, higher customer satisfaction and repeat customers
- Lower return rates
- An average **31 million** merchant referrals generated globally per month from the Afterpay network¹

1. In Q3 FY21

Changing Consumer Payment Behavior.

Today's consumers now face high education and housing costs, leading them to be even more budget-conscious than the previous generation.

At the end of 2018, total outstanding U.S. student debt was 60% higher than total outstanding credit card debt¹.

Approximately 45 million Americans owe a total of \$1.47 trillion in student loan debt, as of the end of 2018.

From 1990 to 2019, the cost of a college tuition in the U.S. increased 391%².

Millennials want to use their own money and most don't want traditional credit.

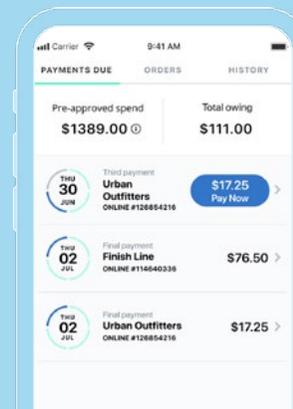
Just one-third of people ages 18–29 have a credit card³ and most millennials use a debit card instead of risking getting into financial trouble with a credit card.

The same survey showed that 23% of millennials have one credit card. Only 6% of millennials have two cards.

6 in 10 American millennials say they tend to plan/save for purchases before buying them.⁴

The portion of millennials who say they use budgeting tools and/or maintain a monthly budget (71%) is higher than the portion who say they rarely/never budget their money.

1. Federal Reserve Bank of New York. 2. US Bureau of Labor Statistics 3. 2016 Bankrate survey. 4. 2017 IPSOS poll.



Afterpay by the numbers.

Globally

85.8k retail partners

14.6m active customers

North America launched in US May 2018, Canada Aug 2020

23.2k retail partners

9.3m active customers

High customer satisfaction
Australian banks NPS -14, U.S. banks NPS 35

NPS >80

98% of payments and 93% of purchases do not incur late fees

