



ASX Announcement

25 January 2022

## Splitit Appoints Nandan Sheth as CEO

*Seasoned Payments Industry Executive with Extensive Record of Success to Lead Splitit's Next Stage of Growth*

**Splitit Payments Limited** ("Splitit" or the "Company") (ASX:SPT, OTCQX:SPTTY), the Company empowering shoppers to use their credit cards to pay in instalments, is pleased to announce that its board of directors has appointed Nandan Sheth as CEO, effective 28 February 2022. A seasoned payments industry executive, Sheth brings domain expertise through his work at large payment companies, major banks, Fortune 100 companies and disruptive technology startups across North America and Europe. His record of entrepreneurial success includes co-founding, scaling and successfully exiting multiple fintech companies, including Harbor Payments (sold to American Express in 2006) and Acculynk (sold to First Data in 2017). The Company is also pleased to announce that John Harper, who has served as Interim CEO since August 2021, will stay on for a period of time to ensure a smooth transition.

"Nandan brings more than 20 years of experience and a powerful network within the payments and fintech space to Splitit," said Dawn Robertson, Non-Executive Chair of Splitit. "Given his background and record of innovation, we're extremely confident that he can unlock the growth potential of the company. At the same time, we thank John Harper for his leadership and guidance as Interim CEO. Having a veteran retail executive at the helm over the past six months has helped us better understand merchants' needs and expectations and develop our business in ways that help our partners take full advantage of the market opportunities in front of them."

Splitit is a credit card-based instalment solution that lets consumers spend smarter by making the most of the credit cards they already have. Splitit gives shoppers more control by turning larger purchases into more manageable monthly instalments on their existing credit cards—with no new financing, interest or fees—while taking advantage of all the cards' respective benefits and rewards. Splitit's flexible platform helps businesses deliver a faster and simpler payments experience that drives higher sales, AOV, brand satisfaction and loyalty.

"I'm honoured to join this disruptive fintech company at an inflection point that is showing strong and growing demand for a payment option that lets consumers use their existing credit, rather than new financing, for spreading out large purchases," said Sheth. "Additionally, Splitit is the most merchant-friendly BNPL platform in the market. Splitit uniquely allows merchants to maintain a direct relationship with their customers. The global opportunity for Splitit is tremendous, and I'm excited to be part of the journey that impacts consumers, merchants and shareholders."

Sheth's executive experience in the payments and fintech sector spans strategy, scaling innovation, corporate and business development, product development, technology, and operations. Prior to joining Splitit, he served as Fiserv's Head of Global Digital Commerce as well as Head of Fiserv's Carat business, an ecosystem of omnichannel commerce solutions for large multinational merchants. Prior to that, Sheth was President of Acculynk, the business he co-founded in 2008 and sold to First Data in 2017. His earlier experience includes serving as GM at American Express and co-founding and scaling Harbor Payments (sold to American Express) and e-Debt. Sheth holds an MBA from the Cass Business School and a BSc with Honours from City, University of London.



A summary of the material terms and conditions of Sheth's employment arrangements, including remuneration, is included as an annexure to this announcement.

### About Splitit

Splitit is a global payment solution provider that enables shoppers to use the credit they've earned by breaking up purchases into monthly interest-free instalments using their existing credit card. Splitit enables merchants to improve conversion rates and increase average order value by giving customers an easy and fast way to pay for purchases over time without requiring additional approvals. Splitit serves many of Internet Retailer's top 500 merchants and is accepted by more than 3,000 eCommerce merchants in over 30 countries and shoppers in over 100 countries. Headquartered in New York, Splitit has an R&D centre in Israel and offices in London and Australia. The Company is listed on the Australian Securities Exchange (ASX) under ticker code SPT. The Company also trades on the US OTCQX under ticker codes SPTTY (ADRs) and STTTF (ordinary shares).

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

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### Note to Market

None of the information included in this announcement should be considered individually material unless specifically stated.

### Disclaimer

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

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

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

Actual results, performance or achievements of the Company could be materially different from those expressed in or implied by these forward-looking statements. The forward-looking statements contained within the



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

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

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## Annexure: Material terms of Executive Employment Agreement

The key terms of the employment arrangements are summarised below. These terms are in line with industry practice. They have been negotiated with the benefit of expert external advice.

The remuneration package is designed to ensure alignment of reward with achievement of corporate objectives as determined by the board and with returns for shareholders.

Term	Description
Name and position	Nandan Sheth, Chief Executive Officer
Start Date	Expected to be no later than early March 2022.
Term	Employed at-will and not for any specified period. The Executive's employment is ongoing until terminated by either party in accordance with the terms of the engagement
Base Salary	USD \$600K per annum
Annual Incentive Bonus	Annual incentive cash bonus of up to 33.3% of the Base Salary, subject to meeting certain Key Performance Indicators ( <b>KPIs</b> ) during the applicable calendar year. The KPIs for a particular year will be determined by the Board by 1 March of each calendar year.
Sign-on bonus	USD \$200K
Time Based Performance Rights	Executive will be issued 15,249,675 restricted stock units ( <b>Time Based PRs</b> ) under the Employee Share Incentive Plan ( <b>EIP</b> ). The Time-Based PRs shall vest over four (4) years based on the Executive's continued employment with the Company, with a twelve-month cliff and quarterly vesting thereafter.
Performance Based Performance Rights	<p>Executive shall be eligible to receive, 14,076,623 restricted stock units under the EIP which may be earned and vested subject to certain performance, continued employment and time-based criteria being satisfied (<b>Performance Based PRs</b>).</p> <p>The Performance Based PRs will be comprised of four (4) separate tranches of 3,519,156 Performance Based PRs each of which may be earned over a one-year performance period based on the achievement of certain annual financial and other metrics and vest over a three (3) year period based on Executive's continued employment with the Company. Any Performance Based PRs not earned, will be forfeited and cancelled.</p> <p>The Performance Based PRs shall be granted as soon as practicable following and subject to shareholder approval to increase the authorized share capital at the Company's annual general meeting of Shareholders, which is expected to be around October 2022.</p>

Market Cap Based Performance Rights	<p>Executive shall be eligible to receive 4,692,208 restricted stock units (<b>Market Cap PRs</b>) under the EIP which may be earned at any time on or prior to December 31, 2024 (AEDT) if the average VWAP Market Capitalization of the Company over 30 consecutive Trading Days exceeds USD 1.0 billion. If earned, the Market Cap PRs shall vest over a three (3) year period, based on Executive's continued employment with the Company.</p> <p>The Market Cap PRs shall be granted as soon as practicable following and subject to shareholder approval to increase the authorized share capital at the Company's annual general meeting of Shareholders, which is expected to be around October 2022.</p>
Acceleration of vesting	<p>Any unvested and not cancelled Time-Based PRs, Performance Based PRs and the Market Cap PRs (together the <b>Equity Compensation</b>) shall vest upon the occurrence of an M&amp;A Transaction<sup>1</sup> (subject to the Executive's continued employment through the date of that M&amp;A Transaction), provided that if the M&amp;A Transactions values the Company at:</p> <ul style="list-style-type: none"> <li>• USD 1.5 billion or more, 100% of the Equity Compensation (after giving effect to any prior forfeitures, if applicable) shall be earned and vested on completion of the M&amp;A Transaction; and</li> <li>• less than USD 1.5 billion, up to 18,768,831 of the Equity Compensation shall be vested (after giving effect to any prior vesting).</li> </ul>
Termination and severance	<p>The Company may terminate the Executive Employment Agreement without cause with 45 days' advance written notice. Executive may terminate the Executive Employment Agreement without cause with 45 days' advance written notice.</p> <p>Upon termination of the Executive Employment Agreement by the Company other than for cause or in the case of resignation by Executive for good reason, in addition to pro rata vesting of earned Equity Compensation, Executive shall be eligible in certain circumstances to receive a severance payment of twelve (12) months of the then current base salary <u>plus</u> up to fifty percent (50%) of the target Annual Incentive Bonus.</p>

<sup>1</sup> M&A Transaction has the meaning set out in the EIP.