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ASX RELEASE

Company Announcements Platform

Record Fourth Quarter Results

- Each month in 4Q20 represented new records for Underlying Merchant Sales (UMS), Active Consumers, Active Merchants, and Repeat Usage.
- UMS for 4Q20 increased 205.4% YoY to US\$320.8M (A\$419.8M¹, +40.6% QoQ). December's UMS exceeded November's by 0.4% with annualized run-rate UMS reaching US\$1.36B (A\$1.78B¹).
- Average monthly UMS reached US\$106.9M in 4Q20 compared to US\$76.1M in 3Q20 and US\$35.0M in 4Q19.
- Merchant Fees as a percentage of UMS were 5.4% in 4Q20 compared to 5.5% in 4Q19, reflecting the expansion into large enterprise.
- Active Consumers for 4Q20 rose 143.9% YoY to 2.2M (+24.5% QoQ).
- Active Merchants increased 166.6% YoY in 4Q20 to 26,690 (+27.8% QoQ).
- Sezzle's consumer profile continued to improve as Active Consumer repeat usage grew to 89.8% (24th consecutive month of improvement) and is a key driver to lower loss rates.

Sezzle Inc. (ASX:SZL) (Sezzle or Company) // Installment payment platform, Sezzle, is pleased to release key operating metrics for the fourth quarter ended 31 December 2020 (4Q20).

"We are extremely excited by the strong momentum in our business. In 4Q20, each month we achieved new records for UMS, Active Consumers, Active Merchants, and Repeat Usage. December's UMS outpaced November's (unlike last year), even with Cyber Monday moving from December in 2019 to November this year," stated Sezzle's Executive

¹ A\$ to US\$ exchange rate of \$0.7642.

Chairman and CEO Charlie Youakim. "Our large enterprise and international expansion efforts are paying dividends as evidenced by our recent addition of GameStop and the growth rates we are experiencing in Canada and India that are exceeding the U.S."

Key operating metrics

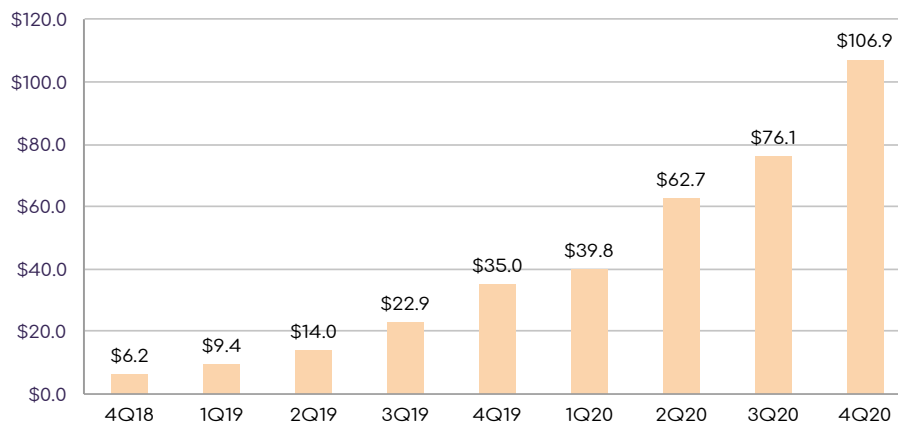
Key Metrics (unaudited)	Quarter Ended 31 Dec 2020		QoQ change	YoY change
	(A\$ in M's) ¹	(US\$ in M's)		
Underlying Merchant Sales (UMS)	\$419.8	\$320.8	40.6%	205.4%
Average Monthly UMS	\$139.9	\$106.9	40.6%	205.4%
Merchant Fees ²	\$22.5	\$17.2	32.6%	195.6%
Merchant Fees as % UMS	5.4%		-32bps	-18bps
Active Consumers	2,231,089		24.5%	143.9%
Active Merchants	26,690		27.8%	166.6%
Active Consumer Repeat Usage	89.8%		75bps	608bps

¹A\$ to US\$ exchange rate of \$0.7642.

²Merchant Fees represented 84% of Total Income in 1H20.

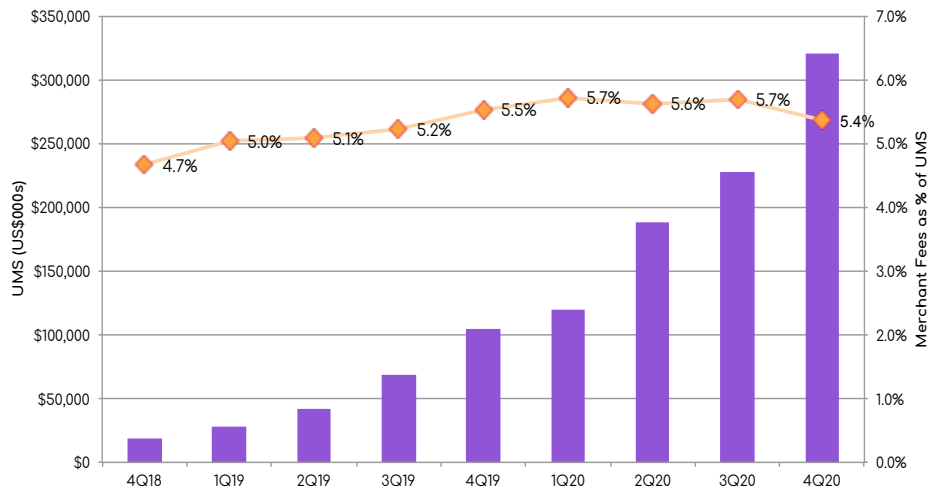
- UMS rose 40.6% QoQ to US\$320.8 million with UMS increasing month on month throughout the quarter. Average monthly UMS of US\$106.9 million in 4Q20 represented a 205.4% YoY increase. December 2020's annualized UMS of US\$1.36 billion was well ahead of the Company's 2020 year-end run rate goal of US\$1.0 billion.

Average Monthly UMS per Quarter (US\$ in M's)



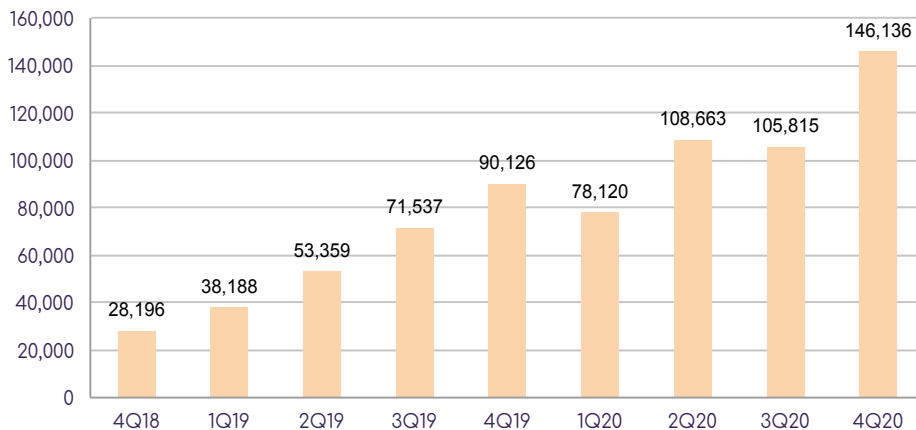
- Merchant Fees (84% of Total Income in 1H20) rose 195.6% YoY to US\$17.2 million for 4Q20. As a percentage of UMS, Merchant Fees declined slightly to 5.4% in 4Q20 from 5.5% in 4Q19 reflecting the Company's expansion into large enterprise merchants.

UMS and Merchant Fees as % of UMS



- Active Consumers exceeded the 2 million mark in 4Q20, rising to 2.2 million, representing a 143.9% increase YoY. Sezzle added 438,408 Active Consumers in the quarter, with average monthly Active Consumer additions of 146,136 being 34.5% higher than the previous record of 108,663 set in 2Q20.

Average Monthly Active Consumer Additions



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In addition to producing record quarterly results, the Company made progress on a number of milestones and key strategic objectives during 4Q20:

- **'Save the Holiday' Campaign Successfully Enhances Sezzle Social Network.** The Company's first large scale marketing campaign was a significant success. The 'Save the Holiday' campaign in November and December was launched in partnership with select Sezzle retailers and included a US\$20,000 grand prize and thousands of instant-wins and gifts. Sezzle more than doubled the pace of its daily downloads for the Sezzle and its social network followers across key platforms such as Instagram, LinkedIn, Facebook, and Twitter.
- **SME Expansion and Large Enterprise Omnichannel Presence.** Sezzle continues to build significant growth through SMEs and is now experiencing omnichannel traction with large enterprise. In 4Q20, the Company's omnichannel offering became available at Fortune 500 company, GameStop, and the U.S.'s largest hockey retailer, Pure Hockey. GameStop is the world's largest retailer of video games and Sezzle is now available at GameStop's more than 3,300 retail stores, as well as online and in its mobile app.
- **Partnership with eCommerce Platform Wix.** Sezzle's installment solution went live just before the holiday shopping season in November with Wix. The Company's integration with Wix is available to all Wix users in the United States, Canada, India and in future regions as Sezzle continues to expand internationally. Wix is a cloud-based website development platform with over 189 million registered users worldwide.
- **Broad Launch of Sezzle Up.** In 4Q20, the Company launched Sezzle Up to consumers that wish to build their credit and boost their shopping power. Through Sezzle's partnership with TransUnion, Sezzle Up is the first buy now, pay later offering for consumers that want to build credit. By making payments on time, consumers can improve their credit scores and increase their purchasing power.

U.S. Government Stimulus

In December 2020, the U.S. implemented the second-largest federal stimulus package after the US\$2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act approved in March 2020. The new US\$900 billion pandemic relief package includes enhanced unemployment benefits and direct cash payments. Key highlights:

- **Stimulus Checks.** Direct stimulus payments of US\$600 to individuals, plus eligible families will receive an additional US\$600 per child. The payments start phasing out for individuals with adjusted gross incomes more than US\$75,000 (fully phased out for individuals over US\$99,000) with income thresholds doubled for couples.
- **Unemployment Benefits.** All recipients of unemployment benefits will receive a US\$300 weekly federal enhancement in benefits through to 14 March 2021, which is half the boost provided by the CARES Act that ran out at the end of July 2020.
- **Small Business Loans.** The stimulus package reopens the Paycheck Protection Program for those with fewer than 300 employees and have seen at least a 25% drop in revenue during the first, second, third or fourth quarter of 2020. It also reduces the amount a borrower may receive from US\$10 million to US\$2 million.

Quarterly Filing

In accordance with ASX requirements, the Company plans to release its Appendix 4C Quarterly filing on January 29, 2021.

This announcement was approved by the Company's CEO and Executive Chairman, Charlie Youakim, on behalf of the Sezzle Inc. Board.

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About Sezzle Inc.

Sezzle is a rapidly growing fintech company on a mission to financially empower the next generation. Sezzle's payment platform increases the purchasing power for more than 2.2 million Active Consumers by offering interest-free installment plans at online stores and select in-store locations. Sezzle's transparent, inclusive, and seamless payment option allows consumers to take control over their spending, be more responsible, and gain access to financial freedom. When consumers apply, approval is instant, and their credit scores are not affected.

The increase in purchasing power for consumers leads to increased sales and basket sizes for the more than 26,600 Active Merchants that offer Sezzle.

For more information visit sezzle.com.

Sezzle's CDIs are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers of securities which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell the CDIs into the US or to a US person who is not a QIB for the foreseeable future except in very limited circumstances until after the end of the restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a FOR Financial Product designation on the ASX. This designation restricts any CDIs from being sold on ASX to US persons excluding QIBs. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person who is not a QIB. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

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