

29 September 2021

Preliminary Final Report – Reporting Adjustments

Zip Co Limited (ASX: Z1P) (“**Zip**”, or the “**Company**”) advises that following completion of the audit, the Company notes that the Annual Report of Zip Co Limited lodged concurrently on the ASX includes two adjustments not included in Zip’s Preliminary Final Report released on 25 August 2021.

1. A reduction in Operating Income reported by Zip’s US based operations with a corresponding adjustment to trade and other payables. The adjustment equals 1.4% of Operating Income.
2. A reduction in the value of goodwill and acquired intangibles, with a corresponding adjustment to the Foreign Currency Translation Reserve. The adjustment equals 2.0% of reported goodwill and acquired intangibles and is due to goodwill and acquired intangibles being originally reported in Australian dollars rather than in the currency of operation of the acquired entities, as required under accounting standard AASB 121 The Effects of Changes in Foreign Exchange Rates. The adjustment reflects exchange rate movements between the date of acquisition and the reporting date.

The adjustments are not considered to be material in the context of the results or other information included in Zip’s Preliminary Final Report.

A table detailing the adjustments is set out below.

		Preliminary Final Report	Change	Annual Report
		\$'000	\$'000	\$'000
Balance Sheet	Intangibles	207,733	(3,914)	203,819
	Goodwill	788,934	(15,973)	772,961
	Trade and other payables	(67,419)	(5,677)	(73,096)
	Reserves	106,594	(19,887)	86,707
	Accumulated losses	(741,469)	(5,677)	(747,146)
Income Statement	Operating income	402,745	(5,677)	397,068
	Other comprehensive loss	596	(19,887)	(19,291)

Release approved by the Chief Executive Officer on behalf of the Board.

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About Zip

ASX-listed Zip Co Limited (Z1P: ASX) or (“Zip”) is a leading global financial services company, offering innovative, people-centred products that bring customers and merchants together. On a mission to be the first payment choice everywhere and every day, Zip offers point-of-sale credit and digital payment services in 12 markets around the world, including through strategic investments, connecting millions of customers with its global network of tens of thousands of merchants.

One of the fastest growing BNPL providers globally, Zip has a presence in Australia, Canada, Czech Republic, Mexico, New Zealand, the Philippines, Poland, Saudi Arabia, South Africa, UAE, the United Kingdom and the USA. Zip provides fair, flexible and transparent payment options to individual consumers and SMBs, helping them to take control of their financial future and helping merchants to grow their businesses. Zip is committed to responsible lending and also owns Pocketbook, a leading personal financial management tool. Founded in Australia in 2013, Zip now employs over 1,000 Zipsters worldwide.

For more information, visit: www.zip.co