

16 October 2026

PROPOSED CONSOLIDATION OF SHARE CAPITAL

Zip Co Limited (ASX: ZIP) (“**Zip**”, or the “**Company**”) advises that, further to its ASX announcement on 20 August 2026, it will seek shareholder approval at its 2026 Annual General Meeting to consolidate its fully paid ordinary shares on a five (5) to one (1) basis (the “**Consolidation**”). Under the Consolidation, every five (5) existing fully paid ordinary shares in the Company will be converted into one (1) fully paid ordinary share.

The Consolidation will reduce the number of shares on issue to a level that the Board considers more appropriate for Zip’s size and market position and may broaden the appeal of Zip shares to a wider range of investors.

The Consolidation is not expected, of itself, to change Zip’s underlying value or the overall value of a shareholder’s holding in the Company. The same five (5) to one (1) consolidation ratio will apply to all ordinary shares and, subject to the treatment of fractional entitlements, each shareholder’s proportionate interest in the Company will remain unchanged.

The Zip Board unanimously recommends that shareholders vote in favour of the proposed Consolidation.

EFFECT OF PROPOSED CONSOLIDATION

The indicative effect of the Consolidation on the Company’s capital structure, based on the securities on issue as at the date of this announcement, is set out below:

	Fully paid ordinary shares	Performance rights	Restricted rights	QuadPay options	Warrants
Pre-Consolidation¹	1,245,921,802	9,192,914	756,340	27,186	5,480,625
Post-Consolidation²	249,191,788	1,838,638	151,270	5,437	Nil ³

¹ The pre-consolidation figures for the fully paid ordinary shares are current as at 7 October 2026.. The pre-consolidation figures for the Performance rights, Restricted rights and Quadpay options are current as at 30 September 2026 and may change as the Performance rights, Restricted rights and Quadpay options are issued, exercised, cancelled or converted.

² The post-Consolidation figures are approximate only. The final number of ordinary shares will depend on the number of shares on issue and each registered holding as at 24 November 2026, together with the application of the rounding treatment. The final number of unquoted securities will depend on the securities outstanding on 19 November 2026, being the proposed effective date of the Consolidation, and the treatment applicable to each security class. The figures assume that no securities are issued, exercised, vested, converted, lapsed or cancelled after the date of this announcement, other than the scheduled expiry of the warrants.

³ The warrants are scheduled to expire by 7 November 2026, before the Consolidation would take effect. The table therefore assumes that the warrants expire in accordance with their terms and are no longer on issue when the Consolidation would take effect.

PROPOSED TIMELINE

If approved by shareholders, the Consolidation is expected to be implemented in accordance with the following indicative timetable:

Event	Date
Announcement of the Consolidation, release of Appendix 3A.3 and despatch of the Notice of Meeting for the 2026 Annual General Meeting	Friday, 16 October 2026
2026 Annual General Meeting and effective date of the Consolidation, assuming shareholder approval is obtained for the Consolidation	Thursday, 19 November 2026
Last day of trading in pre-Consolidation securities	Friday, 20 November 2026
Trading in post-Consolidation securities commences on a deferred-settlement basis	Monday, 23 November 2026
Record date for the Consolidation and last day for the Company to register transfers on a pre-Consolidation basis	Tuesday, 24 November 2026
First day for the Company to update its register and to send holding statements to security holders reflecting the Consolidation	Wednesday, 25 November 2026
Last day for the Company to update its register and to send holding statements to security holders reflecting the Consolidation, and to notify ASX that this has occurred	By 12:00 noon (Sydney time) on Tuesday, 1 December 2026
Deferred settlement trading ends	Tuesday, 1 December 2026
Normal trading starts	Wednesday, 2 December 2026

The above timetable is indicative only and may be subject to change. Any changes will be announced to ASX in accordance with the ASX Listing Rules.

For further details of the proposed Consolidation, please refer to the Notice of Meeting for the 2026 Annual General Meeting and Appendix 3A.3 lodged with ASX today.

Notices to holders of unquoted securities

In accordance with ASX Listing Rule 3.17.1, Zip advises that the attached notices have today been sent to holders of its:

- (a) Quadpay options (ASX code ZIPAJ);
- (b) performance rights (ASX code ZIPAM); and
- (c) restricted rights (ASX code ZIPAN),

in connection with the proposed consolidation of Zip's issued capital described in the Notice of Annual General Meeting released to ASX today.

This announcement was authorised for release by the Board.

- ENDS -

For more information, please contact:

Investors

Vivienne Lee
Senior Director, Investor Relations &
Sustainability
vivienne.lee@zip.co

Media

Chloe Rees
Senior Director, Communications & Corporate
Affairs
chloe.rees@zip.co

For general investor enquiries, email investors@zip.co

About Zip

Zip Co Limited (ACN 139 546 428) (ASX: ZIP) is a digital financial services company, offering innovative and people-centred products. Operating in Australia and the United States, Zip offers access to point-of-sale credit and digital payment services, connecting millions of customers with its global network of tens of thousands of merchants.

Founded in Australia in 2013, Zip provides fair, flexible and transparent payment options, helping customers to take control of their financial future and helping merchants to grow their businesses.

For more information, visit: www.zip.co

For any shareholding and registry service enquiries, please contact Computershare. Phone: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia). Shareholders who would like to receive email communications from Computershare for all future correspondence, visit <https://www.investorcentre.com/au>.



Example Notice - Holders of Restricted Rights (ZIPAN)

Date

Holder name

Address

Dear Name

Notice of proposed share consolidation and adjustment to restricted rights

Our records show that you hold unquoted restricted rights in Zip Co Limited (**Zip**) with ASX security code ZIPAN (**Restricted Rights**).

This notice is given pursuant to ASX Listing Rule 7.20 and explains how the proposed share consolidation described below would affect your Restricted Rights.

1 Proposed Share Consolidation

On 16 October 2026, Zip announced that it proposes to consolidate its fully paid ordinary shares (**Shares**) on a five (5) for one (1) basis (**Proposed Consolidation**).

The Proposed Consolidation is subject to shareholder approval being obtained at Zip's upcoming 2026 Annual General Meeting (as proposed under Item 4 of Zip's 2026 Notice of Annual General Meeting) (**Shareholder Approval**).

If Shareholder Approval is obtained, the Proposed Consolidation is expected to take effect on Thursday, 19 November 2026. The record date, being the last day on which Zip will register transfers of Shares on a pre-Consolidation basis, is expected to be Tuesday, 24 November 2026 (**Record Date**).

If Shareholder Approval is obtained, every five (5) Shares held at the Record Date will be consolidated into one (1) Share. Each Share is fully paid and no amount is unpaid on it.

Where the application of the five (5) to one (1) ratio would result in a fractional entitlement to a Share, that fraction will be rounded up to the nearest whole Share. No cash payment will be made in respect of a fractional entitlement.

If Shareholder Approval is not obtained, the Proposed Consolidation will not proceed, and the adjustments described in this notice will not be made.

2 Effect on your Restricted Rights

If Shareholder Approval is obtained, the number of Restricted Rights held by you at the Record Date will be divided by five. If that calculation produces a fractional Restricted Right, the fraction will be rounded up to the nearest whole Restricted Right in accordance with ASX Listing Rule 7.21 and the approval sought under Item 4 at Zip's upcoming 2026 Annual General Meeting.



Based on Zip's records as at 30 September 2026, the indicative effect of the Proposed Consolidation on your Restricted Rights is set out below:

	Number before the Proposed Consolidation	Indicative number after the Proposed Consolidation
Your Restricted Rights	[insert]	[insert]

Your final adjusted holding will be determined by reference to the Restricted Rights held by you at the Record Date and may differ from the table above if your holding changes before that date.

If the Proposed Consolidation proceeds, except for the adjustment to their number described above, the terms applying to your Restricted Rights, including any applicable vesting conditions, restriction periods, exercise arrangements and expiry conditions, will remain unchanged.

No amount is unpaid on a Restricted Right.

3 Treatment of other convertible securities on issue in Zip

For completeness, if Shareholder Approval is obtained:

- (a) performance rights with ASX security code ZIPAM will be adjusted on a five (5) to one (1) basis, with any fractional entitlement rounded up to the nearest whole performance right; and
- (b) each tranche of employee options with ASX security code ZIPAJ will be adjusted on a five (5) to one (1) basis, with any fractional entitlement rounded down to the nearest whole employee option and the exercise price increased from \$0.49 to \$2.45.

Zip's Amazon warrants with ASX security code ZIPAI are scheduled to expire on 6 November 2026, before the Proposed Consolidation takes effect. If they expire in accordance with their terms, they will no longer be on issue when the Proposed Consolidation takes effect and no adjustment will be required in respect of them.

4 Further information

No action is required from you in your capacity as a holder of Restricted Rights in response to this notice. Following implementation of the Proposed Consolidation, Zip or its plan administrator will provide you with written confirmation of your adjusted Restricted Rights holding.

Further information, including the indicative timetable for the Proposed Consolidation, is set out in Zip's 2026 Notice of Annual General Meeting and accompanying ASX announcement released on 16 October 2026, available at [insert link].

The dates referred to in this notice are indicative and may change in accordance with the ASX Listing Rules. Zip will announce any material change to the timetable to ASX.



If you have any questions about this notice, please contact name / title at email address or telephone number.

Yours sincerely

April Goulter and Kate Hume
Company Secretaries
Zip Co Limited



Example Notice - Holders of Performance Rights (ZIPAM)

Date

Holder name

Address

Dear Name

Notice of proposed share consolidation and adjustment to performance rights

Our records show that you hold unquoted performance rights in Zip Co Limited (**Zip**) with ASX security code ZIPAM (**Performance Rights**).

This notice is given pursuant to ASX Listing Rule 7.20 and explains how the proposed share consolidation described below would affect your Performance Rights.

1 Proposed Share Consolidation

On 16 October 2026, Zip announced that it proposes to consolidate its fully paid ordinary shares (**Shares**) on a five (5) for one (1) basis (**Proposed Consolidation**).

The Proposed Consolidation is subject to shareholder approval being obtained at Zip's upcoming 2026 Annual General Meeting (as proposed under Item 4 of Zip's 2026 Notice of Annual General Meeting) (**Shareholder Approval**).

If Shareholder Approval is obtained, the Proposed Consolidation is expected to take effect on Thursday, 19 November 2026. The record date, being the last day on which Zip will register transfers of Shares on a pre-Consolidation basis, is expected to be Tuesday, 24 November 2026 (**Record Date**).

If Shareholder Approval is obtained, every five (5) Shares held at the Record Date will be consolidated into one (1) Share. Each Share is fully paid and no amount is unpaid on it.

Where the application of the five (5) to one (1) ratio would result in a fractional entitlement to a Share, that fraction will be rounded up to the nearest whole Share. No cash payment will be made in respect of a fractional entitlement.

If Shareholder Approval is not obtained, the Proposed Consolidation will not proceed, and the adjustments described in this notice will not be made.

2 Effect on your Performance Rights

If Shareholder Approval is obtained, the number of Performance Rights held by you at the Record Date will be divided by five. If that calculation produces a fractional Performance Right, the fraction will be rounded up to the nearest whole Performance Right in accordance with ASX Listing Rule 7.21 and the approval sought under Item 4 at Zip's upcoming 2026 Annual General Meeting.



Based on Zip's records as at 30 September 2026, the indicative effect of the Proposed Consolidation on your Performance Rights is set out below:

	Number before the Proposed Consolidation	Indicative number after the Proposed Consolidation
Your Performance Rights	[insert]	[insert]

Your final adjusted holding will be determined by reference to the Performance Rights held by you at the Record Date and may differ from the table above if your holding changes before that date.

If the Proposed Consolidation proceeds, except for the adjustment to their number described above, the terms applying to your Performance Rights, including their vesting, exercise and expiry conditions, will remain unchanged.

No amount is unpaid on a Performance Right.

3 Treatment of other convertible securities on issue in Zip

For completeness, if Shareholder Approval is obtained:

- (a) restricted rights with ASX security code ZIPAN will be adjusted on a five (5) to one (1) basis, with any fractional entitlement rounded up to the nearest whole restricted right; and
- (b) each tranche of employee options with ASX security code ZIPAJ will be adjusted on a five (5) to one (1) basis, with any fractional entitlement rounded down to the nearest whole employee option and the exercise price increased from \$0.49 to \$2.45.

Zip's Amazon warrants with ASX security code ZIPAI are scheduled to expire on 6 November 2026, before the Proposed Consolidation takes effect. If they expire in accordance with their terms, they will no longer be on issue when the Proposed Consolidation takes effect and no adjustment will be required in respect of them.

4 Further information

No action is required from you in your capacity as a holder of Performance Rights in response to this notice. Following implementation of the Proposed Consolidation, Zip or its plan administrator will provide you with written confirmation of your adjusted Performance Rights holding.

Further information, including the indicative timetable for the Proposed Consolidation, is set out in Zip's 2026 Notice of Annual General Meeting and accompanying ASX announcement released on 16 October 2026, available at [insert link].

The dates referred to in this notice are indicative and may change in accordance with the ASX Listing Rules. Zip will announce any material change to the timetable to ASX.



If you have any questions about this notice, please contact [name / title] at [email address] or [telephone number].

Yours sincerely

April Goulter and Kate Hume
Company Secretaries
Zip Co Limited



Example Notice - Holders of QuadPay Options (ZIPAJ)

Date

Holder name

Address

Dear [Name]

Notice of proposed share consolidation and adjustment to employee options

Our records show that you hold unquoted employee options in Zip Co Limited (**Zip**) with ASX security code ZIPAJ (**Employee Options**).

This notice is given pursuant to ASX Listing Rule 7.20 and explains how the proposed share consolidation described below would affect your Employee Options.

1 Proposed Share Consolidation

On 16 October 2026, Zip announced that it proposes to consolidate its fully paid ordinary shares (**Shares**) on a five (5) for one (1) basis (**Proposed Consolidation**).

The Proposed Consolidation is subject to shareholder approval being obtained at Zip's upcoming 2026 Annual General Meeting (as proposed under Item 4 of Zip's 2026 Notice of Annual General Meeting) (**Shareholder Approval**).

If Shareholder Approval is obtained, the Proposed Consolidation is expected to take effect on Thursday, 19 November 2026. The record date, being the last day on which Zip will register transfers of Shares on a pre-Consolidation basis, is expected to be Tuesday, 24 November 2026 (**Record Date**).

If Shareholder Approval is obtained, every five (5) Shares held at the Record Date will be consolidated into one (1) Share. Each Share is fully paid and no amount is unpaid on it.

Where the application of the five (5) to one (1) ratio would result in a fractional entitlement to a Share, that fraction will be rounded up to the nearest whole Share. No cash payment will be made in respect of a fractional entitlement.

If Shareholder Approval is not obtained, the Proposed Consolidation will not proceed, and the adjustments described in this notice will not be made.

2 Effect on your Employee Options

Under ASX Listing Rule 7.22.1, on a consolidation of capital the number of options must be consolidated in the same ratio as Zip's ordinary Shares and the exercise price must be adjusted in inverse proportion to that ratio. Accordingly, if Shareholder Approval is obtained:



- (a) the number of Employee Options held by you in each tranche at the Record Date will be divided by five;
- (b) in accordance with the existing terms of the Employee Options, if that calculation produces a fractional Employee Option in a tranche, the fraction will be rounded down to the nearest whole Employee Option; and
- (c) the exercise price of each Employee Option will increase from \$0.49 to \$2.45.

Based on Zip's records as at 30 September 2026, the indicative effect of the Proposed Consolidation on your Employee Options is set out below:

Tranche	Expiry date	Employee Options before the Proposed Consolidation	Indicative Employee Options after the Proposed Consolidation
Tranche 1	[insert]	[insert]	[insert]
Tranche 2	[insert]	[insert]	[insert]
Total	-	[insert]	[insert]

The consolidation ratio and rounding treatment will be applied separately to each tranche before the adjusted amounts are aggregated. The figures above are indicative only. Your final adjusted holding will be determined by reference to the Employee Options outstanding immediately before the Record Date.

If the Proposed Consolidation proceeds, except for the adjustment to their number and exercise price described above, the expiry date of each tranche and all other terms applying to your Employee Options will remain unchanged.

No amount is unpaid on an Employee Option.

3 Treatment of other convertible securities on issue in Zip

For completeness, if Shareholder Approval is obtained:

- (a) performance rights with ASX security code ZIPAM will be adjusted on a five (5) to one (1) basis, with any fractional entitlement rounded up to the nearest whole performance right; and
- (b) restricted rights with ASX security code ZIPAN will be adjusted on a five (5) to one (1) basis, with any fractional entitlement rounded up to the nearest whole restricted right.

Zip's Amazon warrants with ASX security code ZIPAI are scheduled to expire on 6 November 2026, before the Proposed Consolidation takes effect. If they expire in accordance with their terms, they will no longer be on issue when the Proposed Consolidation takes effect and no adjustment will be required in respect of them.

4 Further information



No action is required from you in your capacity as a holder of Employee Options in response to this notice. Following implementation of the Proposed Consolidation, Zip or its plan administrator will provide you with written confirmation of your adjusted Employee Option holding.

Further information, including the indicative timetable for the Proposed Consolidation, is set out in Zip's 2026 Notice of Annual General Meeting and accompanying ASX announcement released on 16 October 2026, available at [insert link].

The dates referred to in this notice are indicative and may change in accordance with the ASX Listing Rules. Zip will announce any material change to the timetable to ASX.

If you have any questions about this notice, please contact [name / title] at [email address] or [telephone number].

Yours sincerely

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