



16 February 2021

Mr Corey Lian
Graduate, Listings Compliance (Sydney)
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000
By email: ListingsComplianceSydney@asx.com.au

Dear Corey,

Response to ASX Price Query

Zip Co Limited (ASX: Z1P) ("Zip" or the "Company") refers to your Price Query letter dated 16 February 2021 and provides the following responses:

1. No, the Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities.
2. The Company notes that there has been significant interest in the Buy Now Pay Later ("BNPL") market generally.

Furthermore, specific to Zip, the Company has recently advised the market of the following positive events:

- (a) Successful placement in late 2020 and oversubscribed share purchase plan in early 2021 raising approximately \$176.7 million in total (before costs) to fund Zip's US growth, UK expansion, new market investments and growth and to support continued investment in Australia and New Zealand's product range including scaling of Zip Business; and
 - (b) A trading update for Q2FY21 announced on 21 January 2021, which confirmed extremely strong quarterly trading results year on year, including record results for Zip US (QuadPay).
3. The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
 4. The Company confirms that this response has been authorised and approved by Mr Larry Diamond, Managing Director, having delegated authority from the Board to respond to ASX on disclosure matters.

Yours sincerely,



David Franks
Company Secretary
Tel: (02) 8072 1400

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

Matthew Abbott
Director, Corporate Affairs
Matthew.abbott@zip.co
0402 543 128

For general investor enquiries, email investors@zip.co

About Zip

ASX-listed Zip Co Limited (Z1P: ASX) is a leading player in the digital retail finance and payments industry. The company offers point-of-sale credit and digital payment services to the retail, home, health, automotive and travel industries. Zip has operations across Australia, New Zealand, South Africa, the United Kingdom and the USA. Zip also owns Pocketbook, a leading personal financial management tool. Zip is focused on offering transparent, responsible and fairly priced consumer and SME products. Zip's platform is entirely digital and leverages big data in its proprietary fraud and credit-decisioning technology to deliver real-time responses. Zip is managed by a team with over 100 years' experience in retail finance and payments and is a licensed and regulated credit provider.

For more information, visit: www.zip.co



16 February 2021

Reference: 30933

Mr David Franks
Company Secretary
Zip Co Limited
Level 5, 126 Phillip Street
Sydney, NSW 2000

Dear Mr Franks

Zip Co Limited ('Z1P'): Price - Query

ASX refers to the following:

- A. The change in the price of Z1P's securities from a low of \$12.97 to a high of \$14.46 today.
- B. The significant increase in the volume of Z1P's securities traded from 15 February 2021 to 16 February 2021.

Request for information

In light of this, ASX asks Z1P to respond separately to each of the following questions and requests for information:

- 1. Is Z1P aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

If the answer to question 1 is "yes".

- (a) Is Z1P relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in Z1P's securities would suggest to ASX that such information may have ceased to be confidential and therefore Z1P may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 2. If the answer to question 1 is "no", is there any other explanation that Z1P may have for the recent trading in its securities?
 - 3. Please confirm that Z1P is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 - 4. Please confirm that Z1P's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of Z1P with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:30 PM AEDT Tuesday, 16 February 2021**. You should note that if the information

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requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, Z1P's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require Z1P to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in Z1P's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in Z1P's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to Z1P's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that Z1P's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

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Kind regards

Corey Lian
Graduate, Listings Compliance (Sydney)