



ZIP CO LIMITED

ACN 139 546 428

NOTICE OF EXTRAORDINARY GENERAL MEETING

AND

EXPLANATORY STATEMENT

TIME: 10.00am (Sydney time)
DATE: Monday, 31 August 2020
ONLINE: <https://web.lumiagm.com/337703635>

This Notice of Extraordinary General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Extraordinary General Meeting, please do not hesitate to contact the Company Secretary, using the contact details on page 32.

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ZIP CO LIMITED

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NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of Shareholders of Zip Co Limited (the “**Company**”) will be held online at <https://web.lumiagm.com/337703635> at 10.00am (Sydney time) on Monday, 31 August 2020 (the “**Meeting**”) for the purpose of transacting the following business.

In light of current travel restrictions and limitations on public gatherings in place at the date of this Notice of Meeting, the board of directors of the Company (“**Board**”) has decided that the Meeting will be held entirely online, via the Company’s online meeting platform. The Board encourages Shareholders to monitor the ASX and Company website for updates (if any) after the issue of this Notice of Meeting.

Instructions for attending the Meeting via the online meeting platform are set out below.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary contained in the Explanatory Statement.

ONLINE PLATFORM

Accessing the Meeting via the online meeting platform

We recommend logging in to the online meeting platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

- 1 Enter <https://web.lumiagm.com/337703635> into a web browser on your computer or online device.
- 2 You will need your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) (this is printed at the top of your Proxy Form).
- 3 If your holding is registered to an Australian address, your password is your postcode. If your holding is registered to an overseas address, you should refer to the online meeting user guide for more information (see below).
- 4 Proxyholders will need to obtain a username and password by contacting Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open 1 hour before the start of the Meeting.

For further instructions on how to participate online please view the online meeting user guide at - www.investorvote.com.au/z1p.

Voting

There are a number of ways in which you can exercise your vote.

You can:

- 1 cast your vote before the Meeting electronically;
- 2 cast your vote online during the Meeting via the online meeting platform; or
- 3 appoint a proxy before the Meeting electronically or by submitting the Proxy Form provided with this Notice of Meeting.

Detailed instructions on the above options are set out in this Notice of Meeting in the section titled ‘Voting’.

Asking questions

We encourage you to submit questions in advance of the Meeting on any matter that may be relevant to the Meeting. You can do this by logging onto www.investorcentre.com, select 'Voting' then click 'Ask a Question', or alternatively by sending your question to the Company Secretary by email to David.Franks@automicgroup.com.au.

To allow time to collate questions and prepare answers, you must submit any questions by 10:00am (Sydney time) on Monday, 24 August 2020.

Questions will be collated and, during the Meeting, the Chairman of the Meeting will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the Meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

Shareholders and proxy holders will also have the ability to listen to the discussion at the Meeting and ask questions during the Meeting via the online meeting platform.

Online platform guide

More information about how to use the online meeting platform (including how to vote and ask questions online during the Meeting) is available at www.investorvote.com.au/z1p.

AGENDA

Shareholders will be asked to consider, and if thought fit, to pass, with or without amendment, the following Resolutions, as **Ordinary Resolutions**:

1. **RESOLUTION 1 – APPROVAL TO ISSUE SHARES TO THE QUADPAY STOCKHOLDERS AND THE QUADPAY FOUNDERS IN CONNECTION WITH THE QUADPAY ACQUISITION**

“That, for the purposes of ASX Listing Rule 7.1, ASX Listing Rule 10.19, sections 200B and 200E of the Corporations Act, and for all other purposes, approval is given for the issue and allotment of the following Shares in connection with the QuadPay Acquisition:

- (a) up to a maximum of 119,000,000 Shares to the QuadPay Stockholders as the ‘Merger Consideration Shares’ at an issue price equal to the Company’s volume weighted average price of its Shares on the ASX in the 15 trading days prior to Completion;*
- (b) up to a maximum of 24,570,024 Shares to the QuadPay Founders as the ‘Performance Consideration Shares’ at an issue price equal to the higher of \$3.70 per Share and the Company’s volume weighted average price of its Shares on the ASX in the 15 trading days prior to the applicable issue date; and*
- (c) up to a maximum of 5,000,000 Shares to the QuadPay Founders as the ‘Tenure Consideration Shares’ at an issue price equal to the Company’s volume weighted average price of its Shares on the ASX in the 15 trading days prior to the applicable issue date,*

on the terms set out in the Explanatory Statement which accompanies this Notice of Meeting.”

Please refer to the voting exclusion statement in the following notes.

2. **RESOLUTION 2 – APPROVAL TO GRANT OPTIONS TO THE QUADPAY OPTIONHOLDERS IN CONNECTION WITH THE QUADPAY ACQUISITION**

“That, subject to and conditional upon the passing of Resolution 1, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the grant and allotment of up to a maximum of 12,000,000 options to the QuadPay Optionholders in connection with the QuadPay Acquisition and the issue and allotment of Shares on the exercise of those options on the terms set out in the Explanatory Statement which accompanies this Notice of Meeting.”

Please refer to the voting exclusion statement in the following notes.

3. **RESOLUTION 3 – APPROVAL TO ISSUE CONVERTIBLE NOTES TO THE NOTEHOLDER IN CONNECTION WITH THE CONVERTIBLE NOTE RAISING**

“That, subject to and conditional upon the passing of Resolution 4, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue and allotment of 1,000 Convertible Notes each with a face value of \$100,000 to the Noteholder in connection with the Convertible Note Raising and the issue and allotment of Shares on the conversion of those Convertible Notes on the terms set out in the Explanatory Statement which accompanies this Notice of Meeting.”

Please refer to the voting exclusion statement in the following notes.

4. **RESOLUTION 4 – APPROVAL TO ISSUE WARRANTS TO THE NOTEHOLDER IN CONNECTION WITH THE CONVERTIBLE NOTE RAISING**

“That, subject to and conditional upon the passing of Resolution 3, for the purposes of ASX Listing Rules 7.1, ASX Listing Rule 6.23.2, and for all other purposes, approval is given for the issue and allotment of 19,365,208 warrants to the Noteholder in connection with the Convertible Note Raising and the issue of Shares on conversion of those warrants on the terms set out in the Explanatory Statement which accompanies this Notice of Meeting.”

Please refer to the voting exclusion statement in the following notes.

5. RESOLUTION 5 – RATIFICATION OF THE PRIOR ISSUE OF SHARES UNDER THE PLACEMENT

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 16,216,216 Shares issued to certain institutional, sophisticated and professional investors on 5 December 2019 under the Placement at the issue price of \$3.70 per Share, as announced on 29 November 2019 and 2 December 2019, and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Please refer to the voting exclusion statement in the following notes.

6. RESOLUTION 6 – RATIFICATION OF THE PRIOR ISSUE OF WARRANTS TO AN AFFILIATE OF AMAZON IN CONNECTION WITH THE STRATEGIC AGREEMENT WITH AMAZON

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 14,615,000 warrants issued to an affiliate of Amazon, Amazon.com NV Investment Holdings LLC, on 6 November 2019 in connection with the Strategic Agreement with Amazon, as announced on 7 November 2019, and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Please refer to the voting exclusion statement in the following notes.

7. RESOLUTION 7 – RATIFICATION OF THE PRIOR ISSUE OF SHARES TO THE SPOTCAP VENDORS IN CONNECTION WITH THE SPOTCAP ACQUISITION

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 2,576,643 Shares issued to the SpotCap Vendors on 7 November 2019 in connection with the SpotCap Acquisition, as announced on 6 September 2019, and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Dated: 30 July 2020

By Order of the Board



**Zip Co Limited
David Franks
Company Secretary**

NOTES:

ENTITLEMENT TO VOTE

Pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the Meeting will be as it appears in the Company's share register at 7.00pm (Sydney time) on Saturday, 29 August 2020.

VOTING AND REQUIRED MAJORITY

Each Resolution must be passed by more than 50% of all votes cast by Shareholders entitled to vote on the Resolution (whether in person or by proxy, attorney or representative).

Subject to the voting exclusions, on a poll, every Shareholder has one vote for each Share held.

VOTING EXCLUSION STATEMENTS

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of:

- (a) Resolution 1 ('Approval to issue Shares to QuadPay Stockholders and the QuadPay Founders in connection with the QuadPay Acquisition') by or on behalf of:
 - (i) the QuadPay Stockholders and the QuadPay Founders;
 - (ii) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder); and
 - (iii) any officer of the Company or any of his or her child entities who is entitled to participate in a termination benefit; or
 - (iv) any of their respective associates;
- (b) Resolution 2 ('Approval to grant options to the QuadPay Optionholders in connection with the QuadPay Acquisition') by or on behalf of:
 - (i) the QuadPay Optionholders; and
 - (ii) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed grant (except a benefit solely by reason of being a Shareholder); or
 - (iii) any of their respective associates;
- (c) Resolution 3 ('Approval to issue Convertible Notes to the Noteholder in connection with the Convertible Note Raising) by or on behalf of:
 - (i) the Noteholder; and
 - (ii) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder); or
 - (iii) any of their respective associates;
- (d) Resolution 4 ('Approval to issue warrants to the Noteholder in connection with the Convertible Note Raising') by or on behalf of:
 - (i) the Noteholder; and

- (ii) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder); or
 - (iii) any of their respective associates;
- (e) Resolution 5 ('Ratification of the prior issue of Shares under the Placement') by or on behalf of:
 - (i) any person who participated in the Placement; and
 - (ii) any of their respective associates;
- (f) Resolution 6 ('Ratification of the prior issue of warrants to an affiliate of Amazon in connection with the Strategic Agreement with Amazon') by or behalf of:
 - (i) Amazon.com NV Investment Holdings LLC; and
 - (ii) any of its associates; and
- (g) Resolution 7 ('Ratification of the prior issue of Shares to the SpotCap Vendors in connection with the SpotCap Acquisition') by or behalf of:
 - (i) the SpotCap Vendors; and
 - (ii) any of their respective associates.

However, this does not apply to a vote cast in favour of Resolutions 1 to 7 (inclusive) by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the relevant Resolution, in accordance with directions given to the proxy or attorney to vote on the relevant Resolution in that way;
- (b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the relevant Resolution, in accordance with a direction given to the Chairperson to vote on the relevant Resolution as the Chairperson decides; or
- (c) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the relevant Resolution; and
 - (ii) the Shareholder votes on the relevant Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

VOTING

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important. You may vote online, by proxy or personal representative.

VOTING ONLINE

You can cast your vote electronically either before the Meeting or during the Meeting as set out below.

Online voting before the Meeting

You can cast your vote before the Meeting at www.investorvote.com.au.

Online voting during the Meeting

To vote online during the Meeting, you will need to log-on to the online meeting platform. Please refer to the section titled 'Accessing the Meeting via the online meeting platform' above for information on how to access the online meeting platform.

For further instructions on how to participate online please view the online meeting user guide at www.investorvote.com.au/z1p.

APPOINTING A PROXY

A Shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on their behalf. A proxy does not need to be a Shareholder of the Company.

If a Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the percentage or number of votes each proxy can exercise. If the proxy form does not specify the percentage or number of the Shareholders' votes that each proxy may exercise, each proxy may exercise half of the Shareholders' votes on a poll. Fractions will be disregarded.

You can appoint a proxy by completing and signing the enclosed Proxy Form and sending or submitting the form as follows:

Online:

At www.investorvote.com.au

By Mobile:

Scan the QR Code on your Proxy form and follow the prompts

By Mail to:

Computershare Investor Services Pty Ltd
GPO Box 242
Melbourne Victoria 3001
Australia

By Facsimile Transmission to:

1800 783 447 (within Australia) or
+61 3 9473 2555 (outside Australia)

By Hand to:

Computershare Investor Services Pty Ltd
Level 4
60 Carrington Street
Sydney, NSW 2000

Custodian voting:

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

The deadline for receipt of proxy appointments is 10.00am (Sydney time) on Saturday, 29 August 2020 (which is 48 hours before the Meeting). **Proxy appointments received later than this time will be invalid.**

Power of attorney

If the Proxy Form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the Proxy Form, unless the power of attorney has already been provided to Computershare Investor Services Pty Ltd.

Intermediary online

Participating intermediaries can lodge their proxy appointments online through <http://www.intermediaryonline.com>.

CORPORATE REPRESENTATIVES

If a representative of a corporate Shareholder or a corporate proxy will be attending the Meeting, the representative should provide to Computershare Investor Services Pty Ltd adequate evidence of their appointment, unless this has previously been provided to Computershare Investor Services Pty Ltd. An appointment of corporate representative form may be obtained from Computershare Investor Services Pty Ltd by calling (+61 3) 9415 4000 or online at <https://www-au.computershare.com/Investor/help/PrintableForms>.

VOTING INTENTIONS AND UNDIRECTED PROXIES

If you intend to appoint the Chairperson of the Meeting as your proxy, you are encouraged to direct them how to vote by marking a box for Resolutions 1, 2, 3, 4, 5, 6 and 7 (for example, if you wish to vote for, or against, or abstain from voting).

If you appoint the Chairperson as your proxy without directing them how to vote, the Proxy Form authorises the Chairperson to vote as they decide on Resolutions 1, 2, 3, 4, 5, 6 and 7.

Subject to any voting restrictions and exclusions, where the Chairperson of the Meeting is appointed as proxy, the Chairperson intends to vote in favour of all Resolutions.

ZIP CO LIMITED

ACN 139 546 428

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist Shareholders to consider the Resolutions set out in the Notice of Meeting.

This Explanatory Statement forms part of, and should be read in conjunction with, the Notice of Meeting. The Board recommends that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

The Board also recommends that Shareholders read in full the following ASX Announcements (including any accompanying Investor Presentations) released by the Company before making any decisions in relation to the Resolutions:

- the ASX Announcement dated 2 June 2020 in respect of the QuadPay Acquisition and the Convertible Note Raising;
- the ASX Announcements dated 29 November 2019 and 2 December 2019 in respect of the Placement;
- the ASX Announcement dated 7 November 2019 in respect of the Strategic Agreement with Amazon; and
- the ASX Announcement dated 6 September 2019 in respect of the SpotCap Acquisition.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary contained in this Explanatory Statement.

1 OVERVIEW OF THE QUADPAY ACQUISITION AND THE CONVERTIBLE NOTE RAISING

1.1 QuadPay Acquisition

(a) Summary

On 2 June 2020, the Company announced it had entered into an agreement (the “**QuadPay Acquisition Agreement**”)¹ to acquire the remaining shares that it did not already own² in the New York based “Buy Now, Pay Later” (“**BNPL**”) provider, QuadPay Inc. (“**QuadPay**”) (the “**QuadPay Acquisition**”).

Under the QuadPay Acquisition, QuadPay Stockholders will be entitled to receive up to a maximum of 119,000,000 Shares (the “**Merger Consideration Shares**”), equivalent to 23.4% of the Company’s total issued Shares immediately following completion of the QuadPay Acquisition³. Refer to section 2.1 below of this Explanatory Statement for a summary of the material terms of the QuadPay Acquisition.

¹ The QuadPay Acquisition Agreement is that certain agreement and plan of merger between the Company, QuadPay, James Merger Sub Inc., and, solely in its capacity as the seller representative, Fortis Advisors, LLC. The QuadPay Acquisition Agreement is governed by and in accordance with the laws of the State of Delaware and pursuant to which, and on the terms and subject to the conditions in the QuadPay Acquisition Agreement, James Merger Sub Inc., a wholly owned subsidiary of the Company, will merge with and into QuadPay, and QuadPay will continue as the surviving corporation of such merger and become a subsidiary of the Company.

² The Company already holds, through its subsidiaries, an approximately 14% interest in QuadPay, acquired through its acquisition of New Zealand-based PartPay Limited in 2019 (which held a strategic interest in QuadPay) and through a direct investment of approximately US\$11.4 million in QuadPay concurrent with the Company’s acquisition of PartPay Limited.

³ This is on a non-diluted basis and excludes: (i) any of the Performance Consideration Shares, the Tenure Consideration Shares and the New Options issued in connection with the QuadPay Acquisition (as those terms are defined in this Explanatory Statement); and (ii) any Shares that may be issued on conversion of the Convertible Notes and/or exercise of the Noteholder Warrants to be issued under the Convertible Note Raising. This also assumes that no other securities are issued by the Company before Completion.

The QuadPay Acquisition implies an enterprise value of approximately US\$269 million or \$403 million⁴ for QuadPay and is accretive for the Company on both a total transactions volume (“TTV”) and revenue basis.

The QuadPay Acquisition builds on the Company’s global strategy and the Board believes this is a compelling investment proposition for Shareholders:

- **Access to the world’s largest retail market** – QuadPay is one of the leading BNPL platforms in the US, the world’s largest retail market (US\$5+ trillion and >15x size of Australia) during a time when interest-free instalments are transforming the way people pay.
- **Leading global BNPL player** – Post-completion, the combined group will have operations across the world in 5 countries (AU, NZ, US, UK and SA⁵) with combined annualised TTV of \$3.2b, annualised revenue of \$252m, 3.9m customers and 29k merchants⁶.
- **Increases scale, growth potential and provides strong unit economics** – QuadPay’s model has demonstrated significant growth since its founding in 2017:
 - at the end of June, QuadPay had more than 1.8m customers and 4.5k merchants, including brands such as Fashion Nova and Deckers (UGG);
 - annualised revenues of \$67m in Q2’ CY20 and annualised TTV of \$945m in Q2’ CY20; and
 - industry-leading Net Transaction Margins.
- **Category innovator with leading payments app** – QuadPay was amongst the first BNPLs to leverage virtual card technology in partnership with Stripe, demonstrating a strong culture of innovation. QuadPay’s proprietary QuadPay Anywhere technology:
 - facilitates instalments anywhere within the Visa acceptance network online and offline, and enables in-store rollout with no POS integration; and
 - is ranked in the top 100 US shopping apps with an App Store rating of 4.8⁷.
- **Founder led business with strong alignment** – QuadPay’s team is New York headquartered and led by co-founders and joint CEOs Adam Ezra and Brad Lindenberg (the “QuadPay Founders”), who will join the Company’s global leadership team, with ultimate responsibility for scaling the US business. Retention and performance equity has been offered, linked to aggressive growth targets as described in section 2.1 below of this Explanatory Statement.

(b) **About QuadPay**

Launched in 2017 by the QuadPay Founders, New York headquartered QuadPay is a leading, high growth, US-based instalment provider disrupting the credit card industry with a strong focus on innovation and customer centricity. QuadPay enables customers to pay in 4 interest-free instalments over 6 weeks online and instore. It offers a proven and scalable BNPL platform and a market leading app with over a million downloads and strong customer satisfaction demonstrated by its 4.8 app rating. The pipeline for new merchants and partnerships remains strong and is being accelerated as a result of the increasing focus on online spend due to COVID-19 and the ongoing customer preference for simple budgeting tools.

Within the US BNPL category, QuadPay offers a unique and differentiated model:

- **Interest free** – All instalments are interest-free and payable within a 6-week period.
- **Anywhere, online and instore** – QuadPay’s unique technology, QuadPay Anywhere, allows customers to shop interest-free, not only with its 4.5k integrated merchants, but also with leading global retailers including Walmart, Nike, and Michael Kors.

⁴ Based on the Company’s 15-day VWAP of \$3.39 as of 29 May 2020 (the last trading day prior to announcement of the QuadPay Acquisition), and not including any of the Performance Consideration Shares, the Tenure Consideration Shares or the New Options to be issued in connection with the QuadPay Acquisition (as those terms are defined in this Explanatory Statement).

⁵ Based on the Company’s 26.2% interest in Payflex Proprietary Limited in South Africa.

⁶ Based on Q2’ CY2020.

⁷ As at 29 May 2020, in the Appstore.

- **Strong focus on risk management and responsibility** – QuadPay’s use of proprietary risk assessment processes and algorithms underpinned by FICO credit scores and ID verification have driven strong and continually improving credit performance, aligning with the Company’s core DNA.

QuadPay continues to deliver strong growth across all of its key operating metrics:

Calendar Quarter:	Transaction Volume (\$m)⁸	QoQ (%)	Revenue (\$m)⁸	QoQ (%)	New Customers
2Q19	\$26.2	11%	\$1.4	3%	75,759
3Q19	\$68.5	161%	\$5.2	262%	201,115
4Q19	\$236.7	246%	\$17.4	235%	613,586
1Q20	\$217.2	(8%)	\$17.2	(1%)	360,581
2Q20	\$236.2	9%	\$16.7	(3%)	327,474

The Company has been encouraged by QuadPay’s continued strong growth and performance especially during the COVID-19 outbreak. Similar to the Company, QuadPay’s focus on decision technology and responsibility has meant all applicants since inception have undergone real-time assessments and credit and ID checks. QuadPay has also adjusted risk tolerances to account for current market conditions and has implemented a number of credit quality safeguards, across both new originations and its existing portfolio. There has also been no deterioration in QuadPay’s loan book performance, demonstrating the resilience of the BNPL model, with better outcomes and accelerated adoption as a result of customers’ aversion to long-term debt and high interest costs inherent in credit cards.

Post-completion of the QuadPay Acquisition, the combined group is set to be a leading global BNPL player. The following table sets out a pro forma analysis of the Company assuming completion of the QuadPay Acquisition:

Based on 2Q CY20 Quarter	(1) Company	(2) QuadPay	(1) + (2) Pro Forma
Customers	2.1m	1.8m	3.9m
Merchants	24.5k	4.5k	29.0k
Annualised TTV (\$bn)	\$2,282m	\$945m	\$3,227m
Annualised Revenue (\$m)	\$186m	\$67m	\$253m

The Board strongly believes that the expansion into the US is both significantly de-risked and accelerated through collaboration with a strong, known and trusted partner. As the largest stockholder of QuadPay other than the QuadPay Founders, the Company is already highly familiar with the QuadPay management team and its business.

Additionally, QuadPay operates on the same core technology and source code as the Company’s other international businesses (United Kingdom, New Zealand), minimising integration costs and enabling the delivery of global merchant deals and new product features across the different markets.

1.2 Convertible Note Raising

Separately, the Company also announced on 2 June 2020 that it had entered into an agreement with the Noteholder, an affiliate of Heights Capital Management, which is part of

⁸ Converted at a USD / AUD exchange rate of 0.6902.

US-based Susquehanna International Group, LLP (“**Susquehanna**”), to raise up to \$200 million, by way of an issue of convertible notes and the exercise of new warrants to be granted as part of the convertible note issue (the “**Convertible Note Raising**”).

The Company notes that the funds to be raised pursuant to the Convertible Note Raising will not be available to the Company, nor will the convertible notes and warrants be issued, until Shareholder approval has been obtained for the purposes of ASX Listing Rule 7.1 as proposed by Resolutions 3 and 4.

Refer to section 4.1 below of this Explanatory Statement for a summary of the material terms of the Convertible Note Raising.

Susquehanna is one of the world’s largest privately held financial services firms with over 2,000 employees in 6 countries. Founded in 1996, Heights Capital Management invests Susquehanna’s internal capital through direct investments in listed companies in the US, Europe, and Asia. Heights Capital Management has supported many leading companies and manages a diverse investment portfolio of high-growth small to medium-sized companies. Susquehanna has also made investments in ByteDance (parent company of TikTok), Credit Karma and Fundera.

2 RESOLUTION 1 - APPROVAL TO ISSUE SHARES TO THE QUADPAY STOCKHOLDERS AND THE QUADPAY FOUNDERS IN CONNECTION WITH THE QUADPAY ACQUISITION

2.1 About the QuadPay Acquisition

A summary of the material terms of the QuadPay Acquisition

(a) Consideration

Upon completion of the QuadPay Acquisition, which the Company expects to occur during Q1 FY2021 (the actual date of completion of the QuadPay Acquisition, being “**Completion**”), the Company will issue a maximum of 119,000,000 Shares to the QuadPay Stockholders (being, the Merger Consideration Shares). As noted above, the QuadPay Acquisition implies an enterprise value of approximately US\$269 million or \$403 million⁹ for QuadPay and is accretive for the Company on both a TTV and revenue basis.

As part of agreed retention and incentive compensation arrangements with the QuadPay Founders in connection with the QuadPay Acquisition, the Company has also agreed to:

- pay to the QuadPay Founders an additional amount of up to a maximum of US\$60 million (up to US\$30 million per QuadPay Founder), subject to the achievement of certain prescribed minimum TTV performance targets on the QuadPay platform during the period from 1 January 2020 to 30 June 2022 (the “**Performance Consideration**”). The Performance Consideration may be paid to the QuadPay Founders at the Company’s discretion either in cash or by the issue of up to a maximum of 24,570,024 Shares¹⁰ (the “**Performance Consideration Shares**”), and is to be split between the QuadPay Founders equally (subject to their continued employment with QuadPay or one of its affiliates); and
- issue to the QuadPay Founders a maximum of 5,000,000 Shares (split between the QuadPay Founders equally), which will vest in equal instalments on the first and second anniversaries of Completion, subject to the QuadPay Founders continuing to remain employed with QuadPay or one of its affiliates through the applicable vesting date (the “**Tenure Consideration Shares**”),

(together, the Merger Consideration Shares, the Performance Consideration Shares and the Tenure Consideration Shares are referred to as the “**Consideration Shares**”).

⁹ Refer to footnote 4 above.

¹⁰ The maximum number of Performance Consideration Shares has been determined based on the agreed minimum price of \$3.70 per Share and the fixed USD / AUD exchange rate of 0.66 USD / AUD. However, in certain circumstances the Company is also required to pay to the QuadPay Founders a cash true up amount, as described in section 2.1(d) of this Explanatory Statement.

The issue of the Merger Consideration Shares will represent a maximum of approximately 23.4% of the Company's total issued Shares immediately following Completion.¹¹ If the maximum number of Performance Consideration Shares and Tenure Consideration Shares are also issued by the Company, the issue of the Consideration Shares will represent a maximum of approximately 27.6% of the Company's total issued Shares immediately following Completion.¹²

The Merger Consideration Shares will be issued at an issue price equal to the Company's volume weighted average price of its Shares on the ASX in the 15 trading days immediately prior to Completion. The Company expects to issue the maximum number of the Merger Consideration Shares of 119,000,000 Shares at Completion.

If payable, the Performance Consideration may be paid in up to three payment tranches, relating to the 12-month periods ending 30 June 2020, 30 June 2021 and 30 June 2022. The performance milestones associated with the Performance Consideration align the delivery of the Performance Consideration awarded to the QuadPay Founders to aggressive growth targets. Specifically, the maximum payout of US\$60 million (US\$30 million per QuadPay Founder) is based on QuadPay achieving US\$1,200 million of TTV in any consecutive 3-month period until 30 June 2022. If the Company elects to pay the Performance Consideration through the issue of new Shares, a maximum of 24,570,024 Shares¹³ will be issued at an issue price equal to the higher of \$3.70 per Share and the Company's volume weighted average price of its Shares on the ASX in the 15 trading days prior to the applicable issue date. The Performance Consideration of US\$60 million (US\$30 million per QuadPay Founder) may become payable early in full or in part (depending on the circumstances) as a result of specific acceleration events as agreed between the parties. Each QuadPay Founder is entitled to an equal share of any Performance Consideration that is paid, provided the relevant QuadPay Founder remains employed with QuadPay or one of its affiliates on the applicable date that the prescribed performance milestone is satisfied ("**Achievement Date**").

If applicable, the Tenure Consideration Shares will be issued in two tranches based on the QuadPay Founders remaining employed with QuadPay or one of its affiliates on the first and second anniversaries of the Completion Date (each a "**Tenure Date**"). A maximum of 5,000,000 Shares will be issued at an issue price equal to the Company's volume weighted average price of its Shares on the ASX in the 15 trading days prior to the applicable issue date. Specifically, each QuadPay Founder is entitled to receive 1,250,000 Shares in respect of each Tenure Date, provided that the relevant QuadPay Founder remains employed with QuadPay or one of its affiliates on the applicable Tenure Date.

(b) **Voluntary escrow arrangements for the Merger Consideration Shares**

The QuadPay Stockholders are required to enter into voluntary escrow arrangements with the Company under which they will be restricted from dealing with a portion of the Merger Consideration Shares for a prescribed time period.

Specifically, the Merger Consideration Shares are subject to the following voluntary escrow arrangements:

- certain QuadPay Stockholders, including the QuadPay Founders, who will together hold up to a maximum of 55.9% of the Merger Consideration Shares, will have 70% of their Merger Consideration Shares escrowed until 1 June 2021, with 20% of their Merger Consideration Shares escrowed until 1 June 2022; and
- all other QuadPay Stockholders who will together hold up to a maximum of 44.1% of the Merger Consideration Shares, will have 70% of their Merger Consideration Shares escrowed until 1 December 2020, with 20% of their Merger Consideration Shares escrowed until 1 June 2021.

¹¹ Refer to footnote 3 above.

¹² This is on a non-diluted basis and excludes: (i) any Shares issued on conversion of the New Options, and (ii) any Shares issued on conversion of the Convertible Notes and/or exercise of the Noteholder Warrants to be issued under the Convertible Note Raising. This also assumes that no other securities are issued by the Company before Completion.

¹³ Refer to footnote 10 above.

There are limited circumstances in which the Merger Consideration Shares may be released from escrow prior to the prescribed times set out above (which includes with the prior approval of the Board in its discretion).

(c) **Conditions precedent**

The QuadPay Acquisition is subject to a number of conditions precedent being satisfied or waived on or by Completion, including but not limited to:

- Shareholders approving the issue of the Consideration Shares to the QuadPay Stockholders and the QuadPay Founders (as applicable) as proposed by Resolution 1 and the grant of the New Options to QuadPay Optionholders as proposed by Resolution 2;
- since the date of the QuadPay Acquisition Agreement, no material adverse event having occurred in respect of QuadPay¹⁴, or any event occurring that would (or would reasonably be expected) to prevent the ability of the Company to complete the QuadPay Acquisition;
- the deadline under the General Corporation Law of the State of Delaware for QuadPay Stockholders to properly exercise his, her or its appraisal rights in connection with the QuadPay Acquisition is required to have expired, and dissenting shares are required to constitute no more than 5% of the outstanding shares of QuadPay, which entitle such dissenting QuadPay Stockholders within a certain time period to seek an appraisal of the fair value of their QuadPay shares and to receive such appraised value in cash in lieu of the consideration proposed under the QuadPay Acquisition Agreement; and
- QuadPay Stockholders holding at least 90% of the outstanding shares of QuadPay entering into their voluntary escrow agreements as set out above in section 2.1(b) of this Explanatory Statement (and providing other prescribed documents to the Company or its agent).

Either the Company or QuadPay has the right to terminate the QuadPay Acquisition Agreement if Completion has not occurred by 1 December 2020.

(d) **Other key terms**

The following is a summary of some other key terms relating to the QuadPay Acquisition:

- **(Cash settlement):** In return for their QuadPay Shares, the Company will pay certain QuadPay Stockholders in cash who are unable to receive the Merger Consideration Shares without the Company being required to issue a disclosure document. If applicable, the amount payable to those QuadPay Stockholders will be determined by multiplying: (i) the number of Merger Consideration Shares which the QuadPay Stockholder would have otherwise been entitled to receive, by (ii) the issue price of the Merger Consideration Shares (being, the Company's volume weighted average price of its Shares on the ASX in the 15 trading days prior to Completion). Separately, the Company may also be required to pay certain QuadPay Stockholders cash for their QuadPay shares if those QuadPay Stockholders exercise their appraisal rights under the General Corporation Law of the State of Delaware (refer to section 2.1(c) above of this Explanatory Statement).
- **(Escrow Agent):** Prior to Completion, if any QuadPay Stockholders have not provided to the Company (or its agent) certain required documents in accordance with the terms and conditions of the QuadPay Acquisition Agreement (for example, an executed counterpart of their escrow agreement), the Merger Consideration Shares or cash, as applicable, to which such QuadPay Stockholders would have otherwise been entitled, will be issued to

¹⁴ A "material adverse event" includes (subject to certain prescribed exceptions) any change that has had, or would reasonably be expected to have: (a) a material adverse effect on the assets, liabilities, properties, operations or results of operations of QuadPay and its subsidiaries or its business (including the loss of any prescribed key persons or key merchants); or (b) prevented, impaired or materially delayed the ability of QuadPay to complete the QuadPay Acquisition. A "material adverse event" expressly excludes the COVID-19 pandemic or any other epidemic, pandemic or other outbreak of illness or public health event to the extent there is no disproportionate effect on QuadPay.

Computershare Trust Company, N.A. (the “**Escrow Agent**”). Whilst held by the Escrow Agent, 100% of these Merger Consideration Shares will be subject to a voluntary escrow. The Escrow Agent shall distribute such portions of these Merger Consideration Shares or cash, as applicable, to the relevant QuadPay Stockholder on certain prescribed dates following receipt of each relevant QuadPay Stockholder’s necessary documents, following which the voluntary escrow terms in section 2.1(b) above of this Explanatory Statement will apply to those Shares.

- **(Cash true-up):** If, when Performance Consideration Shares are issued as part of the Performance Consideration, the Company’s Share price is less than the prescribed minimum issue price of \$3.70 per Share, the Company will be required to pay a true up amount in cash to the QuadPay Founders for this difference.
- (e) **ASX waiver in respect of the Performance Consideration Shares and Tenure Consideration Shares**

ASX has granted the Company a waiver from ASX Listing Rule 7.3.4 to the extent necessary to permit the Company in this Notice of Meeting not to state that the Performance Consideration Shares and the Tenure Consideration Shares will be issued within 3 months of the date of the Meeting on the following conditions:

- the Performance Consideration Shares and the Tenure Consideration Shares will be issued on or before the later of 15 September of the financial year immediately following the relevant financial year in which the relevant Achievement Date or Tenure Date (as applicable) occurs, and 15 March of the calendar year immediately following the relevant calendar year in which the relevant Achievement Date or Tenure Date (as applicable) occurs, and in any event no later than 15 March 2023;
- the maximum amount of Performance Consideration Shares to be issued is US\$60 million and the maximum number of Tenure Consideration Shares is 5,000,000;
- the milestones which must be satisfied for the Performance Consideration Shares and the Tenure Consideration Shares to be issued are not varied;
- the maximum number of Performance Consideration Shares to be issued is calculated based upon the Company’s 15 day trading volume weighted average price of its Shares on the ASX immediately prior to the applicable issue date, subject to a minimum price of \$3.70, and using a fixed USD / AUD exchange rate of 0.66 USD / AUD;
- for any annual reporting period during which any of the Performance Consideration Shares or the Tenure Consideration Shares have been issued or any of them remain to be issued, the Company’s annual report sets out in detail the number of Performance Consideration Shares and Tenure Consideration Shares issued in that annual reporting period, the number of Performance Consideration Shares and Tenure Consideration Shares that remain to be issued and the basis on which the Performance Consideration Shares and Tenure Consideration Shares may be issued; and
- in any half year or quarterly report for a period during which any of the Performance Consideration Shares or the Tenure Consideration Shares have been issued or remain to be issued, the Company must include a summary statement of the number of Performance Consideration Shares and Tenure Consideration Shares issued during the reporting period, the number of Performance Consideration Shares and Tenure Consideration Shares that remain to be issued and the basis on which the Performance Consideration Shares and Tenure Consideration Shares may be issued.

2.2 Background to Resolution 1

Resolution 1 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Merger Consideration Shares to the QuadPay Stockholders and the issue of the Performance Consideration Shares and the Tenure Consideration Shares to the QuadPay Founders in connection with the acquisition of QuadPay, of which further detail is set out above in section 2.1 of this Explanatory Statement.

The Company is seeking Shareholder approval for Resolution 1 for the purposes of ASX Listing Rule 7.1 and in order to satisfy the shareholder approval condition precedent under the QuadPay Acquisition Agreement. The Company will only issue the Consideration Shares if all conditions precedent under the QuadPay Acquisition Agreement are satisfied or waived in accordance with the terms and conditions of the QuadPay Acquisition Agreement.

In addition, Resolution 1 also seeks Shareholder approval pursuant to ASX Listing Rule 10.19 and sections 200B and 200E of the Corporations Act, as the Performance Consideration (including any Performance Consideration Shares that may be issued to the QuadPay Founders), or a portion of the Performance Consideration (including any Performance Consideration Shares that may be issued to the QuadPay Founders), may become payable on the termination of a QuadPay Founder's employment with QuadPay or one of its affiliates, as set out in further detail in section 2.5 of this Explanatory Statement.

It is also noted that in certain limited circumstances due to the liquidation preferences provided in QuadPay's certificate of incorporation, the Company could be required, in accordance with the terms of the QuadPay Acquisition Agreement, to issue additional Shares to the QuadPay Stockholders beyond the maximum number of 119,000,000 Merger Consideration Shares stated in this Notice of Meeting. If this is required:

- the maximum number of Shares that the Company could be required to issue to the QuadPay Stockholders as the Merger Consideration Shares is no more than 129,423,204 Shares;
- the maximum number of New Options to be granted to the QuadPay Optionholders under Resolution 2 would be reduced such that the aggregate of the final number of the Merger Consideration Shares plus the New Options granted under Resolution 2 is capped at 129,423,204 securities; and
- the Company will either issue an addendum to this Notice of Meeting to increase the number of Merger Consideration Shares to be approved by Shareholders, or issue such additional Shares without Shareholder approval under its then available placement capacity under ASX Listing Rule 7.1.

2.3 ASX Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue or agree to issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

As the agreement to issue the Consideration Shares would have exceeded the 15% limit permitted by ASX Listing Rule 7.1, the Company agreed to issue the Consideration Shares on the condition that the Company's Shareholders approve the issue as permitted by one of the exceptions to ASX Listing Rule 7.1. The issue of the Consideration Shares therefore requires the approval of the Company's Shareholders for the purposes of ASX Listing Rule 7.1. In addition, Shareholder approval for the issue of the Consideration Shares is a condition precedent to completion of the QuadPay Acquisition.

Resolution 1 seeks the required Shareholder approval to the issue of the Consideration Shares under and for the purposes of ASX Listing Rule 7.1.

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Consideration Shares to the QuadPay Stockholders and QuadPay Founders (as applicable), even though the issue exceeds the 15% limit in ASX Listing Rule 7.1. In addition, the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Consideration Shares and accordingly the QuadPay Acquisition will not complete. Shareholder approval for the issue of the Consideration Shares is a condition precedent to completion of the QuadPay Acquisition.

2.4 Information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, the following information is provided to Shareholders:

<p>The names of the persons to whom the Company will issue the securities or the basis upon which those persons will be identified or selected</p>	<ul style="list-style-type: none"> • The Merger Consideration Shares will be issued to the QuadPay Stockholders. • The Performance Consideration Shares and the Tenure Consideration Shares will be issued to the QuadPay Founders, with each QuadPay Founder entitled to an equal share of any Performance Consideration Shares and Tenure Consideration Shares that are issued (however such is contingent on the relevant QuadPay Founder remaining employed with QuadPay or one of its affiliates on the applicable Achievement Date or Tenure Date, as relevant).
<p>The number and class of securities that the Company will issue</p>	<p>A maximum of 148,570,024 Shares, comprising a maximum of:</p> <ul style="list-style-type: none"> • 119,000,000 Shares issued as the Merger Consideration Shares; • 24,570,024 Shares issued as the Performance Consideration Shares; and • 5,000,000 Shares issued as the Tenure Consideration Shares.
<p>If the securities are not fully paid ordinary securities, a summary of the material terms of the securities</p>	<p>Fully paid ordinary shares in the capital of the Company which will rank, from the date of their issue, equally with all existing issued Shares.</p> <p>However, the QuadPay Stockholders are required to enter into voluntary escrow arrangements with the Company, under which they will be restricted from dealing with a portion of their Merger Consideration Shares, the terms of which are set out above in section 2.1(b) of this Explanatory Statement.</p>
<p>The date by which the Company will issue the securities</p>	<p>If Shareholders approve Resolution 1, the Company expects to issue:</p> <ul style="list-style-type: none"> • the Merger Consideration Shares to the QuadPay Stockholders on Completion, which the Company expects to occur during Q1 FY2021, but in any event by no later than 3 months after the date of the Meeting; • the Performance Consideration Shares to the QuadPay Founders in up to three tranches, with each tranche payable on or before the later of: <ul style="list-style-type: none"> ○ 15th September of the financial year immediately following the relevant financial year in which the applicable Achievement Date occurs; and ○ 15th March of the calendar year immediately following the relevant calendar year in which the applicable Achievement Date occurs, <p>but in any event by no later than 15 March 2023. The maximum Performance Consideration of US\$60 million, and therefore the issue of any Performance Consideration Shares, may become payable early in full or in part as a result of specific acceleration events as agreed between the parties; and</p> • the Tenure Consideration Shares to the QuadPay Founders in two tranches, with each tranche payable on or before the later of:

	<ul style="list-style-type: none"> ○ 15th September of the financial year immediately following the relevant financial year in which the applicable Tenure Date is met; and ○ 15th March of the calendar year immediately following the relevant calendar year in which the applicable Tenure Date is met, <p>but in any event by no later than 15 March 2023.</p>
The price or other consideration the Company will receive for the securities	<ul style="list-style-type: none"> • The Merger Consideration Shares will be issued at an issue price equal to the Company's volume weighted average price of its Shares on the ASX in the 15 trading days prior to Completion. • The Performance Consideration Shares will be issued at the higher of \$3.70 per Share and the Company's volume weighted average price of its Shares on the ASX in the 15 trading days prior to their applicable issue date. • The Tenure Consideration Shares will be issued at the Company's volume weighted average price of its Shares on the ASX in the 15 trading days prior to their applicable issue date.
The purpose of the issue, including the intended use of funds raised by the issue	<ul style="list-style-type: none"> • The Consideration Shares are being issued in connection with the acquisition of QuadPay under the QuadPay Acquisition Agreement. Specifically, the Performance Consideration Shares and the Tenure Consideration Shares are being issued as part of retention and incentive compensation arrangements agreed with the QuadPay Founders. • No funds will be raised from the issue of the Consideration Shares.
If the securities are being issued under an agreement, a summary of the material terms of the agreement	Refer to section 2.1 of this Explanatory Statement.

A voting exclusion statement is included in the Notice of Meeting.

2.5 Acceleration of vesting – Performance Consideration

The Performance Consideration (including any Performance Consideration Shares that may be issued to the QuadPay Founders) payable to the QuadPay Founders is subject to various acceleration events, including if a QuadPay Founder's employment with QuadPay or one of its affiliates is terminated 'without cause' by QuadPay or if a QuadPay Founder resigns under certain prescribed circumstances, in accordance with that QuadPay Founder's employment agreement prior to any Achievement Date (other acceleration events include on a change of control of the Company, or if QuadPay or the QuadPay business is sold for greater than a prescribed amount). In such a case, the QuadPay Founder's share of the maximum Performance Consideration of US\$60 million (being US\$30 million per each QuadPay Founder) (less any amounts of Performance Consideration already paid to that QuadPay Founder) will become payable by the Company to that QuadPay Founder ("**Acceleration Payment**").

(a) Corporations Act

Sections 200B and 200E of the Corporations Act provide that a listed company may only give a person holding a 'managerial or executive office' a 'benefit' in connection with their retirement or removal from office or employment if the giving of the benefit has been approved by shareholders or an exemption applies. These sections of the Corporations Act, and in particular the meaning of 'benefit', are subject to a broad interpretation.

Should any Acceleration Payment become payable on termination of a QuadPay Founder's employment with QuadPay or one of its affiliates, the value of such payment may be considered a 'benefit' for the purpose of sections 200B and 200E of the Corporations Act. Accordingly, Shareholder approval is being sought for any such benefit which either of the QuadPay Founders may receive.

If Shareholders approve Resolution 1, the maximum amount of any Acceleration Payment that may become payable to any one QuadPay Founder on termination of their employment with QuadPay will depend on a range of factors, including:

- the amount of any Performance Consideration already paid, or payable, to that QuadPay Founder, on or before the date on which that QuadPay Founder's employment is terminated;
- the reason for cessation of that QuadPay Founder's employment (for example, if it occurs because their employment agreement is terminated 'without cause' by QuadPay, or the relevant QuadPay Founder resigns under certain prescribed circumstances); and
- the date on which the QuadPay Founder's employment ceased.

Accordingly, the precise value of any Acceleration Payment cannot presently be ascertained at this time. However, in any event, the value of any Acceleration Payment payable to a QuadPay Founder will be no more than US\$ 30 million (being half of the total maximum amount of the Performance Consideration of US\$60 million payable in connection with the QuadPay Acquisition).

(b) ASX Listing Rule 10.19

ASX Listing Rule 10.19 provides that an entity must ensure that no officer of the entity or of any of its child entities will be, or may be, entitled to 'termination benefits' if the value of those benefits and the termination benefits that are or may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the ASX Listing Rules, unless the entity obtains shareholder approval for the giving of such termination benefits.

The Company is seeking Shareholder approval for the purpose of ASX Listing Rule 10.19 in respect of any Acceleration Payments which may become payable on termination of a QuadPay Founder's employment with QuadPay or one of its affiliates. As noted above, the value of any Acceleration Payment payable to any one of the QuadPay Founders depends on a number of factors. However, it is possible that the provision of any Acceleration Payment on termination of a QuadPay Founder's employment may exceed 5% of the equity interests of the Company at the relevant time.

If Resolution 1 is passed, the Company will be able to proceed with the QuadPay Acquisition and pay any Acceleration Payments which are deemed to be 'termination benefits' for the purpose of ASX Listing Rule 10.19 if and when such payment obligations arise. If Resolution 1 is not passed, the QuadPay Acquisition will not complete.

2.6 Board Recommendation

It is the view of the Directors that the QuadPay Acquisition is in the best interests of Shareholders and the Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

3 RESOLUTION 2 – APPROVAL TO GRANT OPTIONS TO THE QUADPAY OPTIONHOLDERS IN CONNECTION WITH THE QUADPAY ACQUISITION

3.1 Background and relationship with Resolution 1

As part of the QuadPay Acquisition, it is agreed that the existing vested and unvested options granted by QuadPay to its employees and other eligible persons (“**QuadPay Optionholders**”) under QuadPay’s existing employee option plan (“**QuadPay Option Plan**”) will be amended such that these options become options in the Company and will be exercisable into Shares in the Company rather than in QuadPay. To give effect to this, the Company will, in effect, be required to grant new options in the Company on Completion to the QuadPay Optionholders (“**New Options**”), which will be substantially on the same terms as their current options, except that on exercise of the New Options, the option holder will be able to purchase Shares in the Company (rather than in QuadPay).

The Company is seeking Shareholder approval for Resolution 2 in order to satisfy the Shareholder approval condition precedent under the QuadPay Acquisition Agreement (although the Company has the discretion under the QuadPay Acquisition Agreement to use its placement capacity to grant the New Options). The Company will only grant the New Options if all conditions precedent under the QuadPay Acquisition Agreement are satisfied or waived in accordance with the terms of the QuadPay Acquisition Agreement.

This Resolution 2 will only be put to a vote if Shareholders pass Resolution 1.

It is also noted that in accordance with the terms of the QuadPay Acquisition, the Company could be required to grant additional New Options to the QuadPay Optionholders beyond the maximum number of 12,000,000 New Options stated in this Notice of Meeting. If this is required, the Company will either issue an addendum to this Notice of Meeting to increase the number of New Options to be approved by Shareholders, or issue such additional New Options without Shareholder approval under its then available placement capacity under ASX Listing Rule 7.1.

3.2 Effect of ASX Listing Rule 7.1

The general effect of ASX Listing Rule 7.1 is described above in Resolution 1.

While the grant of the New Options does not exceed the 15% limit in ASX Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under ASX Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the grant of the New Options under ASX Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

To this end, Resolution 2 seeks Shareholder approval to the grant of the New Options under and for the purposes of ASX Listing Rule 7.1.

If Resolution 2 is passed, the grant of the New Options can proceed without using up any of the Company’s 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

If Resolution 2 is not passed, the grant of the New Options can still proceed at the Company’s discretion (as the Company has the right under the QuadPay Acquisition Agreement to use its placement capacity to grant the New Options) but it will reduce, to that extent, the Company’s capacity to issue equity securities without Shareholder approval under ASX Listing Rule 7.1 for 12 months following the grant of the New Options.

3.3 Information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, the following information is provided to Shareholders:

The names of the persons to whom the Company will issue the	The New Options will be issued to the QuadPay Optionholders who hold existing vested and/or unvested options in QuadPay.
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securities or the basis upon which those persons will be identified or selected	
The number and class of securities that the Company will issue	Up to a maximum of 12,000,000 New Options.
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities	A summary of the material terms of the New Options are set out in Annexure A.
The date by which the Company will issue the securities	If Shareholders approve Resolution 1 and the QuadPay Acquisition completes, the Company expects to grant the New Options on Completion of the QuadPay Acquisition, which the Company expects to occur during Q1 FY2021 subject to certain conditions, but in any event by no later than 3 months after the date of the Meeting.
The price or other consideration the Company will receive for the securities	The New Options will be granted for nil consideration.
The purpose of the issue, including the intended use of funds raised by the issue	The New Options are being granted in connection with the QuadPay Acquisition. No funds will be raised from the grant of the New Options. If applicable, any funds raised by the Company from the exercise of the New Options will be used for general working capital purposes.

A voting exclusion statement is included in the Notice of Meeting.

3.4 Board Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

4 RESOLUTIONS 3 AND 4 – APPROVAL TO ISSUE CONVERTIBLE NOTES AND WARRANTS TO THE NOTEHOLDER IN CONNECTION WITH THE CONVERTIBLE NOTE RAISING

4.1 A summary of the material terms of the Convertible Note Raising

As outlined above in section 1.2 of this Explanatory Statement, the Company has entered into an agreement with the Noteholder whereby:

- the Noteholder has agreed to subscribe for \$100 million of convertible notes (the “**Convertible Notes**”); and
- concurrently the Company has agreed to grant to the Noteholder 19,365,208 unlisted warrants to subscribe for up to 19,365,208 Shares (the “**Noteholder Warrants**”). If fully exercised at the initial exercise price¹⁵, the Noteholder Warrants will provide the Company with up to an additional \$100 million.

¹⁵ The Noteholder Warrants have an initial exercise price of \$5.1639, which represents a 40% premium to the Company’s 1-day volume weighted average price of its Shares on the ASX on 29 May 2020 (the last trading day prior to announcement of the Convertible Note Raising). However, the Exercise Price of the Noteholder Warrants is variable as described in section 4.1(b) of this Explanatory Statement.

The capital raised by the Convertible Note Raising is intended to be used to help accelerate the Company's growth in the US and other core markets.

(a) **Convertible Notes**

The following is a summary of some of the key terms of the Convertible Notes (although a more detailed summary is contained in Table 1 of Annexure B of this Explanatory Statement):

- The 1,000 Convertible Notes each have a face value of \$100,000 and a maturity date of 5 years from the issue date of the Convertible Notes (the "**Convertible Notes Issue Date**") (the "**Maturity Date**").
- The Convertible Notes will bear interest payable semi-annually at a fixed amount of \$752,690.
- At each date commencing on the date falling 6 months after the Convertible Notes Issue Date and every 6 months thereafter up to and including the Maturity Date (each, an "**Instalment Date**"), the Noteholder has the option to elect in respect of 10% of the principal amount of the Convertible Notes on the Convertible Notes Issue Date (i.e. \$10 million) together with any previously deferred amounts and any accrued and unpaid interest amount (each, an "**Instalment Amount**") to either:
 - subject to certain conditions being met, convert the Instalment Amount into Shares at prescribed conversion prices or into cash depending on the circumstances (as summarised in Table 1 of Annexure B of this Explanatory Statement); or
 - defer the conversion of the Instalment Amount to a later Instalment Date (up until the Maturity Date).

If no decision is made by the Noteholder at an Instalment Date, the Instalment Amount will be deferred automatically to a later Instalment Date (up until the Maturity Date). If the Noteholder defers the payment of each Instalment Amount until the Maturity Date, the Company will redeem each Convertible Note at its face value so that the aggregate cash payment received by the Noteholder is \$100 million plus all accrued interest.

- The Noteholder may also convert the Convertible Notes into Shares after the occurrence of certain prescribed events at prescribed conversion prices depending on the circumstances (as summarised in Table 1 of Annexure B of this Explanatory Statement).
- The Convertible Notes have an initial conversion price of \$5.5328, which represents a 50% premium to the Company's 1-day volume weighted average price of its Shares on the ASX on 29 May 2020 (the last trading day prior to announcement of the Convertible Note Raising). However, the conversion price resets semi-annually to a price equal to 93% of the then prevailing 'current market price'¹⁶ of the Company's Shares on the ASX, subject to a minimum price of \$1.8443 (the "**Floor Price**") and a maximum price equal to the initial conversion price of \$5.5328 (the "**Ceiling Price**").¹⁷ Importantly, the conversion price, Floor Price and Ceiling Price are each subject to adjustments on the occurrence of certain dilutive events, as detailed in Table 1 of Annexure B of this Explanatory Statement.

(b) **Noteholder Warrants**

The following is a summary of some of the key terms of the Noteholder Warrants (although a more detailed summary is contained in Annexure C of this Explanatory Statement):

- Each Noteholder Warrant has a variable Exercise Price, being the lessor of:

¹⁶ All references in this Notice to the 'current market price' is as defined in the terms of the Convertible Notes but generally means in respect of a Share on a particular date, the lower of: (a) the closing price of the Share on the trading day immediately preceding such date; and (b) the arithmetic average of the 5 volume weight average prices for the Shares immediately preceding such date (subject to certain prescribed adjustments).

¹⁷ The Floor Price and Ceiling Price have been calculated, respectively, as a 50% discount or 50% premium to the Company's closing volume weighted average price of its Shares on the ASX on 29 May 2020 of \$3.6885, being the last trading day before announcement of the Convertible Note Raising.

- an initial exercise price of \$5.1639, which represents a 40% premium to the Company's 1-day volume weighted average price of its Shares on the ASX on 29 May 2020 (the last trading day prior to announcement of the Convertible Note Raising); and
- the price at which any equity securities are issued by the Company below this initial exercise price of \$5.1639 (other than any Excluded Securities).

If fully exercised at the initial exercise price, the Warrants will raise an additional \$100 million.

- The Noteholder Warrants have a 3 year exercise period.
- The Noteholder Warrants also have certain adjustment and anti-dilution provisions, as detailed in Annexure C of this Explanatory Statement.

(c) **Conditions precedent**

The Convertible Note Raising (including the issue of the Convertible Notes and the grant of the Noteholder Warrants) is subject to a number of conditions precedent being satisfied or waived, including, among others:

- Shareholders approving the issue of the Convertible Notes as proposed by Resolution 3 and the grant of the Noteholder Warrants as proposed by Resolution 4; and
- no "material adverse event" occurring in respect of the Company prior to completion of the Convertible Note Raising, which is limited to the Company's Shares not being suspended from trading on ASX for more than 2 trading days (except where all listed companies on ASX are so affected) or the volume of the Company's Shares traded on ASX over any 2 consecutive trading days not being less than 2 million Shares in aggregate.

The Company notes that the funds to be raised pursuant to the Convertible Note Raising will not be available to the Company, nor will the Convertible Notes and Noteholder Warrants be issued, until Shareholder approval has been obtained for the purposes of ASX Listing Rule 7.1 as proposed by Resolutions 3 and 4.

4.2 Relationship between Resolutions 3 and 4

Shareholder approval for the issue of the Convertible Notes and the grant of the Noteholder Warrants is a condition precedent to completion of the Convertible Note Raising. Accordingly, Resolutions 3 and 4 are conditional on each other. To this end

- if Shareholders do not approve Resolution 3, Resolution 4 will not be put to a vote and the Convertible Note Raising will not complete; and
- if Shareholders approve Resolution 3, but do not approve Resolution 4, the Convertible Note Raising will not complete.

The Company notes that the funds to be raised pursuant to the Convertible Note Raising will not be available to the Company, nor will the Convertible Notes and Noteholder Warrants be issued, until Shareholder approval has been obtained for the purposes of ASX Listing Rule 7.1 as proposed by Resolutions 3 and 4.

Resolutions 3 and 4 are not conditional on the passing of the other Resolutions.

4.3 Resolutions 3 and 4 - ASX Listing Rule 7.1

The general effect of ASX Listing Rule 7.1 is described above in Resolution 1.

As the agreement to issue the Convertible Notes and the Noteholder Warrants would have exceeded the 15% limit permitted by ASX Listing Rule 7.1, the Company agreed to issue the Convertible Notes and the Noteholder Warrants on the condition that the Company's Shareholders approve the issue as permitted by one of the exceptions to ASX Listing Rule 7.1. The issue of the Convertible Notes and the Noteholder Warrants therefore requires the approval of the Company's Shareholders for the purposes of ASX Listing Rule 7.1. In addition,

Shareholder approval for the issue of the Convertible Notes and Noteholder Warrants is a condition precedent to completion of the Convertible Note Raising.

To this end:

- Resolution 3 seeks Shareholder approval to the issue of the Convertible Notes under and for the purpose of ASX Listing Rule 7.1; and
- Resolution 4 seeks Shareholder approval to the grant of the Noteholder Warrants under and for the purposes of ASX Listing Rule 7.1.

If Resolutions 3 and 4 are passed:

- the Company will be able to proceed with the issue of the Convertible Notes and Noteholder Warrants, even though the issue of the Convertible Notes and Noteholder Warrants exceeds the 15% limit in ASX Listing Rule 7.1;
- the Convertible Notes and Noteholder Warrants will not reduce the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1; and
- the Company can rely on ASX Listing Rule 7.2 exception 9 to issue any Shares on conversion of the Convertible Notes or exercise of the Noteholder Warrants and no further approvals of Shareholders under ASX Listing Rule 7.1 will be required no matter when conversion of the Convertible Notes or exercise of the Noteholder Warrants occurs.

If Resolutions 3 and 4 are not passed, the Company will not be able to proceed with the issue of the Convertible Notes or the Noteholder Warrants and accordingly the Convertible Note Raising will not complete.

4.4 Resolution 4 - ASX Listing Rule 6.23.2

ASX Listing Rule 6.23.2 provides (among other things) that a change which has the effect of cancelling an option for consideration cannot be made without the approval of shareholders. The Noteholder Warrants are 'options' for the purpose of the ASX Listing Rules.

The terms of the Noteholder Warrants provide that if there is a 'change of control' of the Company (as defined in the terms of the Noteholder Warrants, which includes if 50% of the Shares are acquired under a takeover bid or if a scheme of arrangement in respect of the Company is approved), the holder of a Noteholder Warrant may elect to have the Noteholder Warrants that it holds cancelled by the Company, and receive an amount equal to the value of such Noteholder Warrants, calculated in accordance with the Black-Scholes option pricing model ("**Change of Control Amount**").

The Company is seeking Shareholder approval for the cancellation of the Noteholder Warrants in consideration for the Change of Control Amount, for the purpose of ASX Listing Rule 6.23.2, if there is a 'change of control' of the Company and the holder of the Noteholder Warrants elects to cancel the Noteholder Warrants that it holds in accordance with their terms.

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Noteholder Warrants and pay any Change of Control Amount if there is 'change of control' of the Company and such payment obligations arise. If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Noteholder Warrants and accordingly the Convertible Note Raising will not complete.

4.5 Resolutions 3 and 4 - Information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, the following information is provided to Shareholders:

(a) in respect of Resolution 3 in relation to the proposed issue of the Convertible Notes:

The names of the persons to whom the Company will issue the securities or the basis	CVI Investments, Inc., an affiliate of Heights Capital Management, which is part of the US-based Susquehanna International Group, LLP.
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upon which those persons will be identified or selected	
The number and class of securities that the Company will issue	1,000 Convertible Notes.
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities	A summary of the material terms of the Convertible Notes is set out in Table 1 of Annexure B.
The date by which the Company will issue the securities	If Shareholders approve Resolution 3 and 4 and the Convertible Note Raising completes, the Company expects to issue the Convertible Notes on completion of the Convertible Note Raising, which is expected to be 5 business days after the date on which the last of the conditions precedent to the subscription agreement in respect of the Convertible Note Raising are satisfied (or waived or amended), but in any event by no later than 3 months after the date of the Meeting.
The price or other consideration the Company will receive for the securities	\$100 million.
The purpose of the issue, including the intended use of funds raised by the issue	The purpose of the issue of the Convertible Notes is to raise funds to help accelerate the Company's growth in the US and other core markets, including: <ul style="list-style-type: none"> • to support the US platform (QuadPay); • to support continued growth in Australia and New Zealand, including debt funding requirements; • to further new Australian and Global initiatives; and • for general purposes and transaction related expenses.

(b) in respect of Resolution 4 in relation to the proposed grant of the Noteholder Warrants:

The names of the persons to whom the Company will issue the securities or the basis upon which those persons will be identified or selected	CVI Investments, Inc., an affiliate of Heights Capital Management, which is part of the US-based Susquehanna International Group, LLP.
The number and class of securities that the Company will issue	19,365,208 unlisted warrants.
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities	A summary of the material terms of the Noteholder Warrants is set out in Annexure C.

The date by which the Company will issue the securities	If Shareholders approve Resolutions 3 and 4 and the Convertible Note Raising completes, the Company expects to issue the Noteholder Warrants on completion of the Convertible Note Raising, which is expected to be 5 business days after the date on which the last of the conditions precedent to the subscription agreement in respect of the Convertible Note Raising are satisfied (or waived or amended), but in any event by no later than 3 months after the date of the Meeting.
The price or other consideration the Company will receive for the securities	The Noteholder Warrants will be granted for nil cash consideration.
The purpose of the issue, including the intended use of funds raised by the issue	The Noteholder Warrants are being granted in connection with the issue of the Convertible Notes. No funds will be raised from the grant of the Noteholder Warrants. If applicable, any funds raised by the Company from the exercise of the Noteholder Warrants will be used for general working capital purposes.

A voting exclusion statement is included in the Notice of Meeting.

4.6 Board Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 3 and 4.

5 RESOLUTIONS 5, 6 AND 7 – RATIFICATION OF THE PRIOR ISSUE OF SHARES UNDER THE PLACEMENT, RATIFICATION OF THE PRIOR ISSUE OF WARRANTS TO AN AFFILIATE OF AMAZON IN CONNECTION WITH THE STRATEGIC AGREEMENT WITH AMAZON AND RATIFICATION OF THE PRIOR ISSUE OF SHARES TO SPOTCAP VENDORS IN CONNECTION WITH THE SPOTCAP ACQUISITION

5.1 Background to Resolutions 5, 6 and 7

(a) About the Placement

On 2 December 2019, the Company announced that it had secured commitments to raise \$60 million before costs via a placement of 16,216,216 Shares (the “**Placement Shares**”) to new and existing institutional, sophisticated and professional investors (the “**Placement**”).

The issue price for the Placement Shares was \$3.70 per Share, which represented a 5.6% discount to the last traded price of the Company’s Shares on 28 November 2019 and a 4.7% discount to the previous 10-day volume weighted average price of the Company’s Shares trading on the ASX up to and including 28 November 2019.

On 5 December 2019, the Company successfully completed the Placement and the Placement Shares were issued in accordance with ASX Listing Rule 7.1.

The issue of the Placement Shares did not require Shareholder approval as the number of Shares issued was within the Company’s 15% limit under ASX Listing Rule 7.1.

(b) About the Strategic Agreement with Amazon and the Amazon Warrants

On 7 November 2019, the Company announced that it had entered into a strategic agreement with Amazon Commercial Services Pty Ltd (“**Amazon**”), pursuant to which the Company’s payment platform was made available as a payment option for customers shopping on Amazon.com.au (“**Strategic Agreement**”).

In connection with the Strategic Agreement, the Company announced that it had issued warrants to an affiliate of Amazon to acquire 14,615,000 Shares (the “**Amazon Warrants**”). The exercise price for each Amazon Warrant is \$4.70, being the volume weighted average

closing price of the Company's shares on the ASX for the 20-trading days prior to 31 October 2019.

25% of the Amazon Warrants (i.e. 3,653,750 Amazon Warrants) vested concurrently with the Company's entry into the Strategic Agreement, with the remainder of the Amazon Warrants being subject to vesting milestones based on processed volumes. The Amazon Warrants may be exercised any time until 7 November 2026 (subject to the applicable vesting criteria being met), except that the unvested Amazon Warrants are subject to early expiration in certain circumstances, including in the event that the applicable vesting milestones are not met by specified dates.

The issue of the Amazon Warrants did not require Shareholder approval as the number of securities issued was within the Company's 15% limit under ASX Listing Rule 7.1.

(c) **About the SpotCap Acquisition**

On 6 September 2019, the Company announced that it had entered into an agreement to acquire the Australian and New Zealand businesses ("**SpotCap ANZ**") of global SME lending provider SpotCap, providing the Company with significant capability in the small and medium-sized enterprise credit space ("**SpotCap Acquisition**").

On 7 November 2019, in consideration for the SpotCap Acquisition, the Company issued 2,576,643 Shares to various vendors ("**SpotCap Vendors**") at an issue price of \$3.425 per Share, representing total consideration of \$8.825 million ("**SpotCap Shares**").

The issue of the SpotCap Shares did not require Shareholder approval as the number of securities issued was within the Company's 15% limit under ASX Listing Rule 7.1.

5.2 ASX Listing Rules 7.1 and 7.4 and purpose of Resolutions 5, 6 and 7

The general effect of ASX Listing Rule 7.1 is described above in Resolution 1.

The issue of the Placement Shares, the Amazon Warrants and the SpotCap Shares do not fit within any of the exceptions to ASX Listing Rule 7.1 and, as these issues have not yet been approved by the Company's Shareholders, they effectively use up part of the 15% limit in ASX Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without shareholder approval under ASX Listing Rule 7.1 for the 12 month period following the date on which each of those securities were issued.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under ASX Listing Rule 7.1.

To this end, Resolutions 5, 6 and 7 seek Shareholder approval to the following issues of securities under and for the purposes of ASX Listing Rule 7.4:

- under Resolution 5, the issue of the Placement Shares;
- under Resolution 6, the issue of the Amazon Warrants; and
- under Resolution 7, the issue of the SpotCap Shares.

Resolutions 5, 6 and 7 are separate Resolutions.

5.3 What is the effect of Resolutions 5, 6 and 7?

If either Resolution 5, 6 or 7 is passed, the issue of the Placement Shares, the Amazon Warrants or Spotcap Shares (as the case may be) will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date of the Placement Shares, Amazon Warrants or Spotcap Shares (as applicable).

If either Resolution 5, 6 or 7 is not passed, the issue of the Placement Shares, the Amazon Warrants or Spotcap Shares (as the case may be) will be included in calculating the

Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date of the Placement Shares, Amazon Warrants or Spotcap Shares (as applicable).

The Directors consider that it is appropriate and prudent for approval to be sought in respect of the issue of all of the Placement Shares, the Amazon Warrants and the Spotcap Shares, as this approval (under Resolutions 5, 6 and 7) will enhance the Company's flexibility to raise further equity capital and issue new securities, should the Directors consider that it is in the best interests of the Company to do so.

5.4 Information required by ASX Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the following information is provided to Shareholders:

(a) in respect of Resolution 5 in relation to the prior issue of the Placement Shares:

The names of the persons to whom the Company issued the securities or the basis upon which those persons were identified or selected	Certain institutional, sophisticated and professional investors determined with BofA Securities and Shaw and Partners as Joint Lead Managers of the Placement.
The number and class of securities the Company issued	16,216,216 Shares.
The date on which the securities were issued	5 December 2019.
The price or other consideration the Company has received for the issue	\$3.70 per Share.
The purpose of the issue, including the use or intended use of the funds raised by the issue	The purpose of the issue of the Placement Shares was to raise funds. The funds raised have been, and will be, used to fund the Company's expansion into the UK market, expand its product range, increase investment into the its products and technology, and strengthen its balance sheet.

(b) in respect of Resolution 6 in relation to the prior issue of the Amazon Warrants:

The names of the persons to whom the Company issued the securities or the basis upon which those persons were identified or selected	Amazon.com NV Investment Holdings LLC, an affiliate of Amazon.
The number and class of securities the Company issued	14,615,000 unlisted warrants.
If the securities are not fully paid ordinary securities, a summary	Unlisted warrants, with an exercise price of \$4.70 per Amazon Warrant, an expiry date of 7 November 2026 (unless expired earlier in accordance with their terms, including in the event that the applicable vesting milestones are not met by specified dates).

of the material terms of the securities	3,653,750 of the warrants are vested whilst 10,961,250 of the warrants are subject to various vesting conditions.
The date on which the securities were issued	7 November 2019.
The price or other consideration the Company has received for the issue	The Amazon Warrants were issued in connection with the Strategic Agreement entered into by the Company with Amazon. The Amazon Warrants were issued for nil cash consideration.
The purpose of the issue, including the use or intended use of the funds raised by the issue	The Amazon Warrants were issued in connection with the Strategic Agreement entered into by the Company with Amazon. No funds were raised from the issue of the Amazon Warrants. If applicable, any funds raised by the Company from the exercise of the Amazon Warrants are intended to be used for general working capital purposes and/or to further new initiatives.

(c) in respect of Resolution 7 in relation to the prior issue of the SpotCap Shares:

The names of the persons to whom the Company issued the securities or the basis upon which those persons were identified or selected	The SpotCap Vendors.
The number and class of securities the Company issued	2,576,643 Shares.
The date on which the securities were issued	7 November 2019.
The price or other consideration the Company received for the issue	\$3.425 per Share.
The purpose of the issue, including the use or intended use of the funds raised by the issue	The SpotCap Shares were issued as consideration for the acquisition of SpotCap ANZ under the SpotCap Acquisition. No funds were raised from the issue of the SpotCap Shares.

A voting exclusion statement is included in the Notice of Meeting.

5.5 Board Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 5, 6 and 7.

ENQUIRIES

Shareholders may contact the Company Secretary if they have any queries in respect of the matters set out in these documents.

David Franks

Company Secretary
Zip Co Limited

Tel: +61 2 8098 1169

Email: David.Franks@atomicgroup.com.au

GLOSSARY

In this Explanatory Statement and the Notice of Meeting, the following terms have the following meanings unless the context otherwise requires:

\$ means Australian dollars and **US\$** means US dollars.

Acceleration Event has the meaning given to the term in Annexure B.

Acceleration Payment has the meaning given to the term in section 2.5.

Achievement Date has the meaning given to the term in section 2.1.

Amazon means Amazon Commercial Services Pty Ltd.

Amazon Warrants has the meaning given to that term in section 5.1.

ASX means ASX Limited (ABN 98 008 624 691), and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

BNBL means “Buy Now, Pay Later”.

Board means the board of Directors of the Company as constituted from time to time.

Ceiling Price means \$5.5328, as adjusted in accordance with the terms of the Convertible Notes.

Change of Control Amount has the meaning given to that term in section 4.4.

Company means Zip Co Limited (ACN 139 546 428).

Completion has the meaning given to the term in section 2.1.

Consideration Shares means the Merger Consideration Shares, the Performance Consideration Shares and the Tenure Consideration Shares.

Convertible Note Raising has the meaning given to that term in section 1.2.

Convertible Notes has the meaning given to that term in section 4.1.

Convertible Notes Issue Date has the meaning given to that term in section 4.1.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company.

Escrow Agent means Computershare Trust Company, N.A.

Excluded Securities include certain issues of securities by the Company for prescribed business as usual and agreed strategic transactions, including:

- (a) Shares and other equity-linked securities issued after the Convertible Notes Issue Date with an aggregate principal amount of \$30 million or less;
- (b) equity-linked securities existing as at the Convertible Notes Issue Date (including Shares issued upon the conversion or exercise of such securities) or issued after such date to directors, officers or employees of the Company or its subsidiaries or to other permitted persons pursuant to a Company employee incentive plan;
- (c) Shares issued upon the conversion or exercise of equity-linked securities issued prior to the Convertible Notes Issue Date;

- (d) Shares issued pursuant to the conversion of the Convertible Notes and/or exercise of the Noteholder Warrants;
- (e) Shares and other equity-linked securities issued to strategic merchant partners; and
- (f) Shares and other equity-linked securities issued as consideration in connection with any merger or acquisition which is: (i) not deemed to be a change of control of the Company; and (ii) not primarily for the purposes of raising funds for or on behalf of the Company or any of its subsidiaries.

Exercise Price has the meaning given to that term in Annexure C.

Explanatory Statement means the Explanatory Statement accompanying this Notice of Meeting.

Floor Price means \$1.8443, as adjusted in accordance with the terms of the Convertible Notes.

Instalment Amount has the meaning given to that term in section 4.1(a) and Table 1 of Annexure B.

Instalment Date has the meaning given to that term in section 4.1.

Maturity Date has the meaning given to that term in section 4.1.

Meeting means the extraordinary general meeting of Shareholders convened by this Notice of Meeting.

Merger Consideration Shares has the meaning given to that term in section 1.1.

New Options has the meaning given to the term in section 3.1.

Noteholder means the person registered as the holder of a Convertible Note, which shall initially be CVI Investments, Inc. (an affiliate of Heights Capital Management, which is part of Susquehanna International Group, LLP).

Noteholder Warrants has the meaning given to the term in section 4.1.

Notice or **Notice of Meeting** means this Notice of Extraordinary General Meeting, including the Explanatory Statement and the Proxy Form.

Performance Consideration has the meaning given to that term in section 2.1.

Performance Consideration Shares has the meaning given to that term in section 2.1.

Placement has the meaning given to that term in section 5.1.

Placement Shares has the meaning given to that term in section 5.1.

Proxy Form means the proxy form attached to this Notice of Meeting.

QuadPay means QuadPay Inc.

QuadPay Acquisition has the meaning given to the term in section 1.1.

QuadPay Acquisition Agreement has the meaning given to the term in section 1.1.

QuadPay Founders has the meaning given to that term in section 1.1 (being the co-founders and joint CEOs of QuadPay, Adam Ezra and Brad Lindenberg).

QuadPay Optionholders has the meaning given to the term in section 3.1.

QuadPay Option Plan has the meaning given to the term in section 3.1.

QuadPay Stockholders means the stockholders of QuadPay.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

SpotCap Acquisition has the meaning given to the term in section 5.1.

SpotCap ANZ has the meaning given to the term in section 5.1.

SpotCap Shares has the meaning given to the term in section 5.1.

Spotcap Vendors has the meaning given to the term in section 5.1.

Strategic Agreement has the meaning given to the term in section 5.1.

Substitute Property has the meaning given to the term in Annexure C.

Susquehanna means Susquehanna International Group LLP.

TTV means total transactions volume.

ANNEXURE A: MATERIAL TERMS OF NEW OPTIONS

TABLE 1: Material Terms

Issue price	The New Options will be granted for nil consideration.
Exercise price	The exercise price for each New Option is set out in the third column of Table 2 of this Annexure A.
Who can exercise the New Options?	Each New Option can be exercised by the holder of the respective New Option, being the relevant QuadPay Optionholder.
Entitlement	Each New Option entitles its holder, upon vesting and exercise of that New Option, to one Share.
Expiry date	<p>Each New Option expires on the earlier of:</p> <p>(a) the expiry date of the New Option, set out in the fourth column of Table 2 of this Annexure A; and</p> <p>(b) the date on which the New Option otherwise lapses in accordance with the terms of the Award Agreement between the Company and the relevant QuadPay Optionholder and the terms of the QuadPay Option Plan.</p> <p>Upon satisfaction of any 'vesting conditions' as detailed below, a New Option can be exercised by the holder at any time before the New Option expires.</p>
Vesting conditions	New Options may be subject to certain 'vesting conditions', generally based on tenure requirements, as were determined by the board of QuadPay at the time that the existing options in QuadPay were granted to the relevant QuadPay Optionholder (noting that some of the New Options will not be subject to vesting conditions where the existing options granted to the relevant QuadPay Optionholder has already vested).
Quotation of New Options and Shares issued on exercise of New Options	<ul style="list-style-type: none"> • Each New Option will not be quoted on the ASX, unless the Board determines otherwise. • The Company will apply for quotation on the ASX of each Share issued on exercise of a New Option.
Restrictions on transfer	<ul style="list-style-type: none"> • Each New Option may not be transferred unless permitted by the Board or as may be required by law. • Each Share issued on exercise of a New Option may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered by the holder for a period of 12 months from the date of issue, without the prior approval of the Board. During this period, the Company may place a holding lock on those Shares.
Participation in new issues	Subject to any applicable laws and the ASX Listing Rules, unless the Board determines otherwise, the holder of a New Option is only entitled to participate in a new issue of shares by the Company if the holder has validly exercised the holder's New Option and become a Shareholder of the Company prior to the relevant record date, and is then only entitled to participate in relation to Shares of which the holder is the registered holder.

Reorganisation of capital	If there is any reorganisation of the issued share capital of the Company, the rights of the holders of each New Option will be changed to the extent necessary to comply with the ASX Listing Rules.
Governing law	Delaware.

TABLE 2: Details of New Options

The table below sets out the details of the New Options.¹⁸

Description of New Options	Expiry Date	Maximum number of New Options
New Options with an exercise price of USD\$0.0400 (refer to footnote 18 in relation to the exercise price)	28/05/2028	35,824
	17/06/2028	31,048
	8/07/2028	477,679
	9/07/2028	131,361
	30/08/2028	28,660
	15/10/2028	35,824
	21/10/2028	71,652
	5/11/2028	155,246
	31/12/2028	40,484
	3/04/2022	54,590
New Options with an exercise price of USD\$0.0909 (refer to footnote 18 in relation to the exercise price)	16/12/2028	19,654
	7/01/2029	87,715
	13/01/2029	75,910
	13/01/2029	40,484
New Options with an exercise price of USD\$0.1200 (refer to footnote 18 in relation to the exercise price)	31/08/2029	89,433
	23/04/2029	85,324
	28/04/2029	10,025
	5/05/2029	84,888
	8/05/2029	27,426
	15/05/2029	85,324
	19/05/2029	45,575
	9/06/2029	30,992
	14/07/2029	19,598
	7/08/2029	28,863

¹⁸ The exercise price of each New Option set out in this table is: (i) the minimum exercise price, noting that the final exercise price will be determined at completion of the QuadPay Acquisition and may be greater in accordance with the terms of the QuadPay Acquisition Agreement; and (ii) expressed in American dollars and will be converted to Australian dollars at the time of exercise of that New Option at a prescribed exchange rate in accordance with the terms of the QuadPay Option Plan.

	20/08/2029	6,069
	25/08/2029	191,638
	2/09/2029	38,327
	15/09/2029	7,026
	22/09/2029	166,088
	6/10/2029	86,877
	9/10/2029	274,045
	15/10/2029	191,638
	10/06/2029	109,699
	10/06/2029	6,456,733
New Options with an exercise price of USD\$0.3491 (refer to footnote 18 in relation to the exercise price)	31/10/2029	191,638
	10/11/2029	102,463
	1/12/2029	113,153
	9/12/2029	28,040
	25/12/2029	35,531
	26/12/2029	11,646
	5/01/2030	106,363
	26/01/2030	438,073
	1/03/2030	28,261
	29/03/2030	27,784
	21/05/2030	199,971
	24/10/2029	19,982
	20/10/2029	1,093,630
	26/01/2030	249,786
	28/05/2030	31,937
	TOTAL	

ANNEXURE B: MATERIAL TERMS OF CONVERTIBLE NOTES

TABLE 1: Material Terms

Face value	Each Convertible Note has a face value of \$100,000 (with an aggregate face value of \$100 million for all of the Convertible Notes).
Who can convert the Convertible Notes	Each Convertible Note can be converted by the Noteholder in accordance with the terms of the Convertible Notes.
Entitlement	<p>Subject as provided in the terms and conditions of the Convertible Notes, each Convertible Note entitles the Noteholder to convert each Convertible Note at the then applicable conversion price, into Shares credited as fully-paid.</p> <p>Specifically, if converted into Shares, each Convertible Note entitles its holder to such number of Shares calculated in accordance with the following formula:</p> $N = \frac{FV}{C}$ <p>where:</p> <ul style="list-style-type: none"> • N = the number of Shares to be issued by the Company, rounded down to the nearest whole number; • FV = the aggregate outstanding face value of the Convertible Notes and any accrued interest to be converted on the applicable conversion date (subject to the terms and conditions of the Convertible Notes, as summarised in this Annexure B); and • C = the relevant 'conversion price' as summarised in this Annexure B. <p>Refer to Table 2 of Annexure B for worked examples showing how the conversion formula operates in practice.</p>
Maturity Date	The Convertible Notes have a Maturity Date of 5 years from the Convertible Notes Issue Date.
Interest	The Convertible Notes bear interest payable semi-annually at a fixed amount of \$752,690, commencing on the date falling 6 months after the Convertible Notes Issue Date and every 6 months thereafter up to and including the Maturity Date (each, being an Instalment Date).
Semi-annual conversion	<p>At each Instalment Date, the Noteholder has the option to elect in respect of 10% of the principal amount of the Convertible Notes on the Convertible Notes Issue Date (i.e. \$10 million) together with any previously deferred amounts and any accrued and unpaid interest (each, an "Instalment Amount"), to either:</p> <ul style="list-style-type: none"> • defer the conversion of the Instalment Amount to a later Instalment Date (up until the Maturity Date); or • subject to certain conditions being met, to convert the Instalment Amount into Shares at the prevailing 'current market price'¹⁹ of Shares, except:

¹⁹ Refer to footnote 16 above.

	<ul style="list-style-type: none"> ○ if the prevailing “conversion price” (as described below)²⁰ is at or above the Ceiling Price, in which case the conversion price will be equal to the Ceiling Price divided by 93%; or ○ if the prevailing “conversion price” (as described below)²¹ is at or below the Floor Price, then this Instalment Amount will be paid by the Company in cash. <p>If no decision is made by the Noteholder at an Instalment Date, the Instalment Amount will be deferred automatically to a later Instalment Date (up until the Maturity Date). If the Noteholder defers the payment of each Instalment Amount until the Maturity Date, the Company will redeem each Convertible Note at its face value so that the aggregate cash payment received by the Noteholder is \$100 million plus all accrued interest.</p>
<p>Conversion price, Floor Price, Ceiling Price and adjustments</p>	<ul style="list-style-type: none"> • The initial conversion price of the Convertible Notes is \$5.5328.²² • The conversion price resets semi-annually at each Instalment Date to a price equal to 93% of the prevailing ‘current market price’ of the Company’s Shares, except that the conversion price is at all times subject to a Floor Price of \$1.8443 and a maximum Ceiling Price of \$5.5328. • The conversion price is adjustable on the occurrence of certain standard dilutive events, including for stock splits, consolidations, capitalisation of profits or reserves, cash dividends and capital distributions in relation to the Company’s Shares and issues of Shares or other equity securities by the Company (other than any Excluded Securities) at a price per Share less than the then ‘current market price’. Similarly, the Floor Price and Ceiling Price are subject to adjustment for such dilutive events. In addition, if a reorganisation occurs in respect of the Company, the Convertible Notes must be treated in accordance with the ASX Listing Rules. Examples of the adjustments to the conversion price is contained in Table 3 of Annexure B of this Explanatory Statement. • Notwithstanding the Company’s ASX announcement and investor presentation on 2 June 2020, the parties have agreed that the prevailing conversion price will not be reduced to the effective price of any issue of equity securities (other than Excluded Securities) by the Company below the Ceiling Price subject to a minimum price of the Floor Price at the time. There will however be an adjustment to the conversion price where such issues are made at a price below the ‘current market price’ at the time of the issue.
<p>Acceleration of conversion rights</p>	<p>The conversion rights of the Convertible Notes will be accelerated (and will entitle the holder to convert the Convertible Notes at its election) on the occurrence of certain prescribed events, including, amongst others (each, an “Acceleration Event”):</p> <ul style="list-style-type: none"> • if the prevailing price of the Company’s Shares is equal to or above the Ceiling Price, in which case the conversion price will be equal to the Ceiling Price at the time;

²⁰ The Company notes that its ASX announcement and investor presentation on 2 June 2020 incorrectly described this term of the Convertible Notes by referring to the Company’s share price as the reference point instead of the “prevailing conversion price” as now corrected in this Explanatory Statement.

²¹ Refer to footnote 20 above.

²² This initial conversion price represents a 50% premium to the Company’s 1-day volume weighted average price of its Shares on the ASX on 29 May 2020 (the last trading day prior to announcement of the Convertible Note Raising).

	<ul style="list-style-type: none"> • at any time from 3 years after the Convertible Notes Issue Date, in which case the conversion price will be at the prevailing conversion price as from time to time reset or adjusted; • if the Company issues any equity securities (other than any Excluded Securities) at a price below the Ceiling Price, in which case the conversion price will be at the prevailing conversion price as from time to time reset or adjusted²³; • if a 'change of control' or certain prescribed events of default occur in relation to the Company, in which case the conversion price will be at the prevailing conversion price as from time to time reset or adjusted; and • if the Company changes its tax jurisdiction or domicile, in which case the conversion price will be at the prevailing conversion price as from time to time reset or adjusted. <p>The above conversion rights are at all times subject to a minimum conversion price equal to the Floor Price at the time, and will be satisfied for as many Shares in the Company as possible subject to the ownership cap described below.</p> <p>Separately, at any time during the period (i) from month 12 to 18 and (ii) from month 18 to 24, after the Convertible Notes Issue Date, the Noteholder also has the option to accelerate the payment of up to 2 Instalment Amounts (together with any interest amounts attached to these Instalment Amounts and any amounts previously deferred) on the following terms:</p> <ul style="list-style-type: none"> • the Instalment Amounts can only be satisfied by the issue of Shares; and • the conversion price will be the 'current market price' on the second or third Instalment Date (as the case may be) (or if such date falls on an Instalment Date, the 'current market price' on such date), subject in each case to the Ceiling Price and the Floor Price.
Maximum dilution and ownership cap	<ul style="list-style-type: none"> • The maximum number of Shares that can be issued on conversion of the Convertible Notes is capped at 58,302,282²⁴ Shares (unless the Floor Price is adjusted in accordance with its terms). • The holder of the Convertible Notes is subject to a maximum ownership cap in the Company of 19.99% of the voting power. In the event that Convertible Notes become fully convertible, conversion will first be into as many Shares as possible given this cap, with the remainder paid by the Company in cash.
Redemption rights	<p>The Convertible Notes also entitle the holder of the Convertible Notes at its election to specific redemption payments if a 'change of control' in the Company or certain prescribed events of default occur, such payments calculated in accordance with prescribed formulas.</p>
Quotation of Convertible Notes and Shares issued on	<ul style="list-style-type: none"> • Each Convertible Note will not be quoted on the ASX.

²³ The Company notes that its ASX announcement and investor presentation on 2 June 2020 described that in these circumstances the conversion price will be reduced to the effective price of such equity securities issue (but subject to a minimum price equal to the Floor Price at the time). This is no longer the case as the parties have agreed that this "full ratchet" adjustment to the conversion price will no longer apply (as noted in Table 1 in Annexure B) and that an adjustment will be made to the conversion price where such issues are made at a price below the market price at the time of such issue.

²⁴ The Company notes that its ASX announcement and investor presentation on 2 June 2020 incorrectly described the maximum number of Shares that can be issued on conversion of the Convertible Notes as 57,064,630 Shares.

conversion of Convertible Notes	<ul style="list-style-type: none">• The Company will apply for quotation on the ASX of each Share issued on exercise of a Convertible Note.
Governing law	New South Wales.

TABLE 2: Examples of how the Convertible Notes convert at different conversion prices

The examples in the table below are provided for illustrative purposes only and have been simplified for this purpose. To the extent of any inconsistency, the terms of the Convertible Notes prevail.

1 Examples of semi-annual conversion of Instalment Amount

The following examples assume that the Instalment Amount:

- is not deferred to a later Instalment Date (up until the Maturity Date) and the Noteholder makes an election to convert the Instalment Amount into Shares or redeem for cash in accordance with the terms of the Convertible Notes; and
- does not include any previously deferred amounts.

Prevailing 'current market price' of Shares (refer to footnote 16)	Example of conversion into Shares or redemption for cash
Below or at the Floor Price (of \$1.8443) ²⁵	The Instalment Amount comprising of \$10,000,000 plus interest of \$752,690 is paid in cash by the Company.
Between the Floor Price and the Ceiling Price – assuming \$4.00 for example purposes only	The Instalment Amount comprising of \$10,000,000 plus interest of \$752,690 (first paid and then automatically applied to the subscription price for Shares) such that the total Instalment Amount of \$10,752,690 is converted into Shares as follows: = \$10,752,690 / \$4.00 = 2,688,172 Shares.
At or above the Ceiling Price (of \$5.5328) ²⁶	The Instalment Amount comprising of \$10,000,000 plus interest of \$752,690 (first paid and then automatically applied to the subscription price for Shares) such that the total Instalment Amount of \$10,752,690 is converted into Shares as follows: = \$10,752,690 / (\$5.5328 / 0.93) = 1,807,403 Shares.

2 Examples of acceleration of conversion rights of Convertible Notes

The Noteholder may at its election accelerate conversions in certain prescribed circumstances. The following examples assume that the entire face value of the Convertible Notes of \$100 million remain outstanding at the time that the relevant Acceleration Event occurs (but excludes the treatment of any accrued interest at the time, which will also convert into Shares at the relevant conversion price).

Prevailing 'current market price' of Shares (refer to footnote 16)	Example of conversion into Shares
Below or at the Floor Price (of \$1.8443) ²⁷	The Floor Price prevails and the amount of \$100 million is converted into Shares as follows: = \$100 million / \$1.8443

²⁵ The conversion price is subject to a minimum price equal to the Floor Price (which price is subject to adjustment in accordance with the terms of the Convertible Notes).

²⁶ The conversion price is subject to a maximum price equal to the Ceiling Price (which price is subject to adjustment in accordance with the terms of the Convertible Notes).

²⁷ Refer to footnote 25 above.

	= 54,221,113 Shares.
Between the Floor Price and the Ceiling Price – assuming \$4.00 for example purposes only	The prevailing ‘current market price’ of Shares prevails and the amount of \$100 million is converted into Shares as follows: = \$100 million / \$4.00 = 25,000,000 Shares.
At or above the Ceiling Price (of \$5.5328) ²⁸	The Ceiling Price prevails and the amount of \$100 million is converted into Shares as follows: = \$100 million / \$5.5328 = 18,074,031 Shares.

²⁸ Refer to footnote 26 above.

TABLE 3: Examples of adjustments to the conversion price

The following examples demonstrate the adjustment that would be made to the conversion price for a number of prescribed events. As with Annexure B, Table 2, for illustrative purposes, the below examples assume the entire face value of the Convertible Notes of \$100 million remain outstanding at the time of the relevant adjustment event (but also excludes the treatment of any accrued interest at the time).

Note: for all worked examples the following assumptions are made – 'current market price'²⁹ of A\$4.00, Ceiling Price of A\$5.5328, Floor Price of A\$1.8443 and Shares outstanding equal to 509,403,189 (current Shares outstanding of 390,403,189 plus maximum Shares issued to QuadPay Stockholders of 119,000,000 (excluding any of the Performance Consideration Shares, the Tenure Consideration Shares and the New Options issued in connection with the QuadPay Acquisition (as those terms are defined in the Explanatory Statement)).

The examples in the section below are provided for illustrative purposes only and have been simplified for this purpose. To the extent of any inconsistency, the terms of the Convertible Notes prevail.

1 Consolidation, Subdivision or Re-classification:

If and whenever there shall be a consolidation, reclassification, redesignation or subdivision in relation to the Shares which alters the number of Shares in issue, the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such consolidation, reclassification, redesignation or subdivision by the following fraction:

$$\frac{A}{B}$$

where:

- (i) A is the aggregate number of Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and;
- (ii) B is the aggregate number of Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the date the consolidation, reclassification, redesignation or subdivision, as the case may be, takes effect.

Worked Example: Assuming a 1:2 share stock split the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = Shares current 509,403,189

B = Shares post issuance 1,018,806,378 (A x 2)

A/B = 0.50

Adjusted conversion price = 0.50 x \$4.00 = \$2.00

Adjusted Ceiling Price = 0.50 x \$5.5328 = \$2.7664

Adjusted Floor Price = 0.50 x \$1.8443 = \$0.9222

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = 100,000,000 / 2.00 = 50,000,000

2 Capitalisation of Profits or Reserves

²⁹ Refer to footnote 16 above.

If and whenever the Company shall issue any Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any amount of any share premium account or capital redemption reserve) other than where it is determined to constitute a 'cash dividend', the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such issue by the following fraction:

$$\frac{A}{B}$$

where:

- (i) A is the aggregate number of Shares in issue immediately before such issue; and
- (ii) B is the aggregate number of Shares in issue immediately after such issue.

Such adjustment shall become effective on the date of issue of such Shares.

Worked Example: Assuming a \$50,000,000 issuance at \$4.00 per Share the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = Shares current 509,403,189

B = Shares post issuance 521,903,189 (A + (50,000,000/4.00))

A/B = 0.98

Adjusted conversion price = 0.98 x \$4.00 = \$3.90

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = 100,000,000 / 3.90 = 25,613,462

3 Capital Distributions

If and whenever the Company shall pay or make any 'capital distribution' to the Shareholders, the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to the Effective Date (as defined below) by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) A is the 'current market price' of one Share on the Effective Date; and
- (ii) B is the portion of the 'fair market value' of the aggregate 'capital distribution' attributable to one Share, with such portion being determined by dividing the 'fair market value' of the aggregate 'capital distribution' by the number of Shares entitled to receive the relevant 'capital distribution' (or, in the case of a purchase, redemption or buy back of Shares or any depositary or other receipts or certificates representing Shares by or on behalf of the Company or any subsidiary of the Company, by the number of Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Shares, or any Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date or, if later, the first date upon which the 'fair market value' of the relevant 'capital distribution' is capable of being determined as provided herein.

"Effective Date" means the first date on which the Shares are traded ex-the relevant 'capital distribution' on the ASX or other relevant stock exchange or, in the case of a purchase, redemption or buy back of Shares or any depositary or other receipts or certificates

representing Shares, the date on which such purchase, redemption or buy back is made or in the case of a 'spin-off', the first date on which the Shares are traded ex- the relevant 'spin-off' on the ASX or other relevant stock exchange.

Worked Example: Assuming a \$0.05c per Share distribution the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = 'Current market price' 4.00

B = Value per Share 0.05

$(A - B) / A = 0.99$

Adjusted conversion price = $0.99 \times \$4.00 = \3.95

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = $100,000,000 / 3.95 = 25,316,455$

4 Cash Dividends

If and whenever the Company shall pay or make any 'cash dividends' to Shareholders, the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to the effective date below by the following fraction:

$$\frac{A - B}{A}$$

Where:

- (i) A is the 'current market price' of one Share on the Effective Date for the determination of Shareholders entitled to receive such 'cash dividend'; and
- (ii) B is the portion of the Fair Market Value of the aggregate Cash Dividend attributable to one Ordinary Share, with such portion being determined by dividing the 'fair market value' of the aggregate 'cash dividend' by the number of Shares entitled to receive the relevant 'cash dividend'.

Such adjustment shall become effective on the Effective Date, or if later, the first date upon which the 'fair market value' of the relevant 'cash dividend' is capable of being determined as provided herein.

"Effective Date" means the first date on which the Shares are traded ex-the relevant dividend on the ASX or other relevant stock exchange.

Worked Example: Assuming a \$0.05c per Share dividend the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = 'Current market price' 4.00

B = Dividend per Share 0.05

$(A - B) / A = 0.99$

Adjusted conversion price = $0.99 \times \$4.00 = \3.95

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = $100,000,000 / 3.95 = 25,316,455$

5 Rights Issues of Shares or Options over Shares

If and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire

any Shares, in each case at less than the 'current market price' per Share on the date of the announcement of the terms of the issue or grant, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) A is the number of Shares in issue immediately before such announcement;
- (ii) B is the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such 'current market price' per Share; and
- (iii) C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

Worked Example: Assuming a \$50,000,000 issuance at \$3.75 per Share the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = Shares current 509,403,189

B = Shares issued if at 'current market price' 12,500,000 (50,000,000/4.00)

C = Shares issued at issue price 13,333,333 (50,000,000/3.75)

(A + B) / (A + C) = 0.99

Adjusted conversion price = 1.00 x \$4.00 = \$3.99

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = 100,000,000 / 3.99 = 25,039,918

6 Rights Issues of other Securities

If and whenever the Company shall issue any securities (other than the Noteholder Warrants and any Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than the Noteholder Warrants and any Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares), the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) A is the 'current market price' of one Share on the date on which such issue or grant is publicly announced; and

- (ii) B is the 'fair market value' on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or the issue or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

Worked Example: Assuming a \$0.25 rights issuance per Share the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = 'Current market price' 4.00

B = Rights issue price 0.25

$(A - B) / A = 0.94$

Adjusted conversion price = $0.94 \times \$4.00 = \3.75

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = $100,000,000 / 3.75 = 26,666,667$

7 Modification of Rights of Conversion etc.

If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than the 'current market price' on the date of announcement of the terms of issue of such securities, so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than the 'current market price' on the date of announcement of the proposals for such modification, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) A is the number of Shares in issue immediately before such modification;
- (ii) B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such 'current market price' per Share or, if lower, the existing conversion, exchange or subscription price of such securities; and
- (iii) C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an Independent Financial Adviser considers appropriate (if at all) for any previous adjustment under this adjustment.

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

Worked Example: Assuming a \$50,000,000 issuance at \$3.75 per Share the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = Shares current 509,403,189

B = Shares issued if at 'current market price' 12,500,000 ($50,000,000/4.00$)

$C = \text{Shares issued at issue price } 13,333,333 \text{ (} 50,000,000/3.75 \text{)}$

$$(A + B) / (A + C) = 1.00$$

$$\text{Adjusted conversion price} = 1.00 \times \$4.00 = \$3.99$$

$\text{Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest)} = 100,000,000 / 3.99 = 25,039,918$

8 Other Offers to Shareholders

If and whenever the Company or any of its subsidiaries or (at the direction or request of or pursuant to any arrangements with the Company or any of its subsidiaries) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the conversion price falls to be adjusted under conditions governing Rights Issues of Shares or Options over Shares or Rights Issues of Other Securities (as noted above)), the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue by the following fraction:

$$\frac{A - B}{A}$$

where:

- (i) A is the 'current market price' of one Share on the date on which such issue is publicly announced; and
- (ii) B is the 'fair market value' on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue, sale or delivery of the securities.

Worked Example:

Assuming a \$0.25 rights issuance per Share the impact on conversion price, Ceiling Price and Floor Price is outlined below.

$$A = \text{'Current market price'} 4.00$$

$$B = \text{Rights issue price } 0.25$$

$$(A - B) / A = 0.94$$

$$\text{Adjusted conversion price} = 0.94 \times \$4.00 = \$3.75$$

$\text{Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest)} = 100,000,000 / 3.75 = 26,666,667$

9 Issues at less than 'current market price'

If and whenever the Company shall issue (otherwise than as mentioned in the above conditions regarding Rights Issues of Shares or Options over Shares or any Excluded Securities) wholly for cash or for no consideration any Shares (other than Shares issued on the exercise of the Convertible Notes or Noteholder Warrants or on the exercise of any other securities or other rights of conversion into, or exchange or subscription for, Shares) or issue or grant (other than the Noteholder Warrants and as mentioned in above in Rights Issues of Shares or Options over Shares above or any Excluded Securities) options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares in each case at a price per Share which is less than the 'current market price' on the date of announcement of the terms of such issue, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{C}$$

where:

- (i) A is the number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares;
- (ii) B is the number of Shares which the aggregate consideration (if any) receivable for the issue of such additional Shares would purchase at such 'current market price' per Share; and
- (iii) C is the number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue by the Company of options, warrants or other rights to subscribe or purchase Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price on the date of issue or grant of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue or grant of such options, warrants or other rights.

Worked Example: Assuming a \$50,000,000 issuance at \$3.75 per Share the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = Shares current 509,403,189

B = Shares issued if at 'current market price' 12,500,000 (50,000,000/4.00)

C = Shares issued at issue price 522,736,522 (509,403,189 + 50,000,000/3.75)

(A + B) / (C) = 1.00

Adjusted conversion price = 1.00 x \$4.00 = \$3.99

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = 100,000,000 / 3.99 = 25,039,918

10 Other Issues at less than 'current market price'

Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this condition, if and whenever the Company or any of its subsidiaries (otherwise than as mentioned above in the conditions covering Rights Issues of Shares or Options over Shares, Rights Issues of Other Securities or Issues at less than 'current market price'), or (at the direction or request of or pursuant to any arrangements with the Company or any of its subsidiaries) any other company, person or entity shall issue any securities, in each case wholly for cash or for no consideration (other than the Convertible Notes and the Noteholder Warrants or any Excluded Securities) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than the 'current market price' on the date of announcement of the terms of issue of such securities, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- (i) A is the number of Shares in issue immediately before such issue;

- (ii) B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such 'current market price' per Share; and
- (iii) C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of issue of such securities.

Worked Example: Assuming a \$50,000,000 issuance at \$3.75 per Share the impact on conversion price, Ceiling Price and Floor Price is outlined below.

A = Shares current 509,403,189

B = Shares issued if at 'current market price' 12,500,000 (50,000,000/4.00)

C = Shares issued at issue price 13,333,333 (50,000,000/3.75)

(A + B) / (A + C) = 1.00

Adjusted conversion price = 1.00 x \$4.00 = \$3.99

Adjusted Ceiling Price = 1.00 x \$5.5328 = \$5.5240

Adjusted Floor Price = 1.00 x \$1.8443 = \$1.8414

Maximum Shares issued at accelerated conversion (excluding the treatment of any accrued interest) = 100,000,000 / 3.99 = 25,039,918

ANNEXURE C: MATERIAL TERMS OF NOTEHOLDER WARRANTS

Issue price	The Noteholder Warrants will be issued for nil consideration.
Exercise Price	<p>Each Noteholder Warrant has a variable exercise price, being the lesser of:</p> <ul style="list-style-type: none"> • an initial exercise price of \$5.1639³⁰; and • the price at which any equity securities are issued by the Company below the initial exercise price of \$5.1639 (other than any Excluded Securities), <p>(the “Exercise Price”).</p>
Who can exercise the Noteholder Warrants?	Each Noteholder Warrant can be exercised by its holder.
Entitlement	Each Noteholder Warrant is exercisable into one Share at the Exercise Price.
Exercise period and expiry date	Each Noteholder Warrant expires 3 years after the Convertible Notes Issue Date (ie each Noteholder Warrant has a 3 year exercise period), upon the expiry of which, the Noteholder Warrants will automatically and immediately lapse.
Anti-dilution adjustments	Each Noteholder Warrant is subject to standard adjustment and anti-dilution provisions (which may adjust either the Exercise Price and/or the number of Shares that may be issued on exercise of a Noteholder Warrant, as applicable), provided that such adjustments are in accordance with the ASX Listing Rules.
Quotation of Noteholder Warrants and Shares issued on exercise of Noteholder Warrants	<ul style="list-style-type: none"> • Each Noteholder Warrant will not be quoted on the ASX. • The Company will apply for quotation on the ASX of each Share issued on exercise of a Noteholder Warrant.
Participation in new issues	A holder of a Noteholder Warrant does not have a right to participate in new issues of Shares without exercising the Noteholder Warrant and becoming the holder of Shares.
Dividends	A holder of a Noteholder Warrant is entitled to certain rights to the extent that the Company pays a cash or non-cash dividend, with any value leakage arising from such dividend compensated through either additional warrants being issued, or cash being paid by the Company.
Right to elect cancellation of Noteholder Warrants for the Change of Control Amount on a ‘change of control’	<p>If there is a ‘change of control’ of the Company (as defined in the terms of the Noteholder Warrants, which includes if 50% of the Shares are acquired under a takeover bid or if a scheme of arrangement in respect of the Company is approved), the holder of a Noteholder Warrant may elect to have the Noteholder Warrants that it holds cancelled by the Company. In consideration, the warrant holder will receive the Change of Control Amount.</p> <p>The Change of Control Amount is calculated in accordance with the Black-Scholes option pricing model using the ‘OV’ function on</p>

³⁰ This initial exercise price represents a 40% premium to the Company’s 1-day volume weighted average price of its Shares on the ASX on 29 May 2020 (the last trading day prior to announcement of the Convertible Note Raising).

	Bloomberg, using certain prescribed variables in accordance with the terms of the Noteholder Warrants.
Rights to Substitute Property on Change of Control	<p>Subject to the ASX Listing Rules, if there is a 'change of control' and the holder of a Share will be issued or receive shares, stock, securities, other equity interests or assets in respect of that Share ("Substitute Property"), then the Company must make appropriate provision to ensure that each Noteholder Warrant gives the holder the right to acquire and receive the Substitute Property at the Exercise Price in effect immediately prior to the 'change of control.</p> <p>The Company must not effect any 'change of control' if its obligations under the Noteholder Warrants will be assumed by a successor entity, unless the successor entity assumes the obligation to deliver to each such holder of a Noteholder Warrant upon exercise of the Noteholder Warrant the Substitute Property.</p>
Governing law	New South Wales.



ABN 50 139 546 428



Z1P

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10.00am (AEST) on Saturday, 29 August 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Zip Co Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Zip Co Limited to be held virtually (refer to the Notice of Meeting) on Monday, 31 August 2020 at 10.00am (AEST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
1	Approval to issue Shares to the QuadPay Stockholders and the QuadPay Founders in connection with the QuadPay Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Approval to grant options to the QuadPay Optionholders in connection with the QuadPay Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval to issue Convertible Notes to the Noteholder in connection with the Convertible Note Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval to issue warrants to the Noteholder in connection with the Convertible Note Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Ratification of the prior issue of Shares under the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification of the prior issue of warrants to an affiliate of Amazon in connection with the Strategic Agreement with Amazon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Ratification of the prior issue of Shares to the SpotCap Vendors in connection with the SpotCap Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address
 By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

