

# Beforepay delivers strong growth and significant uplift in net transaction margin in Q3 FY22

28 April 2022

Beforepay Group Limited (Beforepay) has announced another strong quarter of growth, progressing its pathway to profitability, delivering increasing customers, an uplift in revenue and strengthening margins.

Beforepay has released its results for the quarter ended 31 March 2022 (Q3 FY22). Highlights include:

- Pay advance growth momentum continued with pay advances of \$87.9m, up 213% from Q3 FY21 (Year-on-year or YoY) and up 14% from Q2 FY22 (Quarter-on-quarter or QoQ), driven by new customer acquisition, and continued usage by existing customers.
- Net transaction loss declined to 2.2%, down 58% YoY and 29% QoQ, driven by ongoing refinements to the risk model, customer limit management, and recoveries, as well as the end of the temporary Q2 FY22 holiday-related increase.
- Net transaction margin (NTM) increased to \$1.05m, up from \$0.18m or 468% QoQ and up \$1.80m from a loss of -\$0.75m in Q3 FY21, with increasing profitability largely driven by improvements in net transaction loss.
- Continued balance-sheet strength with \$35.2m in cash on hand as at Q3 FY22.

**Beforepay CEO, Jamie Twiss**, said: "This is a significant result and important step for Beforepay. The company has delivered another strong quarter of growth, with improvements across all key metrics. Continued momentum in user growth, revenue uplift, and strengthening margins represent another step forward on our path towards profitability.

"We're continuing to execute on our strategy, continuing to grow quickly while also significantly improving our margins. Customer defaults have fallen sharply, costs are well-controlled, and customer loyalty remains high.

"With our simple and transparent model that helps our customers manage their finances effectively, we are helping everyday working Australians manage temporary cash-flow challenges with confidence.

"Beforepay now has almost 160,000 active customers, more than double the number of customers from this time last year. I believe this demonstrates the rising appetite for Pay on Demand services in Australia," Mr Twiss said.

Beforepay is an ethical, customer-friendly way to help working Australians manage temporary cash-flow challenges.

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### About Beforepay

Beforepay was founded in 2019 to support working Australians who have not been well-served by the traditional financial-services industry. The product is an ethical, customer-friendly way to help people manage temporary cash-flow challenges. We provide our customers with early access to a portion of their pay, on-demand, in exchange for a single fixed fee, which helps them to get through short-term challenges whilst not living beyond their means. For more information visit: [www.beforepay.com.au](http://www.beforepay.com.au).