

6 November 2025

## 2025 AGM - Addresses by the Chair and Group CEO and Managing Director

**Zip Co Limited** (ASX: ZIP) (“**Zip**”, or the “**Company**”) releases to the market the addresses of the Chair, Diane Smith-Gander AO and Group CEO and Managing Director, Cynthia Scott, to be delivered at Zip’s Annual General Meeting at 10:00am today.

The accompanying slide materials to be presented at the AGM will be released separately.

Release approved by the Board.

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### **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 two core markets - Australia and New Zealand (ANZ) and the United States (US), 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](http://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>.

## Chair's Address

Before we move to the formal part of the meeting, I will share some comments on Zip's performance for the financial year to 30 June 2025 and reflect on our key areas of focus as a Board. I will then hand over to Cynthia Scott, Zip's Group CEO and Managing Director, for her remarks.

In FY25, your company delivered its strongest financial performance to date despite ongoing macroeconomic uncertainty. The unit economics and operating leverage we have developed means we have continued to grow strongly while expanding margins. During the year Zip achieved:

- Total transaction volume (TTV) increasing 30.3% to \$13.1 billion across 93.0 million transactions;
- Over \$1 billion in total income, up 23.5%;
- Record group cash earnings of \$170.3 million, up 147.0%; and
- An almost doubling of our Group operating margin to 15.8%.

Our FY25 results reflect the team's focus on sustainable profitability at scale, underpinned by disciplined execution and trusted relationships with our customers who remain at the centre of everything we do. Pleasingly, business momentum has accelerated in the first quarter of FY26, which Cynthia will talk to in more detail in her address.

Our US business delivered another outstanding performance, exceeding US\$100 million in cash earnings for the first time. We have a strong offering in this market which continues to resonate with the underestimated American - hardworking, ambitious consumers who seek financial agency and progress but are often held back by outdated credit models. These customers use Zip to pay for everyday needs and to manage their cash flows, with the majority of our US TTV derived from predominantly non-discretionary categories, enhancing through-the-cycle resilience.

Our ANZ business continued to grow earnings, with TTV returning to growth following a period focused on improving margins while navigating a challenged domestic economic environment.

The company's success is driven by our ability to deliver exceptional experiences for customers. This year, the Board held immersion sessions with customers, employees, merchants and partners to deepen its understanding of Zip's product offering and customer experience, and product innovation in both of our markets. A key focus of management, with oversight from the Board, is to further enhance our value propositions including through the responsible adoption of AI.

Zip continued its strong focus on risk management, implementing measures to protect the company as we scale. In FY25, key activities included a material uplift to the enterprise Risk Management Framework, continued focus on cyber security and credit risk oversight, and the management of the evolving regulatory environment in both markets.

We are committed to ensuring the Board has the appropriate skill sets and representation to support your company's continued evolution and growth. Having recently appointed Matthew W. Schuyler, we now have two US-based directors reflecting our growing presence in the United States. In April, we welcomed Australian-based Andrew Stevens, who brings deep expertise in business transformation, technology, data, growth strategy, governance and risk. Andrew has a demonstrated track record as a director with ASX listed entities.

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This year Co-Founder Larry Diamond stepped down from his non-executive role as a Zip director and US Chairman. From building a start up to a successful public company with Co-Founder Peter Gray, Larry's vision, energy and customer-first ethos are embedded in our DNA. He will always be a key part of the Zip family. Larry's inspiring leadership forged the foundations Zip stands on. We wish him great success with his new Family Office and Foundation.

Our continued commitment to operate sustainably and responsibly reduces risk and enhances value for our shareholders, customers, employees, communities and the planet. Core to our business model is offering products that support responsible repayment behaviour and deliver positive customer experiences. We have a low level of customers in hardship with less than 0.5% of customers currently accessing hardship support in Australia, and in the US, over 98% of Zip transactions were repaid in full in FY25.

As a digital-first company we have a relatively low carbon footprint. However, we always seek to improve on how we measure and manage our environmental impact. In FY25, we continued to integrate climate change considerations into our governance, risk management and strategy processes and focused on progressing our readiness for mandatory climate reporting in FY26.

We are a longstanding advocate for fit-for-purpose regulation, and as a Board we remain alert to regulatory developments across our markets. In Australia, we prepared for the passing into law of Buy Now Pay Later legislation and regulation, with all of our products regulated under the National Consumer Credit Protection Act. In the US we continue to operate in alignment with the CFPB interpretive rule despite the rule's rescission in FY25.

This year Zip launched its capital management framework which guides its approach to maximising shareholder value over the long term. Your Board regularly assesses capital management options and approved an on-market share buy-back program and the purchase of shares on-market via Zip's Employee Share Trust to minimise dilution from Equity Incentive Plan allocations. We currently intend to retain any future earnings to finance the growth and development of our business, and we do not anticipate that we will declare or pay any cash dividends in the foreseeable future.

Consistent with our approach to maximise long-term shareholder value and our 1Q26 results update in October 2025, we continue to consider a dual listing in the US while maintaining a primary listing on the Australian Securities Exchange. The potential dual listing remains subject to Zip Board approval and the completion of a number of required processes, including obtaining regulatory approvals in the US, and is subject to market and other conditions.

Our achievements are a testament to our talented and committed Zipsters who are aligned on our purpose of unlocking financial potential, together.

To my fellow Directors and our Management team, thank you for your focus, stewardship and continued commitment to good governance.

Finally, thank you to all shareholders for your continued trust and support in Zip. We are a fundamentally stronger and more efficient business with our results for the year reinforcing our unique competitive advantages. Our customer focus and disciplined execution position us well to drive continued long-term value for shareholders.

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## Group CEO and Managing Director's Address

Thank you Diane and good morning everyone.

Today I will provide:

- a brief recap of our performance for financial year 2025;
- an update on first quarter trading; and
- an overview of our strategic priorities and outlook for financial year 2026.

FY25 was a defining year for Zip. We executed strongly on our strategy, reinforcing our position as a growing and sustainably profitable business at scale with a deeply engaged customer base. During the year, our customer base grew to 6.3 million customers and merchants across the platform increased to 85,500. We continue to add more customers and merchants, creating a powerful network effect that fuels Zip's differentiated, two-sided business model.

As Diane mentioned, in FY25 Group cash earnings grew by 147.0% to \$170.3 million. This was driven by an outstanding performance in the US which delivered TTV and revenue growth above 40%, with cash earnings more than doubling.

We continued to deliver strong credit outcomes, with Group net bad debts as a proportion of TTV reducing to 1.5%, reflecting our robust approach to credit-decisioning. We have an agile platform with access to 12 years of customer and transaction data in ANZ and eight years in the US, positioning us well to continue underwriting our customers profitably.

Zip is powered by two regional engines with significant growth opportunities. Both markets demonstrated accelerated momentum during FY25 which has continued into the first quarter of FY26.

This performance demonstrates our ability to deliver exceptional experiences and meet customers where they are at in their financial journey, reflected by strong customer Net Promoter Scores of +68 and +57 in the US and ANZ respectively. In the US, we expanded our range of simple, transparent and flexible instalment credit solutions through the Pay-in-Z platform. In FY25, we scaled Pay-in-8 which now represents around 20% of US TTV, and in FY26 we began piloting a Pay-in-2 offering to further support Zip customers with everyday, smaller purchases such as groceries and utilities. In ANZ, we launched two new products within 18 months, with Zip Plus underpinning the return to TTV growth in the region.

We strengthened our balance sheet and operate as a self-sustaining business with no corporate debt. Across both markets, material proportions of our funding were refinanced at improved terms to optimise our capital structure and deliver future cost savings. The outcomes achieved reflect the improved business and credit performance across the Group.

Consistent with our capital management framework, in April an on-market share buyback program for up to \$50 million of ordinary shares was launched, which was increased to \$100 million in October, providing an opportunity to return value to shareholders.

We continue to position the business for the next horizon of significant growth. In FY25, we invested in new and upgraded systems and processes to support additional scale, particularly across cyber, credit and fraud risk, data and analytics, and finance.

Innovation is at the core of our business. AI is already deployed across our people, processes and products to unlock efficiencies and deliver more personalised experiences for our customers and

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partners. This has included equipping all employees with generative AI tools and enabling engineers with AI augmented developer tools, while a range of business processes including merchant risk accreditation and improved customer self-service have been automated.

We have established Fearless Frontiers – a dedicated, lean team focused on long-term product innovation and unlocking new profit pools aligned to regional strategies. Several high-quality opportunities have been identified to explore. In the US, this includes AI-driven products, such as a guided, personalised cash flow management solution, Money Coach. The Australian business is focused on leveraging its strategic assets to assess adjacent financial services products where Zip could provide a capital-light solution to customers.

We could not have achieved these outcomes without the passion and commitment of our Zipsters. Attracting and retaining top talent is a key priority, and I am proud to share that we achieved an employee engagement score of 81%.

We also welcomed several new members to the Group Executive Team this year.

Firstly, Joe Heck commenced as US CEO in July 2024. Joe has made a significant and positive impact since joining, providing exceptional leadership to the US team. We look forward to the results they will deliver in FY26.

Secondly, Linda Lu joined as our Group Chief Legal and Risk Officer in October 2024. Linda's appointment brings significant legal, compliance and enterprise risk management expertise to Zip.

Lastly, in May 2025 we welcomed Soraya Alali as our new ANZ CEO, a purpose-driven leader with over 20 years' experience in the financial services sector with a focus on driving scalable growth, digital transformation and enhanced customer experiences. We recognise our Co-Founder Peter Gray for his contribution as ANZ CEO and look forward to his contributions in his new role as Head of Strategic Growth.

As a team, we are steadfast in fulfilling our purpose – that is, unlocking financial potential, together, and delivering on our mission - to bring exceptional experiences, innovation and partnership to every financial journey.

For FY26, we have three clear strategic priorities; growth and engagement, product innovation and platforms for scale.

In the first quarter of FY26, your company continued to deliver sustainable, profitable growth at scale, with record cash earnings of \$62.8 million, up 98.1% year on year, reflecting an operating margin of 19.5%.

The US business delivered year-on-year TTV and revenue growth (in USD) of 47.2% and 51.2% respectively, with customer growth of 12.2% (+483k) year on year providing strong momentum into the holiday trading period. The ANZ business saw a return to revenue and Australian receivables growth with double-digit growth in TTV.

We have executed strategic partnerships and integrations in both regions to drive future growth. In the US, we scaled volumes and merchants through Google Pay, and integrated with autofill on Google Chrome in August 2025. Zip also became available to all businesses on Stripe in the US in August 2025, which is yielding early results. In Australia, we integrated with Xero Invoicing via Stripe, enabling small businesses on the Xero platform with a Stripe account to add Zip's flexible payment solutions directly on their invoices.

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We have also optimised our funding portfolio to improve capital efficiency, cost of funds, funding capacity and flexibility in both markets. The US business enhanced its short term funding capacity with its third-party bank partner. In Australia we completed a new \$300m bond issue and have continued to see tightened spreads on new Zip issuance.

Following a strong start to the year and continued momentum, we recently upgraded our full-year US TTV growth expectations to be above 40% in USD terms.

We remain on track for our FY26 results to all be within target ranges as previously announced to the market in August and will report on progress at our first half results in February.

In closing, Zip is well positioned for the future with various growth opportunities in front of us. I want to thank our Zipsters, as well as our Group Executive Team, for their diligence and commitment to our mission and purpose, to our Board for their valued guidance, and to our shareholders for your continued support.

That concludes my formal remarks. I'll now hand back to Diane to go through the formal items of business, and I look forward to answering any questions later in the meeting.