

# Laybuy Group Holdings Limited (In Receivership)

Company number: 8028865  
NZBN: 9429048322997

Receivers' first report

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On 17 June 2024 at 12:05pm David Webb and Robert Campbell, licensed insolvency practitioners (registration numbers: IP60 and IP145, respectively), were appointed as Receivers and Managers of all the present and after acquired property of Laybuy Group Holdings Limited (In Receivership) under the powers contained in a general security deed dated 24 July 2020, as acceded to by Laybuy Group Holdings Limited by way of supplemental deed dated 3 September 2020, in favour of Kiwibank Limited.

Receivers are required to be licensed insolvency practitioners. More information about the regulation of insolvency practitioners is available from the Registrar of the Companies. As licensed insolvency practitioners, we are bound by the RITANZ Code of Professional Conduct when carrying out all professional work relating to our appointment.

## Restrictions

This report has been prepared by us in accordance with and for the purpose of section 23 of the Receiverships Act 1993 (**Act**). It is prepared for the sole purpose of reporting on the state of affairs with respect to the property in receivership and the conduct of the receivership.

All information contained in this report is for the confidential use of the parties to which it is provided in accordance with sections 26 and 27 of the Act and is not to be disseminated or passed to any other person without written authority or in accordance with law.

In compiling this report, we have relied upon and not independently verified or audited information or explanations provided to us and we express no opinion on accuracy, completeness or reliability of the information or explanations.

We reserve the right (but will be under no obligation) to review this report and if we consider it necessary to revise the report in the light of any information existing at the date of this report which becomes known to us after that date.

We do not accept any liability whatsoever arising from this report.

Certain information can be withheld by the Receivers if inclusion would materially prejudice the exercise of the Receivers' functions.

## Events leading up to our appointment as Receivers

The Company was incorporated on 7 November 2016 and operated a global "buy now pay later" platform known as "Laybuy", servicing over 10,500 merchants and approximately 500,000 users globally. The Laybuy "buy now pay later" model required customers to pay the first instalment for a purchase from a retail merchant at the time of purchase with the balance paid over 5 weekly consecutive payments.

The Laybuy Group ("**Laybuy Group**") had operations in New Zealand, Australia and United Kingdom, all of which were operated by separate subsidiary entities.

- Laybuy Holdings Limited ("**LHL**") was the entity that operated the New Zealand business;
- Laybuy Australia Pty Limited operated the Australian business; and
- Laybuy (UK) Limited and Laybuy Holdings (UK) Limited operated the United Kingdom business.

We were also appointed Receivers of the New Zealand subsidiary, Laybuy Holdings Limited ("**LHL**"), which operated the New Zealand business.

Glen Kanevsky and Jason Tracy of Deloitte Australia were appointed Receivers over Laybuy Australia Pty Limited on 17 June 2024, and on 24 June 2024 Christopher Bennett, Matthew Callaghan and Samuel Ballinger of FTI Consulting LLP were appointed Administrators of Laybuy (UK) Limited and Laybuy Holdings (UK) Limited.

All New Zealand based employees were employed by the Company which also operated the information technology operating platform systems of the Laybuy Group.

The Laybuy Group had been experiencing liquidity issues and had made efforts to seek additional investment and a sale of the business and/or assets. While these negotiations were well advanced, they did not result in a successful transaction. As a result, the Companies' Directors requested the appointment of Receivers in New Zealand and Australia, and Administrators to the UK business.

New transaction originations ceased on or around 12 June 2024, and therefore the Laybuy Group had effectively ceased to trade prior to insolvency practitioners being appointed to the various entities in New Zealand, Australia and the UK.

Separate reports have been prepared for each of the companies in the Laybuy Group. The Receivers recommend that this report be read in conjunction with the report of LHL.

## **Assets comprising the property in receivership**

The Receivers' appointment is in respect of all present and after acquired property of the Company, including:

- Fixed assets
- IT operating platform operating systems
- A potential insurance claim that had been notified to the Laybuy Group's insurers prior to its insolvency.

## **Property disposed of to date and any proposals for the disposal of property**

The Receivers, with the support of various Laybuy staff, have focused on the following key matters:

- Maintaining the operating platform systems to;
  - Ensure protection and privacy of data held;
  - Enable the various subsidiaries to collect receivables from customers;
  - Preserve value in the event a sale of the platform could be achieved; and
  - Maintain the records of the Company.
- Liaising with critical suppliers.
- Ensuring all regulatory requirements were met.
- Placement of necessary insurances.

At the time of writing, the Receivers have received realisations from the sale fixed assets, being office furniture and equipment and a vehicle owned by the Company.

The Receivers immediately commenced a sale process, and are continuing to canvass a sale of New Zealand based assets and operating platform.

## Particulars of secured creditors/encumbrances

At the date of our appointment, the personal property security register (PPSR) recorded six registered financing statements against the Company. Details of these creditors and their interests are summarised in the table below:

Secured party	Address	Collateral	Registration date
Kiwibank Limited	20 Customhouse Quay, Wellington 6011	All present and after acquired personal property	28 August 2020
Partners for Growth VI,LP	1751 Tiburon Blvd California 94920	All present and after acquired personal property	21 October 2021
De Page Landen Limited	Level 20, 201 Kent Street, Sydney 2000	Goods other	29 December 2020
De Page Landen Limited	Level 20, 201 Kent Street, Sydney 2000	Goods other	7 February 2023
Partners for Growth VI,LP	1751 Tiburon Blvd California 94920	All present and after acquired personal property	20 October 2023
De Page Landen Limited	Level 20, 201 Kent Street, Sydney 2000	Goods other	8 November 2023

## Particulars of debts and liabilities requiring to be satisfied from the property in receivership

Based on information to hand at the time of writing, the estimated amount owed to secured creditors at the date of our appointment is summarised in the table below:

Secured creditor	\$000
Kiwibank	8,534
De Page Landen Limited	TBC
<b>Total secured creditors</b>	<b>\$8,534</b>

Laybuy Group Holdings Limited has also guaranteed loans provided by Partners for Growth VI,LP to other entities in the Laybuy Group. We understand PFG was owed £3.14 million as at the date of our appointment.

At the date of our appointment, the amount owed to preferential creditors is summarised in the table below:

Preferential creditor	\$000
Employee claims	336
Inland Revenue	70
<b>Total preferential creditors</b>	<b>\$406</b>

## Unsecured creditors

The Receivers currently hold incomplete information on unsecured claims against the Company. An estimate of the level of unsecured creditors will be provided in future Receivers' reports.

## Information provided by the Company

The Directors of the Company have co-operated in making available the information required by the Receivers to complete this report.

## Further information

Should you have any queries on the contents of this report, please contact Louise Craig or Nathan Barrett of our office.

Dated: 16 August 2024



Robert Campbell  
Receiver  
Receiver and Manager

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