



## Announcement Summary

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**Entity name**

XERO LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Wednesday November 25, 2020

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +security code</b>	<b>+Security description</b>	<b>Maximum Number of +securities to be issued</b>
XRO	ORDINARY FULLY PAID	3,750,005

**Proposed +issue date**

Wednesday December 2, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

XERO LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

81160661183

**1.3 ASX issuer code**

XRO

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Wednesday November 25, 2020

**1.6 The Proposed issue is:**

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 7B - Issue details

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

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**ASX +security code and description**

XRO : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

3,750,005

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No

**Please describe the consideration being provided for the +securities**

Partial discharge of debt owed by members of the Xero group under guaranteed senior unsecured convertible notes due 2023 ("2023 Convertible Notes")

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

135.860000



**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

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Part 7C - Timetable

**7C.1 Proposed +issue date**

Wednesday December 2, 2020

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Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

3,750,005

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

No

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

No

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Part 7E - Fees and expenses

**7E.1 Will there be a lead manager or broker to the proposed issue?**

Yes

**7E.1a Who is the lead manager/broker?**

As the Shares are being issued as partial consideration for the repurchase of the 2023 Convertible Notes, Goldman Sachs International and Morgan Stanley & Co. International plc. are acting as managers of that process



**7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

USD851,000

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

Standard share registry, legal and other external adviser fees and expenses

Part 7F - Further Information

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**7F.01 The purpose(s) for which the entity is issuing the securities**

Partial discharge of debt owed by members of the Xero group under the 2023 Convertible Notes

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

N/A