



Beautiful business

MARKET RELEASE

Xero to acquire e-invoicing technology provider Tickstar

Helping small businesses get paid faster using innovative cloud-based technology

WELLINGTON, 24 March 2021 – Xero Limited (ASX:XRO) today announces the acquisition of Tickstar, an e-invoicing infrastructure business that allows organisations such as Xero and its customers to connect to a global e-invoicing network.

This acquisition aligns with Xero’s strategic priority to drive the adoption of cloud accounting around the world. Tickstar’s technology provides Xero customers in Australia, New Zealand and Singapore with access to a well-established e-invoicing network that enables faster and more secure transactions.

Established in 2007, Tickstar is based in Stockholm, Sweden and serves customers in a number of markets around the world. Following the acquisition, Xero will leverage Tickstar’s technology to support Xero’s e-invoicing functionality. Xero will also support the continued delivery of Tickstar’s e-invoicing infrastructure services through the Galaxy Gateway brand to both its existing and new customers, alongside its consulting services.

Total consideration for the purchase of 100% of Tickstar will be up to SEK 150 million, comprising an upfront payment of SEK 60 million, to be settled 50% in cash and 50% in shares in Xero Limited, and subsequent earnout payments based on product development and performance milestones, of up to SEK 90 million. Up to 50% of any earnout payment will be settled in Xero Limited shares with the remainder being paid in cash. Completion of the transaction is expected in Q1 of Xero’s financial year ending 31 March 2022 (FY22) and is subject to satisfaction of closing conditions. Transaction, integration and operating costs are anticipated to have minimal impact on Xero’s FY22 EBITDA.

Xero’s Chief Product Officer, Anna Curzon, commented: “The acquisition of Tickstar is an important step in our strategy to help small businesses digitise more of their workflows and get paid faster using cloud-based technologies. As more governments around the world adopt e-invoicing, Tickstar’s technology will help our customers comply with existing and future legislation and realise the many benefits that e-invoicing brings.”

Authorised for release to the ASX by the Disclosure Committee.

Contact

Toby Langley - Investor Relations
Mobile: +61 450 223995
toby.langley@xero.com

Kate McLaughlin - Communications
Mobile: +64 27 5334529
kate.mclaughlin@xero.com

About Xero

[Xero](#) is a cloud-based accounting software platform for small businesses with 2.45 million subscribers globally. Through Xero, small business owners and their advisors have access to real-time financial data any time, anywhere and on any device. Xero offers an ecosystem of over 800 third-party apps and 200 plus connections to banks and other financial partners. In 2020 and 2021, Xero was included in the Bloomberg Gender-Equality Index and recognised by [IDC MarketScape](#) as a leader in its worldwide SaaS and cloud-enabled small business finance and accounting applications vendor assessment.