Warehouse Facility & Capital Raising

April 2022

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and important information

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The information contained in this Presentation is general background information about Payright Limited (ACN 605 753 535) (the "Company") and its activities as at the date of this Presentation. This Presentation has also been prepared in connection with the Company's proposed $9.5 Million capital raising, consisting of $1.5 Million private placement of fully paid ordinary shares at $0.18 ("New Shares") ("Placement") and $8 Million issue of convertible notes to eligible investors ("Notes"). The Notes will be issued in accordance with the requirements of the Australian Securities and Investments Commission ("ASIC") Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82.

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Financial information in this Presentation is prepared on a consistent basis to the Company's Annual Financial Report, which is prepared in accordance with Australian Accounting Standards.

Approved by the Board of Directors of Payright Limited

Executive summary

1. Overview	• Payright is an embedded consumer point-of-sale finance provider, utilised by our trusted network of Australian and New Zealand merchants • Revenue deferred and recognised over the lifetime of the loan (like Personal Loan products) providing guaranteed and sustainable future income
2. Strong Growth Profile	• H1 FY22 Gross Receivables $89.9 Million, up 64% on prior corresponding period (pcp) (H1 FY21: $54.7 Million) • H1 FY22 Revenue $7.9 Million, up 36% on pcp (H1 FY21: $5.8 Million), with a further $16.8M of contracted revenue to be recognised in future periods • Six consecutive quarters of record loan origination/GMV growth
3. $125m Warehouse Facility	• Signed new $125M warehouse facility with senior lender Goldman Sachs and mezzanine arranger iPartners • Interest rate of approximately 5%, resulting in ~5.5% reduction versus current borrowing facilities
4. Path to Profitability	• It is anticipated the new warehouse facility will be expanded to provide all of the debt funding to reach our AU target break-even receivables balance of ~$200M+
5. Capital Raising	• Capital Raising of $9.5M consisting of: $1.5M strategic equity placement to Cornerstone of fully paid ordinary securities at $0.18 per share; and $8.0M issue of convertible notes. • Placement shares to be issued at a 20% premium to the last close price • Proceeds used to facilitate the transition to our warehouse facility, inclusive of one-off related costs, in addition to growth and working capital

*The aggregate $125 million in warehouse funding is made up of $100 million committed from Goldman Sachs as the senior lender, $18.75 million committed from iPartners as the mezz arranger, with Payright retaining the remaining 5% as an equity note. See 'Use of Proceeds', page 22.

+Subject to the agreement of the lenders

The Payright difference

- Loans originated through a trusted and rapidly growing merchant network
- Supporting sectors underserviced by BNPL: Home Improvement, Education, Photography, after-market Automotive, Health & Beauty and Retail
- Embedded into the merchant's sale process, offering real time credit assessment and decisioning at the time of transaction
- Revenue deferred and recognised over the lifetime of the loan (like Personal Loan products) providing sustainable future income
- A stable customer demographic, typically older than the broader sector demographic with more secure employment and residential status than reported by BNPL providers

	payright	Traditional Pay-In-4 BNPL	Traditional Consumer Lender
Typical loan range	\$2k to \$20k	\$0 to \$2k	Up to \$50k
Typical loan term	Up to 60 months	6 weeks or 4 equal installments	Up to 60 months
Credit check^	Typically yes	Typically no	Typically yes
Merchant Relationship	Yes	Yes	No
Performance metrics	Loan book GMV Gross Receivables	GMV Customers	Loan book Gross Receivables
Revenue recognition	AASB 9 – Revenue recognised over life of the loan	Short term revenue	AASB 9 – Revenue recognised over life of the loan
Target customer	Gen X and Y	Gen Z	Gen X and Y
Distribution channels	Originated through merchant network	Originated through merchant network	Direct to consumer

*Information from publicly available sources as at Feb 2022.
^The AFIA BNPL Code of Practice requires credit checks (or equivalent) for loans over \$2,000.

Business overview

A point of sale finance provider, utilised by our trusted network of Australian and New Zealand merchants so customers can spread the cost of their purchases over time

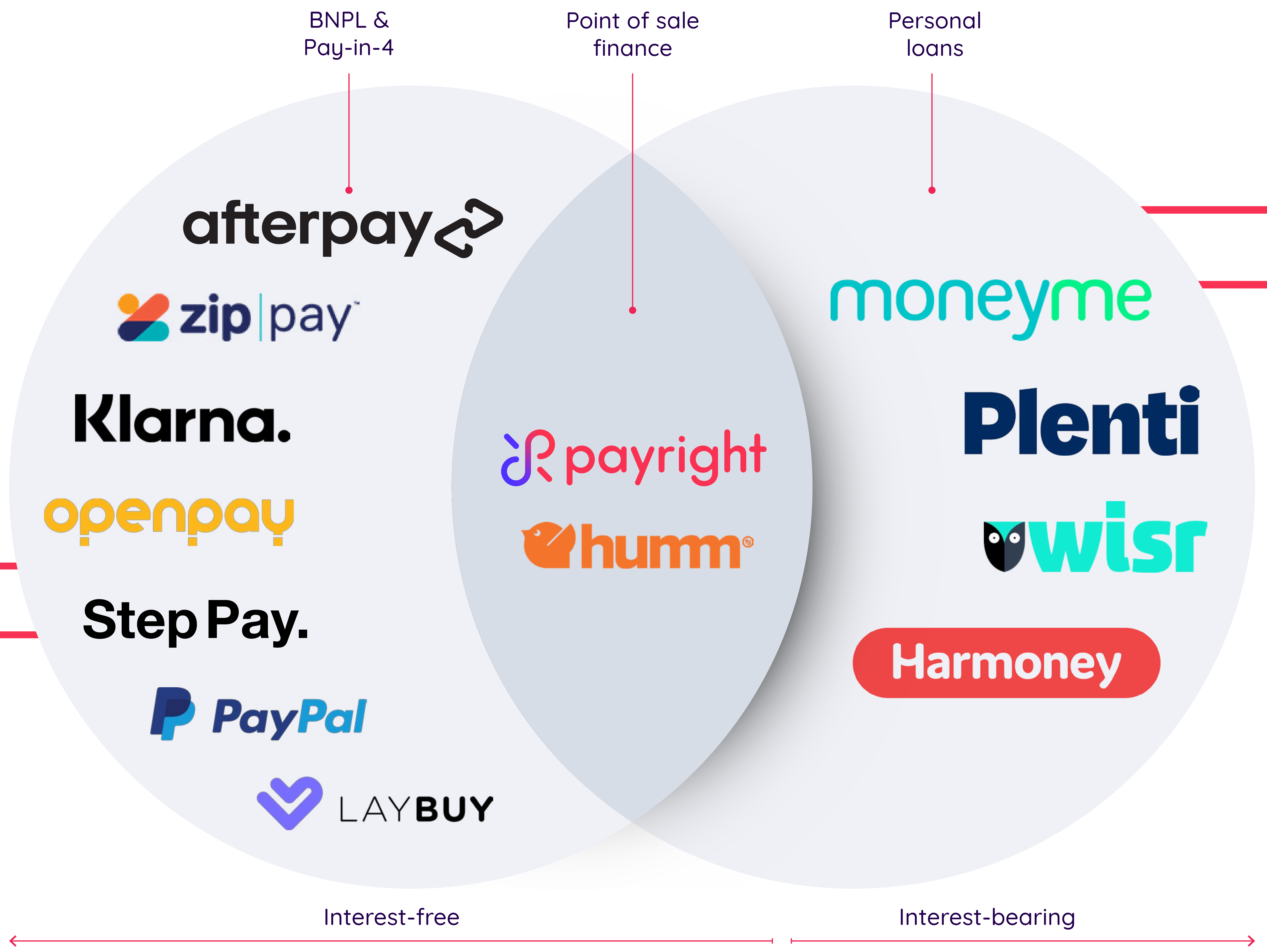
Overview

- **Payright has a proven business model**
  Payright is an established player in the rapidly growing consumer lending industry with operations across Australia and New Zealand
- **We offer flexible lending finance solutions to merchants and customers**
  Providing interest-free finance solutions to encourage point of sale conversion
- **Payright specialises in funding considered purchases at point of sale**
  Transaction sizes typically from $1,000 up to $20,000 with an ATV of ~$3,500
- **Diversified merchant mix**
  Payright's trusted merchant network distributes our interest free payment plans in sectors traditionally under-serviced by BNPL and personal loan providers
- **Flexible payment terms tailored to suit the customer's needs**
  Customers have the ability to select a repayment frequency to suit their circumstances, with terms ranging from 2 months to 60 months for larger purchases

Our Vision

Be the one-stop shop for everyone's payments and lending needs by making payments frictionless, flexible, and affordable.

The competitive landscape



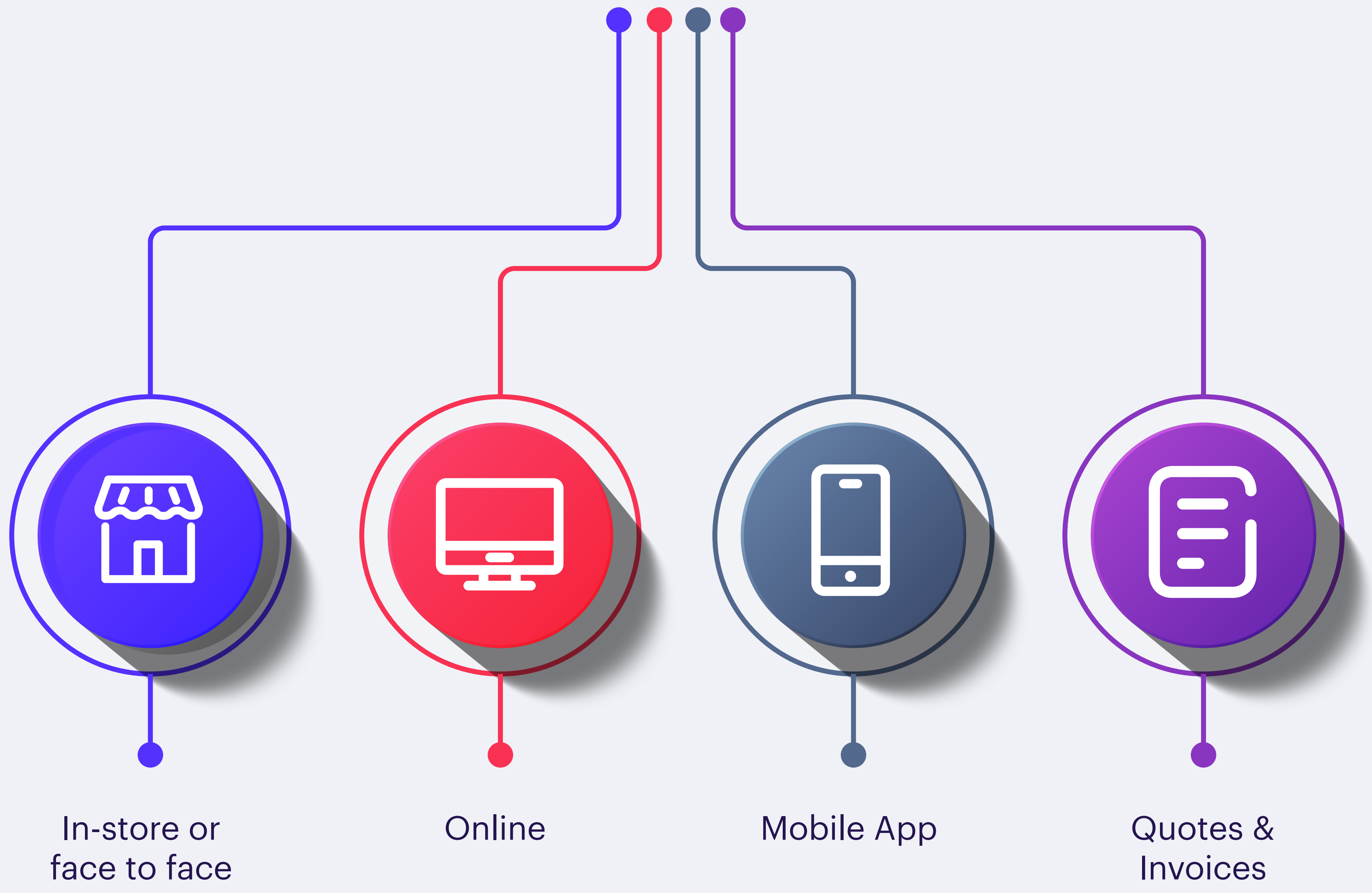
*This is a representation of the market from information from publicly available sources as at March 2022 and has not been independently verified.

Our proprietary system architecture

PYR bespoke, custom-built product solutions provide real time credit assessment, and instant draw down on the approved loan facility. The early stage collection process is automated, providing a tech-led end-to-end technology platform and customer offering.

Technology ecosystem

Product layer

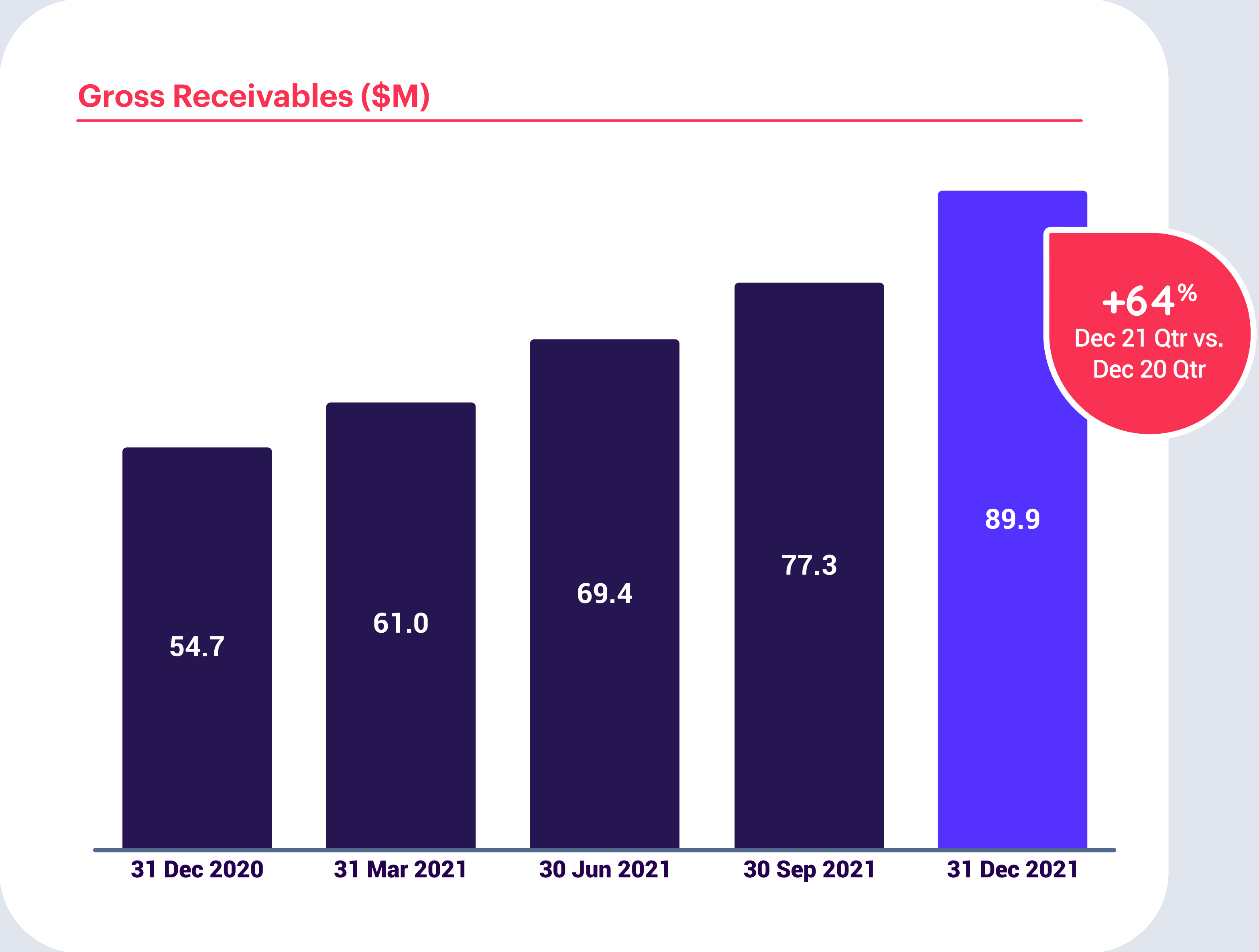


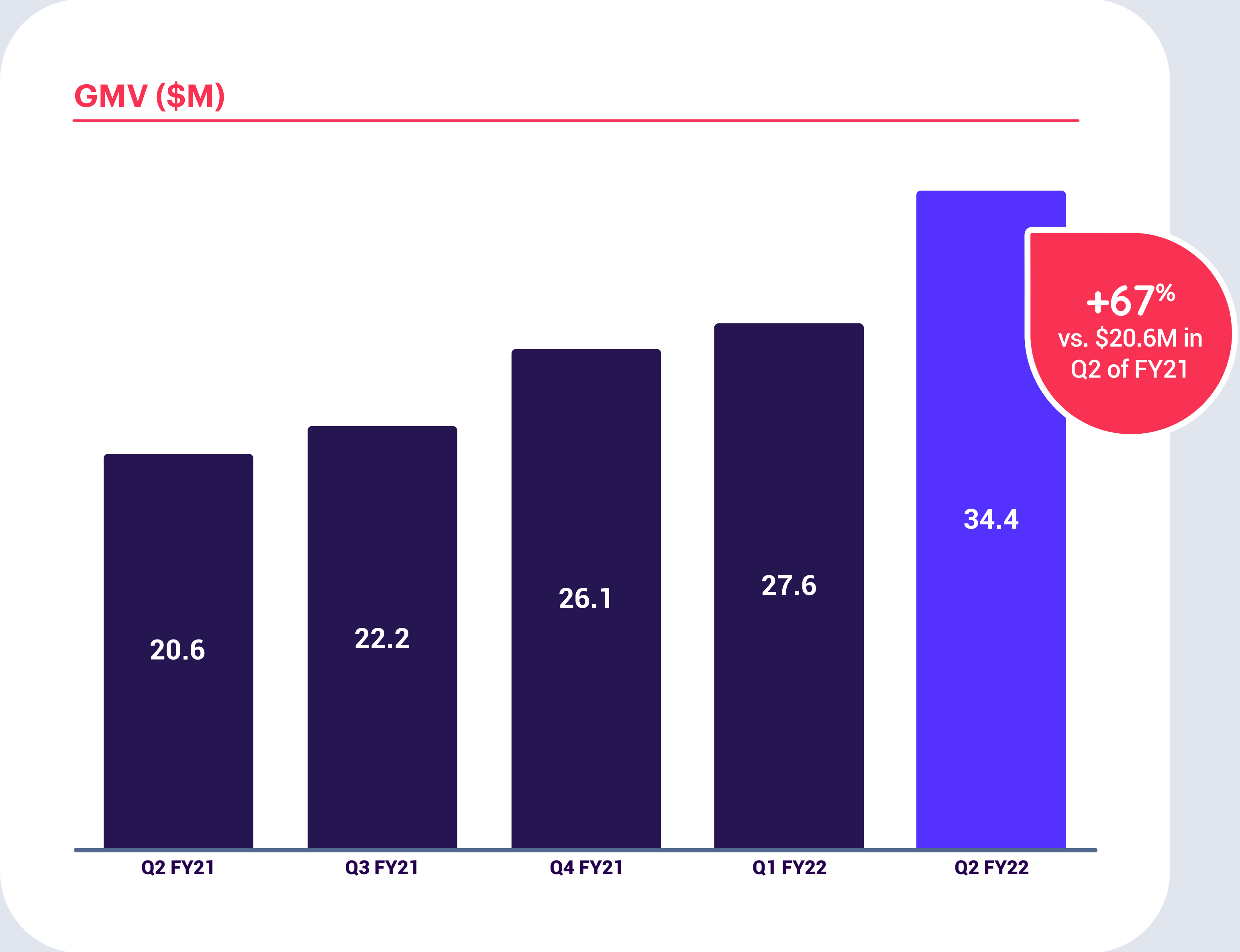
Momentum continues to build:

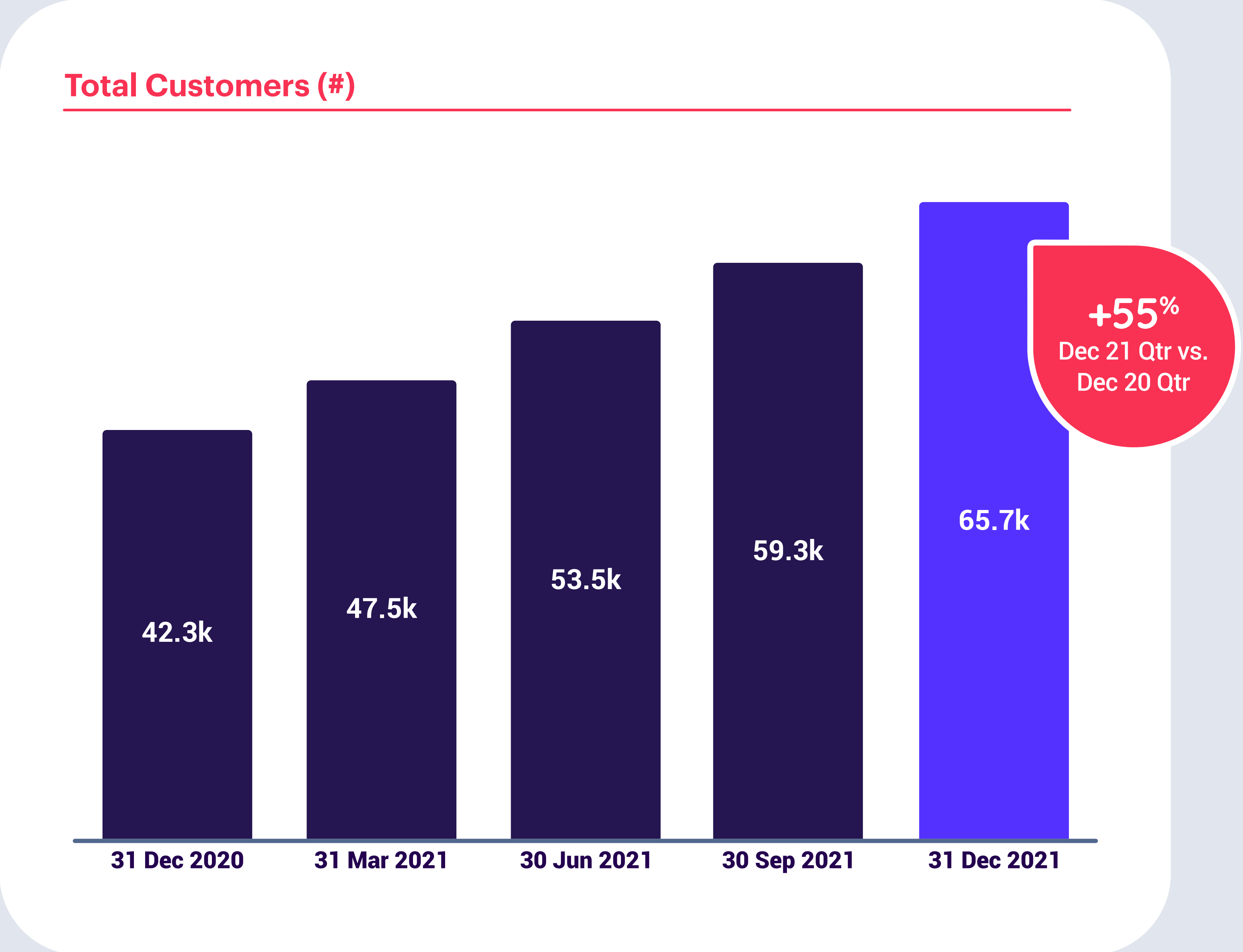
H1 FY22 Gross Receivables grows to $89.9M

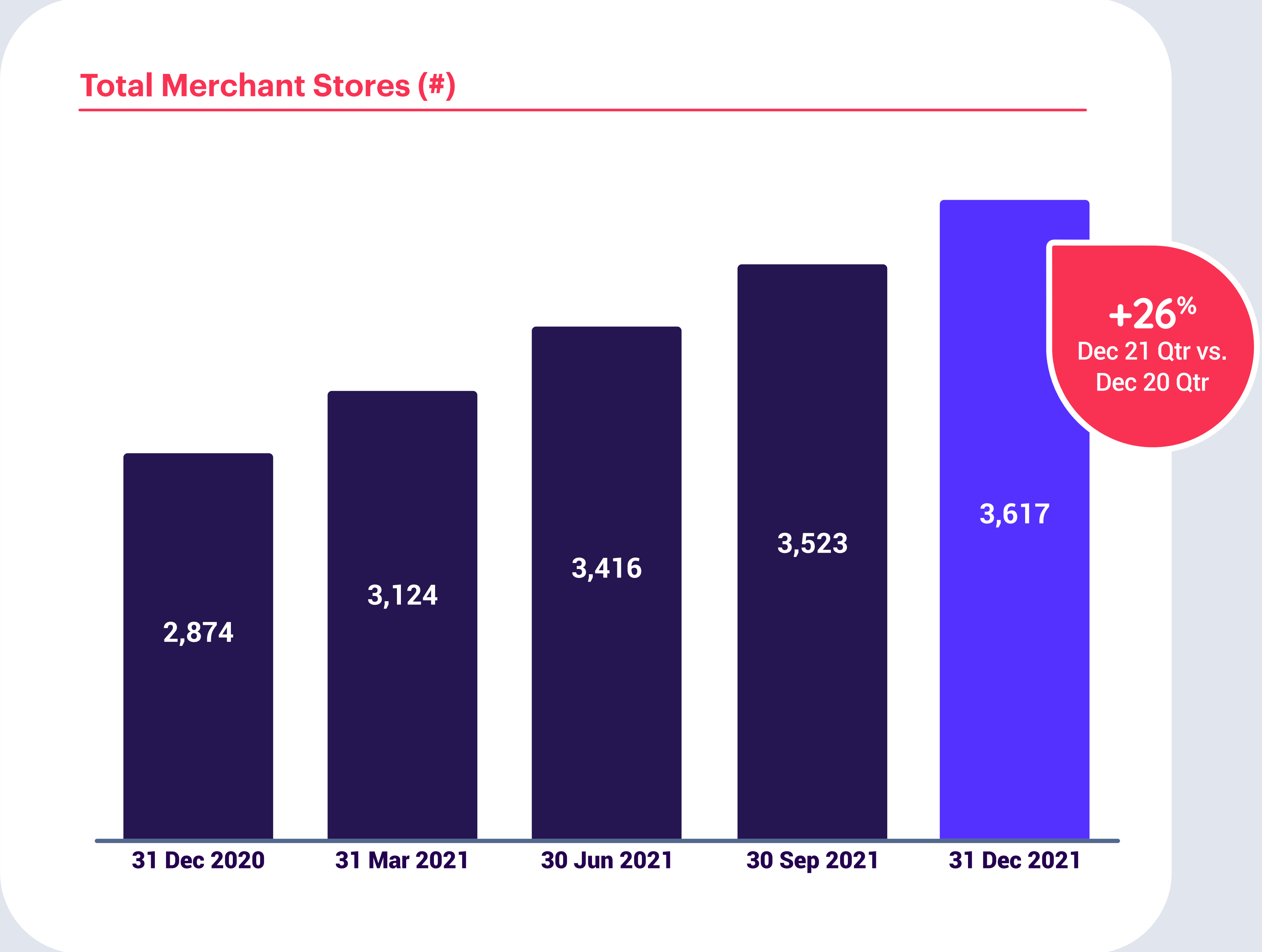
- H1 FY22 Gross Receivables of $89.9 Million up 64% vs. pcp, with growth of 16% vs. H1 FY22
- Six consecutive quarters of GMV growth with record quarterly GMV of $34.4 Million in the December quarter, up 67% on pcp and 25% higher than H1 FY22 ($27.6 Million)
- Total customers increased 55% on pcp, to over 65,700
- Total Merchant stores increased to 3,617, up 26% on pcp

*All numbers include both Australia and New Zealand







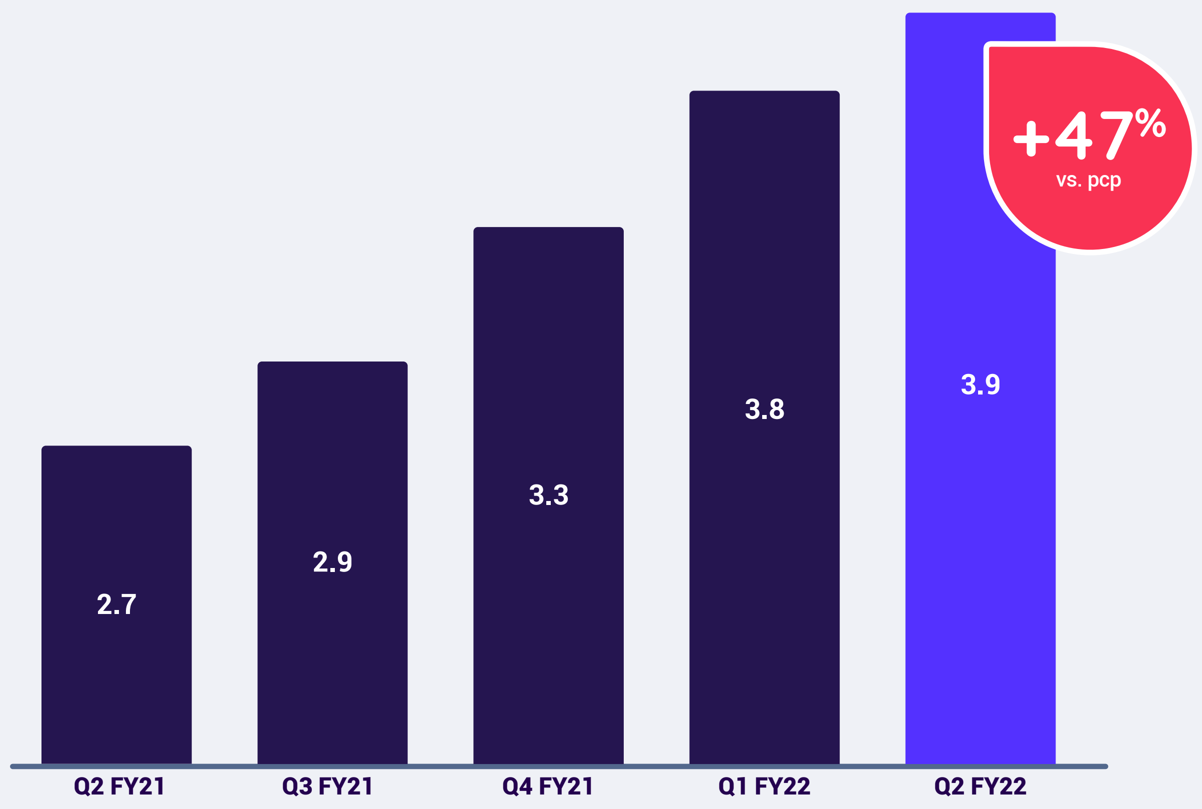


AASB 9 Revenue grows to $3.9M for Q2

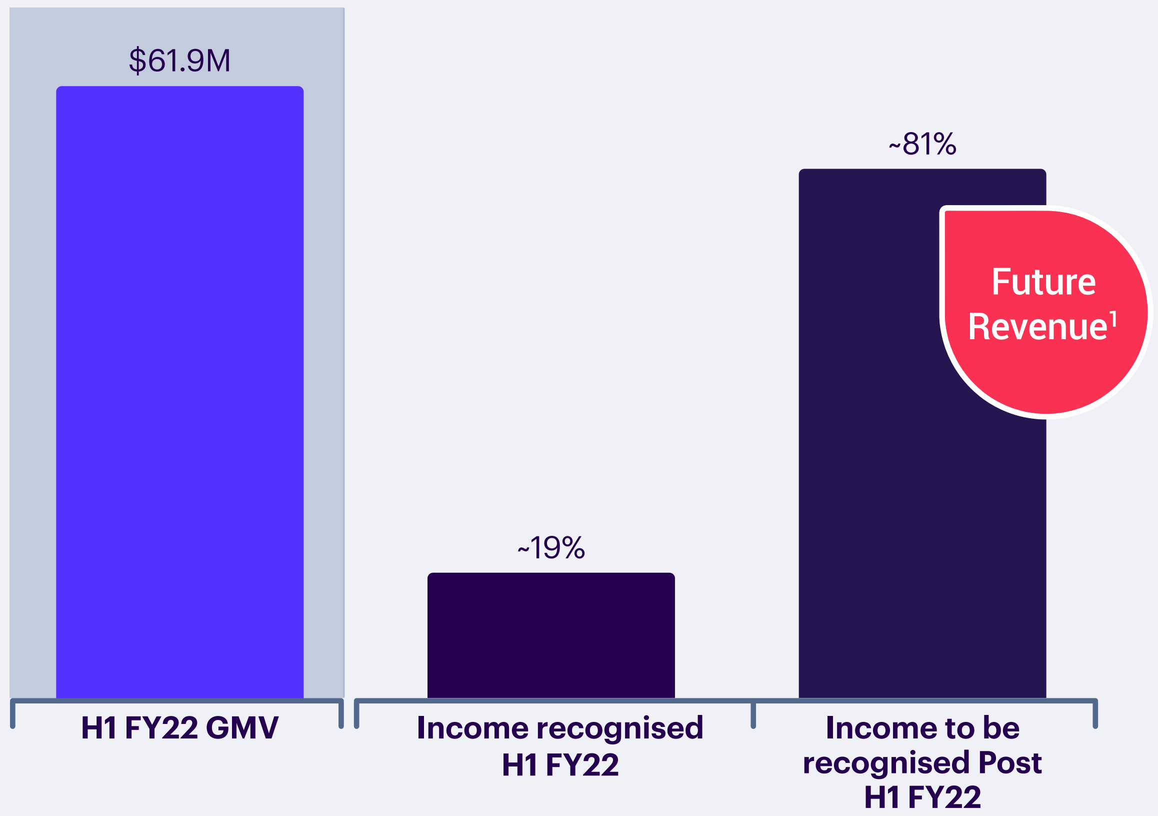
with contracted future revenues of $16.8 Million as at 31 December

- AASB 9 Fee Income growth continues with a record Q2 FY22 of $3.9M, which is up 47% on pcp
- AASB 9 requires Revenue to be recognised over the life of the loan. With an average loan term of ~28 months, the majority of revenue from the period's lending activity will be recognised in subsequent periods
- In addition to the record quarter, fee income from lending activity yet to be recognised increased significantly from $14.7 Million as at 30 September to $16.8 Million as at 31 December 2021

Quarterly Fee Income Trajectory ($M)



Estimated fee Income Recognition for H1 FY22 GMV



1. Income to be recognised assumes the ongoing performance of loans to their prescribed term. Actual performance may vary.

*All actuals include both Australia and New Zealand

payright

Achievements to date, and strategic outlook

Nov 2016
Business launched as Devizo Finance

Nov 2019
Payright launches in New Zealand

Nov 2020
Business name officially registered as Payright Ltd

Dec 2020
Payright lists on the ASX as PYR, raising $25M post completion of IPO

Feb 2021
PYR's first national brand awareness campaign launches

May 2021
PYR reaches **50K** customers

July 2021
Lighthouse brands added including Stratco, Australian Outdoor Living, Masport, Service Seeking and Mint Payments

Aug 2021
Payright mobile App launches

Nov 2021
Record GMV month surpassing **$13M** and 60K customers

Dec 2021
12 months on ASX, posting sixth consecutive quarter of GMV growth with Gross Receivables of **$89.9M**

Jan 2022
Total assets exceed **$100M**

2022
Progress towards establishing warehouse facility during H2 2022

Introducing product extensions, building a consumer payments ecosystem

A clear path to profitability and cashflow break-even

Significant opportunities in rapidly growing market

- There is a growing need for interest free payment plans option on larger purchases
- **55%** want a payment plans option for purchases over $1,000*
- **40%** want a payment plans option for purchases between $2,000-$5,000*

*Payright commissioned survey of 500 consumers conducted by research firm 'The Interpreters' in July 2020

Addressable Target Market (AU)

Retail[1]	$113B
Home Improvement[2]	$59B
Health & Beauty[3]	$48B
Photography[4]	$1B
Education[5]	$49B
Automotive[6]	$17B

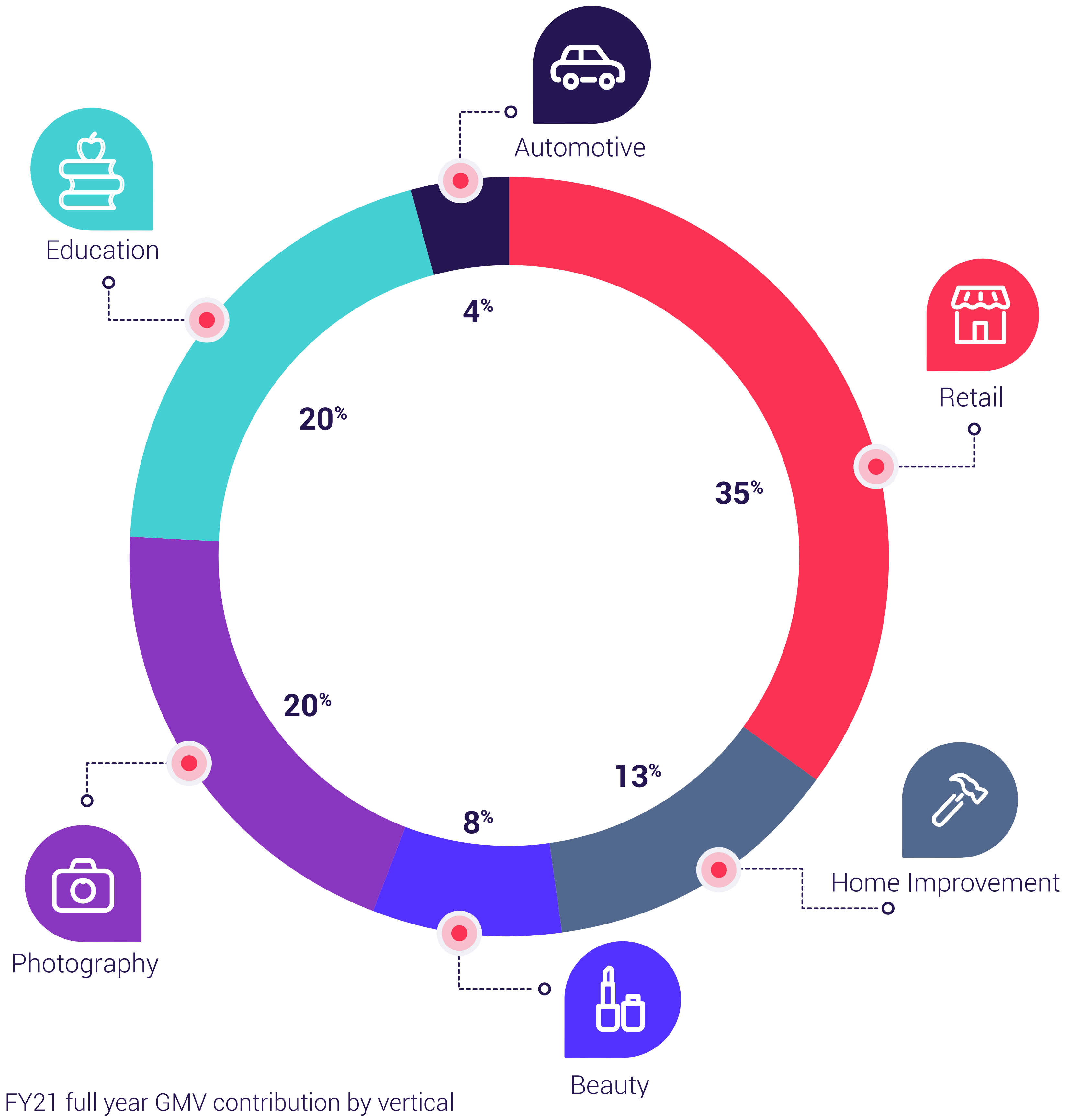
"Interest free finance is growing 32% annually and is forecast to represent 17% of all payment options by 2023"[1]

1. ABS, 8501.0 - Retail Trade, Australia, June 2020 – Clothing, footwear and personal accessory retailing, Department Stores and Other retailing. 2. ABS, 8501.0 - Retail Trade, Australia, June 2020 - Household goods retailing. 3. IBIS World Australia Market Research Cosmetic and Toiletry Retailing in Australia G4271b ; IBIS World Australia Market Research Health Services in Australia Q8400 – excluding Public and Private hospitals. 4. IBIS World Australia Market Research Photographic Equipment Retailing in Australia G4221b 5. IBIS World Australia Market Research Education and Training in Australia – Excluding Pre-school, Private school and Government schools. 6. IBIS World Australia Market Research Motor Vehicle Parts Retailing in Australia G3921 and IBIS World Australia Market Research Motor Vehicle Engine and Parts Repair and Maintenance in Australia. 10. Industry sizes are an estimate of the broad category. Exact sub-sectors targeted by Payright may vary from the industry categories referenced in the sourced industry size data.

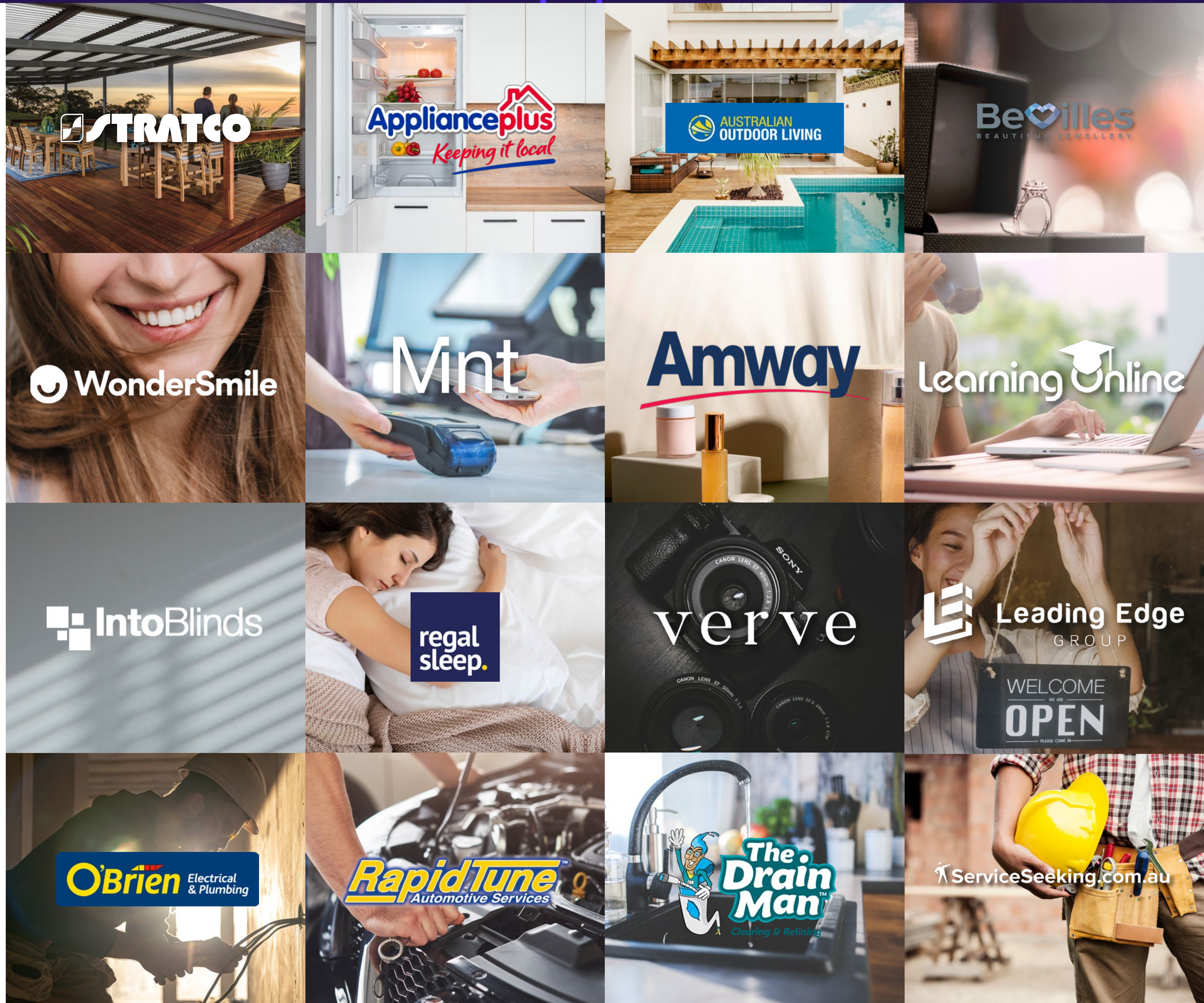
PYR's experience in these sectors

Servicing a diverse mix of merchants across verticals

GMV contribution by vertical

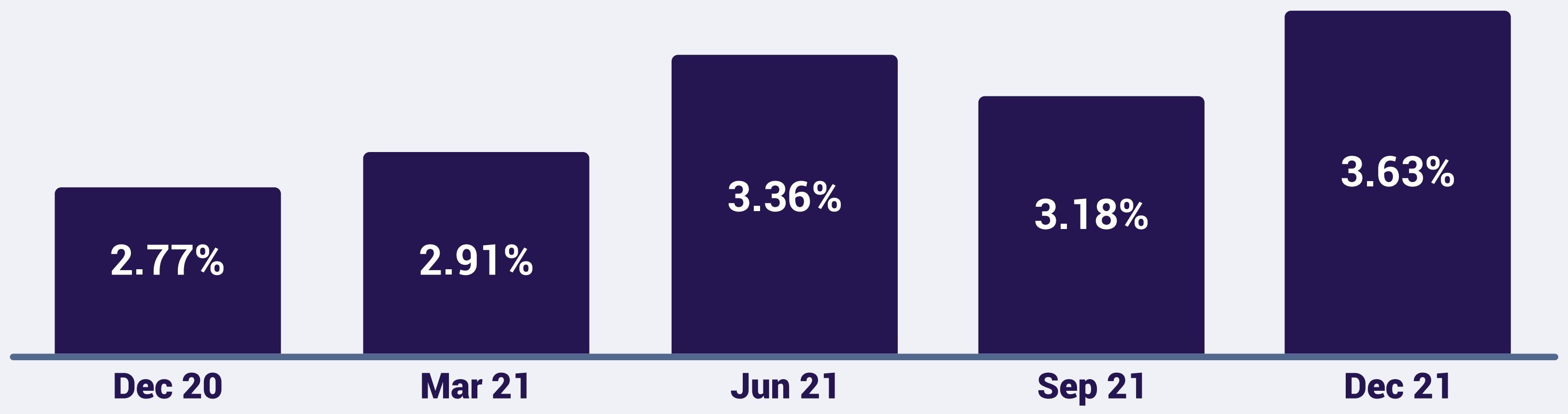


Based on FY21 full year GMV contribution by vertical



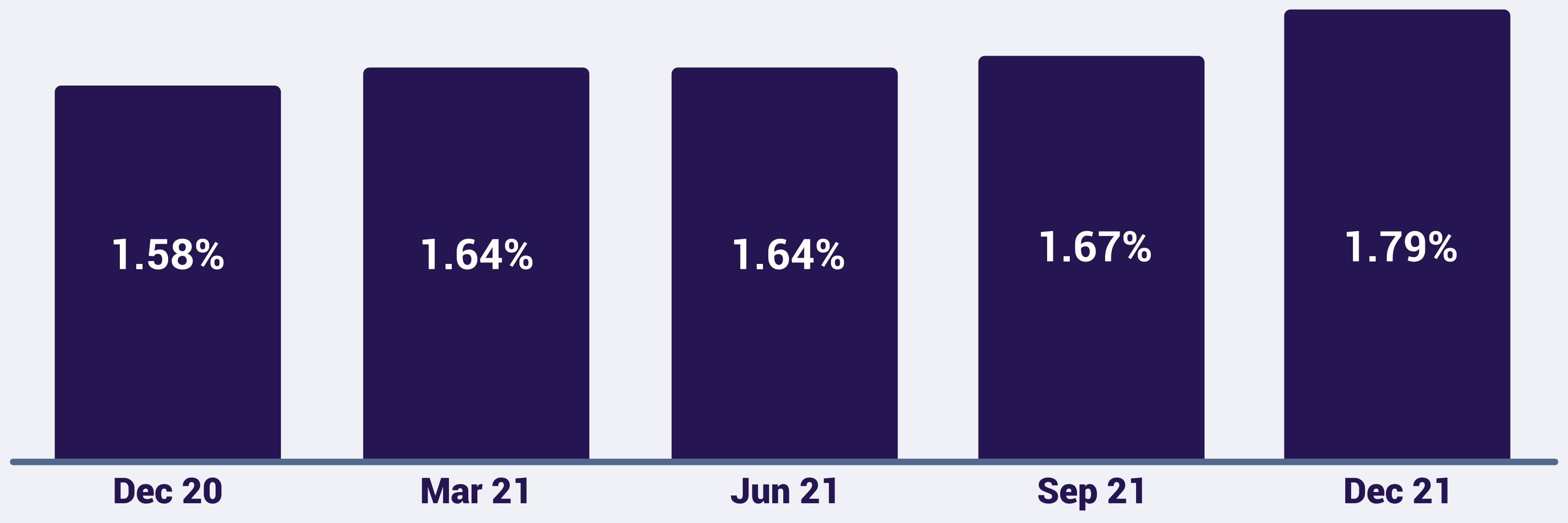
Credit Quality

30+ Days Arrears (% of Loan Book Receivables)



- Arrears as at 31 December increased slightly compared to the prior quarter reflective of seasonality over the Christmas and holiday period. The increase from the prior year period was due primarily to COVID-related government stimulus measures including Job Keeper and Job Seeker improving the arrears position in that period.
- Both the Arrears position and Actual Loss Experience are well below our provisioning (~6% of Gross Receivables as at 31st December).

Losses / Cumulative GMV



- Underlying losses relating to credit defaults increased slightly throughout the period to 1.79%, impacted by the unwinding of COVID stimulus measures.

Payright Revenue Model

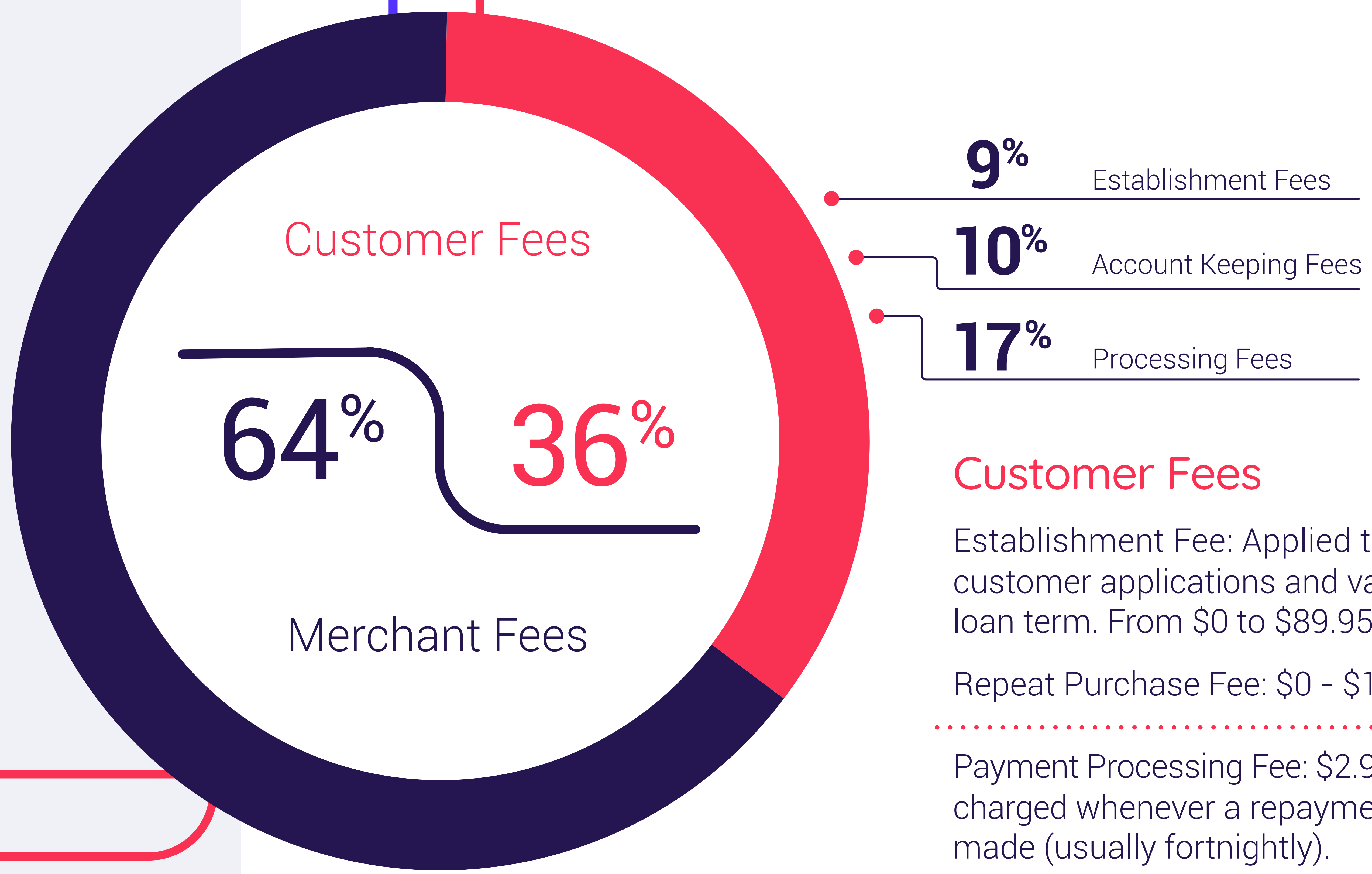
A fee income model designed to deliver growth by driving business for merchants, and offering flexibility to customers.

Merchant Fees

Charged as a percentage of the ticket price and varies with term and deposit % paid.

For example:

- 6 months, 40% deposit, <$1,500 = 4.61%
- 24 months, 10% deposit, >$3,000 = 14.03%



Customer Fees

Establishment Fee: Applied to all new customer applications and varies with loan term. From $0 to $89.95.

Repeat Purchase Fee: $0 - $19.95.

Payment Processing Fee: $2.95 charged whenever a repayment is made (usually fortnightly).

Account Keeping Fee: $3.50 pro rata if fortnightly payment frequency.

Practical example:

Home improvement vertical

Transaction Example

HANDI-HILANDER GARDEN SHED

$2,000

Main Sale

$2,000

RRP Maintained

Customer Benefit

Upgrading their purchase without the compromise or financial burden, by spreading the cost over time.

$191.37

Per Month

7 DRAWER ROLLER TOOL CHEST

$400

& Upsell

$400

Higher Margin Items

Merchant Benefit

Upsell opportunity to increase transaction size. Allows for higher margin items to be bundled into the sale.

Sales Amount: $2400.00

Deposit: 10% $240

Payment Frequency: Monthly

Payment Period: 12 Months

Customer Fees

Sales Amount	$2400.00
Deposit	-$240.00
Loan Amount	$2160.00
Establishment Fee	$59.00
Total Credit Required	$2219.00

12 monthly payments of $191.37*

Merchant Fees

Merchant Fee %	9.0%
Merchant Fee $	$194.40

Profit & Loss

	H1 FY21 ($M)	H2 FY21 ($M)	H1 FY22 ($M)	% Var (H1 FY22 v H2 FY21)
Income	5.8	6.3	7.9	25%
Finance Costs	-3.0	-3.0	-3.9	30%
Expected Credit Losses	-0.6	-2.6	-1.9	-27%
Gross Profit	**2.2**	**0.7**	**2.1**	**200%**
Administration Costs	-0.4	-0.7	-0.8	14%
Consulting & Professional Fees	-1.2	-1.0	-0.9	-10%
Employee Benefits Expense	-3.9	-5.0	-5.3	6%
Marketing and Advertising	-0.7	-1.4	-0.5	-64%
Depreciation	-0.1	-0.1	-0.1	0%
Other Expenses	-0.7	-0.4	-0.5	25%
Total Operating Expenses	**-7.0**	**-8.6**	**-8.1**	**-6%**
Operating Loss	**-4.8**	**-7.9**	**-6.0**	**-24%**

- Income grew to $7.9M in H1 FY22, up 25% (H2 FY21: $6.3 Million)
- Net Finance costs were higher by $0.9 Million due to the rapid growth in the loan book and consequent requirement to draw additional debt funding throughout the period. Finance costs expected to reduce considerably on the establishment of the warehouse
- Despite a growing book and accelerating GMV growth, Expected Credit Losses reduced by 27% to $1.9 Million. With P&L provisioning well above our actual loss experience and arrears position, there is opportunity for ECL reduction in future periods
- Operating costs were 6% lower than the comparative period
- With Revenue increasing and Operating Costs reducing, Operating loss reduced by 24% on that prior corresponding period, showing a clear path to profitability

Balance Sheet, Working Capital and Funding

	31 Dec 2020 ($M)	30 Jun 2021 ($M)	31 Dec 2021 ($M)	% Var (Dec 21 v Jun 21)
Cash	25.8	7.1	13.9	96%
Net Receivables	51.2	64.6	84.7	31%
Other Assets	0.9	0.7	0.6	-14%
Total Assets	**77.9**	**72.4**	**99.2**	**37%**
Notes Payable	46.5	50.5	82.9	64%
Other Payables	5.5	4.0	4.3	8%
Total Liabilities	**52.0**	**54.5**	**87.2**	**60%**
Net Assets	**25.9**	**17.9**	**12.0**	**-33%**

- Total Cash Balance as at 31st December 2021 was $13.9M, split between Payright's loan book and operating entities
- To maximise the efficient use of debt and equity capital, book profits have been retained and re-lent rather than drawing further debt from the Loan Notes program
- As at 31st December, approximately $6 Million of the $13.9 Million cash position was available to fund costs in the operating business, providing adequate runway to fund near term expenses

$125m Warehouse Facility + Path to Profitability

$125M warehouse facility signed

We are pleased to announce the signing of a $125 million warehouse facility signed with senior lender Goldman Sachs and mezzanine arranger iPartners to help scale our business and build a clear path to profitability

Key benefits:

- **Substantial reduction in cost of funds, by approx 5.5%**
  At our current loan book, this improves cashflow by $4.4M p.a
- **Funding platform will enable growth strategy and support path to profitability**
- **Increases our LVR on our receivables to 95%**
- **Provides runway to accelerate new merchant onboarding and loan book growth**

Costs and Implementation:

- To implement the facility we will incur fees and expenses of approx $4.9M, including early repayment fees on existing notes
- The payback on this investment will be 14 months
- Intention is to buy-back all Loan Notes and refinance into the warehouse facility

*The aggregate $125 million in warehouse funding is made up of $100 million committed from Goldman Sachs as the senior lender, $18.75 million committed from iPartners as the mezz arranger, with Payright retaining the remaining 5% as an equity note. See 'Use of Proceeds', page 22.

Facility details:

- **$125M initial warehouse facility**
- **Senior Lender – Goldman Sachs**
- **Mezz arranger – iPartners**
- **Trust Manager – BNYM**
- **Blended book coupon of ~5%**
- **LVR on facility – 95%**

- The A$125M warehouse facility will provide funding for $125M of receivables. Senior and mezz debt will be 95% of eligible receivables, ie $118.75M when fully drawn.
- The facility will support receivables in Australia
- It is anticipated that the warehouse facility will be expanded to meet further growth.
- Payright will issue approximately 2.71 Million Warrants to Goldman Sachs, equal to 2% of the fully diluted (incl. Placement and Notes conversion) ordinary shares in the Company. The warrants carry a 4-year term and an exercise price equal to the 5-day VWAP prior to signing of the facility agreement.

A clear path to profitability

	Current Position	Post Warehouse	Indicative* Breakeven book size
Gross Receivable as at 31 Dec 21	89.9	89.9	200.0
Effective average yield (annualised)	18%	18%	17%
Less Finance Costs	10.5%	5.0%	5.0%
Less Losses	3%	3%	3%
Net Margin	5%	10%	9%
Net Margin earned on Loan Book	4.0	9.0	17.3
FY21 Operating Expenses	-15.7	-15.7	-17.3
Operating Loss	**-11.7**	**-6.7**	**0.0**

*Note that this is intended to provide an indicative view on book size required to reach break-even by overlaying current and expected book yield to a growing book. It is not intended to represent a forecast. Actual yield and operating costs applied are for modeling purposes only and may vary.

- **Current Position:**
  Applying current pre-warehouse net book yield to 31 December receivable balance, and holding FY21 operating costs flat, translates to a net loss position of $11.7 Million.

- **Post Warehouse:**
  Applying the cheaper Finance Costs and improved book yield expected from the Bank Warehouse to the 31 December receivable balance, translates to a significant improvement in the loss position (from $11.7 Million to ~$6.7 Million).

- **Break even Book Size:**
  Applying the reduction in post-warehouse finance costs (partially offset by an allowance for downward pressure on gross book yield) and a conservative 10% increase to operating costs, would require an indicative book size of ~$200 Million to reach profitability.

Capital Raising

Capital Raising Overview

Offer Size & Structure	• Capital Raising of $9.5 Million consisting of: $1.5 Million strategic equity placement of fully paid ordinary securities at $0.18 (New Shares)(Placement) to Fincap Australia Pty Ltd (Fincap); and Up to 35.6 Million unsecured convertible Notes with a Conversion Price of $0.225 per Note (aggregate face value of up to $8.0M) (Notes) • The Company also intends to offer a Share Purchase Plan (SPP) to eligible holders in the future.
Offer Price	• Shares under the Placement will be issued at a fixed price of $0.18 per new share, representing a: 20% premium to the last close price of $0.15 • The Conversion Price for the Notes will be fixed at $0.225 per new share, representing a: 50% premium to the last close price of $0.15
Ranking	• New Shares issued under the Placement will rank pari passu with existing shares from the date of issue • Notes are unsecured obligations of Payright, and if converted in fully paid ordinary shares will rank equally with other existing fully paid ordinary shares on issue
Strategic Investor Support	• FinCap have committed to investing approximately $5.5 Million in the Capital Raising consisting of: $1.5 Million investment in the Placement; and $4.0 Million subscription of Notes. • FinCap representative, Christian Ryan, to be appointed to the Board on completion of the Capital Raising.[1] In the first 6 months of FinCap acquiring 15% or more of the issued capital of the Company following Notes conversion, FinCap may nominate a second director to the Board.
Conditions Precedent	• Settlement of the Notes and the Placement is conditional upon: Shareholder approval at an Extraordinary General Meeting (EGM) expected to be held on or around 5 May 2022; and Goldman Sachs has not cancelled or otherwise terminated its commitment as Class A Financier under the Class A Loan Note Facility in connection with the Payright Trust 2022-1 warehouse facility.
Use of Proceeds	• Implementation of the warehouse facility including associated fees, working capital and costs of the transaction , and further investments in the business that will allow for future growth.
Joint Lead Managers	• Henslow Pty Ltd and MST Financial Services Pty Ltd

1. For each new director will be appointed pursuant to article 10.7(b) of the Company's Constitution

Convertible Note Key Terms

Issuer	• Payright Limited (ACN: 605 753 535)
Instrument	• Unsecured Convertible Note (Notes)
Issue Size	• A$8,000,000 of Notes
Interest Rate	• 9.00% per annum, accrued daily and paid semi-annually in cash.
Term	• 4 years (48 months) from the issue date of the Notes.
Issue Price per Note	• $0.225 per Note.
Conversion	• The notes are convertible into equity if a Material Event occurs within 6 months after the date of issue, or at any time 6 months after the date of issue. • Material Event is defined as lodgement of an EGM notice in relation to a scheme of arrangement, an issue of equity securities under Listing Rule 7.1 or the acquisition of a relevant interest in Payright under section 611(7) of the Corporations Act, takeover or receipt of a bidders statement.
Conversion Price	• Issue Price per Note (being 1 fully paid ordinary share per 1 note)
Redemption	• On the 2 year anniversary of the Notes, and semi-annually thereafter, the Issuer may issue a Redemption Notice. Upon receipt of a Redemption Notice, the Noteholder may elect to redeem for face value or convert to fully paid ordinary shares at Conversion Price. • If the Noteholder has not converted at maturity, the issuer must redeem the notes at Face Value
Conditions Precedent (Approval process)	• Settlement of the Notes is conditional upon: Shareholder approval; and Goldman Sachs has not cancelled or otherwise terminated its commitment as Class A Financier under the Class A Loan Note Facility in connection with the Payright Trust 2022-1 warehouse facility.

Indicative Timetable

Key Event	Date
Announcement of Warehouse Facility & Capital Raising	Tuesday, 5 April 2022
Notice of EGM Despatched	Tuesday, 5 April 2022
EGM to approve issue of Notes & New Shares	Thursday, 5 May 2022
Settlement of Notes & New Shares	Monday, 9 May 2022
Issue of New Shares under the Placement	Tuesday, 10 May 2022

All dates and times are indicative only. The Company reserves the right to vary these times and dates without notice.

Appendix

Meet the Payright Founders

Myles Redward

Co-Founder & Co-Chief Executive Officer

Myles co-founded the Payright business in 2015 and serves as Director and Joint Chief Executive Officer.

Myles has more than 20 years' experience in credit and risk for major corporations including Moody's, Bank of Ireland and GE Capital. At GE Capital, Myles led the corporate level planning and analysis function.

Myles has a detailed understanding of financial modelling and accounting practices in the context of the consumer finance industry. He holds a Bachelor of Business Management from Monash University and is a qualified Certified Practicing Accountant.

Piers Redward

Co-Founder & Co-Chief Executive Officer

Piers co-founded the Payright business in 2015 and serves as Director and Joint Chief Executive Officer.

Piers has in excess of 15 years' experience building and scaling businesses having worked for corporations such as ANZ's Esanda Finance business, FlexiGroup and Wingate Consumer Finance, managing multiple brands (including Flexirent, Lombard Finance, Once Credit, Now Finance and Mac Credit).

Piers has a deep understanding of the Buy Now Pay Later (BNPL) sector and has extensive experience in Sales, Marketing and product development across various consumer lending products. He holds a Diploma in Business (Management) from RMIT University.

Meet the Payright Leadership Team

David Leach
Chief Financial Officer

David is a senior finance executive with over 20 years' experience in Financial Services across Australia and the United States.

David's experience includes over 8 years at National Australia Bank, with roles including Head of Finance for the Corporate, Institutional and Specialised Businesses division; and over 6 years at Bank of the West, a subsidiary of BNP Paribas, with relevant roles including Executive Vice President, Business and Cost Performance Management, and Interim CFO.

David holds a Masters of Business Administration degree in Finance & Accounting from New York University's Stern School of Business, and a Bachelor of Arts degree in Economics from Haverford College.

Saara Mistry
General Counsel & Chief Risk Officer

Saara has more than 18 years' post-qualified experience in legal, risk and compliance in consumer credit, banking and financial products and services and insurance.

Specialising in consumer finance, privacy and wealth management, Saara has worked as in-house senior legal counsel to Barclays Bank in the UK, HSBC in the Middle East and NAB and Liberty Financial in Australia.

Prior to joining Payright, Saara was the senior risk partner to NAB's wealth advice business. She has also held positions in compliance and risk at NAB and Barclays Bank.

Saara is a qualified solicitor in Victoria and holds a Bachelor of Science / Bachelor of Laws with Honours from Monash University.

Mark Evans
Chief Technology Officer

Mark comes from a 30+ year career at ANZ Bank where he held a wide range of leadership roles across technology, large scale operations and business management.

Relevant roles included Head of Technology for the ANZ Retail Bank, Head of Operations for ANZ Cards where he was responsible for issuing, acquiring and consumer credit, General Manager Electronic Banking Services, providing electronic banking, payments and cash management products and services to the Bank's SME, Business and Institutional customers.

Mark subsequently spent 8 years as Southern Region Manager for a US software company "eFunds" who provided EFT Payments switching software.

Tere Green
Chief Operations Officer

Tere is a seasoned sales professional with 14 years of experience spanning personal loans, leasing, line of credit, interest free cards and Buy Now Pay Later across the Australian and New Zealand markets.

Prior to joining Payright, Tere held senior leadership roles with payments FinTech's Zip Co and Openpay, along with financial services companies Now Finance and FlexiGroup.

Tere has a Bachelor of Arts degree from the University of Otago.

Rob May
Chief Commercial Officer

Rob has over 25+ years' experience in sales, marketing, risk and executive management across several consumer lending businesses spanning Australia and New Zealand and was instrumental in establishing BNPL in Australia Rob has held senior management positions for including Managing Director (2010 to 2017) of Certegy Ezi-Pay BNPL (now known as Humm) which included managing 145 employees, and achieving $600M annualised volume across 10,000 merchant partners and generating $40M NPAT.

Rob was also a Senior Executive of FlexiGroup (Humm group) from 2010 to 2017 and has consulted to a number of leading consumer lending companies in Australia including Payright since Feb 2021.

Meet the Payright Board

Peter McCluskey

Non-executive Director - Chair

Peter has been a corporate reconstruction professional for 33 years and has strong relationships within the Australian and international finance sectors. He has managed the conflicting agendas of diverse parties in large banking syndicates in some of the biggest restructuring assignments in Australia. He is currently a Special Advisor in Restructuring Services at KPMG.

Peter's experience with financial systems, corporate restructuring and digital platforms will help support Payright to responsibly develop its payments ecosystem in a sustainable manner that aligns with its long-term strategy.

Paul Cowan

Non-executive Director

Paul has served as Director of the Company since 2017, when the Company was very much in its infancy. During this time Paul has assisted the Company with the establishment of its current funding programs, the development of corporate growth strategies, and the introduction of key relationships to support the Company's growth aspirations. Paul is a member of the Audit and Risk Committee and the Nominations and Remuneration Committee.

Matthew Pringle

Non-executive Director

Matthew has extensive experience in corporate finance, audit and assurance, governance and strategy, including over 25 years' experience as a Partner at Pitcher Partners.

His roles with Pitcher Partners included leading the corporate finance practice group, senior audit partner and leading the corporate governance and board advisory practice area.

Lindley Edwards

Non-executive Director

Lindley is Chief Executive Officer of Australasian corporate advisory and transaction consulting firm AFG Venture Group, which was formed in 2010 through the merger of Asean Focus Group and Venture Group, a company Lindley founded in 1996. She also serves as director on the boards of business intelligence platform Mindhive and U.S.-based EdTech Ubiquity University. Lindley is a member and Chair of the Nominations and Remuneration Committee. Lindley is also a member of the Audit and Risk Committee.

Corporate Snapshot

Pricing Snapshot	
Ticker	PYR
Share Price (as of 31 March 2022)	$0.15
Total Shares on Issue (M)	89.1
Of which, escrowed shares (23 Dec 22)	19.2
Options (expire 23 Dec 24)	5.0
Market Capitalisation (M)	**$13.4M**

Board of Directors	
Peter McCluskey	Non-Executive Chair
Myles Redward	Co-Founder & Executive Director
Piers Redward	Co-Founder & Executive Director
Paul Cowan	Non-Executive Director
Matthew Pringle	Non-Executive Director
Lindley Edwards	Non-Executive Director

Senior Management Team	
David Leach	Chief Financial Officer
Mark Evans	Chief Technology Officer
Tere Green	Chief Operations Officer
Rob May	Chief Commercial Officer
Saara Mistry	General Counsel & Chief Risk Officer

Major Shareholders	
Piers Redward	10.0%
Myles Redward	10.0%

Share Price History

Key Risks

Key Risks – Specific to Business (1/3)

COVID-19 and related impact on consumer spending, debt servicing and merchant solvency	Payright's business depends on consumer spending, which has been, and may continue to be, impacted by the outbreak of COVID-19. The extent of any ongoing impact of COVID-19 on Payright's business will depend on future developments, including the duration and future spread of the outbreak within Australia and New Zealand, and the related impact on general economic conditions, consumer confidence and discretionary spending, all of which are highly uncertain. COVID-19 has also resulted in increased unemployment and heightened job insecurity. Therefore, there is a risk that customers may cease to be able to make debt repayments in the event of job loss or unemployment. This may increase Payright's bad and doubtful debts, which will negatively impact Payright's financial position (see also item 'Bad and doubtful debts' below). Payright has taken a number of measures in response to the impacts of COVID-19 (including increasing its underwriting standard), however there is a risk that these measures may lead to other negative outcomes, including minimising Payright's customer base, which could, in turn limit Payright's growth and revenue prospects. COVID-19 has also heightened the risk of merchant insolvency resulting from decreased consumer spending, and therefore demand for merchants' products and services. The insolvency of Merchants who are service providers (such as education course providers) may have a more significant impact on Payright compared to the insolvency of merchants who sell goods. If the service has not been fully delivered to a customer at the time the merchant becomes insolvent (and the merchant discontinues providing the service), there is a risk that the customer would cease making loan repayments, and that Payright may be unable to recover any remaining loan balance from either the customers or the merchants, therefore increasing Payright's bad and doubtful debts (the impacts of which are described in item 'Bad and doubtful debts').
Ability to scale business and reliance on key personnel	The ability of Payright to increase revenue and achieve profitability is dependent on its ability to scale its business in its key markets, particularly in the core sectors, in a manner that enables it to operate profitably over time. There is no guarantee that Payright will be able to achieve the same level of rapid growth that it has achieved to date. The ability to rapidly scale Payright's business in these sectors is dependent on its ability to onboard new merchants across Payright's core sector focus (including building Payright's presence in New Zealand), attracting, encouraging and developing new customers to Payright and encouraging repeat business and developing new technologies to enhance customer experience. Failure to expand in this way may materially and adversely impact Payright's ability to increase revenue, achieve economies of scale, optimize its systems and expand its operations, all of which may have a negative impact on Payright's profitability. Payright relies heavily on its existing key management personnel and the departure of key management personnel could negatively affect Payright's ability to effectively execute its growth strategy. The loss of key management personnel or any delay in their replacement (including to attract a replacement), may adversely affect Payright's future operating and financial performance. In addition, Payright is reliant upon growing its staff numbers in order to maintain and develop its product and services. There is a risk that Payright may not be able to attract sufficient numbers of skilled staff in the periods required to sustain growth.
Competitors and new technology offerings	Payright operates in a competitive environment in which systems and practices are subject to continual development and improvement and new or rival offerings emerge periodically. There is a risk that new Buy Now Pay Later ("BNPL") entrants (including retailers with white-labelled products) or existing competitors may deliver a superior solution and customer experience offering to that currently offered by Payright. Subject to competition law constraints, multiple new or existing providers may deliver enhanced product offerings with which Payright is unable to compete with effectively. In turn, Payright may be required to charge lower fees to remain competitive, or invest in additional marketing or product development initiatives, which would decrease profitability, even where its market share remains unchanged. These outcomes may have a material adverse effect on Payright's business, financial condition, operating and financial performance, and/or growth.
Cybersecurity and data protection	Payright collects and holds a significant amount of personal information about its customers. Payright's systems, or those of its third-party service providers, may fail, or be subject to disruption as a result of external threats or system errors. Cyber-attacks could also compromise or breach the safeguards implemented by Payright to maintain confidentiality in such information. While Payright is engaged in ongoing review and implementation of strengthened cybersecurity and data protection measures, there is no guarantee that these measures will offer adequate protection against the risk of cyber-attacks.

Key Risks – Specific to Business (2/3)

Loss of merchant contracts and relationships	Payright's business depends on its contracts and relationships with key existing merchant clients and attracting new merchant clients. There can be no guarantee that these contracts and relationships will continue or, if they do continue, that they will remain successful. Any adverse changes to, or loss of, arrangements or relationships with Payright's merchant clients may reduce the volume or consistency of Customers seeking to use Payright. Factors that could potentially adversely impact Payright's relationships with Merchants include commercial disputes on the terms of its existing arrangements, actions of competitors (for example, improving their offering to Merchants), or under-performance of Payright's product against the merchant's required key performance indicators over a period of time. The loss of a small number of Payright's key merchant clients, or failure to secure new Merchants on favourable terms, may have an adverse impact on the transaction values processed by Payright and result in reduced merchant fees and customer fees and charges being payable to Payright, which would adversely impact Payright's revenue and profitability. Depending on the reason for the loss of a particular merchant, this may also have a negative impact on Payright's reputation.
Future acquisitions	Payright may selectively pursue acquisitions to complement its organic growth in the future. However, Payright may not be able to identify suitable acquisition candidates at acceptable prices or complete and integrate acquisitions successfully. Even if successfully executed and integrated, there can be no guarantee of continued successful performance of those acquisitions. To the extent that Payright's acquisition strategy is unsuccessful, its financial performance could be adversely impacted.
Technology risks	**(a) Third party service provision** Payright's key technology infrastructure is a customer relationship management platform, which is licensed to Payright by SugarCRM Inc. (the "Sugar Platform"). This platform delivers Payright's application functionality through configurations, customisations and third party integrations. Payright has engaged CRM Strategy Pty Ltd ("CRM Strategy") as an 'authorised reseller' of the Sugar Platform to undertake initial systems development work and subsequent development and customisation work. Accordingly, Payright's operations are heavily reliant on its information technology systems which includes the Sugar Platform. Payright is currently licensed to use the Sugar Platform until February 2023 (subject to termination by either party for material breach or insolvency/winding up). If Payright's licence was terminated prior to expiration of this term, Payright would incur significant costs to transfer its platform to an alternative software provider. This would also be likely to cause significant disruption to business continuity, given the complexity involved in redeveloping and re-customising the platform. As a result, Payright's business, financial condition, results of operations and/or growth potential could be adversely impacted. **(b) Disruption of key business processes** Payright's business model relies on the execution of several critical business processes, particularly to support the on-boarding of new customers, service existing customers and to process transactions (using the Sugar Platform). Key business processes could be disrupted by events outside of Payright's control such as system infrastructure disruption, system failures, service outages, corruption of information technology network or information systems as a result of computer viruses, bugs, worms or cyber-attacks, as well as natural disasters, fire, power outages or other events outside the control of Payright, and that measures implemented by Payright to protect against such events are ineffective. Any systemic failure could cause significant damage to Payright's reputation, its ability to make informed credit decisions and assess the credit performance of its loan book. Such systemic failure could also impact Payright's ability to service merchants and customers in a timely manner, and its ability to retain existing, and generate new, merchants and customers, any of which could have a material adverse impact on Payright's business, operating and financial performance, and/or growth.

Key Risks – Specific to Business (3/3)

Requirements for capital and funding	Payright's business model is reliant on the ability to fund merchants as customers use Payright services to acquire products. Payright's ability to fund merchants (and, through them, its customers) depends, in turn, on its ability to access debt funding, the terms on which such funding is obtained and Payright's ability to comply with such terms. Failure to secure or maintain debt funding may have adverse consequences for Payright, including an inability to continue, or to grow, its business. There is also a risk that, if sufficient liquid funds are not available to fund customers of certain merchants within the specific service level agreed in relation to purchases made by the customer, the merchants will become dissatisfied and terminate their merchant agreements, which could have an adverse effect on Payright's operations and financial performance. Following completion of the Capital Raising, Payright has entered into documents to establish a warehouse facility. Under the terms of this facility, Payright is required to operate and manage the portfolio of receivables within the warehouse within certain metrics and thresholds and comply with financial covenants and other obligations under the terms of the warehouse facility, including a requirement to maintain certain cash reserves. If Payright were to breach any of these financial covenants, if certain metrics related to the receivables owned by the warehouse were breached, or certain other events were to occur, Payright's ability to access funding through the warehouse may be restricted and the facility may also move into amortisation (which would prevent Payright accessing income from the warehouse). In some circumstances the warehouse lenders could also cancel the warehouse facility and declare all outstanding amounts immediately due and payable, or trigger other consequences such as the removal of Payright as the servicer of the receivables and/or providing notice of adverse events to customers. These events could also be triggered by circumstances outside Payright's control, including a deterioration in the economic or business environment which impacts Payright and/or its customers. If the above consequences were to occur or any other action were to be taken, it may have a material adverse effect on Payright's then current and future financial position. In certain circumstances, this may mean Payright may not be able to continue its operations as a going concern and investors may lose some or all of their investment. In those circumstances, Payright would need to seek waivers, amendments or other forms of accommodation, or to refinance the facility, and there is no assurance that these would be given at all or that the warehouse debt could be refinanced on commercially acceptable terms. Payright continues to grow and expand its market share, Payright may also require additional funding in the future. While Payright may explore future funding arrangements, no assurance can be given that such financing arrangements (or any comparable arrangements) will be secured, or that these arrangements will be able to be secured on acceptable terms. Accordingly, to the extent such funding is not obtained, this could impede Payright's ability to meet its growth objectives and it could have a material adverse effect on Payright's business operations, financial condition and/or growth potential.
Bad and doubtful debts	A current operating expense incurred by Payright relates to the service of bad and doubtful debts, which represents the portion of customers who delay or fail to meet their repayment obligations (outside of any initial deposit which is an upfront payment by their customer to either the merchant or Payright). One of Payright's points of differentiation across the Australian and New Zealand BNPL industry is the servicing of customers making higher value and/or service-related purchases (as opposed to physical goods) with longer maturity. This point of differentiation may also expose Payright to higher risks of bad and doubtful debt relative to its competitors who limit their customer service offering to smaller value purchases with greater emphasis on goods related purchases. Several controls have been implemented by Payright, including external customer credit checks and bank statement verification, however, as Payright's operations scale, continuous enhancements to the credit decision process may be required. A failure to implement any upgrade or enhancement, or failure to manage the upgrade or enhancement process efficiently and appropriately, a failure to adequately monitor arrears and appropriately manage credit risk, and changes in economic conditions, may result in an increase in bad and doubtful debts, which will negatively impact Payright's profitability. In addition, there is a risk that inaccuracies in the automated assessments of a customer's credit position, where customer application information is not independently verified by Payright (for example through the use of bank statement data), may overstate a customer's ability to make repayments and may expose Payright to bad debts where a customer fails to meet their repayment obligations.
Litigation, claims and disputes	There is a risk that Payright may be exposed to potential legal and other claims or disputes in the course of its business, including contractual disputes, intellectual property infringement claims, employment disputes and indemnity claims. Even if Payright is ultimately successful in defending any such claims, there is a risk that such litigation, claims and disputes could adversely impact Payright's reputation, as well as its financial position, due to the costs involved in defending or settling such claims. In order to minimise the impact of future disputes and adverse outcomes resulting from the handling of such disputes, Payright has employed a dedicated and experienced disputes resolution professional to oversee all dispute resolution processes.

Key Risks – General

Macroeconomic conditions	Payright's business depends on consumer spending, which has been, and may continue to be, impacted by the outbreak of COVID-19. The extent of any ongoing impact of COVID-19 on Payright's business will depend on general economic conditions, changes in government policy, amendments to legislation, movements in interest rates, inflation and currency exchange rates may have an adverse impact on Payright's operations as well as its ability to finance its business model. For example, the retail sector is affected by such macroeconomic conditions as unemployment, interest rates, consumer confidence, economic recessions, downturns or extended periods of uncertainty or volatility, all of which may influence customer spending and Merchants' focus and investment in BNPL solutions. This may subsequently impact Payright's ability to generate revenue. There is considerable and continued uncertainty as to the ongoing impact of COVID-19 on the Australian economy, global economy and share markets. It is also possible that new risks may emerge as a result of domestic or foreign markets experiencing extreme stress, or existing risks (including the impact of COVID-19) may evolve in ways that are not currently foreseeable. No assurance can be given that Payright's shares will trade at or above the offer price or guarantees the market performance of Payright's shares.
Regulatory compliance and change	Payright is subject to a range of laws, regulations and industry compliance requirements in the jurisdictions in which it currently operates – Australia and New Zealand. Failure to comply with laws, regulations and industry compliance requirements in these jurisdictions (or in other jurisdictions in which Payright may operate in the future), or appropriately respond to any changes, could adversely impact Payright's reputation and financial performance. Changes to government policy, law or regulations, or the introduction of new regulatory regimes (for example, in relation to COVID-19 or financial services), may lead to an increase in operational costs and could materially adversely impact Payright's financial performance and profitability. The BNPL industry is also being considered by both political and regulatory bodies. There is a risk that changes to laws, regulations or industry compliance standards will occur in the future and these changes may impact Payright's existing business model. This environment creates uncertainty around the future regulator treatment of Payright's current and proposed products, practices and procedures. Regulators may also take a different view to Payright on how certain regulations apply to, and the suitability of, Payright's current and proposed products, practices and procedures. Payright has been proactive in engaging with regulators and industry bodies in relation to potential changes and regulatory developments.
Taxation changes may negatively affect the Company	There is the potential for changes to tax laws and changes in the way tax laws are interpreted. Any change to the current tax rates imposed on Payright (including in foreign jurisdictions that Payright may operate) is likely to affect returns to Shareholders. An investment in the Convertible Notes and/or Shares may involve tax considerations which will differ for each Noteholder and Shareholder. Each prospective Noteholder and Shareholder is encouraged to seek professional tax advice in connection with any investment in Payright.
Changes to accounting standards	The Australian Accounting Standards are set by the Australian Accounting Standards Board ("AASB"). Changes to accounting standards issued by AASB could materially adversely affect the financial position and performance reported in Payright's financial statements.

Key Risks – Offer

Settlement risk	The Capital Raising is subject to Shareholder approval and Goldman Sachs not cancelling or otherwise terminating its commitment as Class A Financier under the Class A Loan Note Facility in connection with the Payright Trust 2022-1 warehouse facility prior to Settlement Date, which is anticipated to be on 9th May 2022, being the second business day after the Shareholder approval of the Capital Raising.
Shareholders may be diluted	Payright will issue Shares in connection with the Capital Raising. While Payright will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares and capital raisings.
Convertible Notes	The Convertible Notes may be converted into ordinary shares under certain circumstances. The ordinary shares held by a Noteholder as a result of any conversion will, following conversion, rank equally with existing ordinary shares held by existing shareholders. Upon conversion into ordinary shares, the newly issued ordinary shares could dilute the interest of the existing shareholders and could decrease the trading price of the ordinary shares. The issuance of a substantial number of ordinary shares on conversion of the Convertible Notes could depress the market price of the ordinary shares and impair Payright's ability to raise capital through the issuance of additional equity securities. Payright cannot predict the effect that future issuance of the ordinary shares would have on the market price of the ordinary shares held by existing shareholders. In addition, the price of ordinary shares could be affected by sales by investors who view the Convertible Notes as a more attractive means of obtaining equity participation in Payright and by hedging or engaging in arbitrage trading activity involving the Convertible Notes. The Convertible Notes may be converted into or redeemed for cash under certain circumstances. The amount due to a Noteholder as a result of any redemption into cash will be a debt that Payright must discharge. Upon redemption, Payright will need to source payment from its cash reserves or available debt facilities to pay the Noteholder. The redemption of a substantial number of Convertible Notes could deplete Payright's cash reserves and impair Payright's cash flow which would materially adversely impact Payright's financial performance and profitability. Payright cannot assure shareholders that, if required, it would have sufficient cash or other financial resources or would be able to arrange financing to redeem the Convertible Notes in cash. Payright cannot predict the effect that future redemption of the Convertible Notes would have on the financial position of Payright. Prior to conversion or redemption, the Convertible Notes are a debt instrument which will rank in priority to holders of ordinary shares and entitle holders to receive repayment of their principal and/or payment of applicable interest before any returns are made to holders of equity securities.

Thank you