

# Infographic: Top BNPL Providers Demonstrate Solid Valuations

## Observations on BNPL Valuations

- The market space for BNPL providers is increasingly crowded
- BNPL providers that have gained traction locally typically execute geo expansion strategies
- Klarna and PayPal Credit are the most global, followed by Afterpay (called Clearpay in Europe) and Sezzle
- Valuations correlate to geographic reach and size of the user base
- Valuations are attractive and are increasing (e.g. UK-based Zilch's valuation rose from \$500M to \$2BN in just eight months)
- Australian-listed BNPL providers (e.g. Sezzle, OpenPay and Laybuy) have lower valuations compared to peers, likely driven by a combination of a boom of publicly listed BNPL companies, weaker than expected revenue performance, and a less favorable regulatory outlook

## Outlook on Valuations

- Investors will closely monitor regulatory developments for revenue impacts (which we will explore in a subsequent article)
- We can expect further IPOs and M&A in the space

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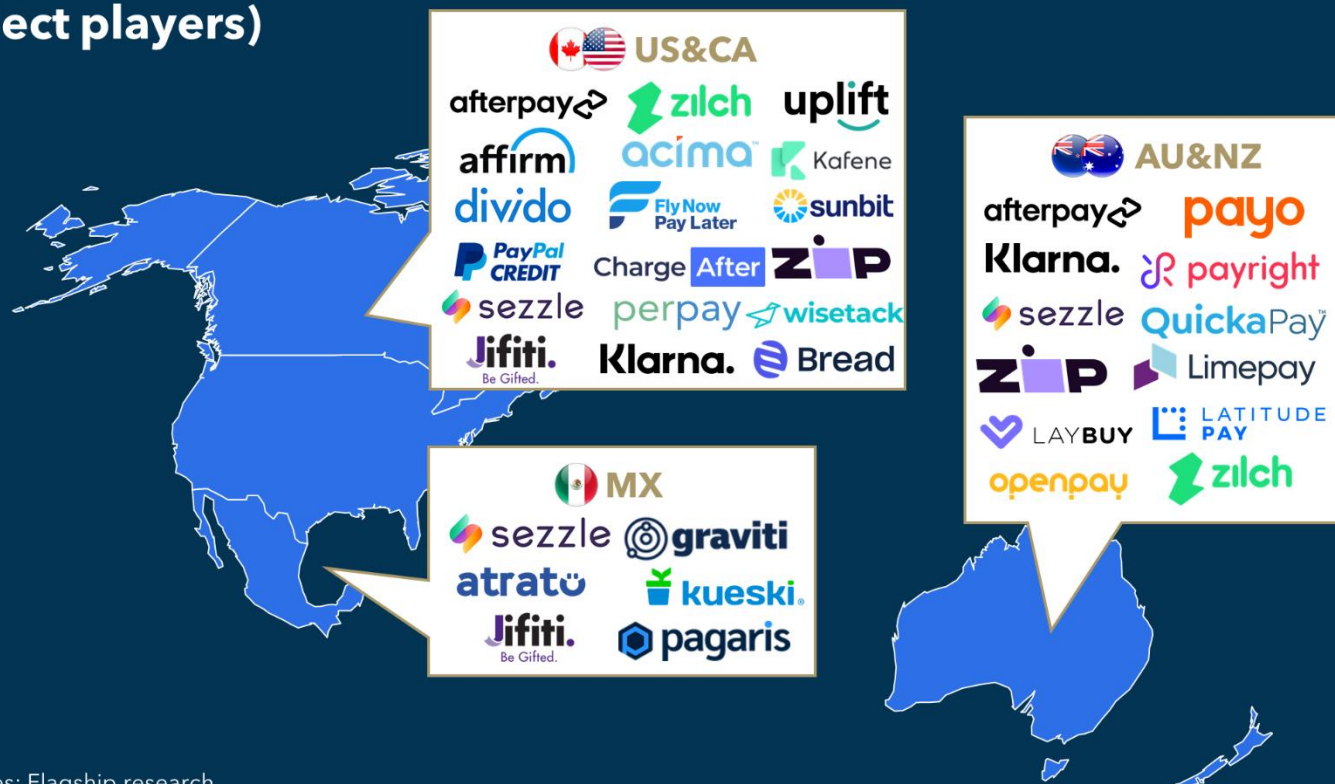
# MAP OF BNPL PROVIDERS: EUROPE

(select players)



# MAP OF BNPL PROVIDERS: NORTH AMERICA & AUSTRALASIA

(select players)

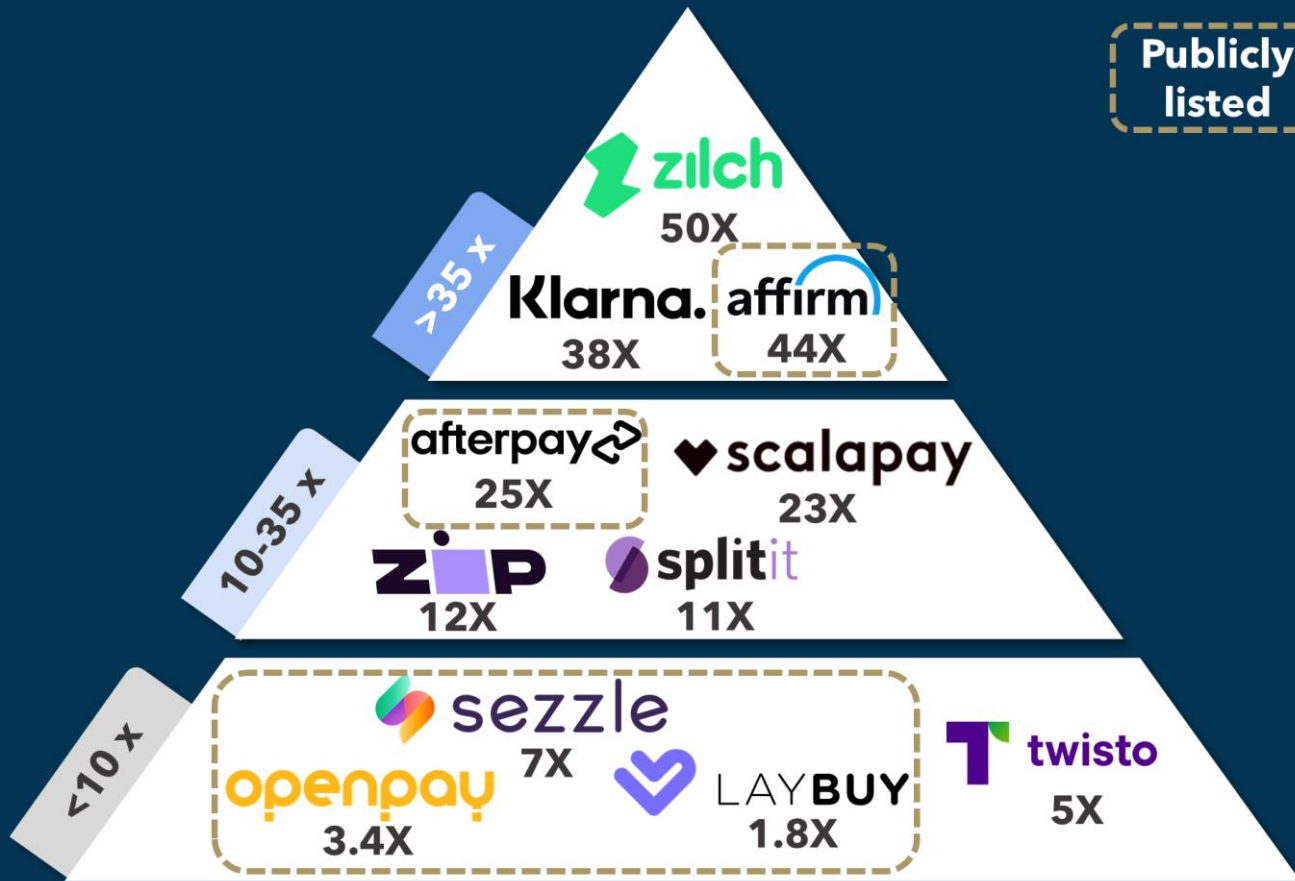


Sources: Flagship research

# BNPL VALUATIONS: REVENUE MULTIPLES

(selected BNPL providers; company valuation / most recent gross revenues)

Publicly listed



Sources: Gross revenues of Twisto, Zilch and Scalapay obtained via Zoominfo, revenues of other companies obtained via most recently available annual reports. Valuations of the publicly listed companies are based on market capitalization as of 7 Jan 2022 (Yahoo! Finance); Klarna - CNBC; Twisto - acquisition amount by Zip in 2021; Zilch - Reuters; Scalapay - TechCrunch

# BNPL USERS & PROFITS

(selected BNPL providers; bubble size = gross revenues)



Sources: Company websites, most recent annual reports