



# ASX Release

2 December 2019

## **\$60 million raised through successful oversubscribed placement to institutional, sophisticated and professional investors**

### **Highlights:**

- **Successful completion of upsized placement, raising \$60 million (before costs).**
- **Proceeds to be used predominantly to fund Zip's global expansion into the UK market, expand Zip's product range including the launch of Zip Biz, increase investment in product and technology, and strengthen Zip's balance sheet.**
- **In addition, Zip will offer all existing eligible shareholders the opportunity to participate in the capital raise under a Share Purchase Plan ("SPP"). The SPP will be capped at \$10.0 million<sup>1</sup>.**

### **Placement**

Zip Co Limited (ASX: Z1P) ("**Zip**", or the "**Company**") is pleased to announce that it has received firm commitments to raise \$60 million before costs via a placement ("**Placement**") of 16,216,216 ordinary shares ("**Placement Shares**"). The amount of funds raised under the Placement was increased to \$60 million, from the previously announced amount of \$50 million, based on significant investor demand. The oversubscribed placement was completed with the support of new and existing institutional, sophisticated and professional investors. The issue price for the Placement Shares was \$3.70 per share representing a:

- 4.7% discount to the previous 10-day volume weighted average price of the Company's shares traded on the ASX up to and including 28 November 2019; and
- 5.6% discount to the last traded price of the Company's shares on 28 November 2019.

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<sup>1</sup> Subject to Zip's discretion to increase this cap and accept oversubscriptions.

The Placement Shares are expected to be allotted and issued on Thursday, 5 December 2019 and will rank equally with the Company's existing ordinary shares on issue. The Placement Shares will represent approximately 4.3% of the issued capital of the Company before the Placement and will be issued within Zip's existing placement capacity under ASX Listing Rule 7.1.

Larry Diamond, Managing Director and CEO of Zip said:

*"We are grateful for the support of many existing shareholders that participated in the successful Placement, together with a number of new shareholders that have joined our register, as we strive towards our mission of becoming the first payment choice everywhere and every day. The additional equity capital will support the launch and growth of Zip's UK operations, the roll-out of Zip Biz, increased investment in product, technology and data sciences as well as strengthening the Company's balance sheet – helping us to continue delivering outstanding results for our shareholders."*

### **Share Purchase Plan**

As previously announced, following completion of the Placement Zip's shareholders will be given the opportunity to subscribe for shares at the same price as the issue price for the Placement Shares of \$3.70 per share under a Share Purchase Plan. Under the terms of the Share Purchase Plan, shareholders registered at 7.00pm (Sydney time) on Thursday, 28 November 2019 will be entitled to subscribe for up to \$27,000 of Zip shares to raise approximately \$10 million (subject to Zip's discretion to increase this cap and accept oversubscriptions and/or scaleback applications).

Further details of the Share Purchase Plan will be provided to shareholders in due course.

### **Timetable**

Set out in the Appendix of this Announcement is an indicative timetable for the Placement and Share Purchase Plan.

The Placement has been undertaken by BofA Securities and Shaw and Partners as joint Lead Managers, and Arnold Bloch Leibler acted as legal adviser.

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

- ENDS -

**For more information, please contact:**

Larry Diamond  
Chief Executive Officer  
larry.diamond@zip.co

Martin Brooke  
Chief Financial Officer  
martin.brooke@zip.co

For general investor enquiries, email [investors@zip.co](mailto:investors@zip.co)

**About Zip**

ASX-listed Zip Co Limited (Z1P: ASX) or (“Zip”) is a leading player in the digital retail finance and payments industry, with operations in Australia, New Zealand and the United Kingdom. The Company offers point-of-sale credit and digital payment services to the retail, education, health and travel industries. It operates under the Zip Pay, Zip Money and Pocketbook brands. The Company is focused on offering transparent, responsible and fairly priced consumer products. Zip’s platform is entirely digital and leverages big data in its proprietary fraud and credit decisioning technology to deliver real-time consumer responses. Zip is managed by a team with over 50 years’ experience in retail finance and payments and is a licensed and regulated credit provider.

For more information, visit: [www.zip.co](http://www.zip.co)

## APPENDIX Offer Timetables

The indicative Placement timetable of key dates is set out below\*

Event	Date
Settlement of new shares under the Placement	Wednesday, 4 December 2019
Allotment and commencement of trading of new shares issued under the Placement	Thursday, 5 December 2019

The indicative SPP timetable of key dates is set out below\*

Event	Date
Record date for shareholders to participate in SPP	7:00pm (Sydney time) on Thursday, 28 November 2019
Dispatch SPP documents to shareholders	Friday, 6 December 2019
SPP offer opens	9:00am (Sydney time) on Friday, 6 December 2019
SPP offer closes	5:00pm (Sydney time) on Friday, 20 December 2019
Scaleback policy announced (if applicable)	Friday, 27 December 2019
Settlement of new shares under the SPP	Monday, 30 December 2019
Allotment of new shares under the SPP	Tuesday, 31 December 2019
Expected quotation on the ASX and normal trading of new shares under the SPP commences	Thursday, 2 January 2020
Dispatch of allotment confirmations/holding statements for New Shares	On or around Thursday, 2 January 2020

**\*Note:** The timetables above are indicative only and subject to change. Zip reserves the right to amend any or all of these events, dates and times, without notice, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.