



ASX Announcement

7 November 2022

Splitit signs partnership agreement with Checkout.com

- Agreement to provide a scaled distribution partner with global reach to expand the merchant and marketplace adoption of Splitit's instalment-as-a-service platform.
- Checkout.com in partnership with Splitit will support a simplified implementation and settlement capability for major merchants.

Splitit Payments Limited ("Splitit" or the "Company") (ASX:SPT, OTCQX:SPTTY), the only white-label service allowing customers to pay by instalments, using their existing credit on their payment card at checkout without increasing their total credit exposure, announces that it has signed an agreement with Checkout LLC, the cloud-based payments service provider to deliver an integrated instalment payments solution, as well as reselling Splitit through its network of merchants and marketplaces.

The partnership will support Splitit's Instalments-as-a-Service platform to be adopted by Checkout.com's extensive network of merchants and marketplaces, making it easier for those merchants and marketplaces to adopt the unique Splitit solution, and provide Splitit with a strengthened global product offering to take to the enterprise market. Checkout.com focuses on large global enterprise merchants, with customers such as Farfetch, Netflix, Sony, and Shein. Checkout.com closed a US\$1 billion Series D funding round in January 2022, reaching a US\$40 billion valuation.¹

"We are pleased to be able to partner with such a forward-looking and fast-growing platform," notes Splitit CEO Nandan Sheth. "The simplified integration is anticipated to provide Splitit the ability to serve global enterprise merchants better while we work with Checkout.com to jointly pursue new and exciting opportunities in ecommerce."

Splitit's white-labelled Instalments-as-a-Service platform provides a merchant-branded experience embedded into the merchant's checkout flow. Instead of originating new consumer loans, Splitit unlocks existing consumer credit on payment cards for 0% interest², pay over time in instalments. Any consumer with available credit on their credit card is automatically pre-qualified to use Splitit for the value of that available credit. There's no application, registration or redirects and no additional interest, hidden fees³ and or credit checks.

The economic materiality of the Agreement with Checkout.com is unknown due to the variable nature of revenues which are dependent on merchant adoption of Splitit's platform and the value of customer purchases using Splitit's services. Splitit, however, expects that extending its partnership with Checkout.com may have a material impact on Splitit's brand and business development prospects.


The Mutual Partner Agreement (the "Agreement") shall become effective from today and shall remain in full force for an initial term of twenty-four (24) months and shall be renewed automatically for an indefinite period until either party gives written notice of non-renewal at least thirty (30) days prior to the end of the then-current

¹ <https://www.checkout.com/newsroom/news/checkout.com-raises-1-billion-in-series-d-amid-major-us-market-push>


² No interest is payable to Splitit. The cardholder may be liable to pay interest to the issuer of their payment card if the instalments are not paid in full by the due date.


³ Credit card terms and conditions may apply.

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term or unless the Agreement is earlier terminated for breach of contract, financial instability or due to applicable law in accordance with the terms and conditions of the Agreement. All other terms of the Agreement are not relevant to assessing the impact of the transaction on the price or value of Splitit's securities.

About Splitit

Splitit is a global payment solution provider that lets shoppers use the credit they've earned by breaking up purchases into monthly interest-free instalments using their existing credit card. Splitit enables merchants to improve conversion rates and increase average order value by giving customers an easy and fast way to pay for purchases over time without originating new credit. Splitit serves many of Internet Retailer's top 500 merchants and is accepted by more than 1,500 eCommerce merchants in over 30 countries and shoppers in over 100 countries. Headquartered in Atlanta, Splitit has an R&D centre in Israel and offices in London and Australia. The Company is listed on the Australian Securities Exchange (ASX) under ticker code SPT. The Company also trades on the US OTCQX under ticker codes SPTTY (ADRs) and STTTF (ordinary shares).

Key Points	
Consumer friendly for shoppers	As the only instalment offering that allows shoppers to use their pre-existing unused credit card balances at the point of sale, Splitit offers a consumer-friendly solution with no new debt or credit checks, no application, no interest or late fees charged*. It also allows shoppers to continue collecting perks like cash back, rewards and points as they would on normal credit card transactions, without any risk of damaging their credit profile. <i>* Credit card terms and conditions may apply.</i>
Unique benefits for merchants	Splitit is highly integrated (shoppers don't need to leave the merchant's website), easy to implement and offers longer and more flexible plans, reducing shopper friction and driving sales conversion rates. It also offers merchants the option of a funded or non-funded model.
Globally scalable model, boosted by Instalments-as-a-Service	Splitit is fundamentally a technology business leveraging the existing global credit card payment rails. This means its branded or white-label solution can be adopted in new markets without needing an 'on the ground' presence, delivering strong operating leverage, enhanced scalability and a cost-effective pathway to profitability.
Already subject to existing credit card regulatory framework, and allows merchant surcharging	As a technology solution that operates within the highly regulated credit card industry, Splitit has a distinct advantage over legacy BNPL providers who are under increasing global regulatory scrutiny due to their consumer financing models. In addition, mounting sector-wide pressure to allow merchant surcharging will not impact Splitit, as merchants are already allowed to surcharge in accordance with credit card rules.
Unique IP	Splitit's protected IP that secures the pre-authorization on a consumer's credit card limits consumer defaults, as the transactions are secured by the credit card issuers. This unique business model provides operating leverage at scale and a pathway to future profitability without the same associated risk.

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The announcement has been approved and authorised to be given to ASX by Dawn Robertson, Chairman of the Board of Splitit.

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Disclaimer

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 historical 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 Company's independent auditors.

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

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