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11 November 2022

ASX RELEASE

Company Announcements Platform

Amended Appendix 4C

Sezzle Inc. (ASX: **SZL**) (**Sezzle** or **Company**) attaches herewith an Amended Appendix 4C for the quarter ended 30 September 2022, at the request of the ASX.

The Amended Appendix 4C contains an amendment to section 7.6 in the form of an expanded description around the Company's unused financing facility at the end of the quarter which is referred to in section 7.5.

This Amended Appendix 4C has been approved by the Company's Executive Chairman and CEO, Charlie Youakim, on behalf of the Sezzle Inc. Board.

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About Sezzle Inc.

Sezzle is a fintech company on a mission to financially empower the next generation. Sezzle's payment platform increases the purchasing power for millions of 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.

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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, unless the re-sale of the CDIs is registered under the Securities Act or another 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.

Amended Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

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Name of entity	
Sezzle Inc.	
ABN	**Quarter ended ("current quarter")**
633 327 358 (ARBN)	30 September 2022

Consolidated statement of cash flows		**Current quarter $US'000**	**Year to date (9 months) $US'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	$ 404,852	$ 1,276,928
1.2	Payments for		
	research and development	(656)	(2,043)
	product manufacturing and operating costs	(9,289)	(32,057)
	advertising and marketing	(3,643)	(12,464)
	leased assets	(79)	(276)
	staff costs	(7,913)	(30,601)
	administration and corporate costs	3,117	(5,018)
1.3	Dividends received (see note 3)	—	—
1.4	Interest received	89	169
1.5	Interest and other costs of finance paid	(1,873)	(4,872)
1.6	Income taxes paid	(5)	(24)
1.7	Government grants and tax incentives	—	—
1.8	Other (payments to merchants)	(383,650)	(1,182,671)
1.9	**Net cash from / (used in) operating activities**	**$ 950**	**$ 7,071**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	entities	$ —	$ —
	businesses	—	—
	property, plant and equipment	(218)	(787)
	investments	—	—
	intellectual property	—	—
	other non-current assets	—	—
2.2	Proceeds from disposal of:		
	entities	—	—
	businesses	—	—
	property, plant and equipment	—	—
	investments	—	—
	intellectual property	—	—
	other non-current assets	—	—
2.3	Cash flows from loans to other entities	—	—

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2.4	Dividends received (see note 3)	—	—
2.5	Other (provide details if material)	—	—
2.6	**Net cash from / (used in) investing activities**	**$ (218)**	**$ (787)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	$ —	$ 324
3.2	Proceeds from issue of convertible debt securities	—	—
3.3	Proceeds from exercise of options	2	100
3.4	Transaction costs related to issues of equity securities or convertible debt securities	—	—
3.5	Proceeds from borrowings	—	5,000
3.6	Repayment of borrowings	(3,791)	(29,791)
3.7	Transaction costs related to loans and borrowings	(61)	(61)
3.8	Dividends paid	—	—
3.9	Other (repurchase of shares)	(24)	(349)
3.10	**Net cash from / (used in) financing activities**	**$ (3,874)**	**$ (24,777)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	$ 63,296	$ 78,890
4.2	Net cash from / (used in) operating activities (item 1.9 above)	950	7,071
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(218)	(787)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3,874)	(24,777)
4.5	Effect of movement in exchange rates on cash held	(1,389)	(1,632)
4.6	**Cash and cash equivalents at end of period**	**$ 58,765**	**$ 58,765**

5.	**Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts**	**Current quarter $US'000**	**Previous quarter $US'000**
5.1	Bank balances	$ 57,875	$ 62,076
5.2	Call deposits	—	—
5.3	Bank overdrafts	—	—
5.4	Other (restricted cash)	890	1,220
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**$ 58,765**	**$ 63,296**

6.	Payments to related parties of the entity and their associates	Current quarter $US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	$ 192
6.2	Aggregate amount of payments to related parties and their associates included in item 2	—

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities ***Note: the term "facility' includes all forms of financing arrangements available to the entity.*** ***Add notes as necessary for an understanding of the sources of finance available to the entity.***	Total facility amount at quarter end $US'000	Amount drawn at quarter end $US'000
7.1	Loan facilities	$ 64,287	$ 54,008
7.2	Credit standby arrangements	—	—
7.3	Other (please specify)	—	—
7.4	**Total financing facilities**	**$ 64,287**	**$ 54,008**

7.5	**Unused financing facilities available at quarter end**	**$ 5,254**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Loan facilities consist of a revolving line of credit with three members, Goldman Sachs Bank USA, Bastion Consumer Funding II LLC, and Bastion Funding IV LLC, for a credit facility of up to US$64.3 million as of 30 September 2022. Borrowings on the line of credit carry a weighted average interest rate of 9.12% as of 30 September 2022. The line of credit is secured by consumer receivables and offers an available borrowing base of US$59.3 million, of which US$54.0 million is drawn as of 30 September 2022.

As announced to the ASX on October 18, 2022, Sezzle entered into a revolving credit facility with Bastion Funding IV, LLC, as administrative agent, and other certain lenders. The revolving credit facility has a maturity date of October 14, 2024 and allows the Company to borrow up to US$100 million. The revolving credit facility has minimum utilization rates of US$50 million at close, US$75 million beginning December 31, 2022, and US$80 million beginning March 31, 2023. The revolving credit facility carries an interest rate of Adjusted SOFR (defined as the U.S. Federal Reserve's Secured Overnight Financing Rate plus a spread adjustment of 0.262%) + 11.5%. The advance rate under the revolving credit facility is equal to 75% of the

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8.	Estimated cash available for future operating activities	$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	$ 950
8.2	Cash and cash equivalents at quarter end (item 4.6)	58,765
8.3	Unused finance facilities available at quarter end (item 7.5)	5,254
8.4	Total available funding (item 8.2 + item 8.3)	$ 64,019
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: **11 November, 2022**

Charlie Youakim

Authorised by: The Company's CEO and Executive Chairman
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here:

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"By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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