



Your source for payments education

A New Era for Payments Block | August 2023

Nick Molnar, Afterpay Co-Founder

Key Takeaways

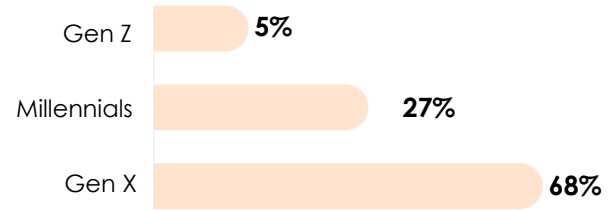
1. The generation to watch
2. Mass adoption of Buy Now, Pay Later
3. Innovative payments technology

The Generation to Watch.

US Millennials & Gen Z consumers will account for +48% of retail spend by 2030.

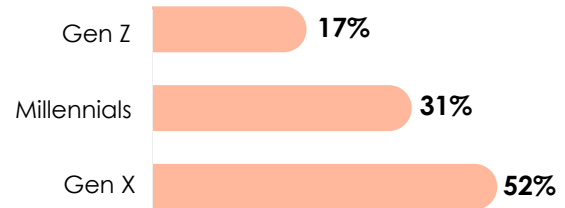
US Retail Spend by Generation 2020

Percent, 2021



Retail Spend by Generation 2030

Percent Forecast, 2030



Next Gen consumers have always been wired to think differently.

And they are exploring new ways to

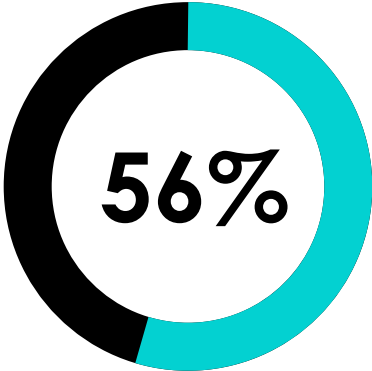
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- 1 **Send** money
 - 2 **Grow** wealth
 - 3 **Use** credit

1 Send money

Next Gen customers are comfortable with using technology to move their money.



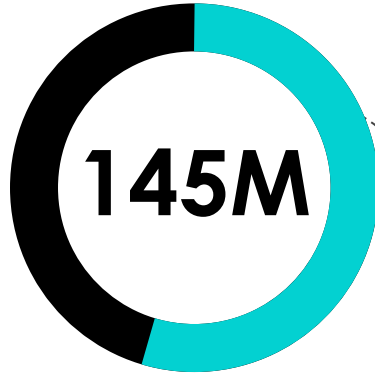
Next Gen will increasingly adopt mobile apps to move money.



of young Americans (18-40 yrs) make a digital payment at least **once per day**.

"Would you be willing to fully switch from traditional banks to peer-to-peer apps to make payments?" z

Younger generations are seeking attainable options to grow their wealth.



US adults (56%) say they own or have previously owned

cryptocurrency

Source: Over 46 Million Americans Likely to Buy Crypto in the Next Year, The Ascent, June 2022.

Gen Z & Millennials

represent more than

94%

of all crypto buyers.

Source: 94% of Crypto Buyers are Gen Z/Millennial, The Shift, August 2022.

3

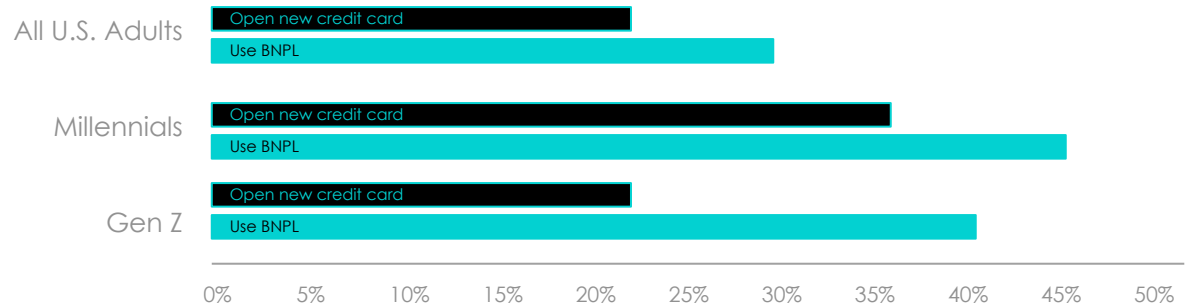
Use

credit

Next Gen consumers want better ways to pay.

In 2022, Next Gen US consumers were more likely to consider using BNPL services than to open a new credit card.

Shares of survey respondents who said they were considering doing the following to cover holiday expenses in 2022.



02

Mass adoption of buy now, pay later

Consumers' penchant for finding new paths to financial freedom has steadily grown.

39% of US Millennials and Gen Z believe BNPL is an effective way to deal with rising consumer prices.

And this number rises to 49% amongst Gen Z.

Source: Afterpay Inflation Study, 2022

Compared to debit and credit card use, spending via BNPL increased by

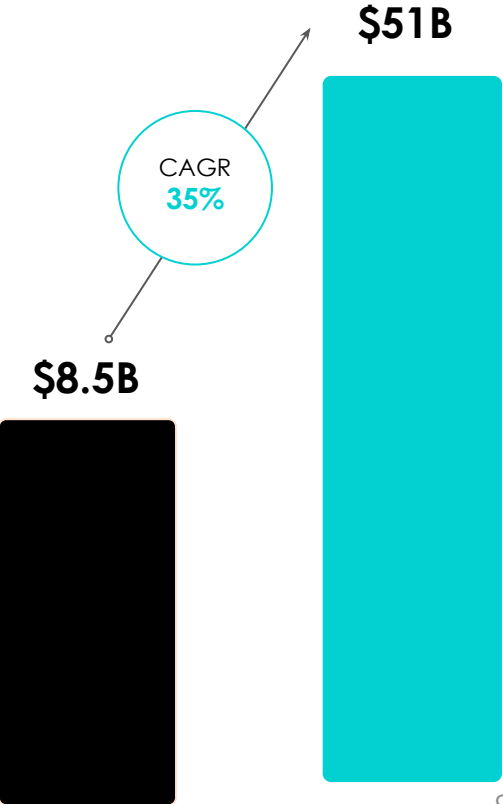
+660%

across all generations since Jan 2020

+925% amongst Gen Z

Within the next decade, BNPL growth will be tremendous.

The buy now pay later market size is projected to hit **\$51 billion by 2028 with an average CAGR of 35%**.



The Buy Now, Pay Later Market,
Forecast Period 2022 to 2028.

BNPL appeals to a younger, financially savvy consumer.

These are credit averse consumers who prefer to pay with their own money over time.



7 in 10

Afterpay users in the US are

Gen Z & Millennials



Innovative Payments Technology

“We believe that bitcoin has the potential to be a more **ubiquitous currency in the future**. As it grows in adoption, we intend to learn and participate in a disciplined way.

For a company that is building products based on a more **inclusive future**, this investment is a step on that journey.”

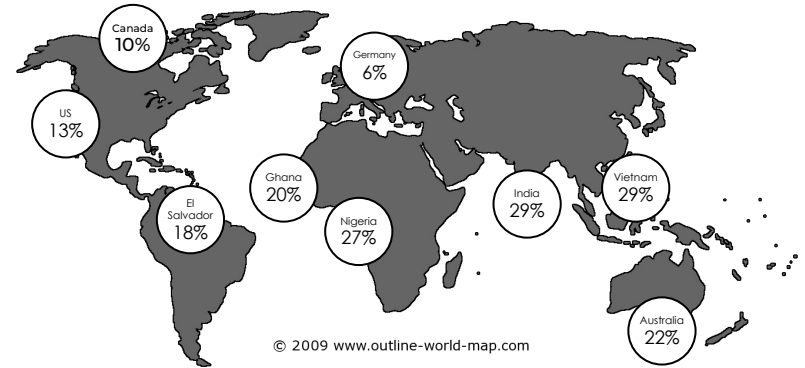
Chief Financial Officer, Amrita Ahuja

Bitcoin has limitless potential

Over 1.7 billion people lack access to the banking system, but nearly 60% of the global population owns a smartphone.

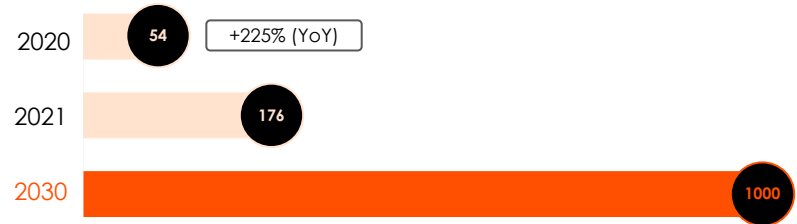
Global Crypto Adoption, 2022

Percentage of Country Population



Global Bitcoin Owners, 2020-2021

Numbers in Millions



Summary & Key Takeaways

1. The generation to watch
2. Mass adoption of Buy Now, Pay Later
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