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ASX ANNOUNCEMENT

5 August 2020

Splitit receives firm commitments for A\$90 Million institutional placement

HIGHLIGHTS

- Firm commitments received to raise A\$90 million
- Strong demand from leading North American and global institutional investors
- Splitit welcomes cornerstone investor Woodson Capital as a substantial shareholder
- Proceeds to be used to further accelerate high growth phase
- Record growth continues with Q2 FY20 MSV up 260% YoY

Splitit Payments Limited (“**Splitit**” or the “**Company**”) (ASX:SPT), a global payment solutions provider, is pleased to announce it has received firm commitments to raise A\$90 million (before costs) in new equity via a fully committed two-tranche share placement to institutional, sophisticated and professional investors (“**Placement**”) through the issue of approximately 69.2 million new shares at \$1.30 per share (“**Placement Shares**”). Splitit also intends to launch a non-underwritten Share Purchase Plan (“**SPP**”) following the issue of the first tranche of the Placement Shares to eligible shareholders, raising approximately A\$10.0 million (collectively, the “**Equity Raising**”).

The Placement was well supported by existing shareholders and will see a number of new, high quality institutions join the Company’s register. Splitit welcomes cornerstone investor, Woodson Capital Management LP (“**Woodson Capital**”), as a substantial shareholder. Woodson Capital manages a global consumer and technology investment fund headquartered in New York and launched in 2010 with seed backing from Tiger Management.

The proceeds from the Equity Raising will be used to accelerate Splitit's high-growth strategy by funding additional sales and marketing, and further investing in product and technology development. Its strengthened balance sheet will also further support growth across the business, including growth of the Company’s funded merchant model.

Placement

Tranche one of the Placement will be issued under the Company’s existing ASX Listing Rule 7.1 placement capacity through the issue of approximately 34.6 million shares to raise approximately A\$45 million (“**Tranche**

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1"). The Tranche 1 Placement Shares are expected to settle on Tuesday, 11 August 2020. The balance of the Placement Shares after Tranche 1 ("**Tranche 2**") will be issued subject to the Company receiving shareholder approval under ASX Listing Rule 7.1 at an extraordinary general meeting ("**EGM**"), anticipated to be held in mid-September 2020. Upon approval, Tranche 2 will result in the issue of an additional 34.6 million Placement Shares to raise an additional A\$45 million. Tranche 1 and Tranche 2 Placement Shares will rank equally with existing ordinary shares from the date of issue and will be issued at the same price.

As part of the Placement, subject to shareholder approval, the following directors and a related party to a director have agreed to subscribe for shares under Tranche 2 for an aggregate total of A\$1,792,308.00 on the same terms as applicable to all Placement Shares ("**Director Shares**"):

- Chairman of the Company, Spiro Pappas, has agreed to subscribe for 222,663 shares (A\$289,461.90);
- CEO and Managing Director, Brad Paterson, has agreed to subscribe for 231,320 shares (A\$300,716.00);
- Executive Director and Co-founder, Alon Feit, and his parents have agreed to subscribe for an aggregate total of 295,416 shares (A\$384,040.80); and
- Non-Executive Director, Thierry Denis has agreed to subscribe for 38,462 shares (A\$50,000.60).

The Company will seek shareholder approval of the Director Shares proposed to be issued at the same time as the Tranche 2 Placement Shares at the EGM.

Canaccord Genuity (Australia) Limited acted as Sole Lead Manager to the Placement.

An Appendix 3B for the proposed issue of the Tranche 1 and Tranche 2 Placement Shares and the shares under the SPP will follow this announcement.

Splitit CEO and Managing Director, Brad Paterson, said: *"We are excited to welcome North American and Global institutional investors to our register. With the business foundations in place and our strategy working well, this equity raising allows us to take things to the next level. We are the only BNPL provider servicing the huge and growing credit card industry and our investors recognise the enormous opportunity to accelerate merchant and customer adoption across our key markets. Our business outlook remains extremely positive, with a healthy pipeline of new merchants and as we work towards activating our strategic partnerships with Visa and Mastercard. We are just getting started and I look forward to building on this positive momentum."*

Share Purchase Plan

Splitit is also pleased to announce its intention to offer all eligible shareholders (being those persons registered as ordinary shareholders as at 7.00pm (Sydney time) on Tuesday, 4 August 2020 with a registered address in Australia or New Zealand) ("**Eligible Shareholders**") the opportunity to participate in a non-underwritten SPP to raise up to A\$10 million. Under the SPP, Splitit shares will be issued at the placement price of A\$1.30 and will rank equally with existing Splitit shares.

The SPP will provide each Eligible Shareholder with the opportunity to apply for up to A\$30,000 of Splitit shares, subject to the terms and conditions of the SPP and other eligibility criteria to be set out in the SPP offer booklet to be dispatched to Eligible Shareholders in due course.

Splitit reserves the right to scale back applications under the SPP at its absolute discretion.

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Indicative Equity Raising Timetable

Event	2020 Time / Date
Trading Halt	Pre-market, Monday 3 August
Record date (for determining shareholders entitled to participate in the SPP)	7pm (AEST) Tuesday, 4 August
Announcement of Placement and SPP	Wednesday, 5 August
Settlement of Tranche 1 Placement Shares	Tuesday, 11 August
Tranche 1 Placement Shares commence trading on ASX	Wednesday, 12 August
SPP Booklet dispatched to eligible shareholders	Friday, 21 August
SPP opens	Friday, 21 August
SPP closes	Friday, 4 September
Announcement of SPP Participation Results	Wednesday, 9 September
Issue of New Shares under SPP	Friday, 11 September 2020
Tranche 2 Placement Shares EGM Date	Mid-September
Settlement and allotment of Tranche 2 Placement Shares (subject to shareholder approval at EGM)	Mid-September

The dates in the time table above are indicative only and subject to change without notice. Splitit reserves the right to alter these dates at its discretion and without notice, subject to the ASX Listing Rules and *Corporations Act 2001* (Cth) Splitit may also withdraw the offer of SPP Shares under the SPP at any time before the allotment date in its absolute discretion.

This announcement has been approved and authorised to be given to ASX by Brad Paterson, CEO and Managing Director on the Board of Splitit.

For more information, please contact:

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About Splitit

Splitit is a payment method solution enabling customers to pay for purchases with an existing debit or credit card by splitting the cost into interest and fee free monthly payments, without additional registrations or applications. Splitit enables merchants to offer their customers an easy way to pay for purchases in monthly instalments with instant approval, decreasing cart abandonment rates and increasing revenue. Serving many of Internet Retailer's top 500 merchants, Splitit's global footprint extends to hundreds of merchants in countries around the world. Headquartered in New York, Splitit has an R&D centre in Israel and offices in London and Australia.

Disclaimer

References to currency are expressed in Australian dollars.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate advice before making investment decisions.

This announcement contains "forward-looking statements." These can be identified by words such as "may", "should", "anticipate", "believe", "intend", "estimate", and "expect". Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

- assumptions regarding the Company's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the presentations are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statements to reflect any change in the Company's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company.

You must not place undue reliance on these forward-looking statements.

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