

ASX Announcement

7 May 2021

Openpay completes successful Share Purchase Plan to raise A\$8.7 million

MELBOURNE Australia, 7 May 2021: 'Buy now. Pay smarter.' company, Openpay Group Ltd (ASX: OPY) (**Openpay** or the **Company**) is pleased to announce that the Share Purchase Plan (**SPP**) announced on 31 March 2021 has closed oversubscribed, with applications received from shareholders totalling A\$8.7 million.

As previously advised, Openpay was seeking to raise approximately A\$5 million in funds through the SPP. In response to the strong demand from eligible shareholders the Company has agreed to accept oversubscriptions and increase the amount raised under the SPP to A\$8.7 million, giving shareholders the opportunity to more meaningfully increase their holding in the Company.

The SPP formed part of a debt and equity funding package (**Funding Package**) to raise approximately A\$71.2 million (before costs), which also comprised of:

- a new A\$25 million corporate debt facility with an existing shareholder; and
- an institutional share placement to raise approximately A\$37.5 million (**Placement**).

Under the SPP, each eligible shareholder was entitled to subscribe for up to A\$30,000 worth of new fully paid ordinary shares in the Company at an issue price of A\$2.03 per share, being the same issue price as the Placement.

Proceeds from the Funding Package will be used to support Openpay's growth strategies, including:

- **US market development:** integrating the Openpay technology platform into US aggregator payment processing systems (for seamless access to Openpay's specialised verticals); tailoring Openpay's product with input from the Opy Merchant Advisory Council (OMAC) of leading US merchants; closing late-stage discussions with large-scale aggregators (initially in the healthcare vertical), and preparing for US market launch.
- **UK business development:** supporting ongoing retail vertical growth; executing tech integration into ezyVet's cloud based veterinary practice software to deliver UK healthcare vertical market entry, before progressing into the broader healthcare, automotive, and home improvement verticals (where longer plan lengths / higher values drive stickiness and higher average transactions).
- **Scaling / launching new products in Australia:** through partnerships with one-to-many aggregator partners; entry into new verticals and additional OpyPro business-to-business (B2B) development opportunities.
- **Working capital and other development:** funding the Company's growing receivables book, build out of platform capabilities, and hiring talent to execute on strategic priorities.

Commenting on the oversubscribed SPP, Openpay Chairman Patrick Tuttle commented, "We are extremely pleased and humbled by the level of support shown for Openpay by our shareholders. This capital raised fortifies Openpay's

funding position as we continue to move with urgency to execute upon our growth strategy, with specific focus on our emerging US business.

“The US market is a significant market opportunity of approximately US\$829b within our core verticals. We continue to focus on building our presence in the US market via strategic partnerships with key aggregators and ticking boxes on our focused six-pillar US market entry strategy.”

The timetable for the issue of the Shares under the SPP Offer is detailed below:

Issue of SPP Shares	13 May 2021
Dispatch of shareholding statements	14 May 2021
SPP Shares commence trading on ASX	14 May 2021

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About Openpay

Openpay Group Ltd (ASX: OPY) is a global, fast-growing, and highly differentiated provider of 'Buy now, pay later' (BNPL) payment solutions. Through its platform, Openpay delivers the most flexible BNPL plans in the market, with longer terms up to 24 months, and with higher limits of up to \$20,000.

Openpay brings fairness, transparency, and flexibility to merchants and consumers alike, and focuses on industries where the platform can truly make a difference: Automotive, Healthcare, Home Improvement, Memberships, and Education. The company focuses on providing a greater range of meaningful financing

opportunities and has created a powerful NextGen BNPL solution for those who need it the most, the responsible adult consumer looking to Buy now, Pay smarter.

Openpay's B2B offering, OpyPro (formerly Openpay for Business), is a SaaS-based platform that enables companies to manage trade accounts end-to-end, including applications, credit checks, approvals, and account management all in one system.

Openpay provides services to customers, payment processors, and merchants in Australia, New Zealand, United Kingdom, and in the United States, where it operates under the brand name Opy. The company was recent ranked number 318 on the Deloitte Technology Fast 500™ Asia Pacific 2020, and is ranked 41 on the Deloitte Technology Fast 50 Australia.

For more information, visit www.openpay.com.au, www.openpay.co.uk, and www.opy.com.