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18 July 2024

ZIP COMPLETES A\$217 MILLION EQUITY PLACEMENT AT 2.8% DISCOUNT

Highlights

- Successful completion of fully underwritten equity placement announced on 17 July 2024, raising A\$217m (before costs)
- Proceeds from the equity capital raising to fund early repayment of Zip's existing corporate debt facility and associated exit fee
- Zip will additionally offer existing eligible shareholders the opportunity to participate in the capital raise under a share purchase plan to raise up to a further A\$50 million

Placement

Zip Co Limited (ASX: ZIP) ("**Zip**", or the "**Company**") is pleased to announce the successful completion of the fully underwritten placement ("**Placement**"), raising A\$217m (before costs), which was announced on Wednesday, 17 July 2024.

The Placement received strong support from new and existing institutional investors. Approximately 139.1 million new fully paid ordinary shares ("**Placement Shares**") are being issued under the Placement. The final issue price for the Placement Shares was determined via a bookbuild process and priced at A\$1.56 per share, representing a 2.8% discount to the last traded price of Zip's shares on the ASX on Tuesday, 16 July 2024 and a 2.6% premium to the underwritten floor price of A\$1.52 per new share.

Proceeds from the Placement will be used to repay Zip's existing corporate debt facility and associated exit fee. Such repayment is expected to occur on or about 22 July 2024.

The Placement Shares are expected to be allotted and issued on Tuesday, 23 July 2024 and will rank equally with Zip's existing ordinary shares on issue. The Placement Shares will represent approximately 12.3% of the existing Zip shares on issue before the Placement and will be issued within Zip's existing placement capacity under ASX Listing Rule 7.1.

Zip Group CEO and Managing Director, Cynthia Scott said:

"We are delighted with the extremely strong support we have received from high-quality existing and new shareholders for the Placement. This is a strong endorsement of our strategy and we thank our existing shareholders for their ongoing support and welcome our new shareholders to Zip. The Placement will enable Zip to repay its existing corporate debt, optimise our capital structure and provide Zip with greater flexibility for future growth."

Share Purchase Plan

As previously announced, following completion of the Placement, Zip will offer eligible shareholders the opportunity to participate in a non-underwritten share purchase plan ("**SPP**") to raise up to A\$50m¹.

¹ Zip retains the ability to scale back applications should it receive demand above that amount or the right to increase the size of the SPP, at its absolute discretion (and if the size of the SPP is increased, either accept applications in full or scale back applications at its absolute discretion).

Under the SPP, eligible Zip shareholders, being shareholders who have a registered address in Australia and New Zealand on Zip's register as at 7.00pm (AEST) on Tuesday, 16 July 2024, will have the opportunity to apply for up to A\$30,000 of new shares free of any brokerage, commission and transaction costs. New shares issued under the SPP will be issued at a price per share equal to the lower of the price under the Placement of A\$1.56 and a 2.0% discount to the 5-day volume weighted average of Zip's shares on the ASX up to and including the closing date of the SPP (which is currently scheduled for Wednesday, 14 August 2024).

Further details of the SPP will be set out in the SPP Offer Booklet, which is expected to be released to the ASX and made available to eligible shareholders on or about 25 July 2024.

Timetable

Set out in the Appendix to this Announcement is an indicative timetable for the Placement and SPP.

Goldman Sachs Australia Pty Ltd is acting as joint lead manager, sole bookrunner and sole underwriter on the Placement, Unified Capital Partners Pty Ltd is acting as joint lead manager on the Placement and Arnold Bloch Leibler is acting as Australian legal counsel to Zip in connection with the capital raising.

Release approved by the Group Chief Executive Officer and Managing Director on behalf of the Board.

- ENDS -

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About Zip

ASX-listed Zip Co Limited (ASX: ZIP) is a digital financial services company, offering innovative and people-centred products. Operating in two core markets - Australia and New Zealand (ANZ) and the United States (US), Zip offers access to point-of-sale credit and digital payment services, connecting millions of customers with its global network of tens of thousands of merchants.

Founded in Australia in 2013, Zip provides fair, flexible and transparent payment options, helping customers to take control of their financial future and helping merchants to grow their businesses.

For more information, visit: www.zip.co

For any shareholding and registry service enquiries, please contact Computershare. Phone: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia). Shareholders who would like to receive email communications from Computershare for all future correspondence, visit <http://www.computershare.com.au/easyupdate/ZIP>

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APPENDIX - Offer Timetable

Key Dates for the Placement

Event	Date
Announcement of completion of the Placement	Thursday, 18 July 2024
Settlement of Placement Shares under the Placement	Monday, 22 July 2024
Allotment and commencement of trading of Placement Shares issued under the Placement	Tuesday, 23 July 2024

Key Dates for the SPP

Event	Date
Record Date (the date that eligibility to participate in the SPP is determined)	7:00pm (AEST) on Tuesday, 16 July 2024
Announcement of the SPP	Wednesday, 17 July 2024
SPP offer opens and dispatch SPP documents to shareholders	Thursday, 25 July 2024
SPP offer closes	5:00pm (AEST) on Wednesday, 14 August 2024
Announcement of results of the SPP, including scale back policy (if applicable)	Monday, 19 August 2024
Settlement and allotment of New Shares under the SPP	Wednesday, 21 August 2024
Expected quotation on the ASX and normal trading of New Shares issued under the SPP	Thursday, 22 August 2024
Dispatch of allotment confirmations / holding statements for New Shares issued under the SPP	On or around Friday, 23 August 2024

The above timetable is indicative only and subject to change. The commencement of trading and quotation of new shares issued under the Placement and the SPP is subject to confirmation from ASX. Zip reserves the right to alter the dates at its discretion and without prior notice, subject to ASX Listing Rules and the Corporations Act 2001 (Cth). In particular, Zip reserves the right to extend the closing date for the SPP, accept late applications under the SPP (either generally or in particular cases) and to withdraw or vary the Placement or SPP without prior notice. Any extension of the closing date for the SPP will have a consequential effect on the date for the issue of new shares.