



Splitit

ASX : SPT

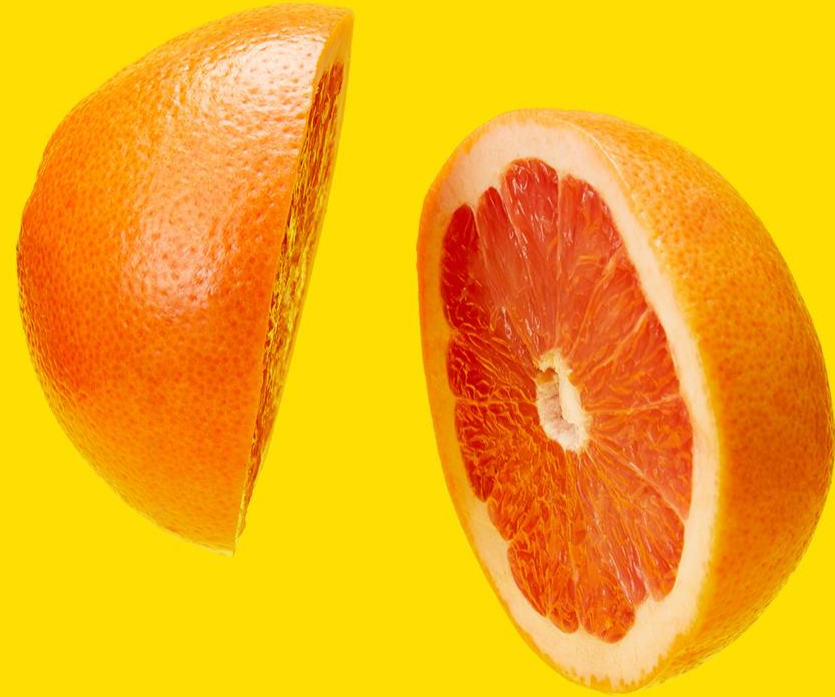
Investor update and capital raise

Our Goal

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To be the **world's leading** instalment payment solution

We are the only global card agnostic instalment payment solution that is deployed at the merchant's point of sale and checkout.



Our Mission

Empowering shoppers to have better control over their money

We help shoppers manage their cashflow, budget for the long term and avoid increasing their personal debt through smarter utilization of their existing credit card limits.

Splitit prides itself on being the most responsible instalment payment solution.



Investor Highlights



Market Leading Technology

The only global card agnostic instalment payment solution



Zero Losses

160K+ transactions and zero losses from bad debt



Strong Growth

Exponential growth in key performance metrics



Strong Pipeline

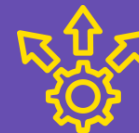
Increased demand from merchants globally including leading brands from multiple industry verticals



Large

Addressable Market

Global credit card spend is significant



Get Now, Pay Later

High adoption from merchants as a sales growth tool



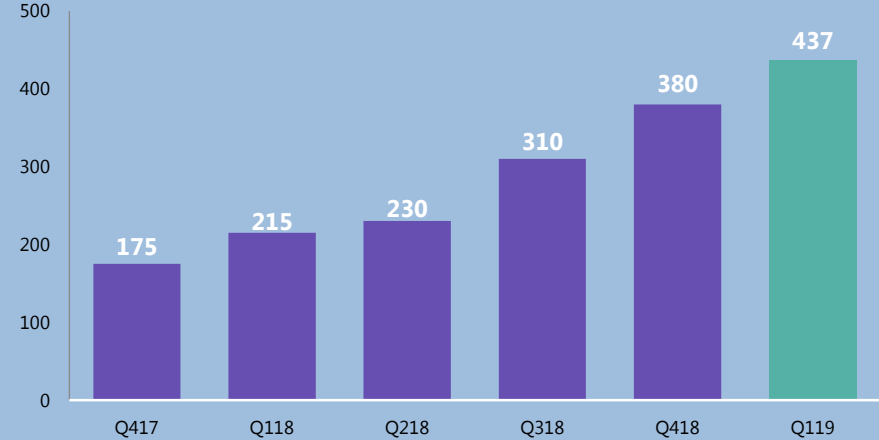
Strong Team

Deep sales, marketing and technology experts from the payments and ecommerce industries

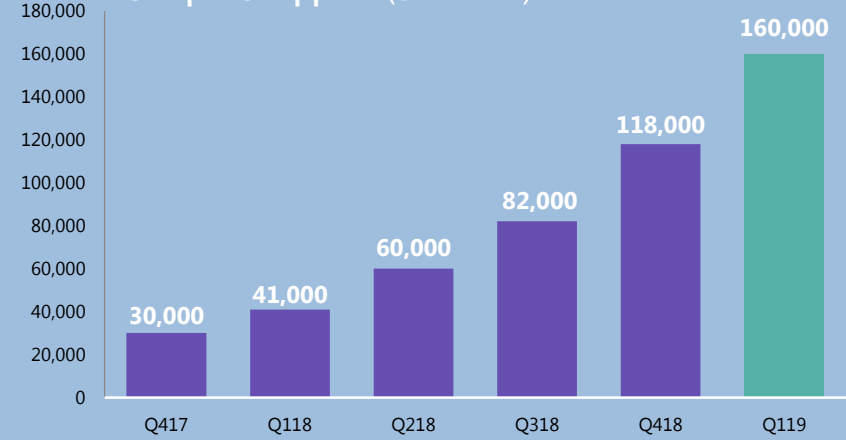
Q1 Results

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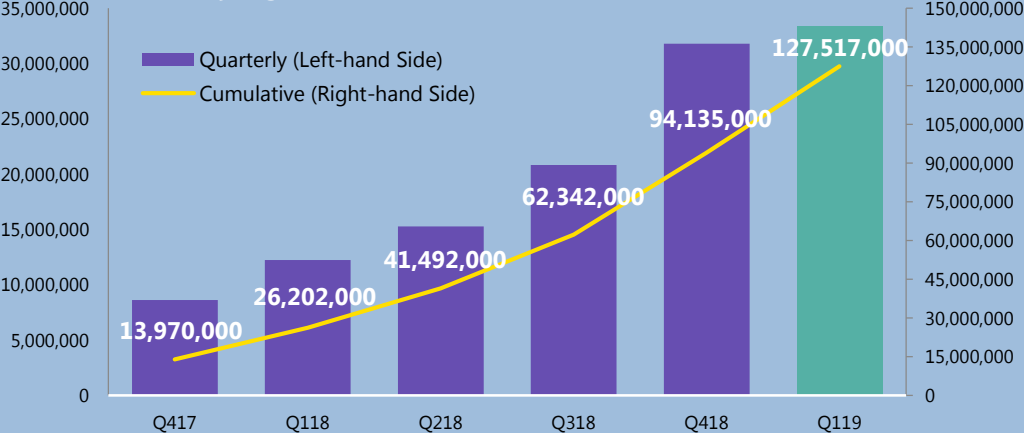
Active Merchants (Cumulative)



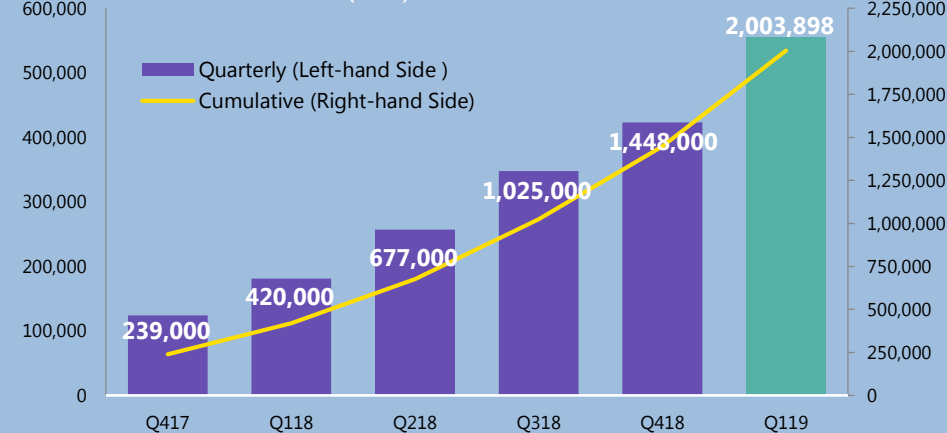
Unique Shoppers (Cumulative)



Underlying Merchant Transactions (AUD)



Merchant Fees (AUD)



A truly global solution

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437 merchants in
27 countries
around the world

Splitit has offices in New York, London,
Tel Aviv and shortly in Sydney.

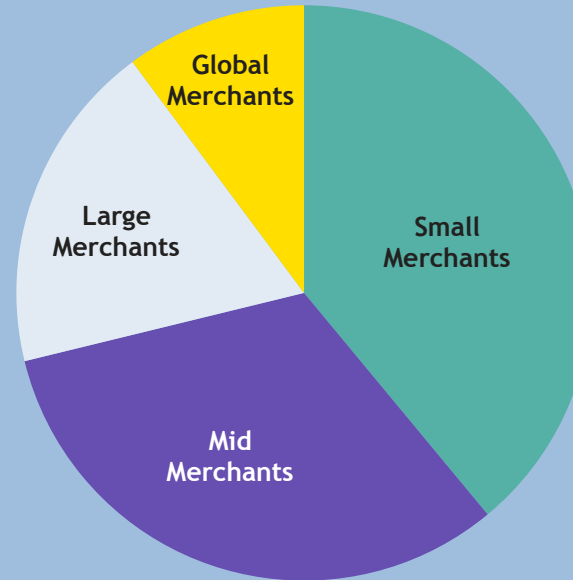
An Australian director of sales and a sales
engineer have been hired to start mid-May.



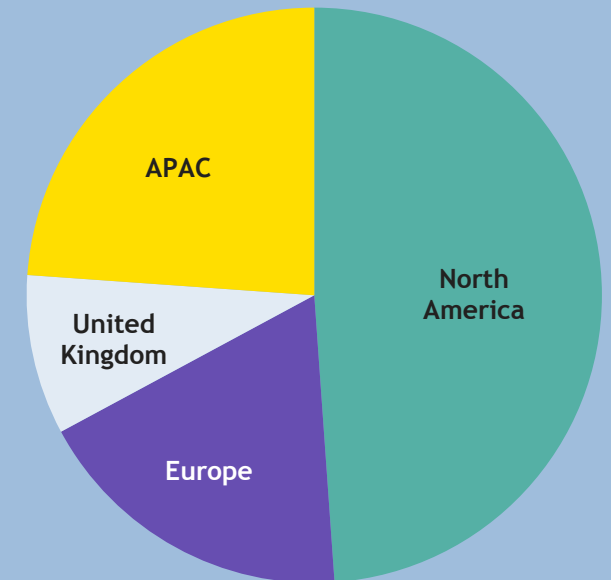
Strong and growing pipeline expected to deliver significant growth

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- * **Over 500 merchants** currently engaged in various parts of the sales cycle including large global enterprise merchants
- * Multiple merchants **signed and in the process of integration** are expected to go live in Q2, including several large high-turnover merchants
- * The US and Europe pipeline remains strong, with **significant interest from Australia** since our listing



Pipeline by Merchant Size



Pipeline by Region

Targeted sales and marketing strategy

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Accelerate merchant acquisition strategy

Splitit has identified a number of target countries to focus its sales and marketing efforts, with a focus on the US, Canada, UK, Italy, Singapore and Australia.

Splitit is very strong in, and will focus on the following five key industry verticals:



Medical

Including cosmetic, dentistry, aesthetic and fertility medicine



High-End Fashion

Including luxury clothing brands, jewelry and watches



Sports Equipment

Including electric skateboards, kite surfing, golf equipment and mountain bikes



Home Goods & Electronics

Including mattresses, furniture and mobile phones

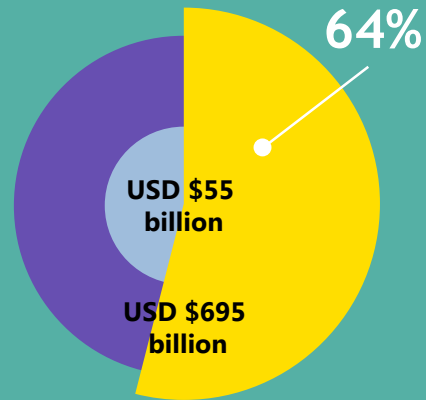


Travel & Leisure

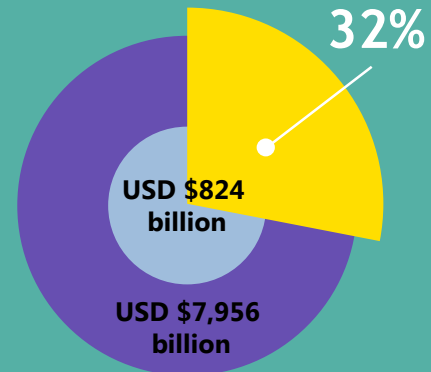
Including airlines and hotels

Credit card usage still prevalent in target markets

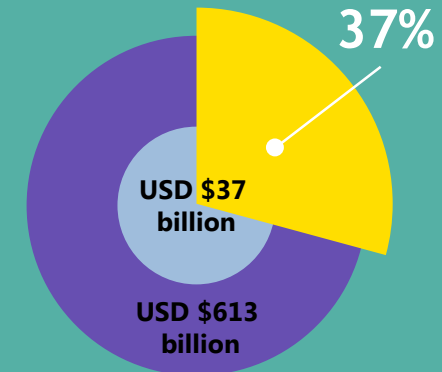
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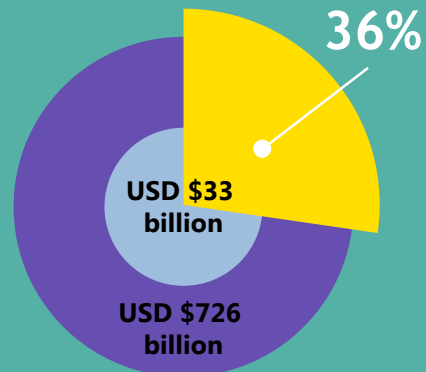
Canada



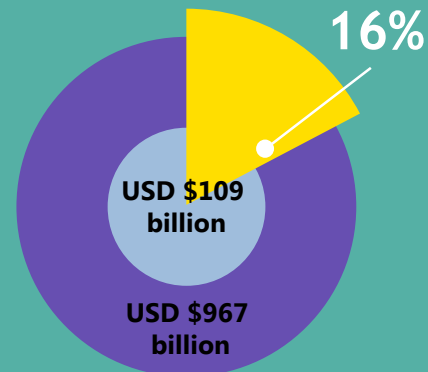
USA



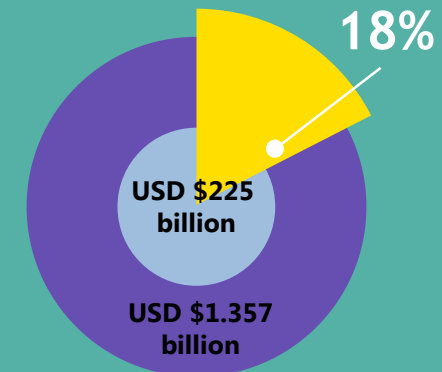
Australia



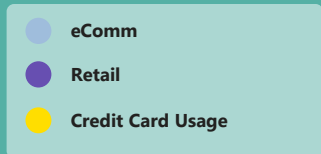
Italy



France



UK



*Source: Global Payments Report 2018 by [Worldpay](#)

About Splitit

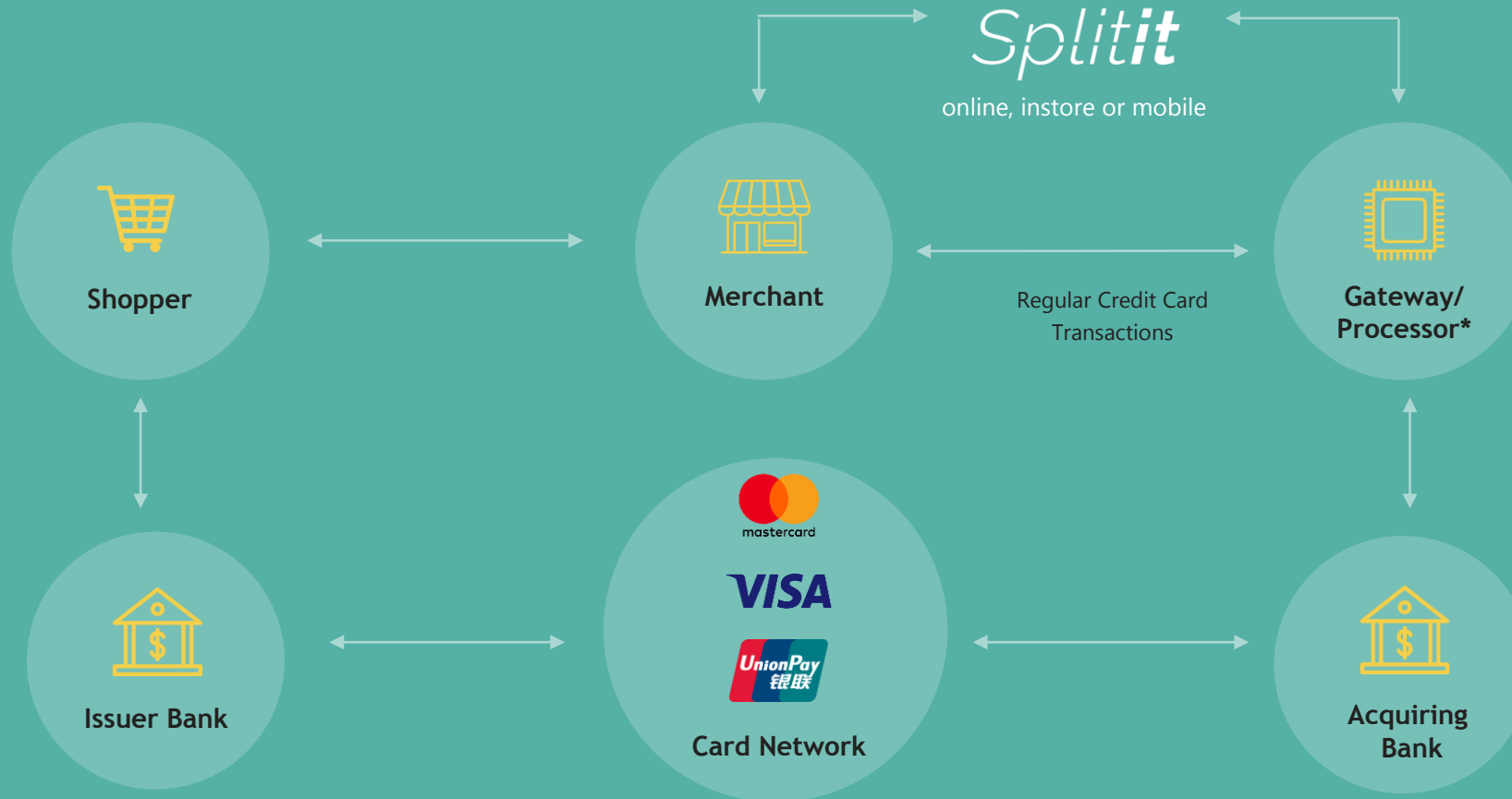
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Product architecture

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Splitit's omni-channel platform works as an intermediate layer between the merchant's platform and its existing payment gateway.



*Splitit is pre-integrated with all major credit card processors and gateways and is PCI DSS compliant

How Splitit works

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Customer pays for their purchase using Splitit and an instalment plan is created.



Splitit authorises the full amount of the purchase on the shopper's existing credit or debit card and reserves the balance from their credit card until final payment is made.



The first instalment is charged a few seconds after the purchase authorisation or upon shipping.



Splitit reauthorises the outstanding amount when the previous authorisation is about to expire.



Splitit will charge the shopper's credit card every month until the plan is finished, reducing the hold on their credit line each month by the payment amount.

What's makes Splitit so unique?

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Zero Friction

Instant approval, no need to apply for new credit line, no application form or credit check



Approval Rate

100% approval if using an accepted card with available credit



0% Interest & Fees

No interest, late fees, or any fees whatsoever charged to the shopper



Global Cross Border Solution

Capture business from around the world regardless of shopper location



Omni-Channel

Allows shoppers to make instalment payments online, in store or with their mobile device



Seamless Integration

Simple web API integration and plug-ins with leading ecommerce platforms

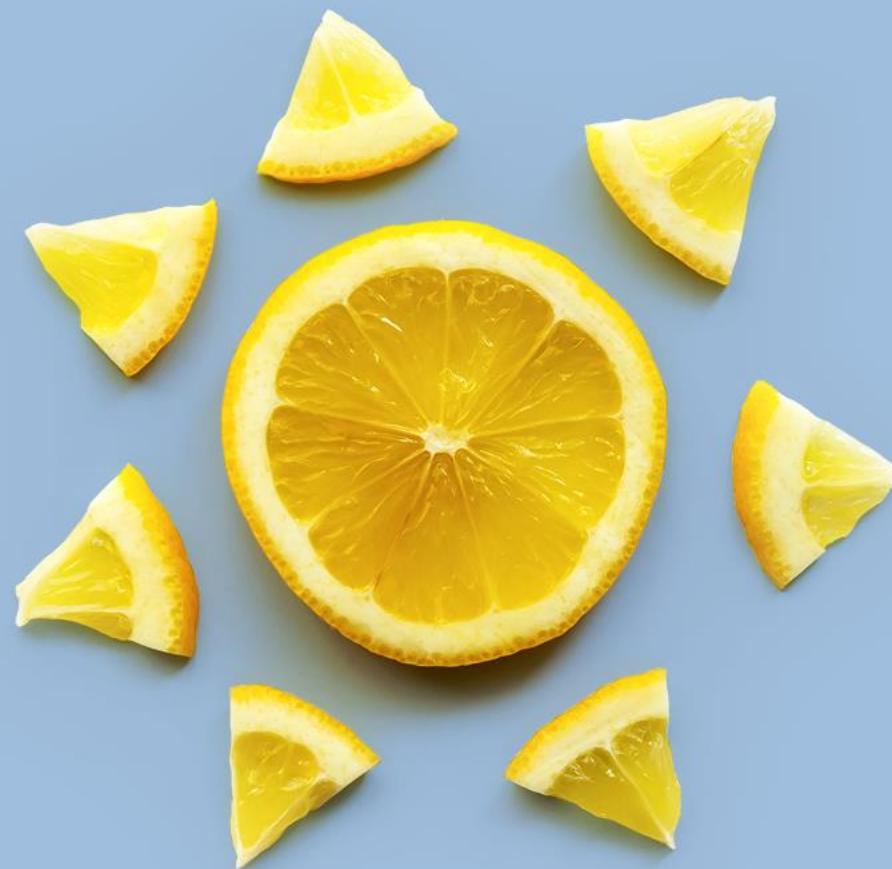
Revenue From Continuing Operations

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The Company's revenues are derived from transaction fees (Merchant fees) in relation to transactions processed through the Splitit Payment Platform.

Merchant fees are generated on each approved order placed via the Splitit Payment Platform and are predominantly based on a percentage of the end-customer order value plus a fixed fee per instalment.

No late fees.
We never charge the shopper.



Revenue From Continuing Operations

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Merchant fees are earned from the following business models:



Funded Model

Under the funded model, merchants receive the full purchase price upfront. The full amount is transferred to the merchant net of merchant fees payable to Splitit and financing fees representing the interest cost payable to the funder (third-party financial institution). The funder provides liquidity to the transaction and receives financing fees in return. Splitit collects amounts owed by the merchant to the funder but bears no credit risk. In case of default by the merchant, the funder will incur the credit losses without consequences to Splitit. Fees collected upfront are recognised on a straight-line basis over the funding period.

Splitit revenue is generated as a percentage of transaction value plus a fixed fee per instalment. Pricing depends on a number of variables.



Basic Model

Under the basic model, merchants provide the liquidity. The shopper pays directly to the merchant. Splitit will invoice the merchant on a monthly basis. Revenues are recognised on issuance of the monthly invoice.

Under the basic model, merchants are typically charged a fixed \$1.50 fee per transaction plus 1.5% of the transaction value.

Why shoppers are choosing Splitit?

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Better manage cash flow

The number **1** reason people chose Splitit installments to pay for their order



0% interest

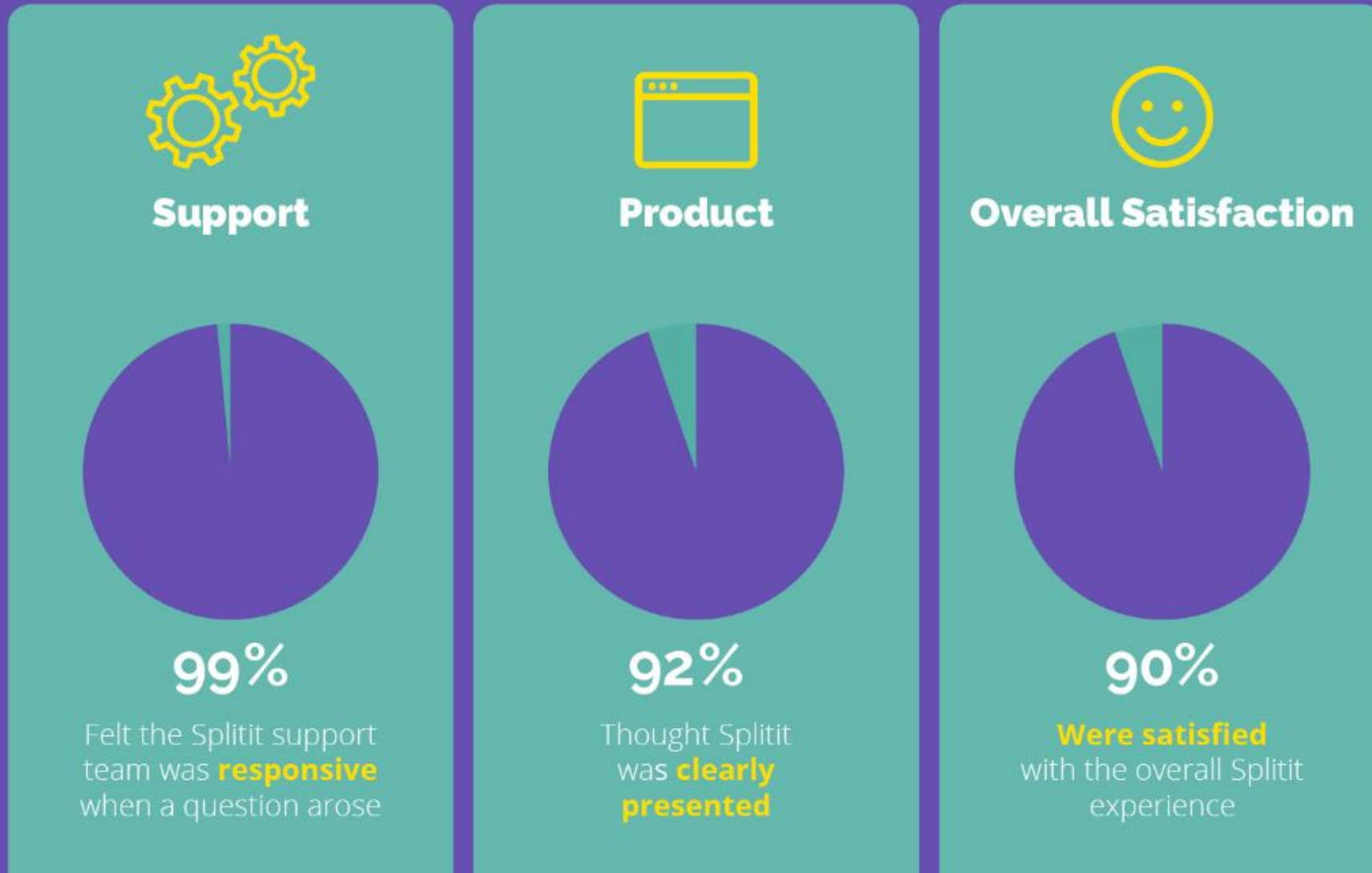
The number **2** reason people chose Splitit installments to pay for their order



More purchasing power

The number **3** reason people chose Splitit installments to pay for their order

What Shoppers are saying about Splitit



Capital Raising

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Placement

- Placement offer to raise approximately \$30 million via the issue of 37.5 million fully paid ordinary shares ('Placement')
- The Placement is within the Company's existing placement capacity under ASX Listing Rule 7.1
- Issue price of \$0.80 per share, representing:
 - 15.8% discount to the last traded price (\$0.95)
 - 16.1% discount to the previous 5-day VWAP (\$0.954)

Share Purchase Plan

- Share Purchase Plan ('SPP') to provide eligible Australian and New Zealand shareholders with an opportunity to participate
- Eligible Shareholders can subscribe for shares up to the value of \$15,000 at the same price as the Placement (\$0.80 per share)
- The SPP offer is not underwritten and is capped at total proceeds of \$10 million (subject to scale back in the event of oversubscription)

Secondary Sell Down

- Concurrent with the Placement, Mr Alon Feit will offer approximately 2.6 million existing fully paid ordinary shares to investors via a secondary offering ('Secondary Offering')
- The shares offered under the Secondary Offering will be sold at the same price as the Placement

Use of Funds

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After a successful IPO in January, 2019, growth in merchant and user take-up has been faster than expected, and other strategic opportunities are arising to accelerate Splitit's market penetration and product offering. Additional new capital will enable Splitit to grow at a much faster rate than what was provided for in its IPO prospectus, as well as to take advantage of existing and new opportunities as they arise.

Cash at bank at 30 March, 2019 was \$6.5 million, and will continue to be deployed in accordance with the prospectus lodged in January, 2019.

Sales staff	\$14.7 million
Product manufacturing and operating costs	\$6.8 million
Advertising and marketing	\$6.3 million
Other staff	\$4.2 million
Administration and corporate costs	\$4.1 million
Research and development	\$3.9 million
TOTAL	\$40.0 million

Note: assumes \$10 million is raised under the SPP

Indicative Timetable

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Trading Halt	Thursday, 16 May 2019 – Friday, 17 May 2019
SPP Record Date	Friday, 17 May 2019
Trading Halt Lifted, Capital Raise Announced	Monday, 20 May 2019
Settlement of Placement Shares and Secondary Offering	Thursday, 23 May 2019
Allotment, quotation and trading of Placement Shares	Friday, 24 May 2019
SPP Offer Opens	Tuesday, 28 May 2019
SPP Offer Close	Monday, 17 June 2019
Allotment, quotation and trading of SPP Shares	Monday, 24 June 2019

Note: times and dates above are in Sydney, Australia. The above timetable is indicative only and may change without notice.

Thank you!

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