



# Case Study

## zipMoney Limited

|                   |                        |
|-------------------|------------------------|
| <b>Issue Date</b> | May 2017 & March 2018  |
| <b>Amount</b>     | \$40m issue, \$20m tap |
| <b>Maturity</b>   | 25 May 2019            |
| <b>Term</b>       | 2 years                |
| <b>Coupon</b>     | BBSW + 6.00%           |

### Issuer Profile

zipMoney is an ASX-listed (ASX:Z1P) non-bank finance company competing in the traditional bank consumer finance space, targeting the retail, health, education and travel sectors. zipMoney offers both online and in-store point-of-sale retail finance and digital payment services to consumers of enterprise and SME merchants. zipMoney provides consumers with a 'buy now, pay later' solution where they have the power to pay over time, interest free. The company also helps merchants grow sales by offering payment flexibility at the check-out, driving conversions, basket size and repeat purchasing behaviour.

### Issuer Need

Leading up to the initial Issue, zipMoney had finalised funding for the \$200m senior debt tranche in a securitisation facility with a traditional debt provider. What the company now needed was an alternative financier to provide an additional layer of capital to fit between the senior piece and the contributed equity to fully fund the rapidly growing receivables book.

### FIIG Solution

FIIG was able to work closely with both zipMoney and its senior financier to provide an intermediate level of capital into the newly-established securitisation facility.

Finalisation of the structure allowed zipMoney to continue to capitalise on the rapid growth in its loan book, and subsequently FIIG was able to raise an additional \$20m in fungible issuance to further support growth in the business.

### Issuer Comment

Commenting on the new securitisation facility, CEO and MD Larry Diamond said, "This is a major milestone for Zip. It delivers funding security, provides significant headroom for our rapidly growing origination volumes and an immediate bottom line benefit. Beyond this, it is an essential step in establishing a diversified funding program for the Zip business."

### FIIG Contact

#### James Vance

Director – Debt Capital Markets

FIIG Securities Limited

Ph. (02) 9697 8741