



## MARKET RELEASE

### Xero Share Purchase Plan Offer Opens

**WELLINGTON, 2 July 2025** — Xero Limited (ASX: XRO) (**Xero**) today announced that its share purchase plan (**SPP**) offer announced on 25 June 2025 will open at 9.00am (Sydney time) today. The SPP offer provides eligible shareholders<sup>1</sup> with an opportunity to apply for up to A\$30,000 worth of new fully paid ordinary shares in Xero (**New Shares**) (subject to any scale back), without incurring brokerage or transaction costs, on the terms set out in the SPP booklet (**SPP Booklet**). A copy of the SPP Booklet is attached.

Xero's SPP Booklet and personalised application forms will today be despatched to eligible shareholders. Eligible shareholders who have provided an email address will be sent an email with details of how to obtain a copy of the SPP Booklet and their personalised application form. Eligible shareholders who have not provided an email address will be sent an SPP offer letter via post with details of how to obtain a copy of the SPP Booklet and their personalised application form. The email and SPP offer letter will be in substantially the same form (a sample is attached).

The SPP offer is expected to close at **5.00pm (Sydney time) on Monday, 21 July 2025** (unless extended, withdrawn or closed early by Xero). To apply for New Shares, eligible shareholders must, by 5.00pm (Sydney time) on Monday, 21 July 2025, make a payment directly via BPAY® in accordance with the instructions on their personalised application form. Eligible shareholders with a registered address in New Zealand who are unable to pay by BPAY® may pay for New Shares by making an electronic funds transfer in accordance with the instructions on their personalised application form.

#### Further information on SPP

Xero is targeting to raise ~A\$200 million under the SPP. The SPP is not underwritten. Xero expects participation in the SPP should provide the vast majority of eligible shareholders who were not able to participate in the placement (announced on 25 June 2025) (**Placement**) with an opportunity to subscribe for a number of New Shares that they would have been entitled to subscribe for under a pro rata entitlement offer.

Applications may be scaled back (in whole or in part) at the absolute discretion of Xero. If a scale back is applied, it is Xero's intention that the scale back will be applied having regard to the pro rata shareholding of eligible shareholders who apply for New Shares under the SPP. Xero may (in its absolute discretion) in a situation where total demand exceeds A\$200 million, decide to increase the amount to be raised under the SPP to reduce or eliminate the need for scale back. Maximum application size of A\$30,000 per eligible shareholder across all of their holdings, free of transaction and brokerage costs.

The issue price of the New Shares under the SPP (**SPP Shares**) will be the lower of:

- A\$176 per SPP Share, being the price paid by institutional investors under the Placement; and
- a 2.0% discount to the 5-day volume weighted average price (**VWAP**) of Xero shares up to and including the closing date of the SPP (currently scheduled for Monday, 21 July 2025), rounded to the nearest cent.

The SPP Record Date is 7.00pm (Sydney time) Tuesday, 24 June 2025. SPP Shares will rank equally with existing Xero ordinary shares from their issue date.

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<sup>1</sup> An eligible shareholder is a registered holder of Xero shares on the record date (being 7.00pm (Sydney time) on Tuesday, 24 June 2025) (**Record Date**) and shown on the register to have an address in Australia or New Zealand, that is located outside the United States and is not acting for the account or benefit of persons in the United States (and who are otherwise eligible to participate in the SPP under the terms of the SPP offer). Subject to compliance with applicable law, directors of the Xero Board who are registered holders of Xero shares on the Record Date may also participate in the SPP under the terms of the SPP offer.



Any funds raised under the SPP will be used for general corporate and working capital purposes.

For questions in relation to how to participate in the SPP, please contact Xero's registry (MUFG Corporate Markets (AU)) from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) on 1800 262 299 (for callers within Australia) or +61 1800 262 299 (for callers outside Australia) during the SPP offer period, or consult your financial or other professional adviser.

Eligible shareholders are encouraged to read the SPP Booklet carefully. For questions in relation to whether an investment in Xero through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

### Key dates for the SPP

Event	Date (Sydney time)
Record Date (the date that eligibility to participate in the SPP was determined)	7.00pm Tuesday, 24 June 2025
Opening Date for applications	9.00am Wednesday, 2 July 2025
Closing Date for applications	5.00pm Monday, 21 July 2025
Results of SPP announced	Thursday, 24 July 2025
Issue of SPP Shares	Monday, 28 July 2025
SPP Shares commence trading on ASX	Tuesday, 29 July 2025
Despatch of holding statements	Wednesday, 30 July 2025

*The above timetable is indicative only and subject to change. Xero reserves the right to alter the dates above at its discretion, subject to the ASX Listing Rules and Corporations Act 2001 (Cth). All references to times are to Sydney time.*

*Authorised for release to the ASX by the Chief Executive Officer of Xero.*

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### About Xero

Xero is a global small business platform that helps customers supercharge their business by bringing together the most important small business tools, including Accounting, Payroll and Payments — on one platform. Xero's powerful platform helps customers automate routine tasks, get timely insights, and



connects them with their data, their apps, and their accountant or bookkeeper so they can focus on what really matters. Trusted by millions of small businesses and accountants and bookkeepers globally, Xero makes life better for people in small business, their advisors, and communities around the world. For further information, please visit [xero.com](https://xero.com)

#### **NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES**

This announcement may not be distributed or released in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any New Shares in the United States or any other jurisdiction in which such an offer would be unlawful. The New Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**US Securities Act**) or under the securities laws of any state or other jurisdiction of the United States.

Accordingly, the New Shares may not be offered or sold, directly or indirectly, to any persons in the United States or any persons acting for the account or benefit of a person in the United States, unless the New Shares are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. Save for any Xero directors who may be in the United States, the New Shares under the SPP may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

#### **Future performance and forward-looking statements**

This announcement may contain certain forward-looking statements, forecasts, estimates, projections and comments about future events, including Xero's beliefs, assumptions and expectations regarding the timetable and outcome of the SPP and the use of the proceeds thereof. Forward looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "goals", "aims", "target" and other similar expressions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Forward looking statements involve inherent risks and uncertainties, both general and specific, including certain risk factors described under the "Key risks" section of the Investor Presentation announced on Wednesday, 25 June 2025, and there is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. A number of important factors, both known and unknown, could cause Xero's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements, and many of these factors are beyond the Xero's control, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. As such, there can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and their differences may be material.

Any forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee or predictions of future performance. As such, no undue reliance should be placed on any forward-looking statement, particularly in light of the current economic climate and certain geopolitical tensions (such as the Russian-Ukrainian War, Israeli-Palestine conflict and Israeli-Iran conflict). Past performance is not necessarily a guide to future performance, and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement or any other information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the



past, present or the future performance of the Xero. None of Xero, its related companies, securityholders or affiliates, or any of their respective officers, directors, employees, affiliates, partners, representatives, consultants, agents or advisers (each a **Limited Party**) makes any representation or warranty as to the accuracy of any forward-looking statements contained in this announcement. Forward looking statements speak only as at the date of this announcement, and the Limited Parties disclaim any obligations or undertakings to release any update of, or revisions to, any forward-looking statements in this announcement (including to reflect any change in expectations or assumptions), except as required by law or regulation (including the ASX Listing Rules).

### **General**

Nothing contained in this announcement constitutes financial product, legal, tax or other advice or recommendation. It does not take into account the investment objectives, financial situation or needs of any particular investor. Before making any investment decision in respect of Xero, prospective investors should consider the appropriateness of the information in this announcement and Xero's other announcements having regard to their own investment objectives, financial situations and needs and with their own professional advice. Xero is not licensed to provide financial product advice in respect of New Shares. Cooling off rights do not apply to the acquisition of New Shares.



# Xero Limited

## Share Purchase Plan Booklet

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This is an important document and requires your immediate attention. You should read this Booklet in full.

Eligible Shareholders have the opportunity to participate in the Share Purchase Plan offer by applying for up to \$30,000 of new Shares without incurring brokerage or other transaction costs. Details of the offer and how to participate are set out in this Booklet.

**Applications for new Shares under the SPP must be received by 5.00pm (Sydney time) on Monday, 21 July 2025.**

**This booklet is dated 2 July 2025.**

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**Important information**

This Booklet is intended for use only in connection with the SPP Offer to Eligible Shareholders. Save for in respect of Xero Directors, this Booklet does not constitute an offer of securities in any place outside Australia or New Zealand and no action has been taken to permit an offering of Shares in any jurisdiction outside of Australia and New Zealand. The distribution of this Booklet may be restricted by law and persons (including Custodians) who come into possession of this document should observe any such restrictions. Due to legal restrictions, Custodians may not distribute this Booklet or any other document relating to the SPP, and may not permit any beneficial Shareholder to participate in the SPP, in any country outside Australia or New Zealand.

Save for any Xero Directors who may be in the United States, this Booklet may not be distributed or released in the United States (**US**). This Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, any Shares in the United States or in any jurisdiction in which such an offer would be illegal. The Shares to be offered and sold under the SPP have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**), or under the securities laws of any US state or other jurisdiction of the US, and may not be offered or sold, directly or indirectly, to persons in the US or to any person acting for the account or benefit of a person in the US (to the extent such person is acting for the account or benefit of a person in the US), except pursuant to an exemption from the registration requirements of the US Securities Act and applicable state securities laws. Save for any Xero Directors who may be in the United States, the SPP Shares may only be offered and sold outside the United States in

'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

The SPP Offer is not a recommendation to acquire Shares. This document does not constitute financial product advice and does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Eligible Shareholders wanting to participate in the SPP should obtain independent advice in relation to the taxation and other consequences of an investment under the SPP before making a decision as to whether to participate in the SPP. A cooling-off regime does not apply in relation to the acquisition of Shares under the SPP.

This Booklet does not purport to include or summarise all information that an investor should consider when making an investment decision, nor does it contain all information which would be required in a prospectus, product disclosure statement or other disclosure document prepared in accordance with the Corporations Act or any other applicable law. This Booklet should be read in conjunction with Xero's periodic and continuous disclosure announcements lodged with the ASX which are available at [www.asx.com.au](http://www.asx.com.au).

# 1 Letter to Shareholders

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Dear Shareholder

On behalf of the directors of Xero Limited (**Xero or the Company**), I am pleased to offer you the opportunity to participate in the Xero Share Purchase Plan (**SPP**), which allows Eligible Shareholders to subscribe for up to \$30,000 of new Shares in Xero (**SPP Shares**) without incurring brokerage or other transaction costs.

The SPP aims to raise up to approximately \$200 million and is not underwritten. The SPP follows Xero's successful placement announced on Wednesday, 25 June 2025, which raised approximately \$1.85 billion (**Placement**).

The SPP Shares are being offered at the Issue Price of the lower of:

- \$176 per SPP Share, being the price paid by institutional investors under the Placement;<sup>1</sup> and
- a 2.0% discount to the volume weighted average price (**VWAP**) of Shares traded on ASX during the five trading days up to, and including, the Closing Date, rounded to the nearest cent.

## Use of proceeds

As announced to the ASX on Wednesday, 25 June 2025, Xero entered into a binding agreement to acquire 100% of Melio Limited and its associated entities, for upfront consideration of US\$2.5 billion (**Merger Agreement**) (**Acquisition**).

The proceeds from the Placement will be used to partially fund the cash consideration under the Merger Agreement and transaction costs. The proceeds from the SPP will be used for general corporate and working capital purposes.

Further details about the Acquisition and Placement, including a summary of the key risks associated with holding an investment in Xero, are included in Xero's ASX announcement and investor presentation each released on Wednesday, 25 June 2025, which we encourage you to read.

## Participation in the SPP

Participation in the SPP is voluntary and open to all Eligible Shareholders, being persons who were registered holders of Shares in Xero at 7.00pm (Sydney time) on Tuesday, 24 June 2025 (**Record Date**) (i) with a registered address in either Australia or New Zealand at that time as shown on the Register or (ii) otherwise, who are Xero Directors (subject to applicable law), and in each case, subject to certain other eligibility criteria set out in section 4.2 of the Terms and Conditions. The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of certain Eligible Beneficiaries on the Terms and Conditions set out in this booklet (**Booklet**).

Save for Xero Directors who may be in the United States, Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders (including Custodians) who hold Shares on behalf of persons who reside outside Australia or New Zealand, are in the United States or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

Once issued, SPP Shares will rank equally with existing Shares in Xero.

The Terms and Conditions of the SPP are provided in this Booklet. We urge you to read these materials in their entirety and seek your own financial and taxation advice in relation to the SPP, before you decide whether to participate.

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<sup>1</sup> Represents a 9.4% discount to the closing price of Shares traded on ASX on the day before the SPP was announced (being Tuesday, 24 June 2025).



### How to apply for SPP Shares

To apply for SPP Shares, please follow the instructions in your personalised Application Form. Your personalised Application Form can be accessed via <https://events.miraqle.com/xro-spp>.

In accordance with the instruction in your personalised Application Form, you must either:

- **make a payment directly via BPAY<sup>2</sup>**, which is the fastest and easiest way to apply; or
- if you are an Eligible Shareholder with a registered address in New Zealand and unable to pay by BPAY, you may pay for SPP Shares by making an electronic funds transfer.

Cheque, bank draft, money order and cash payments will not be accepted.

Xero Directors may receive separate instructions from the Company and/or the Registry on how to participate in the SPP Offer.

Eligible Shareholders wishing to apply for SPP Shares must ensure that their payment (and Application Form(s) (as applicable)) is received by no later than **5.00pm (Sydney time) on Monday, 21 July 2025**.

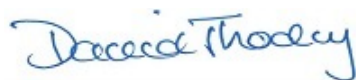
### Questions and further information

This Booklet contains important information about the SPP to assist you in deciding whether to participate in the SPP. You should read this Booklet carefully and in its entirety before deciding whether to apply.

If you have any questions in relation to how to participate in the SPP, please contact the Registry from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) on 1800 262 299 (for callers within Australia) or +61 1800 262 299 (for callers outside Australia) during the SPP Offer Period or consult your financial or other professional adviser. If you have any questions in relation to whether an investment in Xero through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

Thank you for your continued support of Xero.

Yours sincerely



**David Thodey, AO**  
Chair  
Xero Limited

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<sup>2</sup> Registered by BPAY Pty Ltd (ABN 69 079 137 518).

## 2 Summary of important dates

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Event	Date
<b>Record Date</b> (the date that eligibility to participate in the SPP was determined)	7.00pm (Sydney time) Tuesday, 24 June 2025
<b>Opening Date for applications</b>	9.00am (Sydney time) Wednesday, 2 July 2025
<b>Closing Date for applications</b>	5.00pm (Sydney time), Monday, 21 July 2025
<b>Results of SPP announced</b>	Thursday, 24 July 2025
<b>Issue of SPP Shares</b>	Monday, 28 July 2025
<b>SPP Shares commence trading on ASX</b>	Tuesday, 29 July 2025
<b>Despatch of holding statements</b>	Wednesday, 30 July 2025
<p><i>This timetable is indicative only and subject to change. Xero reserves the right to alter the dates above at its discretion, subject to the Listing Rules and Corporations Act. All references to times in this Booklet are to Sydney time.</i></p>	

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### 3 Summary of SPP

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You should read this section in conjunction with the Terms and Conditions of the SPP set out in section 4 of this Booklet.

Key SPP details	Summary
<b>SPP Offer</b>	Eligible Shareholders of Xero may subscribe for up to \$30,000 of SPP Shares without brokerage or other transaction costs.
<b>Purpose of the SPP</b>	The proceeds of the SPP will be used for general corporate and working capital purposes.
<b>Voluntary participation</b>	<p>Participation in the SPP is entirely voluntary.</p> <p>Before you decide whether to participate in the SPP, Xero recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser.</p> <p>If you do not wish to participate in the SPP, no further action is required on your part.</p>
<b>Issue Price of the SPP Shares</b>	<p>The Issue Price of the SPP Shares is the lower of:</p> <ul style="list-style-type: none"> <li>\$176 per SPP Share, being the price paid by institutional investors under the Placement; and</li> <li>a 2.0% discount to the VWAP of Xero Shares traded on ASX during the five trading days up to, and including, the Closing Date, rounded to the nearest cent.</li> </ul> <p>There is a risk that the market price of Shares may rise or fall between the date of this Booklet and the time of issue of SPP Shares under the SPP. This means that the price you pay for the SPP Shares issued to you may be less than or more than the market price of Shares at the date of this Booklet or the time of issue.</p> <p>Your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.</p>
<b>Eligible Shareholders</b>	Eligible Shareholders are eligible to participate in the SPP, being persons who were registered holders of Shares at 7.00pm (Sydney time) on Tuesday, 24 June 2025 (i) with a registered address in either Australia or New Zealand at that time as shown on the Register (provided that such holders are not in the United States and are not acting for the account or benefit of a person in the United States or, in the event that such holders are acting for the account or benefit of a person in the United States, such holders are not participating in the SPP in respect of that person) or (ii) otherwise, who are Xero Directors (subject to applicable law).

Key SPP details	Summary
<b>Non-renounceable and non-transferable</b>	<p>The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of Eligible Beneficiaries on the Terms and Conditions provided in this Booklet.</p> <p>Custodians may only distribute documents relating to the SPP to Eligible Beneficiaries. In particular, due to legal restrictions, Custodians may not distribute this Booklet, and may not permit any beneficial Shareholder to participate in the SPP, in any country outside Australia or New Zealand.</p>
<b>Investment amount</b>	<p>Eligible Shareholders may apply for SPP Shares in parcels valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000.</p> <p>The number of SPP Shares issued to an Eligible Shareholder will be rounded up to the nearest whole number after dividing the application monies by the Issue Price. Xero may (in its absolute discretion) decide to:</p> <ul style="list-style-type: none"> <li>• increase the amount to be raised under the SPP to reduce or eliminate the need for scale back; and/or</li> <li>• undertake a scale back of applications (in whole or in part) at the absolute discretion of Xero.</li> </ul> <p>See section 4.10 of the Terms and Conditions for further details.</p>
<b>How to apply</b>	<p>Eligible Shareholders wishing to apply for SPP Shares may do so by making payment via:</p> <ul style="list-style-type: none"> <li>• BPAY; or</li> <li>• electronic funds transfer (available only for Eligible Shareholder with a registered address in New Zealand and unable to pay by BPAY).</li> </ul> <p>Instructions about how to make payment via BPAY (including your unique BPAY reference number) can be obtained as follows:</p> <ul style="list-style-type: none"> <li>• if you received an offer letter, instructions about how to make a BPAY payment (including your unique BPAY reference number) are set out in the offer letter; or</li> <li>• if you received an electronic communication from Xero regarding the SPP, you can obtain your BPAY instructions (including your unique BPAY reference number) by applying online via <a href="https://events.miracle.com/xro-spp">https://events.miracle.com/xro-spp</a>. You will need to provide your securityholder reference number or holder identification number and follow the instructions provided.</li> </ul> <p>You can only make payment via BPAY if you are the holder of an account with an Australian branch of a financial institution that supports BPAY transactions.</p>

Key SPP details	Summary
	<p>If you are an Eligible Shareholder with a registered address in New Zealand and are unable to pay by BPAY, your personalised EFT form will contain instructions on how to pay via electronic funds transfer which can be accessed via <a href="https://events.miracle.com/xro-spp">https://events.miracle.com/xro-spp</a> by following the prompts.</p> <p>If you are paying via BPAY, there is no need to return your personalised Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.</p> <p>Xero Directors may receive separate instructions from the Company and/or the Registry on how to participate in the SPP Offer.</p> <p>Payment for SPP Shares for the appropriate amount (and Application Form(s) (as applicable)) must be received by the Registry prior to the close of the SPP Offer at <b>5.00pm (Sydney time) on Monday, 21 July 2025</b>.</p> <p>You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. Xero and the Registry accept no responsibility for any delay in the receipt of payment.</p> <p>Cheque, bank draft, money order and cash payments will not be accepted.</p>
<b>Rights attached to SPP Shares</b>	SPP Shares will rank equally with all other Shares on issue from their date of issue.
<b>Custodians</b>	<p>The SPP is being extended to Eligible Shareholders who are Custodians and who wish to apply for SPP Shares on behalf of Eligible Beneficiaries.</p> <p>The SPP is being offered to Custodians as the registered Shareholder. Custodians are not required to participate on behalf of their Eligible Beneficiaries. Custodians may choose whether or not to extend the SPP to their Eligible Beneficiaries.</p> <p>Notwithstanding the foregoing, Custodians may not participate in the SPP on behalf of, and may not distribute this Booklet or any documents relating to this SPP to, any person in the United States. In the event that a Custodian is acting for the account or benefit of a person in the United States, it is not permitted to participate in respect of that person.</p> <p>If you wish to apply as a Custodian under the SPP to receive SPP Shares for one or more Eligible Beneficiaries, you must complete and submit an additional '<b>Custodian Certificate</b>' that contains further certifications and details (as required under the terms of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i>) before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit.</p>

Key SPP details	Summary
	<p>To request a Custodian Certificate or for further information about the custodian application process, please contact the Registry from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) on 1800 262 299 (for callers within Australia) or +61 1800 262 299 (for callers outside Australia) during the SPP Offer Period.</p> <p>A Custodian will be ineligible to participate in the SPP if their participation would be in breach of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i>.</p>
Issue of SPP Shares	Holding statements are expected to be despatched on or around Wednesday, 30 July 2025.
Oversubscriptions	<p>The amount that each Eligible Shareholder can apply for under the SPP is capped at \$30,000. The SPP aims to raise up to approximately \$200 million. Xero may decide to accept applications (in whole or in part) that result in the SPP raising more or less than this amount in its absolute discretion.</p> <p>Xero may, in its absolute discretion, scale back the number of SPP Shares that will be issued to individual Shareholders under the SPP. If a scale back is applied, it is Xero's intention that the scale back will be applied having regard to the pro rata shareholding of Eligible Shareholders who apply for SPP Shares. If this happens you may be issued SPP Shares to a value that is less than the value of SPP Shares you applied for and the difference will be refunded to you (without interest) (except that any excess amount of \$5.00 or less will be retained by Xero and not refunded).</p>
Refunds	Any application monies refunded by Xero will be paid by cheque or direct credit (the payment method will be determined by Xero in its absolute discretion) in Australian currency. By applying for SPP Shares, each Eligible Shareholder authorises Xero to pay any monies to be refunded by using the payment instructions of the Eligible Shareholder recorded in the Registry's records if Xero should elect to pay in this manner.
More information	<p>If you have any questions in relation to how to participate in the SPP, please contact the Registry from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) on 1800 262 299 (for callers within Australia) or +61 1800 262 299 (for callers outside Australia) during the SPP Offer Period or consult your financial or other professional adviser.</p> <p>If you have any questions in relation to whether an investment in Xero through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.</p>

## 4 SPP Terms and Conditions

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### Important notice and disclaimer

**This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.**

The offer of SPP Shares under the SPP Offer is made in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, which grants relief from the requirement for Xero to provide prospectus disclosure in relation to the SPP. This Booklet does not constitute a prospectus or product disclosure statement, and has not been lodged with ASIC or any other regulator. The issue of a prospectus or product disclosure statement is not required for the purpose of the SPP Offer. You must rely on your own knowledge of Xero, previous disclosure made by Xero to ASX and if necessary, consult with your professional adviser when deciding whether or not to participate in the SPP Offer.

If you participate in the SPP by making a payment, you are accepting the risk that the market price of Shares may change between the Record Date, the date on which a payment is received and the Issue Date. This means that, up to and/or after the Issue Date, you may be able to buy Shares on ASX at a lower price than the Issue Price.

Please read these Terms and Conditions carefully, as you will be bound by them in participating in the SPP. Shareholders accepting the SPP Offer will also be bound by the constitution of Xero.

The previous sections of this Booklet and the Application Form forms part of these Terms and Conditions.

### 4.1 Offer

- (a) Xero offers each Eligible Shareholder the opportunity to purchase up to \$30,000 of SPP Shares under the SPP subject to and in accordance with the Terms and Conditions set out below, in the previous sections of this Booklet and the Application Form (**SPP Offer**).
- (b) The SPP Offer opens at 9.00am (Sydney time) on Wednesday, 2 July 2025 and closes at 5.00pm (Sydney time) on Monday, 21 July 2025 (or such other date as Xero determines, in its absolute discretion).
- (c) Participation in the SPP is voluntary. If you choose not to participate in the SPP, your right to participate lapses at the Closing Date, being 5.00pm (Sydney time) on Monday, 21 July 2025 (or such other date as Xero determines, in its absolute discretion).
- (d) The SPP Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.
- (e) The SPP Offer to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.
- (f) All references to \$ or dollars in this Booklet are references to Australian dollars unless otherwise indicated.

## 4.2 Eligible Shareholders

- (a) You are eligible to participate in the SPP Offer if you were registered on the Register as a Shareholder at 7.00pm (Sydney time) on Tuesday, 24 June 2025 (the Record Date):
  - (1) had a registered address in either Australia or New Zealand at that time as shown on the Register (provided that you are not in the United States and are not acting for the account or benefit of a person in the United States or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person); or
  - (2) you are a Xero Director (subject to applicable law).
- (b) The SPP is also extended to Eligible Shareholders who are Custodians in accordance with sections 4.3(b) and 4.4(f) of the Terms and Conditions below.

The Shares to be offered and sold under the SPP have not been, and will not be, registered under the US Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Save for any Xero Directors who may be in the United States, shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders who hold Shares on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

## 4.3 Joint holders and Custodians

- (a) If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- (b) Subject to these Terms and Conditions, Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian is holding Shares. Due to legal restrictions, Custodians may not distribute this Booklet or any other document relating to the SPP to any person in, and may not participate in the SPP on behalf of, any person in the United States or any person acting for the account or benefit of a person in the United States. In the event that a Custodian is acting for the account or benefit of a person in the United States, it is not permitted to participate in respect of that person.
- (c) If you hold Shares as a trustee or nominee for another person, but are not a Custodian, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply and you may only contribute a maximum of \$30,000 in applying for SPP Shares. You are not eligible to participate on behalf of a person who resides outside of Australia or New Zealand.

## 4.4 Applications for SPP Shares

- (a) Eligible Shareholders may apply for SPP Shares in parcels valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000.
- (b) Subject to section 4.4(c) of the Terms and Conditions below, no brokerage or other transaction costs will apply to the acquisition of SPP Shares.



- (c) In the event of a change in legislation or regulation so that, at the date of any issue of Shares, stamp duty or any other tax or duty is payable in respect thereof, the amount of such stamp duty or other tax or duty shall be paid by the Eligible Shareholder to whom the Shares are issued and, included in the calculation of the Issue Price.
- (d) Eligible Shareholders who wish to apply for SPP Shares must follow the instructions set out in the 'How to apply' section of section 3 of this Booklet (see pages 5 and 6).
- (e) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$30,000.
- (f) If you wish to subscribe for SPP Shares as a Custodian for one or more Eligible Beneficiaries, you must also complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*) before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. To request a Custodian Certificate or for further information about the custodian application process, please contact the Registry from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) on 1800 262 299 (for callers within Australia) or +61 1800 262 299 (for callers outside Australia) during the SPP Offer Period.
- (g) Xero may accept or reject your application for SPP Shares in whole or in part in its absolute discretion including, without limitation, if:
  - (1) your application does not comply with these Terms and Conditions;
  - (2) it appears you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX requirements);
  - (3) your payment is not received by the Closing Date;
  - (4) it appears that you are applying to purchase more than \$30,000 of SPP Shares in aggregate (including as a result of Shares you hold directly, jointly or through a trust, custodian or nominee arrangement) or your application is not for an amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000;
  - (5) Xero believes that you and one or more other registered holders of the same or similar name or address are applying to buy more than an aggregate of \$30,000 of SPP Shares;
  - (6) your name is not recorded in the Register on the Record Date. For example, applications by people claiming an interest in Shares through a registered holder of Shares will not be accepted;
  - (7) payment of the application monies is not submitted in Australian currency; or
  - (8) the amount of your payment is not equal to the amount of your application. If this occurs, Xero will:
    - (A) refund in full your application monies (without interest) and not issue any SPP Shares to you; or
    - (B) issue to you the number of SPP Shares that would have been issued had you applied for the highest designated

amount that is less than the amount of your payment and refund to you the excess of your application monies (without interest) (except that any excess amount of \$5.00 or less will be retained by Xero and not refunded).

- (h) If you are entitled to a refund of all or any of your application monies, the refund will be paid to you, without interest, as soon as is practicable by direct credit to your nominated account (as recorded on the Register) or cheque. Shareholders are encouraged to update their direct credit details with the Registry.

#### **4.5 Issue Price**

- (a) The Issue Price per SPP Share is the lower of:
  - (1) \$176 per SPP Share, being the price paid by institutional investors under the Placement; and
  - (2) a 2.0% discount to the VWAP of Xero Shares traded on ASX during the five trading days up to, and including, the Closing Date, rounded to the nearest cent.
- (b) The current Share price can be obtained from ASX and is listed in the financial and business section of major daily newspapers circulating in Australia.
- (c) You agree to pay the Issue Price per SPP Share for the number of SPP Shares calculated under section 4.6(a) of the Terms and Conditions or, if there is a scale back, the number of SPP Shares calculated under section 4.10 of the Terms and Conditions.

#### **4.6 Number of SPP Shares to be issued**

- (a) If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your application is accepted, Xero will divide the value of your application monies by the Issue Price (as determined under section 4.5(a) of the Terms and Conditions) in order to determine the number of SPP Shares which, subject to scale back, will be issued to you.
- (b) If this calculation produces a fractional number, the number of SPP Shares issued will be rounded up to the nearest whole SPP Shares.

#### **4.7 Issue of SPP Shares**

- (a) SPP Shares will be issued on the Issue Date.
- (b) SPP Shares will rank equally with existing Shares as at the Issue Date.
- (c) Xero will apply to ASX for the quotation of SPP Shares.
- (d) The Registry will send you a holding statement, confirming the issue of SPP Shares, on or around Wednesday, 30 July 2025.

#### **4.8 Shareholders outside Australia**

- (a) The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Shareholders. Xero has determined that, in its reasonable opinion, except with respect to Xero Directors, it is not practical for Shareholders with a registered address outside of Australia and New Zealand to participate in the SPP.

- (b) Other than as set out in section 4.8(c) of the Terms and Conditions below, the SPP Shares may only be offered or sold in New Zealand to (or allotted with a view to being offered for sale in New Zealand) to Eligible Shareholders who:
  - (1) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
  - (2) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
  - (3) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
  - (4) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
  - (5) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.
- (c) The SPP Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to Eligible Shareholders who were retail investors (as that term is defined in regulation 5(1) of the Financial Markets Conduct Regulations 2014 (New Zealand)) in reliance on the Financial Markets Conduct (Xero Limited) Exemption Notice 2025.
- (d) This Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the FMC Act. This Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.
- (e) Shareholders in the United States are not eligible to participate in the SPP (other than any Xero Directors who are in the United States). Similarly, Shareholders (including Custodians) who hold Shares on behalf of persons who reside outside Australia or New Zealand, are in the United States or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.
- (f) Neither this Booklet nor any other document relating to the offer of Shares has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended) has been published or is intended to be published in respect of the Shares.

#### **4.9 Representations, warranties and acknowledgements**

By making payment for SPP Shares, you (on your own behalf and on behalf of each person for whose account or on whose behalf you are acting, if applicable):

- (a) are deemed to have accepted the SPP Offer and you irrevocably and unconditionally agree to the Terms and Conditions of the SPP and the terms and conditions of the Application Form in full and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) represent and warrant that all details and statements in your application are true and complete and not misleading (including by omission);
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (d) represent and warrant that you are an Eligible Shareholder and are eligible and lawfully permitted to participate in the SPP and to accept the SPP Offer, and agree to provide (and if applicable direct your nominee or Custodian to provide)

- any requested substantiation of your eligibility to participate in the SPP and of your holding of Shares on the Record Date;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of SPP Shares or subsequently refunded to you for any reason;
  - (f) acknowledge that Xero and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these Terms and Conditions;
  - (g) agree to pay the Issue Price per SPP Share up to the maximum of:
    - (1) the value you have selected on the Application Form; or
    - (2) the maximum value of your payment,(as determined by Xero in its absolute discretion);
  - (h) represent, warrant, acknowledge and agree that (save for any Xero Director in the United States, for whom this paragraph does not apply or relate):
    - (1) you are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person);
    - (2) at the time the allotment of SPP Shares is made, you will not be in the United States and will not be acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person);
    - (3) you understand that the offer and sale of SPP Shares has not been, and will not be, registered under the US Securities Act or under the securities laws of any US state or other jurisdiction of the United States and, accordingly, the SPP Shares may not be offered or sold, directly or indirectly, to persons in the United States or to any person acting for the account or benefit of a person in the United States;
    - (4) you may not and will not, offer, sell, pledge, transfer or otherwise dispose of any Shares in the United States or for the account or benefit of a "US person" (as defined in Rule 902(k) under the US Securities Act) unless and until the Shares are registered under the US Securities Act (which the Eligible Shareholder acknowledges Xero has no obligation to do) or are offered, sold, pledged, transferred or otherwise disposed of in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act or the laws of any state or other jurisdiction in the United States;
    - (5) you understand that the SPP Shares are being offered and sold in "offshore transactions" (as defined in Rule 902(h) under Regulation S) in reliance on Regulation S under the US Securities Act and are subject to the conditions under Regulation S;
    - (6) you have not sent, and will not send, this Booklet or any materials relating to the SPP to any person outside of Australia or New Zealand, to any person in the United States, and to any person acting for the account or benefit of a person in the United States;
    - (7) Xero is not liable for any exercise of its discretions referred to in the Terms and Conditions of the SPP;
    - (8) you are not in the business of distributing securities;

- (9) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in the regular way for transactions on ASX where neither you nor any person acting on your behalf, knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person outside of Australia or New Zealand (including, without limitation, to any person in the United States, a person in the United States, or to any person acting for the account or benefit of a person in the United States); and
- (10) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand (and is not in the United States and is not acting for the account or benefit of a person in the United States), and you have not sent, and will not send, this Booklet, or any materials relating to the SPP, to any person outside Australia and New Zealand (including, without limitation, to any person in the United States or to any person acting for the account or benefit of a person in the United States);
- (i) if you are applying for SPP Shares on your own behalf (and not as a Custodian) represent, warrant, acknowledge and agree that:
  - (1) you are not applying for SPP Shares with an aggregate application price of more than \$30,000 under the SPP (including any SPP Shares which a Custodian has applied to purchase on your behalf under the SPP); and
  - (2) the aggregate application price for the following does not exceed \$30,000:
    - (A) the SPP Shares the subject of the application;
    - (B) any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
    - (C) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
    - (D) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP,even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;
- (j) if you are a Custodian and are applying for SPP Shares in such capacity, represent, warrant, acknowledge and agree that:
  - (1) you are a Custodian (as that term is defined in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*); and
  - (2) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading (including by omission);
- (k) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register;
- (l) agree to be bound by the constitution of Xero;
- (m) represent and warrant that you are in compliance with all relevant laws and regulations;

- (n) acknowledge that Xero may vary the timetable set out in this Booklet at its discretion by lodging a revised timetable with ASX;
- (o) acknowledge that the market price of Shares may rise or fall between the date of the SPP Offer and the Issue Date and that the Issue Price you pay for SPP Shares may exceed the market price of Shares on the Issue Date;
- (p) acknowledge that there are risks associated with acquiring and holding Shares, including those described in the investor presentation dated Wednesday, 25 June 2025;
- (q) acknowledge that none of Xero or its subsidiaries or their respective directors, officers, employees, advisers or agents has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice, and that this Booklet has been prepared without taking into account the objectives, financial situation, tax position or needs of individuals;
- (r) authorise Xero, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these Terms and Conditions and to register you as the holder(s) of SPP Shares issued to you;
- (s) acknowledge that Xero may at any time and in its absolute discretion determine that your application is valid, in accordance with the Terms and Conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (t) authorise Xero, and its officers and agents, to correct any minor or easily rectified error(s) in, or omission(s) from, your Application Form and to complete the Application Form by the insertion of any missing minor detail(s);
- (u) Xero at its absolute discretion can make reductions in issuance of SPP Shares under a scale back; and
- (v) declare that you are at least 18 years of age and have full legal capacity and power to perform all your rights and obligations in respect of the SPP Offer.

#### **4.10 Scale back**

- (a) Subject to clause 4.10(b), Xero has determined that the amount raised through the SPP is capped at approximately \$200 million and accordingly if demand exceeds such cap, Xero will have the discretion to undertake a scale back of applications for SPP Shares (in whole or in part) at the absolute discretion of Xero. If a scale back is applied, it is Xero's intention that the scale back will be applied having regard to the pro rata shareholding of Eligible Shareholders who apply for SPP Shares.
- (b) Xero may (in its absolute discretion) in a situation where total demand exceeds \$200 million, decide to increase the amount to be raised under the SPP to reduce scale back.
- (c) If there is a scale back, you may receive less than the parcel of SPP Shares for which you have applied.
- (d) If a scale back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be issued will be rounded up to the nearest whole number of SPP Shares.
- (e) If there is a scale back, the difference between the application monies received from you, and the number of SPP Shares allocated to you multiplied by the

Issue Price will be refunded to you (without interest) (except that any excess amount of \$5.00 or less will be retained by Xero and not refunded).

- (f) When deciding on the amount to apply for, please consider the impact of the potential scale back as it may impact the number of SPP Shares you receive. Your allocation may be scaled back and you will receive a refund for the balance of your application (without interest) (except that any excess amount of \$5.00 or less will be retained by Xero and not refunded).

#### **4.11 Dispute resolution**

- (a) Xero may settle, in any manner it deems appropriate, any difficulties, anomalies, or disputes which may arise in connection with, or by reason of, the operation of the SPP whether generally or in relation to any participant or any application for SPP Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.
- (b) The powers of Xero under these Terms and Conditions may be exercised by the directors of the Company or any delegate or representative of the directors of the Company.

#### **4.12 Variation and termination**

- (a) Xero reserves the right at any time to:
  - (1) amend or vary these Terms and Conditions;
  - (2) waive strict compliance with any provision of these Terms and Conditions;
  - (3) withdraw the SPP Offer or suspend or terminate the SPP;
  - (4) vary the timetable for the SPP, including the Closing Date; and
  - (5) not accept an application, not issue SPP Shares, or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of its Eligible Beneficiaries).
- (b) Any such amendment, variation, waiver, suspension, withdrawal, non-acceptance or termination will be binding on all Eligible Shareholders even where Xero does not notify you of that event.
- (c) In the event that the SPP is withdrawn or terminated, all application monies will be refunded (without interest).

#### **4.13 Privacy policy**

- (a) Xero and the Registry may collect personal information to process your application, implement the SPP and administer your holding of Shares. The personal information contained in the Register is also used to facilitate payments and corporate communications (including financial results), annual reports and other information to be communicated to Shareholders, and to ensure compliance with legal and regulatory requirements (as applicable).
- (b) Your personal information may be disclosed to joint investors, the Registry, securities brokers, third party service providers (including print and mail service providers, technology providers and professional advisers), related entities of Xero and its agents and contractors, and ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to government or regulatory bodies (as applicable) or where

you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.

- (c) The Registry's privacy policy is available at [MUFG Pension & Market Services Global Privacy Policy](#).

#### **4.14 ASIC Corporations Instrument compliance**

A Shareholder will be ineligible to participate in the SPP if their participation would be in breach of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

#### **4.15 Underwriting**

The SPP is not underwritten.

#### **4.16 Governing law**

- (a) These Terms and Conditions are governed by the laws in force in Victoria, Australia. Any dispute arising out of, or in connection with, these Terms and Conditions, or the SPP Offer, will be determined by the courts of Victoria. By accepting the SPP Offer, you agree to submit to the exclusive jurisdiction of the courts in Victoria. Other terms and conditions, and rights and obligations in respect of Shares, are contained in the constitution of Xero.
- (b) These Terms and Conditions prevail to the extent of any inconsistency with the Application Form.



## 5 Glossary

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The following definitions apply throughout this Booklet unless the context requires otherwise.

Term	Meaning
\$	Australian dollars.
<b>Acquisition</b>	has the meaning in section 1 of this Booklet.
<b>Application Form</b>	your personalised application form.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691), or the market operated by it, as the context requires.
<b>Booklet</b>	this document which sets out the SPP Offer.
<b>Closing Date</b>	5:00pm (Sydney time) on Monday, 21 July 2025 (or such other date as Xero determines, in its absolute discretion).
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Custodian</b>	a custodian as defined in paragraph 4 of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
<b>Custodian Certificate</b>	a certificate complying with paragraph 8(3) of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
<b>EFT</b>	electronic funds transfer.
<b>Eligible Beneficiary</b>	a person on whose behalf a Custodian holds Shares as at the Record Date (i) who has a registered address in either Australia or New Zealand at that time as shown on the Register (provided that such holder is not in the United States and is not acting for the account or benefit of a person in the United States or, in the event that such holder is acting for the account or benefit of a person in the United States, such holder is not participating in the SPP in respect

Term	Meaning
	of that person) or (ii) otherwise, who is a director on the board of directors of the Company (subject to applicable law).
<b>Eligible Shareholder</b>	a person who was a registered holder of Shares at 7.00pm (Sydney time) on the Record Date (i) with a registered address in either Australia or New Zealand at that time as shown on the Register (provided that such holder is not in the United States and is not acting for the account or benefit of a person in the United States or, in the event that such holder is acting for the account or benefit of a person in the United States, such holder is not participating in the SPP in respect of that person) or (ii) otherwise, who is a director on the board of directors of the Company (subject to applicable law).
<b>FMC Act</b>	Financial Markets Conduct Act 2013 (New Zealand).
<b>Issue Date</b>	Monday, 28 July 2025 (or such other date as Xero determines, in its absolute discretion).
<b>Issue Price</b>	the price per SPP Share as determined under section 4.5 of the Terms and Conditions.
<b>Listing Rules</b>	the rules of the ASX that govern the admission, quotation and removal of securities from the ASX official list.
<b>Merger Agreement</b>	has the meaning in section 1 of this Booklet.
<b>Offer Period</b>	the period commencing on the Opening Date and ending on the Closing Date.
<b>Opening Date</b>	9.00am (Sydney time) Wednesday, 2 July 2025.
<b>Placement</b>	the placement of Shares to institutional investors, announced to ASX on Wednesday, 25 June 2025.
<b>Record Date</b>	7.00pm (Sydney time) on Tuesday, 24 June 2025.
<b>Register</b>	the register of Shareholders.

Term	Meaning
<b>Registry</b>	MUFG Corporate Markets A division of MUFG Pension & Market Services 161 Castlereagh Street, Sydney NSW.
<b>Share</b>	a fully paid ordinary share in Xero.
<b>Shareholder</b>	a holder of one or more Shares.
<b>SPP</b>	the Share Purchase Plan offer made to Eligible Shareholders under the terms of this Booklet.
<b>SPP Share</b>	has the meaning in section 1 of this Booklet.
<b>SPP Offer</b>	the offer in section 4.1 of the Terms and Conditions.
<b>Terms and Conditions</b>	the terms and conditions of the SPP Offer, which are set out in section 4 of this Booklet.
<b>US</b>	United States.
<b>US\$</b>	United States dollars.
<b>US Securities Act</b>	the U.S. Securities Act of 1933, as amended.
<b>Xero or Company</b>	Xero Limited (ARBN 160 661 183) (NZBN 9429034042984).
<b>Xero Director</b>	a director on the board of directors of the Company.

**Xero Limited**

NZ Company No. 1830488  
ARBN 160 661 183

All Registry communications to:  
MUFG Corporate Markets (AU) Limited  
A division of MUFG Pension & Market Services  
Locked Bag A14  
Sydney South NSW 1235 Australia  
Telephone: 1800 262 299  
From outside Australia: +61 1800 262 299  
ASX Code: XRO  
Website: [au.investorcentre.mpms.mufg.com](http://au.investorcentre.mpms.mufg.com)

**IID:****SRN/HIN:****Entitlement Number:**

**Record Date:** 7:00pm (Sydney time)  
24 June 2025

**Offer Opens:** 9:00am (Sydney time)  
2 July 2025

**Offer Closes:** 5:00pm (Sydney time)  
Monday, 21 July 2025

**SHARE PURCHASE PLAN ("SPP") APPLICATION FORM****How do I apply for SPP Shares under this offer?**

- Carefully read the SPP booklet accompanying this form ("**Booklet**"). Capitalised terms not otherwise defined in this Application Form are defined in the Booklet.
- Decide on the amount you wish to apply for.
- Pay for the SPP Shares in accordance with the instructions outlined in the Booklet and further important instructions below.
- Payments must be in Australian dollars.
- The issue price of the SPP Shares will be the lower of:
  - \$176 per SPP Share, being the price paid by institutional investors under the Placement; and
  - a 2.0% discount to the volume weighted average price ("**VWAP**") of Shares traded on ASX during the five trading days up to, and including the Closing Date, rounded to the nearest cent.

**PAYMENT OPTION****Paying by BPAY®**

You do NOT need to return this Application Form. Payment must be received via BPAY® before 5:00pm (Sydney time) on Monday, 21 July 2025. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY®, you will be deemed to have completed an Application Form for the value of SPP Shares the subject of your payment.

SPP Shares may be purchased in parcel amounts of A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500, A\$15,000, A\$20,000, A\$25,000 or A\$30,000.

If an amount is received which is not a designated parcel amount, Xero may reject the application and refund in full the application monies (without interest) to the Eligible Shareholder, or apply the dollar amount of the payment to the best designated parcel that is less than the amount of the payment and refund the excess application monies (without interest) to the Eligible Shareholder.



**Biller Code:** 445866

**Ref:**

**Telephone & Internet Banking – BPAY®**

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: [www.bpay.com.au](http://www.bpay.com.au)  
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**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**

**IMPORTANT INFORMATION**

- This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
- If you do not wish to purchase SPP Shares under this SPP, there is no need to take action.
- Please ensure you have read and understood the Booklet and this Important Information, before you make the payment by BPAY®.
- This SPP is not transferable. Applications can only be accepted in the name printed on the Application Form.
- If you are a "custodian" as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 you must complete and submit an additional Custodian Certificate that contains additional certifications and details that must be provided ("**Custodian Certificate**") before your application will be received. The Custodian Certificate can be obtained by contacting the Registry. Applications received by custodians that are not accompanied by the Custodian Certificate will be rejected.
- For applicants that are not required to complete the Custodian Certificate, by making payment by BPAY®, represent, warrant, acknowledge and agree that:
  - you are not applying for SPP Shares with an application price of more than A\$30,000 under the SPP (including any SPP Shares which a Custodian has applied to purchase on your behalf under the SPP); and
  - the aggregate application price for the following does not exceed \$30,000:
    - the SPP Shares the subject of the application;
    - any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
    - any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
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- Xero reserves the right to make amendments to this Application Form where appropriate.
- Applicants are not assured of receiving the SPP Shares for which they have applied as Xero retains the right to scale back applications (in whole or in part) at its absolute discretion. If a scale back is applied, it is Xero's intention that the scale back will be applied having regard to the pro rata shareholding of Eligible Shareholders who apply for SPP Shares.
- Any determinations by Xero will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Xero reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP Offer, to amend or vary those terms and conditions or to suspend or terminate the SPP Offer at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Xero does not notify you of that event.
- Save for any Xero Directors who may be in the United States, the Booklet and this Application Form may not be distributed or released in the United States ("**US**"). The Booklet and this Application Form do not constitute an offer to sell, or a solicitation of an offer to buy, any Shares in the United States or in any jurisdiction in which such an offer would be illegal. The Shares to be offered and sold under the SPP have not been, and will not be, registered under the US Securities Act of 1933, as amended ("**US Securities Act**"), or under the securities laws of any US state or other jurisdiction of the US, and may not be offered or sold, directly or indirectly, to persons in the US or to any person acting for the account or benefit of a person in the US (to the extent such person is acting for the account or benefit of a person in the US), except pursuant to an exemption from the registration requirements of the US Securities Act and applicable state securities laws. Save for any Xero Directors who may be in the United States, the SPP Shares may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the US Securities Act.
- Save for any Xero Directors who may be in the United States, by making your payment, you represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States.



Dear Shareholder,

On behalf of the directors of Xero Limited (**Xero or the Company**), I am pleased to offer you the opportunity to participate in the Xero Share Purchase Plan (**SPP**), which allows Eligible Shareholders to subscribe for up to \$30,000 of new Shares in Xero (**SPP Shares**) without incurring brokerage or other transaction costs.

The SPP aims to raise up to approximately A\$200 million and is not underwritten. The SPP follows Xero's successful placement announced on Wednesday, 25 June 2025, which raised approximately A\$1.85 billion (**Placement**).

The SPP Shares are being offered at the Issue Price of the lower of:

- \$176 per SPP Share, being the price paid by institutional investors under the Placement<sup>1</sup>; and
- a 2.0% discount to the volume weighted average price (**VWAP**) of Shares traded on ASX during the five trading days up to, and including the Closing Date, rounded to the nearest cent.

### Use of proceeds

As announced to the ASX on Wednesday, 25 June 2025, Xero entered into a binding agreement to acquire 100% of Mello Limited and its associated entities, for upfront consideration of US\$2.5 billion (**Merger Agreement**) (**Acquisition**).

The proceeds from the Placement will be used to partially fund the cash consideration under the Merger Agreement and transaction costs. The proceeds from the SPP will be used for general corporate and working capital purposes.

Further details about the Acquisition and Placement, including a summary of the key risks associated with holding an investment in Xero, are included in Xero's ASX announcement and investor presentation each released on Wednesday, 25 June 2025, which we encourage you to read.

### Participation in the SPP

Participation in the SPP is voluntary and open to all Eligible Shareholders, being persons who were registered holders of Shares in Xero at 7.00pm (Sydney time) on Tuesday, 24 June 2025 (**Record Date**) (i) with a registered address in either Australia or New Zealand at that time, as shown on the Register or (ii) otherwise, who are Xero Directors (subject to applicable law), and in each case, subject to certain other eligibility criteria set out in section 4.2 of the Terms and Conditions. The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of certain Eligible Beneficiaries on the terms and Conditions set out in the SPP booklet (**Booklet**).

Save for Xero Directors who may be in the United States, Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders (including Custodians) who hold Shares on behalf of persons who reside outside Australia or New Zealand, are in the United States or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

Once issued, SPP Shares will rank equally with existing Shares in Xero.

The Terms and Conditions of the SPP are provided in the Booklet. We urge you to read these materials in their entirety and seek your own financial and taxation advice in relation to the SPP, before you decide whether to participate.

<sup>1</sup> Represents a 9.4% discount to the closing price of Shares traded on ASX on the day before the SPP was announced (being Tuesday, 24 June 2025).



## How to apply for SPP Shares

To apply for SPP Shares, please read the Booklet carefully and in its entirety and then follow the instructions in your personalised Application Form. The Booklet and your personalised Application Form can be accessed via <https://events.miracle.com/xro-spp>.

In accordance with the instruction in your personalised Application Form, you must either:

- **make a payment directly via BPAY®**, which is the fastest and easiest way to apply; or
- if you are an Eligible Shareholder with a registered address in New Zealand and unable to pay by BPAY, you may pay for SPP Shares by making an electronic funds transfer.

Cheque, bank draft, money order and cash payments will not be accepted.

Xero Directors may receive separate instructions from the Company and/or the Registry on how to participate in the SPP Offer.

Eligible Shareholders wishing to apply for SPP Shares must ensure that their payment (and Application Form(s) (as applicable)) is received by no later than **5.00pm (Sydney time) on Monday, 21 July 2025**.

## Questions and further information

The Booklet contains important information about the SPP to assist you in deciding whether to participate in the SPP. You should read the Booklet carefully and in its entirety before deciding whether to apply.

If you have any questions in relation to how to participate in the SPP, please contact the Registry from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) on 1800 262 299 (for callers within Australia) or +61 1800 262 299 (for callers outside Australia) during the SPP Offer Period or consult your financial or other professional adviser. If you have any questions in relation to whether an investment in Xero through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

Thank you for your continued support of Xero.

Yours sincerely,

**David Thodey, AO**  
Chair  
Xero Limited

## NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

Save for any Xero Directors who may be in the United States, this letter may not be distributed or released in the United States. This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any New Shares in the United States (US) or any other jurisdiction in which such an offer would be unlawful. The New Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**US Securities Act**), or under the securities laws of any US state or other jurisdiction of the US, and may not be offered or sold, directly or indirectly, to persons in the US or to any person acting for the account or benefit of a person in the US (to the extent such person is acting for the account or benefit of a person in the US), except pursuant to an exemption from the registration requirements of the US Securities Act and applicable state securities laws. Save for any Xero Directors who may be in the United States, the SPP Shares may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the US Securities Act.

**Xero Limited (XRO)**  
NZ Company no. 1830488  
ARBN 160 661 183

**Registered Office**  
19-23 Taranaki St  
Te Aro  
Wellington 6011

**www.xero.com**  
T +64 4 819 4800  
F +64 4 819 4801  
E [info@xero.com](mailto:info@xero.com)

**Xero Limited**

NZ Company No. 1830488  
ARBN 160 661 183

All Registry communications to:  
MUFG Corporate Markets (AU) Limited  
A division of MUFG Pension & Market Services  
Locked Bag A14  
Sydney South NSW 1235 Australia  
Telephone: 1800 262 299  
From outside Australia: +61 1800 262 299  
ASX Code: XRO  
Website: au.investorcentre.mpms.mufg.com

**IID:****SRN/HIN:****Entitlement Number:**

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- Decide on the amount you wish to apply for.
- Pay for the SPP Shares in accordance with the instructions outlined in the Booklet and further important instructions on the reverse of this form.
- Payments must be in Australian dollars.
- The issue price of the SPP Shares will be the lower of:
  - \$176 per SPP Share, being the price paid by institutional investors under the Placement; and
  - a 2.0% discount to the volume weighted average price ("VWAP") of Shares traded on ASX during the five trading days up to, and including the Closing Date, rounded to the nearest cent.

**PAYMENT OPTIONS – If you wish to participate in the SPP, you have the following payment options.****Option 1: Paying by BPAY®**

If paying by BPAY®, refer to the instructions overleaf. You do NOT need to return this Application Form if you elect to make payment by BPAY®. Payment must be received via BPAY® before 5:00pm (Sydney time) on Monday, 21 July 2025. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry on time. By paying by BPAY®, you will be deemed to have completed this Application Form for the value of SPP Shares the subject of your payment.

SPP Shares may be purchased in parcel amounts of A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500, A\$15,000, A\$20,000, A\$25,000 or A\$30,000.

If an amount is received which is not a designated parcel amount, Xero may reject the application and refund in full the application monies (without interest) to the Eligible Shareholder, or apply the dollar amount of the payment to the highest designated parcel that is less than the amount of the payment and refund the excess application monies (without interest) to the Eligible Shareholder.

**Option 2: Paying by EFT payment**

Complete and return this Application Form once your payment has been made by EFT.

Completed Application Forms must be emailed to  
**capital.markets.au@cm.mpms.mufg.com**.

- A. Tick the box beside the amount you wish to apply for, either A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500, A\$15,000, A\$20,000, A\$25,000 or A\$30,000.
- B. Submit a payment in Australian dollars to the following account. Payment must be received in cleared funds by 5:00pm (Sydney time) on Monday, 21 July 2025.  
**You must use your SRN/HIN as the reference number for your deposit.** If you do not use your SRN/HIN, your application will not be able to be processed.

**Account Name:** PCPL - ITF XERO LIMITED

**BSB:** 062-028

**Account No:** 12392084

**Swift Code for Inbound Deposits from Overseas:** CTBAU2SXXX

- C. Enter your contact telephone number at which we may contact you regarding your application for SPP Shares, if necessary.

**Telephone & Internet Banking – BPAY®**

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: [www.bpay.com.au](http://www.bpay.com.au)  
© Registered to BPAY Pty Ltd ABN 69 079 137 518



**Billers Code:** 445866

**Ref:**

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**

**A** I/we wish to purchase a parcel of SPP Shares to the dollar amount of (tick one box only):

- |                                       |                                       |                                       |                                       |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <input type="checkbox"/> A\$1,000 OR  | <input type="checkbox"/> A\$2,500 OR  | <input type="checkbox"/> A\$5,000 OR  | <input type="checkbox"/> A\$7,500 OR  |
| <input type="checkbox"/> A\$10,000 OR | <input type="checkbox"/> A\$12,500 OR | <input type="checkbox"/> A\$15,000 OR | <input type="checkbox"/> A\$20,000 OR |
| <input type="checkbox"/> A\$25,000 OR | <input type="checkbox"/> A\$30,000    |                                       |                                       |

**B** Date of Submission

Reference on payment

**C** Telephone Number – Business Hours

Telephone Number – After Hours

Contact Name



**IID:****SRN/HIN:****Entitlement Number:**



# IMPORTANT INFORMATION

## 1. HOW TO APPLY FOR SPP SHARES

### PAYING BY BPAY® (available to Eligible Shareholders with an Australian bank account only)

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase SPP Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the Booklet and this Important Information, before you make the payment by BPAY®.
4. This SPP is not transferable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a "custodian" as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 you must complete and submit an additional Custodian Certificate that contains additional certifications and details that must be provided ("**Custodian Certificate**") before your application will be received. The Custodian Certificate can be obtained by contacting the Registry. Applications received by custodians that are not accompanied by the Custodian Certificate will be rejected.
6. For applicants that are not required to complete the Custodian Certificate, by making payment by BPAY®, represent, warrant, acknowledge and agree that:
  - you are not applying for SPP Shares with an application price of more than \$30,000 under the SPP (including any SPP Shares which a Custodian has applied to purchase on your behalf under the SPP); and
  - the aggregate application price for the following does not exceed \$30,000:
    - (a) the SPP Shares the subject of the application;
    - (b) any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
    - (c) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
    - (d) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP, even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP.
7. Xero reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the SPP Shares for which they have applied as Xero retains the right to scale back applications (in whole or in part) at its absolute discretion. If a scale back is applied, it is Xero's intention that the scale back will be applied having regard to the pro rata shareholding of Eligible Shareholders who apply for SPP Shares.
9. Any determinations by Xero will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Xero reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP Offer, to amend or vary those terms and conditions or to suspend or terminate the SPP Offer at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Xero does not notify you of that event.
10. Save for any Xero Directors who may be in the United States, the Booklet and this Application Form may not be distributed or released in the United States ("US"). The Booklet and this Application Form do not constitute an offer to sell, or a solicitation of an offer to buy, any Shares in the United States or in any jurisdiction in which such an offer would be illegal. The Shares to be offered and sold under the SPP have not been, and will not be, registered under the US Securities Act of 1933, as amended ("**US Securities Act**"), or under the securities laws of any US state or other jurisdiction of the US, and may not be offered or sold, directly or indirectly, to persons in the US or to any person acting for the account or benefit of a person in the US (to the extent such person is acting for the account or benefit of a person in the US), except pursuant to an exemption from the registration requirements of the US Securities Act and applicable state securities laws. Save for any Xero Directors who may be in the United States, the SPP Shares may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the US Securities Act.
11. Save for any Xero Directors who may be in the United States, by making your payment, you represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States.

## 2. HOW TO LODGE YOUR APPLICATION FORM

If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the SPP Offer no later than 5:00pm (Sydney time) on Monday, 21 July 2025.

If paying by EFT, complete and return this Application Form once your payment has been made by EFT. Completed Application Forms MUST be emailed to **capital.markets.au@cm.mps.mufg.com**.

## PAYING BY EFT PAYMENT

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Cheque, bank draft, money order and cash payments will not be accepted.

Xero Directors may receive separate instructions from the Company and/or the Registry on how to participate in the SPP Offer.

Eligible Shareholders wishing to apply for SPP Shares must ensure that their payment and Application Form(s) (as applicable) is received by no later than **5.00pm (Sydney time) on Monday, 21 July 2022**.

## Questions and further information

The Booklet contains important information about the SPP to assist you in deciding whether to participate in the SPP. You should read the Booklet carefully and in its entirety before deciding whether to apply.

If you have any questions in relation to how to participate in the SPP, please contact the Registry from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) on 1800 122 299 (for callers within Australia) or +61 1800 262 299 (for callers outside Australia) during the SPP Offer Period or consult your financial or other professional adviser. If you have any questions in relation to whether an investment in Xero through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

Thank you for your continued support of Xero.

Yours sincerely,

**David Thodey, AO**  
Chair  
Xero Limited

## NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

Save for any Xero Directors who may be in the United States, this letter may not be distributed or released in the United States. This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any New Shares in the United States (US) or any other jurisdiction in which such an offer would be unlawful. The New Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**US Securities Act**), or under the securities laws of any US state or other jurisdiction of the US, and may not be offered or sold, directly or indirectly, to persons in the US or to any person acting for the account or benefit of a person in the US (to the extent such person is acting for the account or benefit of a person in the US), except pursuant to an exemption from the registration requirements of the US Securities Act and applicable state securities laws. Save for any Xero Directors who may be in the United States, the SPP Shares may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the US Securities Act.

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