

Case Study

zipMoney Limited “zipMoney”



Issue Date	May 2019
Amount	\$60m
Maturity	10 May 2021
Term	2 years
Coupon	BBSW +6.00%

FIIG Contact

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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

Zip’s primary funding source being the 2017-1 trust was due to mature in May 2019. In the 2 years since the zipMoney Trust 2017-1 was first established it had more than doubled and as at 31 March 2019 was drawn to ~\$530m.

FIIG Solution

As the arranger of the existing Class B Notes in the zipMoney Trust 2017-1 FIIG was able to work closely with zipMoney to extend the 2017-1 Trust for an additional two years via an Exchange Offer to existing investors. The terms of the Trust provide Zip with the flexibility to sell into the new Master Trust structure once the program is operational. The extension of the program provides Zip with the flexibility to maintain growth and head towards its medium term goal of establishing a rated trust which will further diversify funding, provide headroom for growth and will lower its average cost of funds.

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