



**NOTICE OF ANNUAL GENERAL MEETING
SPLITIT PAYMENTS LIMITED ARBN 629 557 982**

TIME: 10am AEDT

DATE: Friday, 30 October 2020

Important notice

This Notice should be read in conjunction with the Explanatory Memorandum. The Explanatory Memorandum contains important information about the matters to be considered at the Annual General Meeting of Splitit Payments Limited to assist Shareholders to determine how to vote on the Resolutions set out in this Notice.

Should you wish to discuss any of the matters detailed in this Notice, please do not hesitate to contact the Local Agent on +61 3 9614 2444 or charly@cdplus.com.au.

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Notice of Annual General Meeting of Shareholders of Splitit Payments Limited

Notice is given that the Annual General Meeting of Shareholders of Splitit Payments Limited (ARBN 629 557 982) (**Splitit** or the **Company**) will be held on **Friday, 30 October 2020 at 10am AEDT**.

The Meeting will be streamed live for Shareholders to view and participate. Please see page 3 below for details.

Important Information

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Article 23 of the Company's Articles of Association that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7pm AEDT on Monday, 26 October 2020.

Voting in person

Due to continuing developments in relation to COVID-19, Shareholders will not be able to attend or vote at the Meeting in person. The Meeting will be streamed live via webcast for Shareholders to view the Meeting.

The Company urges all Shareholders to please utilise the online facilities offered. Shareholders will be able to view the live webcast of the Meeting, vote online in real time and ask Directors questions online.

For further information, please see the section below titled 'Direct voting during the Meeting'.

Voting by proxy or direct voting online prior to Meeting

To submit a direct vote prior to the Meeting, or to appoint a proxy online, please go to <https://investor.automic.com.au/#/loginsah> and follow the instructions on your Voting Form.

You may also appoint a proxy by completing and signing the enclosed Voting Form and returning it by the time and in accordance with the instructions set out on the Voting Form. Proxies will be able to view the live webcast of the Meeting, vote online in real time in accordance with their proxy instructions and ask Directors questions online.

Voting by proxy

Shareholders are advised that:

- each Shareholder has a right to appoint a proxy; and
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then each proxy may exercise one-half of the votes.

Proxy vote if appointment directs a vote FOR, AGAINST or ABSTAIN on a particular Resolution:

An appointment of a proxy may direct the proxy to vote FOR, AGAINST or ABSTAIN on a particular Resolution and if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the Resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair, the proxy must vote on a poll, and must vote that way (ie. as directed); and
- if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie. as directed).

Proxy vote if appointment does not direct a vote

If a proxy is appointed and the Shareholder does **not** direct the proxy to vote FOR, AGAINST or ABSTAIN on a particular Resolution:

- where the proxy is not the Chair, the proxy need not vote on a show of hands, but if the proxy does so, the proxy may vote, subject to all relevant laws, as the proxy sees fit; and
- where the proxy is the Chair (including where the Chair is appointed as proxy by default), the Chair currently intends to vote FOR all the Resolutions contained in this Notice.

Transfer of non-chair proxy to Chair in certain circumstances

If:

- an appointment of a proxy specifies the way the proxy is to vote on a particular Resolution at the Meeting; and
- the appointed proxy is not the Chair; and
- at the Meeting, a poll is duly demanded on the Resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the Meeting; or
 - the proxy does not vote on the Resolution,

the Chair is taken, before voting on the Resolution closes, to have been appointed as the proxy for the purposes of voting on the Resolution at the Meeting.

Direct voting

In accordance with Article 36.2 of the Company's Articles of Association and the Companies Law, the Directors have:

- determined that Shareholders may vote on the Resolutions set out in this Notice by written ballot or direct vote; and
- approved the process specified in this Meeting and the Online Shareholders' Meeting Guide as the means by which Shareholders may deliver a direct vote.

A Shareholder entitled to attend and vote at the Meeting may direct vote by:

- delivering prior to the Meeting a valid Voting Form to the Company in accordance with the instructions on the Voting Form; or
- delivering a direct vote during the Meeting if participating online.

Direct voting prior to the Meeting

A Shareholder may deliver a direct vote by indicating on the Voting Form that they are casting their vote directly and then placing a mark in one of the boxes opposite each item of business on the Voting Form. All of the Shareholder's shares will be voted in accordance with such direction, unless the Shareholder indicates that their direction is:

- to vote only a portion of their votes on any item; or
- to cast their votes in different ways on any item, by inserting the number of shares in the appropriate box or boxes.

If a Shareholder indicates that they are lodging their votes directly and then does not mark any of the boxes on a given item, no direct vote will be recorded on that item.

If a Shareholder indicates that they are delivering their votes directly and then marks more than one box on an item, their vote on that item will be invalid. If a Shareholder inserts a number of shares in boxes on any item that in total exceeds the number of shares that the Shareholder holds as at the voting entitlement time, the Shareholder's vote on that item will be invalid, unless the Shareholder inserted the number of shares in one box only, in which case it will be taken to be valid for the total number of shares held as at the date of the Meeting.

Direct voting during the Meeting

Shareholders who wish to participate in the Meeting online may do so through an online meeting platform provided by the Share Registry:

If you choose to participate in the Meeting online, you can access the Meeting as follows:

- Open your internet browser and go to investor.automic.com.au
- Login with your username and password or click "register" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.**

- After logging in, a banner will be displayed at the top once the meeting is open for registration, click on “**View**” when this appears.
- Click on “**Register**” and follow the steps.
- Click on the URL to join the webcast where you can view and listen to the virtual meeting.
- Once the Chair of the Meeting has declared the poll open for voting click on “**Refresh**” to be taken to the voting screen.
- Select your voting direction and click “**confirm**” to submit your vote. **Note that you cannot amend your vote after it has been submitted.**

Attending the Meeting online enables Shareholders to view the Meeting live and to also ask questions and cast direct votes at the appropriate times whilst the Meeting is in progress.

A complete guide to registering your attendance and voting at the virtual meeting is available to view and download from <https://www.automicgroup.com.au/virtual-agms/>.

Corporate representatives

A Shareholder that is a body corporate may appoint an individual to act as its representative at the Meeting by providing a duly executed Certificate of Appointment of Corporate Representative (**Certificate**). Unless otherwise specified in the Certificate, the representative may exercise all or any of the powers that the body corporate may exercise at the Meeting or in voting on a Resolution. A Certificate is available upon request from the Share Registry.

Appointments may be lodged in advance of the meeting with the Company’s Share Registry.

BUSINESS OF THE ANNUAL GENERAL MEETING

Ordinary business

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report of the Company for the financial year ended 31 December 2019, including the financial statements and the auditor's report.

2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – ALON FEIT

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“THAT Alon Feit, having retired from his office as Director in accordance with Articles 51.3 and 51.4 of the Constitution and ASX Listing Rules 14.4 and 14.5, and being eligible, having offered himself for election, be elected as a Director of the Company.”

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MARK ANTIPOF

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“THAT Mark Antipof, having retired from his office as Director in accordance with Articles 51.3 and 51.4 of the Constitution and ASX Listing Rules 14.4 and 14.5, and being eligible, having offered himself for election, be elected as a Director of the Company.”

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR JAN KOELBLE

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“THAT, for the purposes of and ASX Listing Rule 14.4 and for all other purposes, Shareholders approve the appointment of Mr Jan Koelble as Director of the Company, and being eligible, having offered himself for election, be elected as a Director of the Company.”

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

5. RESOLUTION 4 – APPOINTMENT OF AUDITOR

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“THAT, pursuant to and in accordance with Article 79.1 of the Articles of Association and for all other purposes, Deloitte Brightman Almagor Zohar & Co, having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company for a period of up to three (3) fiscal years commencing on 1 January 2021 on the terms and conditions in the Explanatory Memorandum.”

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

6. RESOLUTION 5 – APPROVAL OF MODIFICATIONS TO EIP, INCLUDING ADOPTION OF THE AUSTRALIAN SUB-PLAN AND UK SUB-PLAN

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“THAT, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, Shareholders approve the modifications to the Company’s 2018 Employee Share Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the EIP, or any of their Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the direction given to the Chair as specified in the Voting Form; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER THE EIP ISSUED UNDER ASX LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue and allotment of 3,000,000 Employee Options issued under the Company’s EIP on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, the person who participated in the issue of the securities subject to this Resolution or any of their Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the direction given to the Chair as specified in the Voting Form; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

8. RESOLUTION 7 – APPROVAL OF VARIATION OF OPTION TERMS TO PERMIT CASHLESS EXERCISE

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

“THAT, for the purposes of ASX Listing Rule 6.23.4, and for all other purposes, Shareholders approve the amendment of the terms of the Director Options to incorporate the cashless exercise facility provisions as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, Dawn Robertson, Spiro Pappas, Thierry Denis and Mark Antipof (being the holders of the Director Options) or any of their Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the direction given to the Chair as specified in the Voting Form; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

9. RESOLUTION 8 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **Special Resolution**:

“THAT, for the purposes of ASX Listing Rule 7.1A and for all other purposes, subject to the Company being an Eligible Entity on the date of the Meeting, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to ASX Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum.”

Please note that this Resolution will be withdrawn prior to the Meeting if, on the date of the Meeting, Splitit is included in the S&P/ASX 300 Index or has a market capitalisation of more than \$300 million.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in the issue of equity securities under this Resolution or a person who may obtain a material benefit as a result of, except a benefit solely in the capacity of a security holder, if the Resolution is passed or any Associates of those persons.

However, this does not apply to a vote cast in favour of the resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or

- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the direction given to the Chair as specified in the Voting Form; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Note: As at the date of this Notice, Splitit is not proposing to make any issue of equity securities under ASX Listing Rule 7.1A and, accordingly, it is not known who may participate in any equity securities issued under ASX Listing Rule 7.1A (if any) and the Company has not approached any Shareholder or identified a class of existing Shareholders to participate in any issue of equity securities under ASX Listing Rule 7.1A. Accordingly, no Shareholders are excluded from voting on this Resolution.

The Chair currently intends to vote all undirected proxies in favour of this Resolution.

10. OTHER BUSINESS

To transact any other business which may legally be brought before the Meeting.

Dated: 22 September 2020

By order of the Board

Charly Duffy

Local Agent

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Articles of Association, the business of the Meeting will include receipt and consideration of the audited financial statements of the Company for the financial year ended 31 December 2019 (**Annual Report**).

The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so.

The Annual Report is available on its website at <http://www.splitit.com/investors/>.

1. RESOLUTION 1 AND RESOLUTION 2 – RE-ELECTION OF DIRECTORS ALON FEIT AND MARK ANTIPOF

1.1 General

Article 51.3 of the Articles of Association requires that a Director must retire from office no later than the longer of the third annual general meeting or three years following that Director's last election or appointment. Article 51.6 of the Constitution allows such Director who retires under article 51.3 to be eligible for re-election at that meeting.

Alon Feit, who was appointed on 6 October 2008, and Mark Antipof, who was appointed on 20 January 2019 will each retire as a Director at the Meeting and, being eligible, will stand for re-election. Personal particulars of each Director are set out below.

If Resolution 1 is passed, Alon Feit will continue to be a Director and remain on the Board. If Resolution 1 is not passed, Alon Feit will cease to be a Director effective of the date of this Meeting.

If Resolution 2 is passed, Mark Antipof will continue to be a Director and remain on the Board. If Resolution 2 is not passed, Mark Antipof will cease to be a Director effective of the date of this Meeting.

1.2 Alon Feit

Mr Alon Feit is a co-Founder of, and substantial shareholder in, the Company. Mr Feit has 25 years of experience in senior management positions for leading credit card and insurance companies in Israel and Brazil. Mr Feit was previously the CEO of Supersal Finance, Ltd – the leading issuer of Visa co-branded cards in Israel, the CEO of Europe Assistance Israel, Ltd, a multinational assistance group and subsidiary of the Generali Insurance Cooperation and was the executive director at the Brazilian leading credit card subsidiary of Itau-Unibanco, one of the 3 largest banks in Brazil.

Mr Feit holds a Bachelors of Economics and Business from the Tel Aviv University and a Masters in Business Administration from the Tel Aviv University in collaboration with the Wharton Business School (University of Pennsylvania).

1.3 Mark Antipof

Mr Mark Antipof is currently global head of Sales & Marketing at Ingenico Group, a payment and technology provider, having joined Ingenico Group in 2019.

Mr Antipof is a veteran in payments and technology services with 30 years' experience in payments and information services and spent almost half of his career at Visa with his final role (December 2018) as Chief

Commercial Officer responsible for leading all client facing teams in all European markets, with a team present in 23 countries. Mark's team worked closely with Visa's clients on a day-to-day basis. Prior to this, Mr Antipof was Chief Officer, Sales and Marketing, responsible for delivering Visa's business plans, strategies, country operations and advertising across 36 markets.

Prior to joining Visa, Mr Antipof was a Business Unit Director for Burgundy Global Ltd, a services and IT solutions company for the travel industry. Here he had the responsibility of developing and managing large intermediary sales channels, maintaining and growing global sales to multinational corporates and the creation of the main network concept and initial sales plans for the overall business.

Mr Antipof has been based in a number of different markets, including Italy, where he worked for Applied Communications, a leader in payment card services, EFT and banking systems and software; and in France, where he worked for Equifax Europe, a leader in consumer and commercial credit reporting and data analytics. Mr Antipof is fluent in five languages including English, French, Italian, Spanish and Arabic.

Mr Antipof holds a Diplome Informatique "Computer Science" from Institut Francel and a Baccaalaureat Sciences from the College des Soeurs Antonines.

Mr Antipof is an Accredited Performance Coach – Middlesex University (2009), is a member of the EMCC Accredited Mentor (CMI 2012) and is an Accredited Non-Executive Director (Pearsons/FT/2012).

1.4 Board Recommendation

The Board (other than Alon Feit) supports the re-election of Alon Feit and recommends that you vote in favour of Resolution 1. The Board (other than Mark Antipof) supports the re-election of Mark Antipof and recommends that you vote in favour of Resolution 2.

2. RESOLUTION 3 – ELECTION OF DIRECTOR – MR JAN KOELBLE

2.1 General

Under ASX Listing Rule 14.4, if a person has been appointed as a Director by the Board to fill a casual vacancy or as an addition to the Board, that Director must retire at the Company's next annual general meeting and is eligible for re-election at that meeting.

Mr Jan Koelble was appointed as a Director by the Board on 21 January 2020, in accordance with article 50 of the Articles of Association, which allows the Board to appoint any person as a Director, from time to time, to fill a vacancy. The Board appointed Mr Koelble to fill the vacancy created by the resignation of Michael Keoni D Franco. Personal particulars for Mr Koelble are set out below.

If this Resolution is passed, Jan Koelble will continue to be a Director and remain on the Board. If this Resolution is not passed, Jan Koelble will cease to be a Director effective of the date of this Meeting.

2.2 Mr Jan Koelble

Jan Oliver Koelble is currently the Chief Operating Officer and Co-founder of Clade & Co., a FinTech platform for family offices and institutional debt investors, where he oversees operations, product and business development.

Prior to founding Clade & Co., he worked at Credit Suisse in several senior operational and investment management positions for the bank in both New York and Zurich. Most recently, Mr Koelble served as the Chief Operating Officer for financial products in Credit Suisse's Private Banking Americas division and

managed Credit Suisse's Swiss Custody Advisory business. Before joining Credit Suisse in New York, Mr Koelble was based in Zurich and worked in the bank's Private Advisor group.

Mr Koelble is a certified International Investment Analyst and a chartered Alternative Investment Analyst and completed the Series 66 – Uniform Combined State Law Exam and Series 7 – General Securities Representative Exam. Mr Koelble holds a Bachelor of Science in Business Administration from the School of Management, Zurich University of Applied Sciences in Switzerland.

2.3 Board Recommendation

The Board (other than Mr Koelble) supports the election of Mr Koelble and recommends that you vote in favour of this Resolution.

3. RESOLUTION 4 – APPOINTMENT OF AUDITOR

3.1 General

Article 79.1 of the Articles of Association requires the Company to appoint an auditor at its annual general meeting. Such appointment shall be in force until the end of the relevant fiscal year, or for a longer period provide that such period is no more than three (3) fiscal years.

On 20 January 2019, the Company resolved to approve Deloitte Brightman Almagor Zohar & Co (**Deloitte**) as the Company's auditor for the fiscal year ended 31 December 2019. Such appointment was approved by Shareholders at the Company's annual general meeting held on 30 October 2019.

The Board has resolved to approve Deloitte as the Company's auditor for a period of up to three (3) fiscal years commencing on 1 January 2021 (**Appointment Period**).

The Company is now seeking Shareholder approval for the appointment of Deloitte as the Company's auditor for the Appointment Period.

Article 79.3 of the Articles of Association requires the Board to report to Shareholders at an annual general meeting on the remuneration of an auditor. Accordingly, the total remuneration payable to the auditor in respect of each fiscal year for the Appointment Period shall be USD \$55,000.

3.2 Board Recommendation

The Board recommends that you vote in favour of Resolution 4. Each of the Directors currently intends to vote their respective shareholdings in favour of this Resolution.

4. RESOLUTION 5 – APPROVAL OF MODIFICATIONS TO EIP, INCLUDING ADOPTION OF THE AUSTRALIAN SUB-PLAN AND UK SUB-PLAN

4.1 Background

On 10 December 2018, the Board adopted the EIP. Subsequently, at the Company's 2019 AGM, shareholders approved the modifications to the EIP, including the adoption of a US Sub-Plan to the EIP (**US Sub-Plan**).

With further expansion of the Company's business in Australia and the UK, the Board deemed it appropriate to adopt an Australian Sub-Plan and UK Sub-Plan to the EIP that would include provisions which enable the

Company to incentivise its Australian and UK employees and allow those employees to access tax concessions available in Australia and the UK in relation to employee share schemes.

The Board has also proposed various amendments to the EIP, including:

- to facilitate the ease of administration, including clarifying the time frames within which Shares are to be issued on exercise of Awards and various other immaterial changes; and
- to increase the current maximum number of securities proposed to be issued under the EIP from 65 million securities to 100 million securities (including those securities already issued under the EIP) (**Maximum Allocation**). The increase in the Maximum Allocation under the EIP will give the Company greater capacity to incentivise current and future employees as and when the Company considers it appropriate. For the avoidance of any doubt, if Resolution 5 is approved:
 - there is no obligation on the Company to use the Maximum Allocation for securities under the EIP, or to issue securities under the EIP to the full extent of the Maximum Allocation;
 - the Maximum Allocation forms part of, and does not further increase, the Company's authorised share capital of 600 million (as approved at the Company's Extraordinary General Meeting held on 15 September 2020); and
 - the Company will only be able to issue securities under the EIP up to the Maximum Allocation to the extent that its authorised share capital allows for such issues. Accordingly, to the extent that the Company issues its authorised share capital under a capital raising, such issues may reduce the ability for the Company to issue securities under the EIP (regardless of the extent to which the Maximum Allocation is used).

As the adoption of the Australian Sub-Plan and the UK Sub-Plan and the increase in the Maximum Allocation under the EIP are deemed to be material changes to the EIP, the Company is seeking Shareholder approval of the EIP (including the increased Maximum Allocation), including its US Sub-Plan, UK Sub-Plan and Australian Sub-Plan under Listing Rule 7.2, Exception 13(b). A summary of the EIP, to be adopted pursuant to Resolution 5, is set out in Annexure A.

4.2 ASX Listing Rules 7.1 and 7.2, Exception 13(b)

Broadly speaking, subject to certain exceptions prescribed under the ASX Listing Rules, ASX Listing Rule 7.1 limits the number of securities that a company may issue without shareholder approval over any 12-month period to 15% of the total of the number of shares the company had on issue at the start of the 12 month period (**15% Placement Capacity**).

ASX Listing Rule 7.2, Exception 13(b) provides that ASX Listing Rule 7.1 does not apply to issues of securities under an employee incentive scheme if, within three years before the date on which the securities are issued, the shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1 (**EIP Exception**).

If this Resolution is passed, the Company will be able to issue Securities under the EIP to eligible participants without affecting the Company's ability to issue securities under the Company's 15% Placement Capacity without Shareholder approval. The Board believes this will provide the Company with the flexibility necessary

to raise additional capital under its 15% Placement Capacity as and when appropriate and provide long term incentives to its current and future staff.

If this Resolution is not passed, the Company will be either unable to adequately incentivise its employees or attract and retain talent, if it decides to issue Securities to current or future employees, those Securities would need to be issued under the Company's 15% Placement Capacity which effectively decreases the number of equity securities it can issue without obtaining Shareholder approval over the 12-month period following the issue date. The Directors consider it prudent to retain the flexibility and capacity to issue additional securities in under its 15% Placement Capacity if circumstances require and, accordingly, seek Shareholder approval of the EIP for the purposes of the EIP Exception.

4.3 Technical information required by ASX Listing Rule 7.2, Exception 13(b) under Resolution 5

For the purpose of Listing Rule 7.2, Exception 13(b), the following information is provided:

- a summary of the terms of the EIP is set out in Annexure A;
- as at the date of this Notice, since the Company's 2019 AGM, the Company has issued approximately 9.125 million Options to eligible employees and contractors and cancelled approximately 124,949 options in consideration for cashless exercise of certain options (excluding the net amount of 16.85 million securities that were contemplated to be issued under the Company's 2019 Notice of Annual General Meeting dated 30 September 2019. Accordingly, as at the date of this Notice, the Company has issued approximately 51.5 million securities under its EIP;
- the maximum number of securities proposed to be issued under the EIP following Shareholder approval is 100 million securities (although the Company does not presently intend to use the full capacity of the Maximum Allocation). This amount includes the 51.5 million securities already issued; and
- a voting exclusion statement in respect of this Resolution is set out in the Notice.

4.4 Board Recommendation

Given the Board may be eligible to participate in the EIP, and as a result, each Director is excluded from voting on this Resolution, the Board abstains from making a recommendation as to how to vote on this Resolution.

5. RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER THE EIP

5.1 Background

The Company adopted the Australian Sub-Plan under the Company's EIP on 15 July 2020 (**Adoption Date**). Given the adoption of the Australian Sub-Plan was considered to be a material change to the terms of the EIP, the Company could not rely on the EIP Exception from the Adoption Date and, accordingly, any securities issued under the EIP since the Adoption Date have been issued under the Company's 15% Placement Capacity under ASX Listing Rule 7.1.

Since the Adoption Date, the Company issued a total of 3,000,000 Options under its EIP (**Employee Options**). The issue of the Employee Options did not breach ASX Listing Rule 7.1.

The Company is seeking Shareholder ratification of the issue of the Employee Options pursuant to ASX Listing Rule 7.4. Such approval will refresh the Company's ability to issue that number of securities under its 15% Placement Capacity in the future.

5.2 ASX Listing Rules 7.1 and 7.4

A summary of ASX Listing Rules 7.1 is set out in section 4.2 of this Explanatory Memorandum.

At the time of issue, the issue of the Employee Options did not fall within any exception to ASX Listing Rule 7.1 and, as the issue has not yet been approved by Shareholders, the Employee Options are using up a part of the Company's 15% Placement Capacity.

ASX Listing Rule 7.4 allows for shareholders to subsequently approve an issue of, or agreement to issue, securities, provided the issue did not breach ASX Listing Rule 7.1 or ASX Listing Rule 7.1A at the time of issue. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that Rule.

Shareholders are being asked to ratify the prior issue of the 3,000,000 Employee Options issued under the Company's 15% Placement Capacity in accordance with ASX Listing Rule 7.4.

If this Resolution is passed, the 3,000,000 Employee Options will be excluded in calculating the Company's 15% Placement Capacity, effectively increasing the number of equity securities it can issue without obtaining Shareholder approval over the 12-month period following the issue date. If this Resolution is not passed, the 3,000,000 Employee Options will be included in calculating the Company's 15% Placement Capacity, effectively decreasing the number of equity securities it can issue without obtaining Shareholder approval over the 12-month period following the issue date.

5.3 Summary of the Employee Options under Resolution 6:

For the purpose of ASX Listing Rule 7.5, the following information is provided:

- the Employee Options were issued to certain senior employees of the Company;
- the number of Employee Options for which Shareholder ratification is being sought under this Resolution is 3,000,000 Employee Options issued under the Company's 15% Placement Capacity;
- the key terms of the Employee Options are detailed in **Annexure B** and otherwise the Employee Options were issued under the terms of the EIP;
- the Employee Options were issued on 15 July 2020;
- the Employee Options were granted as a long-term incentive component of the senior executives' remuneration packages. Accordingly, the Employee Options were issued for nil cash consideration. The Employee Options were issued under the 15% Placement Capacity due to the EIP ceasing to be eligible for the EIP Exception upon adoption of the Australian Sub-Plan (see section 4.1 for further details);
- no funds were raised by the issue of Employee Options. Any funds raised from the exercise of the Employee Options will be used for working capital of the Company; and
- a voting exclusion statement is included in the Notice.

5.4 Board Recommendation

The Board recommends that you vote in favour of this Resolution. Each of the Directors currently intends to vote their respective shareholdings in favour of this Resolution.

6. RESOLUTION 7 – APPROVAL OF VARIATION OF OPTION TERMS TO PERMIT CASHLESS EXERCISE

6.1 Background

On IPO in January 2019, Splitit issued the following options to the directors of the Company:

- (a) Dawn Robertson:
 - (i) 500,000 options exercisable at \$0.30 on or before 22 January 2022; and
 - (ii) 500,000 options exercisable at \$0.40 on or before 22 January 2022;
- (b) Mark Antipof:
 - (i) 500,000 options exercisable at \$0.30 on or before 22 January 2022; and
 - (ii) 500,000 options exercisable at \$0.40 on or before 22 January 2022;
- (c) Thierry Denis:
 - (i) 500,000 options exercisable at \$0.30 on or before 22 January 2022; and
 - (ii) 500,000 options exercisable at \$0.40 on or before 22 January 2022;
- (d) Spiro Pappas:
 - (i) 1,000,000 options exercisable at \$0.30 on or before 22 January 2022; and
 - (ii) 1,000,000 options exercisable at \$0.40 on or before 22 January 2022,

(together, **Director Options**). Each Director's Director Options vest on 29 January 2021, subject to the relevant Director remaining a Director of the Company as at the vesting date. The terms of the Director Options are summarised in section 9.6 of the Company's Replacement Prospectus dated 20 December 2018 and uploaded to the Company's ASX platform on 25 January 2019.

6.2 Proposed amendment

For the purposes of ASX Listing Rule 6.23.4, Resolution 7 seeks to amend the terms of all Director Options to introduce a Cashless Exercise Facility (defined below) that is consistent with the terms of the cashless exercise provisions included in the EIP notwithstanding that the Director Options were not issued under the EIP.

Resolution 7 does not seek approval for the issuing of further Options, nor does it seek to amend the vesting period, the exercise price or the expiry date, or increase the number of securities to be received on exercise of any Director Option already on issue.

The disinterested Directors propose to give the relevant Directors the right to exercise their Director Options without payment of the relevant exercise price in cash (and the potential need to sell Shares to fund payment of the exercise price), by allotting a lesser number of Shares to the Director (**Resulting Shares**) that is equal in value to the difference between the aggregate exercise price of their respective Director Options and the then market value of the Shares (determined in accordance with the valuation methodology provided under the EIP with the number of Resulting Shares rounded down) (**Cashless Exercise Facility**). The terms of the Director Options currently only permit exercise by paying the full cash amount of the exercise price and do not currently allow for a Cashless Exercise Facility. Adoption of the Cashless Exercise Facility would enable the Director to achieve the same net result in Share value, without payment of the exercise price in cash, Share trading and/or unnecessary Share price volatility. The Cashless Exercise Facility also results in less dilution to all Shareholders as fewer new Shares will be issued on exercise of the Director Options.

By way of example:-

If a Director holds 1,000 vested Options, each with an exercise price of \$1.00, and they elect to exercise all of their Director Options in cash, they would pay the Company \$1,000 and receive 1,000 Shares. If, however, the Director elected to use the Cashless Exercise Facility and the market value of the Company's Shares at the

date of exercise is \$1.50, the Director will pay no cash and receive 333 Shares (being $(1,000 \times (\$1.50 - \$1.00)) / \$1.50 = 333.33$, rounded down to 333 Shares).

The proposed Cashless Exercise Facility will:

- not alter the fundamental entitlements of the Directors in respect of their Director Options;
- not make any other amendment to the terms and conditions of the Director Options currently on issue, beyond the introduction of the Cashless Exercise Facility;
- offer an alternative tool for a Director to manage the exercise of their Director Options from a cashflow perspective and potentially reduce the number of Shares that may be offered for sale by the Director to fund the exercise price. As the Director Options are due to expire on 29 January 2021, there is a risk that if a Director is unable to fund the exercise price of their Director Options, it could result in the Director selling large volumes of existing Shares prior to that date in order to fund the payment of the exercise price;
- not provide an additional economic advantage to the Director on the basis that the net benefit that the Director will receive would be the same as if they had exercised their Director Options by paying the exercise price and receiving a larger number of Shares; and
- if the Director elects to use the Cashless Exercise Facility, it will result in a lesser number of Shares being issued upon exercise of the Director Options and, accordingly, will result in less dilution for Shareholders.

If Resolution 7 is approved, the Director Option terms will be amended to incorporate the Cashless Exercise Facility.

6.3 Summary of ASX Listing Rule 6.23.4

Shareholder approval is being sought to approve the amendment of the terms of Director Options already on issue as at the date of the Notice of Meeting in accordance with the requirements of ASX Listing Rule 6.23.4. ASX Listing Rule 6.23.4 provides that a change to the terms of existing Options which is not prohibited under the ASX Listing Rules, can only be made if Shareholders have first approved the change.

The proposed amendments to the terms of the Director Options would not have the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities received on exercise, which are prohibited by ASX Listing Rule 6.23.3.

6.4 Summary of applicable Companies Law provisions

Pursuant to Articles 270(3) and 273 of the Companies Law, the amendment of terms of Director Options which are part of the Directors' remuneration and are in accordance with the Company's Remuneration Policy, is subject to the approval of the Company's Remuneration and Nomination Committee, the Board and approval by the Shareholders as an ordinary resolution. The Company's Remuneration and Nomination Committee and the Board has approved the amendment of terms of Director Options, subject to Shareholder approval.

6.5 Board Recommendation

The Board (other than Dawn Robertson, Thierry Denis, Mark Antipof and Spiro Pappas (**Interested Directors**)) recommends that you vote in favour of this Resolution. Each Interested Director has abstained from making

a recommendation to Shareholders in respect of this Resolution due to their personal interest in the outcome of the Resolution.

7. RESOLUTION 8 – APPROVAL OF 10% PLACEMENT CAPACITY

7.1 General

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. Under ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An 'Eligible Entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less (**Eligible Entity**). As at 21 September 2020, Splitit's market capitalisation is approximately \$609.65 million and accordingly, as at the date of this Notice, it is not an Eligible Entity for these purposes. If, on the date of the Meeting, Splitit's market capitalisation is \$300 million or less and it is not included in the S&P/ASX 300 Index, Splitit will be an Eligible Entity for the purpose of ASX Listing Rule 7.1A. Subject to Splitit being an Eligible Entity on the date of the Meeting, Resolution 8 seeks shareholder approval by way of Special Resolution for Splitit to have the additional 10% capacity provided for in ASX Listing Rule 7.1A to issue equity securities without shareholder approval (**10% Placement Capacity**). If Splitit is not an Eligible Entity on the date of the Meeting, Resolution 8 will be withdrawn and the Company will not seek shareholder approval for the 10% Placement Capacity.

If Resolution 8 is passed, Splitit will be able to issue equity securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without any further shareholder approval. If Resolution 8 is not passed, Splitit will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in ASX Listing Rule 7.1.

7.2 ASX Listing Rule 7.1A

Any equity securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted equity securities. Splitit currently has one class of equity securities on issue which are quoted, being the Shares.

ASX Listing Rule 7.1A.2 provides that an eligible entity which has obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

(A x D) – E

Where:

A is the number of shares on issue at the commencement of the relevant period:

- (1) plus the number of shares issued in the previous relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- (2) plus the number of shares issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or

- the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved under ASX Listing Rules 7.1 or 7.4;
- (3) plus the number of shares issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
- the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
- (4) plus the number of other shares issued in the relevant period with approval under ASX Listing Rules 7.1 or 7.4;
- (5) plus the number of partly paid shares that became fully paid in the relevant period; and
- (6) less the number of shares cancelled in the relevant period.

D is 10%.

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by holders of its shares under ASX Listing Rule 7.4.

Relevant period is:

- if the entity has been admitted to the official list for 12 months or more, the 12 month period immediately preceding the date of the issue or agreement; or
- if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

7.3 Information required by ASX Listing Rule 7.1A

ASX Listing Rule 7.3A requires the following information to be provided in relation to Resolution 6:

7.3.1. Minimum Price

Any equity securities issued under the 10% Placement Capacity must be in an existing quoted class of the entity's equity securities and issued for a cash consideration per security. The minimum price at which the equity securities may be issued under the 10% Placement Capacity is 75% of the VWAP of equity securities in that class, calculated over the 15 trading days on which trades in that class were recorded on the ASX immediately before:

- (a) the date on which the price at which the equity securities are to be issued is agreed by the entity and the recipient of the securities; or
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a) above, the date on which the equity securities are issued.

7.3.2. 10% Placement Capacity period

The equity securities may be issued under the 10% Placement Capacity commencing on the date of the Annual General Meeting and expiring on the first to occur of:

- (a) 12 months after the date of the Annual General Meeting;
- (b) the time and date of the Company's next annual general meeting; or

- (c) the date of approval by Shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or ASX Listing Rule 11.2 (disposal of the Company's main undertaking).

Shareholder approval under ASX Listing Rule 7.1A does not lapse if the Company's market capitalisation subsequently exceeds \$300 million or if it is included in the S&P/ASX 300 Index at some time during that period provided that the Company meets those criteria on the date of the Meeting.

7.3.3. Risk of voting dilution

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive their pro rata interest in the Shares allotted under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below, in the circumstances set out in the table below. The table below shows the dilution of existing shareholders on the basis of the closing price of the Shares on the ASX on 21 September 2020 (**Closing Price**) and the number of Shares for variable A, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the date of this notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) has increased by 50% and by 100% and the economic dilution where the issue price of Shares issued under the 10% Placement Capacity is 50% less than the Closing Price and 100% greater than the Closing Price.

Variable A in ASX Listing Rule 7.1A.2		Dilution		
		\$0.780	\$1.560	\$3.120
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current Variable A= 431,340,316	10% voting dilution (Shares to be issued under 7.1A)	43,134,032	43,134,032	43,134,032
	Funds raised	\$33,644,544.96	\$67,289,089.92	\$134,578,179.84
50% increase in Current Variable A= 647,010,474	10% voting dilution (Shares to be issued under 7.1A)	64,701,048	64,701,048	64,701,048
	Funds raised	\$50,466,817.44	\$100,933,634.88	\$201,867,269.76
100% increase in Current Variable A= 862,680,632	10% voting dilution (Shares to be issued under 7.1A)	86,268,064	86,268,064	86,268,064
	Funds raised	\$67,289,089.92	\$134,578,179.84	\$269,156,359.68

The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with shareholder approval under ASX Listing Rule 7.1.

The table above has been prepared on the basis of the following assumptions:

- (a) the Issue Price set out in the table is the closing price of the Shares on the ASX on 21 September 2020;
- (b) the Company issues the maximum possible number of equity securities under the 10% Placement Capacity;
- (c) no options or rights convertible into Shares are exercised;
- (d) the Company has not issued any equity securities in the 12 months prior to the date of the Annual General Meeting that were not issued under an exception in ASX Listing Rule 7.2 or which were not approved under ASX Listing Rule 7.1 or 7.4;
- (e) this table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1; and
- (f) the issue of equity securities under the 10% Placement Capacity consists only of Shares.

Shareholders should note that there is a risk that:

- (a) the market price for the Shares may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- (b) the equity securities issued under the 10% Placement Capacity may be issued at a price that is at a discount to the market price for the Shares on the date of issue or the equity securities may be issued as part of the consideration for the acquisition of an asset,

both of which may affect the amount of funds raised by the issue.

Shareholders should also note that the calculations in the table do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

7.3.4. Purpose of an issue under 10% Placement Capacity

Equity securities issued under the 10% Placement Capacity can only be made for cash consideration. The purpose of any issue would be set out for Shareholders at the time of such an issue. In general terms, the Company can issue equity securities under the 10% Placement Capacity as cash consideration in which case the Company intends to use funds raised for, either or both of, working capital purposes or to fund growth opportunities.

7.3.5. Allocation under the 10% Placement Capacity

The allottees of the equity securities to be issued under the 10% Placement Capacity will depend on prevailing market conditions and will be determined on a case by case basis. However, the allottees of equity securities could consist of current Shareholders, new investors or both. Allottees may also include vendors of assets into the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (a) the purpose of the issue;
- (b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing shareholders may participate;
- (c) the effect of the issue of the equity securities on the control of the Company;
- (d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;

- (e) prevailing market conditions; and
- (f) advice from corporate, financial and broking advisers (if applicable).

7.4 Previous approval under ASX Listing Rule 7.1A

The Company has previously obtained approval under ASX Listing Rule 7.1A. The following information is provided in accordance with ASX Listing Rule 7.3A.6:

- (a) during the 12 months preceding the date of the Meeting, being on and from 30 October 2019, the Company issued a total of 31,225,808 Shares under its 10% Placement Capacity representing 10% of the equity securities on issue at the commencement of this 12 month period;
- (b) The equity securities issued in the 12 month period under the Company's 10% Placement Capacity are set out in the following table:

Date of issue	Quantity and class	Recipient(s) or the basis upon which recipient(s) were determined	Issue price	Closing Market Price on date of issue ¹	% Discount / Premium to Closing Price on date of issue	Consideration
7 May 2020	31,225,808 Shares	Various institutional, sophisticated, professional and experienced investors pursuant to a placement.	\$0.41	\$0.44	-6.81%	Total cash consideration of \$12,802,581.28. ¹

Notes

¹ The Closing Market Price is considered to be the closing market price on the last trading day on which a sale was recorded prior to the date of issue of the relevant equity securities.

7.5 Voting exclusion statement

A voting exclusion statement is included in the Notice. As at the date of the Notice, Splitit has not approached any existing Shareholder, security holder or an identifiable class of existing security holders to participate in any issue of equity securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

7.6 Board Recommendation

The Board recommends that you vote in favour of this Resolution.

¹ These funds have been, or will be, used to enable the Company to continue to execute its high-growth strategy by investing in go-to-market and technology resources, support existing merchant credit facilities and for general working capital. A more detailed breakdown of the use of funds raised under the May Placement is set out in Section 1.4(e) of the Company's Notice of General Meeting dated 24 August 2020.

Glossary

\$ means Australian dollars.

10% Placement Capacity has the meaning ascribed to it in section 7.1 of the Explanatory Memorandum.

15% Placement Capacity has the meaning ascribed to it in section 4.2 of the Explanatory Memorandum.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria, Australia.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Annual Report means the annual financial report of the Company for the year ended 31 December 2019.

Appointment Period has the meaning ascribed to it in section 3.1 of the Explanatory Memorandum.

Articles of Association means the Company's articles of association.

Associate has the meaning given to it in ASX Listing Rule 19.12.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Australian Retail Participant means a participant in the EIP who, but for ASIC class order rulings and guidance, Part 6D.2, Part 6D.3 or Part 7.9 of the Corporations Act requires a disclosure document or product disclosure statement to be provided in respect of the issue of Awards.

Board means the current board of Directors.

Chair means the chairperson of the Meeting.

Closing Price has the meaning ascribed to it in section 7.3.3 of the Explanatory Memorandum.

Company or **Splitit** means Splitit Payments Ltd ARBN 629 557 982.

Companies Law means Israeli Companies Law 5759-1999.

Corporations Act means the *Corporations Act 2001* (Cth).

Deloitte means Deloitte Brightman Almagor Zohar & Co.

Director Options has the meaning given to it in section 6.1 of the Explanatory Memorandum.

Director means a current director of the Company (as the context requires).

EIP means the Company's 2018 Share Incentive Plan adopted by the Board on 10 December 2018 including the U.S. Sub-Plan, Australian Sub-Plan and UK Sub-Plan.

EIP Exception has the meaning ascribed to it in section 4.2 of the Explanatory Memorandum.

Eligible Entity has the meaning given to it in section 7.1 of the Explanatory Memorandum.

Employee Options has the meaning ascribed to it in section 5.1 of the Explanatory Memorandum.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

Local Agent means the local agent of the Company, being cdPlus Corporate Services Pty Ltd.

May Placement means the placement conducted by the Company on 7 May 2020 and as further detailed in the Company's Notice of General Meeting dated 24 August 2020.

Maximum Allocation has the meaning ascribed to it in section 4.1 of the Explanatory Memorandum.

Notice or **Notice of Annual General Meeting** means this notice of Annual General Meeting including the Explanatory Memorandum and the Voting Form.

Officer has the meaning given to it by the Companies Law.

Remuneration and Nomination Committee means the remuneration and nomination committee of the Company, as appointed from time to time.

Remuneration Policy means the Company's remuneration policy.

Resolutions means the resolutions set out in the Notice of Annual General Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means the share registry of the Company, being Automic Registry Services.

Shareholder means a holder of a Share.

Special Resolution means that at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative) must be in favour of a Resolution for it to be passed.

Voting Form means the voting form accompanying the Notice.

ANNEXURE A – SUMMARY OF EIP

Terms used in this Annexure A will have the meaning ascribed to them by the EIP, unless the context requires otherwise.

A copy of the full EIP, including U.S. Sub-Plan, UK Sub-Plan and Australian Sub-Plan, is available under the 'Company Announcements' section of the ASX website.

Sub-Plans	The EIP shall be read in conjunction with the U.S. Sub-Plan, UK Sub-Plan and the Australian Sub-Plan.
Participation	<p>Pursuant to the EIP, the Company may offer Shares, Options, Restricted Share or Restricted Share Units (Awards) on the terms and conditions summarised below.</p> <p>a) <u>Eligibility</u></p> <p>Any employee, officer, service providers, consultant or Directors of the Company and its Affiliates may be declared by the Board, in its sole and absolute discretion, to be eligible to participate in the EIP (Eligible Participant). An Eligible Participant may nominate a controlled entity or trust to hold their Awards.</p> <p>b) <u>Offer</u></p> <p>The Board may from time to time in its sole and absolute discretion make a written offer to Eligible Participants to apply for or be issued a specific number of Awards, upon the terms set out in the EIP and upon such additional terms and conditions as the Board determines.</p> <p>c) <u>Consideration</u></p> <p>Unless the Board otherwise determines, an Eligible Participant will not be required to make any payment in consideration for the grant of an Award under the EIP.</p>
Maximum Allocation	<p>The total number of Shares reserved for issuance under the EIP and any modification thereof, shall be determined from time to time by the Board. The current maximum number of securities proposed to be issued under the EIP is 100 million securities (including those securities already issued under the EIP).</p> <p>The Australian Sub-Plan provides a limit on the number of securities that can be issued under the Australian Sub-Plan such that an issue of a security must not result in the number of Awards issued to an Australian Retail Participant, in aggregate, in the previous three years exceeding 5% of the total number of Shares on issue as at the date of the relevant issue.</p> <p>Depending on the type of securities being granted to an Eligible Participant based in the United Kingdom (UK Participant), the UK Sub-Plan limits the number of securities that can be issued to the UK Participant if the total market value of the granted securities exceeds a certain monetary figure.</p> <p>Any securities issued under the Australian Sub-Plan, US Sub-Plan and the UK Sub-Plan are included in the Maximum Allocation under the EIP.</p>
Terms of Awards	<p>The terms attaching to the Awards issued pursuant to the EIP are summarised below:</p> <p>a) <u>Exercise Price and Expiry Date</u></p>

The exercise price of any Award (**Exercise Price**) and expiry date (**Expiry Date**) shall be determined by the Board, or a share incentive plan committee should the Board elect one, at the time of offer.

b) Vesting Schedule and Exercise Period

Unless otherwise determined by the Board, all Awards granted on a certain date shall be subject to continued employment with or service to the Company or Affiliate by the Eligible Participant and may be subject to the following vesting schedule (**Vesting Schedule**):

- i) 25% of the Award shall vest on the first anniversary of the Commencement Date;
- ii) remaining 75% of the Award shall vest (equally) on a quarterly basis, over 12 quarters as of the first anniversary of the Commencement Date; and
- iii) all Award shall become fully vested by the fourth anniversary of the Commencement Date.

The Vesting Schedule can be accelerated upon major triggers as approved by the Board.

c) Manner of exercise

An exercise of Award is valid upon fulfillment of the delivery of a notice of exercise in a form prescribed by the Board (**Exercise Notice**) to the Company and upon payment of the Exercise Price with respect to all the Awards exercised, or election to pay via cashless exercise.

Employees (other than UK Participants) may exercise their Awards via a cashless exercise mechanism pursuant to which the Participant will not be required to pay the Exercise Price in cash, but will only be entitled to be issued that number of Shares representing the value of the benefit of the Awards based on the closing price of SPT Shares as at the date of exercise.

d) Shares issued on exercise

Upon receiving an Exercise Notice and payment of the Exercise Price (if applicable), the Company must issue the Shares on exercise of the relevant Awards:

- i) where the Company satisfies the requirements of section 708A(5) of the Corporations Act, ten (10) Business Days after the later of:
 - a. if the Company is not in possession of Excluded Information, the Exercise Date; and
 - b. the date the Company ceases to be in possession of Excluded Information in respect to the Company (if any); or
- ii) where the Company does not satisfy the requirements of section 708A(5) of the Corporations Act, 20 Business Days after the Exercise Date.

Shares issued upon exercise of an Award will rank equally with the then Shares of the Company, be issued free of all encumbrances, liens and third-party interests and the Company will apply to ASX for quotation of the Shares.

e) Termination

All Awards granted for the benefit of the Eligible Participant shall terminate on the earlier of:

- i) the date set forth in any option agreement;
- ii) the expiration of an extension period (due to termination without cause, or termination as a result of death or disability); and

	<p>iii) the date that is the 10 anniversary of the grant.</p> <p>f) <u>Participation in new issues, voting rights and dividends</u></p> <p>An Eligible Participant shall not have any rights as a Shareholder with respect to Awards issued under the EIP until such time as the Shares is registered in the name of the Eligible Participant in the Company's register of Shareholder.</p> <p>g) <u>Restriction on Sale of Awards</u></p> <p>No transfer or sale of Awards shall be made unless made in compliance with the Articles of Association of the Company.</p> <p>h) <u>M&A Transaction</u></p> <p>In the event of an M&A Transaction, the outstanding (including unexercised, vested, unvested or restricted) portion of each outstanding award shall be assumed or substituted with an equivalent Award or the right to receive Consideration by the acquiring or successor corporation, as shall be determined by such entity and/or the Board.</p>
<p>Additional Terms for Restricted Shares</p>	<p>In addition to the terms provided above, additional terms for Restricted Shares issued pursuant to the EIP are summarised below.</p> <p>a) <u>Purchase Price</u></p> <p>Consideration for the issuance of the Restricted Shares may include payment in cash or by issuance of promissory notes or other evidence of indebtedness on such terms and conditions as determined by the Board.</p> <p>b) <u>Restrictions</u></p> <p>Restricted Shares may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, except by will or the laws of descent and distribution, until such Restricted Shares shall have vested (Restricted Period). The Board may also impose additional or alternative restrictions and conditions on the Restricted Shares, as it deems appropriate, including the satisfaction of performance criteria.</p> <p>c) <u>Forfeiture/Repurchase</u></p> <p>If the Participant's employment with the Company terminates for any reason prior to the expiration of the Restricted Period or prior to the timely payment in full of the Exercise Price of any Restricted Shares, any Shares remaining subject to vesting or with respect to which the purchase price has not been paid in full, shall thereupon be forfeited, transferred to, and redeemed, repurchased or cancelled, as the case may be, in any manner as set forth in this EIP.</p> <p>d) <u>Ownership</u></p> <p>During the Restricted Period, the Eligible Participant shall possess all incidents of ownership of such Restricted Shares, subject to certain provisions of the EIP, including the right to vote and receive dividends with respect to such Shares. All securities, if any, received by an Eligible Participant with respect to Restricted Shares as a result of any stock split, stock dividend,</p>

	combination of shares, or other similar transaction shall be subject to the restrictions applicable to the original Award.
Additional Terms for Restricted Share Units	<p>In addition to the terms provided above, additional terms for Restricted Share Units issued pursuant to the EIP are summarised below.</p> <p>a) <u>Purchase Price</u></p> <p>No payment of Exercise Price shall be required as consideration for Restricted Share Units, unless included in the offer letter or as required by applicable Law.</p> <p>b) <u>Shareholders' Rights</u></p> <p>Restricted Share Units are shares which are issued subject to terms and conditions of the EIP and a holder of a Restricted Share Unit will not possess or own any ownership rights in the Shares underlying the Restricted Share Units until the satisfaction of the applicable milestone and the exercise by the holder. No payment of an exercise price is required.</p> <p>c) <u>Vesting of Restricted Share Units</u></p> <p>Subject to continued employment with the Company, the vesting dates are determined by the Board. After each vesting date, the Company shall promptly vest the Restricted Share Units for the benefit of the Participant.</p> <p>d) <u>Settlement of Award</u></p> <p>Settlement of vested Restricted Share Units shall be made in the form of Shares.</p>
Adjustments	Following any variation in the share capital of the Company arising from any dividend or other distribution, recapitalisation, stock split, reverse stock split, reorganisation, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company affecting the Shares occurs, the Board may (in its sole and absolute discretion) adjust the number and class of Shares that may be delivered under the EIP and/ the number, class and price of Shares covered by each outstanding Awards.
Tax Provisions	The EIP, including the U.S. Sub-Plan, UK Sub-Plan and Australian Sub-Plan, contains customary legal provisions to enable Eligible Participants to access tax concessions applicable to employee share schemes in each of Israel, USA, UK and Australia (to the extent applicable to the relevant Eligible Employee).
Administration of EIP	The Board or a share incentive plan committee should the Board elect one, have the power to administer the EIP.
Amendments to the EIP	The Board or a share incentive plan committee should the Board elect one, may at any time amend any of the terms of the EIP.
Jurisdiction	The EIP, together with the U.S. Sub-Plan, UK Sub-Plan and Australian Sub-Plan, is governed by the laws of Israel, U.S., United Kingdom and Australia (as applicable).

ANNEXURE B – SUMMARY OF EMPLOYEE OPTIONS

The material terms and conditions of the Employee Options the subject of Resolution 6 are as follows:

- (a) In respect of 650,000 Employee Options (**Employee Options A**):
 - (i) subject to the terms of the EIP, the exercise price of each Employee Option A is \$0.45;
 - (ii) subject to the satisfaction of time-based vesting conditions over 4 years, the Employee Options A may be exercised any time up to 1 June 2025;
 - (iii) the Employee Options A will vest in accordance with the following vesting conditions:
 - (A) 25% of the total Employee Options A will vest on 1 June 2021 (**Vesting Date A**); and
 - (B) 6.25% of the Employee Options A shall vest at the end of each three (3) month period following the Vesting Date A over 12 quarters.
- (b) In respect of 150,000 Employee Options (**Employee Options B**):
 - (i) subject to the terms of the EIP, the exercise price of each Employee Option B is \$0.82;
 - (ii) subject to the satisfaction of time-based vesting conditions over 4 years, the Employee Options B may be exercised any time up to 26 January 2025;
 - (iii) the Employee Options B will vest in accordance with the following vesting conditions:
 - (A) 25% of the total Employee Options B will vest 26 January 2021 (**Vesting Date B**); and
 - (B) 6.25% of the Employee Options B shall vest at the end of each three (3) month period following the Vesting Date B over 12 quarters.
- (c) In respect of 2,200,000 Employee Options (**Employee Options C**):
 - (i) subject to the terms of the EIP, the exercise price of each Employee Option C is \$0.466;
 - (ii) subject to the satisfaction of time-based vesting conditions over 4 years, the Employee Options C may be exercised any time up to 18 May 2025;
 - (iii) the Employee Options C will vest in accordance with the following vesting conditions:
 - (A) 25% of the total Employee Options C will vest 18 May 2021 (**Vesting Date C**); and
 - (B) 6.25% of the Employee Options C shall vest at the end of each three (3) month period following the Vesting Date C over 12 quarters.

If you are attending the virtual Meeting
please retain this Voting Form
for online Securityholder registration.

Holder Number:

Your vote or proxy voting instruction must be received by **10:00am (AEDT) on Wednesday, 28 October 2020**, being not later than **48 hours** before the commencement of the Meeting. Any votes or proxy instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR VOTE OR APPOINT A PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – HOW YOU WISH TO VOTE – SELECT ONE OPTION ONLY

Direct Vote – If you mark the box to select a direct vote you should indicate your direct voting instruction in step 2 by marking either FOR, AGAINST or ABSTAIN for each item. If you do not mark a voting instruction for any or all resolutions your vote will be invalid.

Appoint a proxy - If you wish to appoint a proxy to attend the Meeting and vote on your behalf DO NOT tick the box for a direct vote. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default. The Chairman currently intends to vote all undirected proxies in favour of all Resolutions.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. If any undirected proxies default to the Chairman of the Meeting, the Chairman of the Meeting intends to vote all undirected proxies in favour of all Resolutions.

STEP 2 - VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Voting Forms together. If you require an additional Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Voting Form:

Online:

Use your computer or smartphone to vote online or appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Voting Form.



BY MAIL:

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IN PERSON:

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Sydney NSW 2000

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