Splitit Corporate Presentation & Webinar

Sydney, Australia, 26 June 2020 – Splitit Payments Ltd. (ASX:SPT "**Splitit**" or the "**Company**"), a global payment solutions provider, provides a corporate presentation for investors, including its recent progress and new global partnership with Mastercard.

CEO, Brad Paterson will deliver the presentation, followed by a Q&A session for investors at the Sharecafe Hidden Gems webinar series today at 12.30pm (AEST).

Webinar Registration

To register for the free webinar event, please visit Sharecafe.

For more information, please contact:

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

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.

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Investor Update
June 2020

Splitit is the only global instalment payment platform that helps merchants overcome cart abandonment & increase conversion while allowing consumers to spend

their credit on their terms.

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RECENT HIGHLIGHTS

- Record monthly Merchant Sales Volume (MSV) of US$25.8M in May, up 321% compared to May 2019 and up 39% compared to April 2020

  - North America up 336% and Europe up 548% compared to May 2019

- Average Order Value (AOV) reached US$939 in May, up from US$737 in Q1 FY20

- Global partnerships with Mastercard, VISA and Stripe
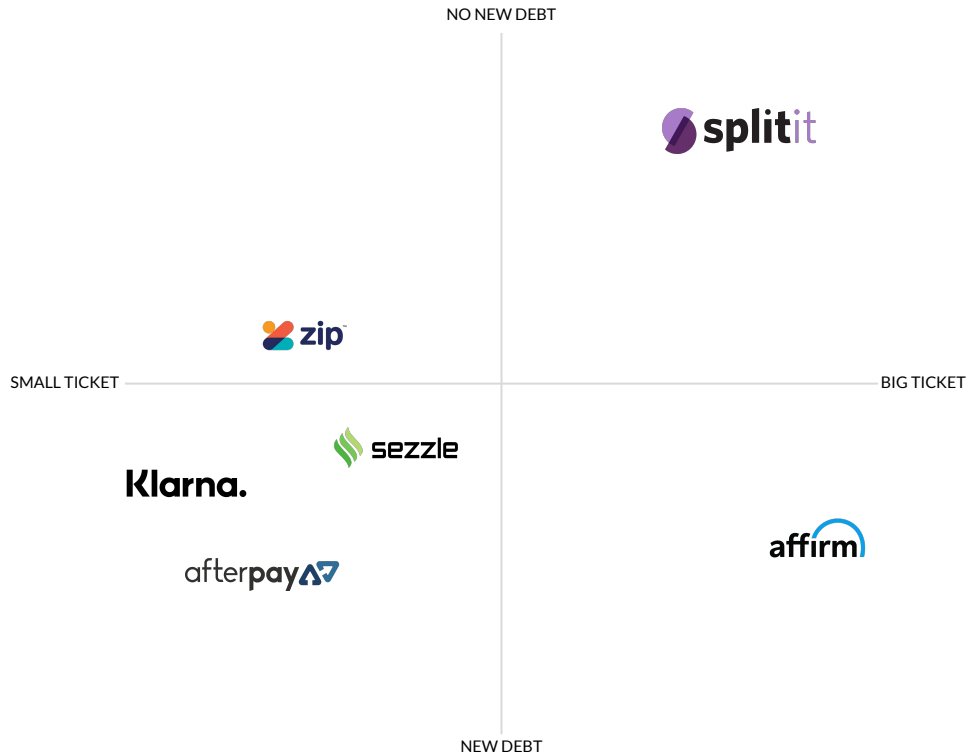
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OUR UNIQUE POSITION

CROWDED BNPL SPACE FOR COMPETITORS

- Most BNPL providers issue new debt to shoppers
- Lower Average Order Value merchants

SPLITIT IS THE **ONLY PLAYER** ENABLING CONSUMERS TO UTILISE EXISTING CREDIT THROUGH INSTALMENTS AT CHECKOUT

COMPELLING MERCHANT PROPOSITION

- Available to 1.8BN Visa/Mastercard cardholders where 70 percent of credit is underutilised
- No application
- Higher AOV
- Splitit is complementary to existing BNPL options
- Lower default risk than other options

NO NEW DEBT

splitit

zip

SMALL TICKET

BIG TICKET

sezzle

Klarna.

affirm

afterpay

NEW DEBT

Sources: Experian, creditcards.com

THE **FASTEST, EASIEST** INSTALMENT PAYMENT OPTION

ACCELERATING GROWTH IN APRIL & MAY

- MSV accelerated to record levels in May following COVID-19 impact in March. Growth driven by:

  - New large merchants onboarded in Q1
  - Increasing consumer preference
  - 90% of Splitit volume is eCommerce/mobile

- Consumer preference is improving rapidly as Splitit is increasingly relevant to spread purchases on credit cards over time

- AOV has bounced back after a 10% reduction in March during the initial COVID-19 impact
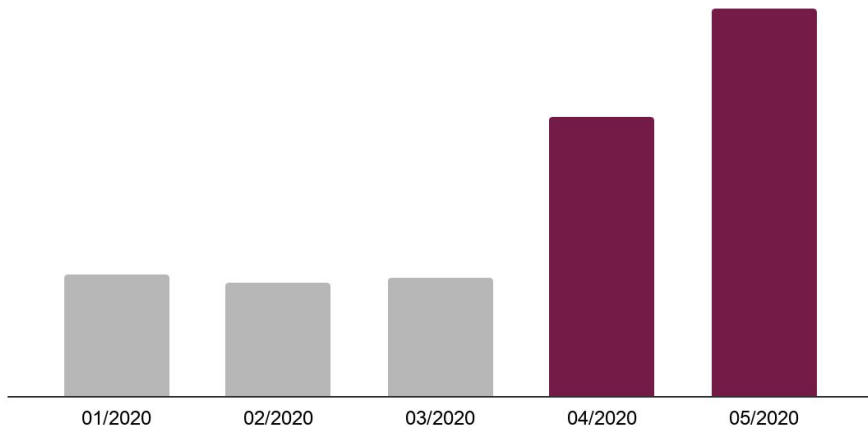
Merchant Sales Volume p/month

$30M

$20M

$10M

$0M

01/2020 02/2020 03/2020 04/2020 05/2020

splitit

MASTERCARD PARTNERSHIP

- Accelerate Splitit acceptance
- Instalment innovation
- Global rollout

RECENT HIGHLIGHTS

Over $2BN in addressable MSV with new merchant agreements

Strong pipeline of new large merchants, as execution of new strategy continues

purple®

C.ANYON

nectar

redsbaby

cake
explore with respect®

DREAMCLOUD

FactoryPure

scorptec

Technology-enabled strategic and distribution partnerships to drive industry innovation and scalable growth

mastercard.

ACCELERATES SPLITIT'S INSTALLMENT SOLUTION **AROUND** THE **WORLD**

VISA

INNOVATING THE GLOBAL INSTALLMENT PAYMENT **ECOSYSTEM**

stripe

ACCELERATES MERCHANT ONBOARDING FROM **WEEKS** TO **MINUTES**

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BUSINESS OUTLOOK

- Experiencing a record Q2. Expect growth in MSV, Revenue and Customer metrics to continue

- Consumer awareness and preference growing: frictionless checkout for all credit cardholders

- Merchant demand increasing: improving merchant shopping cart conversions

- Focus on large merchant acquisition in target verticals underpins MSV and revenue growth

- Continue to execute new strategic partnerships and activate existing partner agreements and integrations - e.g. Mastercard, VISA, Shopify, Magento

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THANK YOU

REVENUE MODEL & UNIT ECONOMICS

Revenue is earned from transaction fees from orders placed through the splitit platform

Splitit charges
3 per cent per transaction
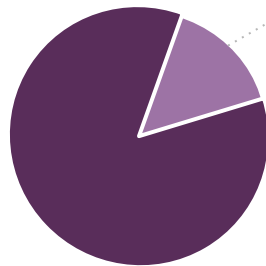
(avg. take rate, dependent on number of instalments)

Splitit transactions typically represents
5-10 per cent
of merchant sales

UNIT ECONOMIC EXAMPLE

A Mid-Size US Merchant
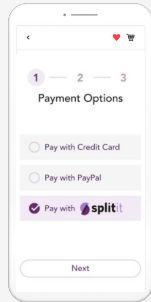$400M SALES VOLUME

10% of sales to Splitit
= $40M MSV

3% fee on $40M MSV
= $1.2M revenue

~70% Contribution Margin
= $0.8M gross profit

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SPLITIT PROCESS

1

Consumer purchases an item for $600

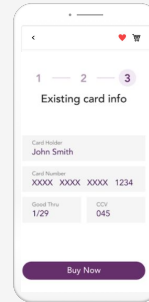Consumer chooses Splitit as payment method at checkout

2

Splitit technology splits payment into instalments

Splitit connects to the merchant's preferred Payment Gateway, any of 80 around the world

3

Visa and Mastercard holders enter account details at checkout

4

The item is split into 3 x $200 payments

$200 $200 $200

Consumer makes payments in monthly instalments

NO NEW APPLICATIONS, NO FRICTION AT CHECKOUT. NO NEW CREDIT.

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