

1 September 2022

CONVERTIBLE NOTE REDEMPTION

Zip Co Limited (ASX: ZIP) (“Zip”, or the “Company”) is pleased to announce it has cancelled \$40m of \$100m Interest Bearing Convertible Notes that were issued in September 2020 to CVI Investments, Inc., an affiliate of Heights Capital Management, which is an affiliate of the US-based Susquehanna International Group (“SIG”).

Under the terms of the Convertible Notes, a payment of \$42,987,857 has been made to SIG, which included accrued interest of \$2,987,857. Existing cash reserves were used to fund the payment. Following the redemption, 600 Convertible Notes remain outstanding and held by CVI investments, Inc.

Zip Co-Founder and Global CEO, Larry Diamond said:

“We are pleased to retire \$40m of outstanding Convertible Notes as part of our ongoing liability management program. This payment was included in our FY23 plan and outlook recently announced to the market. As at 30 June, Zip had available cash and liquidity of \$278.6m, which is expected to be sufficient reserves to support the Company through to cash EBTDA profitability in FY24. The Company also remains well placed with regards to its debt funding, with capacity of \$396.9m in Australia and US\$183.1m in the United States available to fund transaction and receivables growth.”

Release approved by the Board.

- ENDS -

For more information, please contact:

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About Zip

ASX-listed Zip Co Limited (ASX: ZIP) (ABN 58 164 440 993) 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 around the world, including through strategic investments, connecting millions of customers with its global network of tens of thousands of merchants.

Zip has a presence in Australia, Canada, Czech Republic, India, Mexico, New Zealand, the Philippines, Poland, Saudi Arabia, Singapore, 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 is managed by a team with over 100 years' experience in retail finance and payments. Zip is also a licensed and regulated credit provider and was founded in Australia in 2013.

For more information, visit: www.zip.co

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