

Beforepay lodges prospectus for AU\$35m IPO

22 November, Sydney, Australia — Pay On Demand™ provider Beforepay today announces the lodgement of its prospectus (Prospectus) with the Australian Securities and Investments Commission (ASIC) to list on the Australian Securities Exchange (ASX) via an initial public offering (IPO or Offer).

The Offer is fully underwritten by the Joint Lead Managers Shaw and Partners Limited and E&P Corporate Advisory Pty Limited, and is expected to raise approximately AU\$35 million through the issue of 10.3 million new shares at an offer price of AU\$3.41 per share with an indicative market capitalisation of AU\$158.4 million. All shares will rank equally with each other.

The IPO will allow the introduction of new institutional and retail shareholders who can support Beforepay through the next phase of its growth. This includes accessing capital to unlock growth in Cash Outs, customer acquisition and overseas expansion. No general public offer of shares will be made under the offer.

Beforepay is part of the on-demand revolution that has fueled the rise of companies such as Uber, Netflix and the Buy Now Pay Later (BNPL) industry. It was founded in 2019 to offer consumers a better way to manage their personal finances. Beforepay serves a gap in the market for consumers who want flexible, transparent, and on-demand access to their pay, without turning to traditional forms of credit that are increasingly being rejected.

The company generates revenue by charging a fixed fee of 5% on the amount Cashed Out. Customers incur no compound interest or late payment fees. The Cash Out offered to each customer is established in accordance with Beforepay's credit policy and risk considerations, including Know Your Customer (KYC).

Since its commercial launch in August 2020, Beforepay has achieved significant scale. Pay advances total AU\$170.5m with more than 125,500 Active Users growing at a compound monthly growth rate of 25.3% to October 2021. During the FY2021 period, in which it commercially launched its product, Beforepay's income was AU\$4.5 million with a pro forma historical debt net loss after tax of AU\$19.6m.

Beforepay Chairman Mr Brian Hartzler said: "Beforepay's business model creates a strong value proposition for customers looking to take control of their finances without turning to credit cards or other forms of revolving debt. The high-quality management team has already achieved

significant scale and excellent momentum in unit economics. Loss rates and costs continue to decrease and growth is increasing in both the acquisition and retention of a well-diversified customer base of working Australians. This demonstrates the broad appeal of the product and a sizable market opportunity.

“I’m excited about the future prospects of Beforepay and am pleased to have the opportunity to welcome new investors to share in this exciting journey.”

Beforepay CEO Jamie Twiss said: “I’m proud of the scale we’ve achieved in just over 12 months. I believe that we’ve only just scratched the surface in terms of growth and have the right team to execute on our strategy going forward.

“The IPO will enable us to support more customers and to accelerate our growth, both in Australia and potentially overseas.”

Beforepay is expected to start trading on the ASX on or around 17 January 2022 under the code ‘B4P’.

The Offer is made by Beforepay Group Limited, and is made in, or accompanied by, the prospectus, which is available from the Company’s website at [\[https://www.beforepay.com.au/investor-hub/prospectus\]](https://www.beforepay.com.au/investor-hub/prospectus). Anyone who is an eligible applicant and wishes to acquire the securities under the Offer should consider the prospectus in deciding whether to acquire securities, and will need to complete an application form that is in, or accompanies, the prospectus.

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About Beforepay

Beforepay was founded in 2019 to offer consumers a better way to manage their personal finances by enabling early access to a portion of their next pay, on-demand, in exchange for a 5%



fixed fee. The Beforepay product does not attract compounding interest or late fees and is best suited to those who want to manage the timings of their personal finances to resolve a temporary need. Launching commercially in August 2020 Beforepay now has over 125,500 Active Users as at October 2021 and pay advances totalling AU\$170.5m. For more information visit www.beforepay.com.au