

Q4 FY22 Quarterly Report & Appendix 4C

- In line with our stated strategy, we maintain a strong focus on scaling our white-label instalment solution through distribution partners and large merchants:
 - North American partnership agreement signed with Worldline, one of the largest global acquirers with over \$400BL in annual merchant sales volume (MSV)
 - On the back of our success in Japan, we extended our partnership with Google
 - New partnership agreement established with Checkout.com, one of the fastest growing payments platform in the world
 - Launched a new buy now “pay-after-delivery” service allowing consumers to pay only after they have confirmed delivery
 - The MSV of Tabby, one of the fastest growing payment wallets in MENA, increased over 1000% quarter over quarter with an AOV of \$2500 per plan
- Strong Merchant Sales Volume (MSV) of US\$141M in Q4 FY22, up 9% Year on Year (YoY)
 - FY22 MSV of US\$431M, reflecting a record year and 9% annual MSV growth
- Continued progress towards profitability, Operating Expenses down 37% YoY, with 1.26% Net Transaction Margin (NTM), up 0.44% YoY
- **Investor webinar today, Tuesday 31 January 2023 at 10.30am AEDT, details below**

Splitit Payments Limited (“Splitit” or the “Company”) (ASX:SPT, OTCQX:SPTTY), the only white-label instalment solution that allows consumers to pay overtime with their existing credit on their credit cards, is pleased to provide an update on its quarterly activities and cash flows for the period ending 31 December 2022 (Q4 FY22).

Nandan Sheth, CEO of Splitit, commented, “Splitit is breaking away from legacy BNPL providers, as we become the unquestionable leader in card-attached instalments. We continue to execute against the growth strategy we outlined in our investor update in November. Our partnership-led distribution strategy, key to our continued growth, gained significant momentum. We have signed several new partnership deals and



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info@splitit.com



5901 Peachtree Dunwoody Road, Suite C-480, Atlanta, GA 30328-7188, USA



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are now working with some of the largest merchant aggregation platforms in the world. This demonstrates that our white-label, Instalments-as-a-Service solution is becoming a category leader.

"Splitit signed a new agreement with Checkout.com during the quarter. Checkout.com is a large unicorn and one of the fastest-growing payment platforms in the world. Thousands of merchants and marketplaces use Checkout.com to simplify payments worldwide. Through this partnership, Checkout.com will distribute Splitit to its extensive network of clients. We anticipate this partnership to yield significant MSV over time as we further embed our platform into Checkout.com's technology stack. Another major highlight of the quarter was finalising our agreement with Google to extend our partnership into additional geographic territories. We closed the quarter and year signing a North American agreement with Worldline to deliver an integrated instalment solution, as well as reselling Splitit through its network of merchants, ISVs and ISO's.

"As a result of Splitit's differentiated and scalable white-label instalment offering, merchants and distribution partners alike can more simply adopt, integrate and operate a merchant branded pay later service that promotes repeat purchases. Early indicators are showing that our share of merchant checkout is twice that of other BNPL's, forced to originate new loans. Additionally, our white-label platform, which is embedded with the existing purchase flow, drives some of the highest conversion rates in the industry, between 75% and 90% for most merchants."

"Operating Expenses remain at the consistently low levels that have been recorded since our strategic pivot earlier in 2022. With the expected growth in MSV as we onboard new partners and merchants throughout 2023, combined with strong unit economics, will continue to push Splitit towards profitability. By becoming more disciplined about client level profitability, Splitit continued to report strong Net Transaction Margin (%) Growth YoY, despite a rising global interest rates, highlighting the importance of a differentiated model with negligible bad debts, as well as a diversified product mix that includes merchant funded solutions (i.e. non-funded product) that are not exposed to global interest rate movements. However, we expect our NTM to soften slightly in the first half of 2023 as we board large high volume merchants and interest rates continue to rise, but longer term, our NTM will remain strong.

"Splitit's strategic pivot, business model and unique solution continues to protect the company from headwinds facing legacy BNPL consumer lenders. Legacy BNPL lenders are suffering under intense



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regulatory scrutiny, higher capital costs, tightening underwriting and escalating customer acquisition costs not to mention the increasing charge offs of unsecured consumer debt. Splitit is breaking away from the pack with our next-generation instalment service, with a technology platform that empowers merchants.

"Splitit's new strategy has put us on a path to profitable revenue growth. Our focus is to execute on the incremental US\$2B-4B MSV opportunity in front of us over the coming years."

Q4 PERFORMANCE

Even though Splitit exited multiple unprofitable merchants in 2022, Q4 MSV grew 9% YoY to US\$141M, and Revenue (IFRS) increased 6%, reflecting solid underlying momentum.

A focus on accelerating Splitit's path to profitability was evident in key metrics. Net Transaction Margin (NTM) increased to 1.26% (up 0.44% YoY), and Operating Expenses (Non-IFRS) decreased by 37% YoY. Whilst NTM reduced slightly compared to the prior quarter due to rising interest rates, and is expected to soften slightly in the first half of 2023 as we board several large merchants whilst interest rates continue to rise, in the long term NTM will remain strong as the portfolio continues to diversify.

Combining improved unit economics with reduced operating costs is starting to drive Splitit towards profitability.



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Table 1: Performance Metrics

Operating Metrics	Q4 FY22	YoY Comparison to Q4 FY21
Merchant Sales Volume (MSV) ¹	US\$141M	+9% (US\$130M)
Revenue (Non-IFRS) ²	US\$3.3M	-4% (US\$3.4M)
Revenue (IFRS) ³	US\$3.1M	+6% (US\$2.9M)
Net Transaction Margin % (NTM %) ⁴	1.26%	0.44% (absolute) (0.82%)
Operating Expenses (Non-IFRS) ⁵	US\$4.7M	-37% (US\$7.4M)

Note: Given the seasonal nature of the business, YoY growth rates are considered the most relevant measurement. Quarterly metrics are presented in the Appendix for reference.

¹ Underlying MSV for successful transactions

² Revenue invoiced to merchants for the period, translated to reporting currency. Under the funded model, revenue is invoiced upfront at the date of funding. Under the basic (non-funded) model, revenue is invoiced monthly as each instalment is processed. This non-IFRS measure has not been independently audited or reviewed, and will differ from IFRS revenue due to IFRS revenue recognition rules.

³ Revenue under IFRS, reflective of IFRS 9 Effective Interest Rate (EIR) adjustment

⁴ $NTM(\%) = NTM(\$) / MSV \text{ invoiced to merchants during the period.}$

$NTM(\$) = \text{Revenue (IFRS) less variable transaction costs (finance costs directly associated with receivables funding, third party revenue share, processing costs) less Bad Debts (transaction losses)}$

⁵ Operating expenses exclusive of non-cash items (share-based payments, warrant expense, unrealised foreign exchange gains/losses, depreciation and amortisation, amortisation of deferred debt costs, capitalised employee and consultant expenses). This non-IFRS profit & loss metric varies from cash flow items within the Appendix 4C, as it is prepared on an accrual accounting basis





Product & Platform Update

Splitit has continued to enhance its highly differentiated white-label Instalments-as-a-Service platform. Our unique merchant-branded experience reduces the clutter and confusion of multiple payment logos in the checkout, ensuring brand consistency while driving loyalty and repeat purchases to deliver the highest merchant return on investment (ROI) in the industry. We are the only service in the market that supports one-click instalments, embedded directly in the merchant's existing checkout flow. The Company continues to innovate in a challenging macroeconomic environment.

Recently we launched some of the most flexible instalment plan options in the industry, including a unique buy now pay on delivery option for international merchants and markets where eCommerce is a cash on delivery business. This provides for greater confidence of consumers while improving safety of delivery by removing the physical cash. This quarter we also launched the first checkout embedded third-party payment experience for Shopify+ customers. This new plugin was rolled out to our first merchant, My Patriot Supply. With a 25% share of market⁶ in the United States alone, Shopify is one of the top e-commerce platforms globally.

This quarter we were able to significantly improve our response time for interactions with merchants and processors. These improvements allow for higher scalability of the platforms as well as reduced wait time for consumers. This change covered multiple types of integrations and API calls. Merchants can also enhance the upstream messaging experience through Splitit's dynamic and customisable "Learn More" module.

Splitit is committed to ensuring the security of our customer's data. To provide proof of our commitment, we have completed the industry standard optional Service Organization Control (SOC) 2 Type 2 audit and certification. The audit requires strict security practices and compliance tested through independent, certified auditors. SOC 2 Type 2 certification is critical for cloud-based service providers validating the Company's approach to data security, controls and operating effectiveness.

⁶ <https://trends.builtwith.com/shop/country/United-States>



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info@splitit.com



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1 Charterhouse Mews, London EC1M 6BB, UK



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Key Merchants & Partnerships Update

Checkout.com

In November, Splitit and Checkout.com entered into a partnership to offer an integrated instalment payment solution. Checkout.com will resell Splitit through its merchant and marketplace network. Checkout.com is one of the fastest growing global payment processing platforms focusing on large global eCommerce merchants, marketplaces and ISVs, with customers such as Farfetch, Netflix, Sony and Shein.

This partnership will provide Splitit with a strengthened global processor that can scale our product offering across multiple markets. Additionally, the partnership will support simplified implementation, analytics and settlement capability for existing and new Checkout.com clients. The Company has completed its integration with Checkout.com APIs, allowing new merchants using Checkout.com to be onboarded to Splitit's platform. We have also completed the first training with Checkout.com global sales team.

Google

Splitit extended its agreement with Google during the quarter to bring its instalment solution to the Google Store into additional markets beyond Japan. This extension is expected to have a material impact on Splitit's brand and business development prospects when it launches.

Worldline

In December 2022, Splitit signed a North American partnership agreement with Worldline, the fourth largest payment processor in the world⁷. Worldline is a global leader in secure payments and trusted transactions. Worldline serves 1MM+ merchants in over 100 countries with annual revenues of over US\$4B Euros. The partnership combines Worldline's position as a preferred partner to many industry-leading ISVs, ISOs and merchants worldwide with Splitit's Instalments-as-a-Service platform to drive complementary value for both companies.

⁷ <https://worldline.com/>



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info@splitit.com



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The phase one integration is targeted to be completed in Q2 2023. Worldline and Splitit will continue to explore expansion into further geographies following the initial launch.

Tabby Drives Impressive Growth

Our partnership with MENA-based Tabby has seen significant growth over the quarter, with a 1,176% increase in quarter-on-quarter MSV growth in Q4, culminating in US\$11.8M in MSV in the month of December. Through Tabby, Splitit is offered in a white label manner alongside a traditional Pay-in-4 option, highlighting the complementary nature of the solution. We have achieved this growth due to the fact that card-attached instalments uniquely appeal to the large number of credit card preferring consumers. This segment of consumers typically has higher credit scores, higher open-to-buy credit available on their cards, and greater purchasing power. Splitit has delivered higher approval rates on an average order size of US\$2,500. This activity is currently from 10 merchants selling predominantly electronics and medical services. There is significant opportunity for the Tabby partnership to grow further as we expand the partnership into their deep base of merchants. Tabby processes for prominent brands such as IKEA, Shein, Adidas, Level Shoes, H&M, and Bloomingdale's. The app is used by 2 million active shoppers, driving 3.5 million clicks per month to thousands of retailers⁸.

⁸ <https://tabby.ai/en-AE/press/2-million-shoppers-marketplace>



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2023 OUTLOOK

Goal	Recent progress
Sign 3 large enterprise merchants	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Google
Sign 2 large new distribution partners	<input checked="" type="checkbox"/> <input type="checkbox"/> Checkout
Sign 2 new acquirers (1 large, 1 small)	<input checked="" type="checkbox"/> <input type="checkbox"/>
Sign 1 new network partnership	<input type="checkbox"/>

The implementation of recently signed merchants and partnerships is still in its early stages, therefore, much of this year's incremental MSV growth will be realised in H2 2023 and beyond. As such, we are projecting MSV run rate by the end of 2023 to be in the range of \$US0.7B to \$US0.8B. During the course of the year, we will have a higher level of certainty regarding the year-end annualised MSV run rate, and we will provide updates in due course.

CASH FLOW OVERVIEW

The Company's closing cash position was US\$29.8M, with a net overall cash decrease for the period of US\$5.4M. The closing cash position included US\$10.6M of pre-drawn Goldman Sachs funds, which are available for receivables funding only and not for other operational activities, leaving US\$19.2M (US\$1.1M decrease for the period) available for all operating activities and measurement against debt covenants.

Cash receipts from customers for the period were US\$3.2M⁹, and cash outflows from operational expenditure was US\$4.9M.¹⁰

⁹ Item 1.1 of Appendix 4C

¹⁰ Item 1.2 of Appendix 4C. Breakdown of operating expenditure by category also shown in item 1.2



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Net cash used in operating activities (cash burn) was US\$2M for the quarter (exclusive of net merchant funding¹¹). Inclusive of the US\$12.6M outflow from merchant funding in line with expected seasonal merchant funding growth, the overall net cash from operating activities was a US\$14.6M outflow.

Net financing activities for the period were an inflow of US\$8.4M¹², including US\$10M of lender funds drawn to support merchant growth

Splitit held US\$27.6M in net cash, comprised of:

- US\$29.8M cash
- US\$73M funded merchant receivables
- (US\$75.2M) debt payable

Combining undrawn loan facilities with closing cash, the Company has a total of US\$104.8M of liquidity to fuel future growth.

Note: Unless specified otherwise, all amounts are in USD and provided on an unaudited basis.

¹¹ Item 1.8 of Appendix 4C

¹² Item 3.10 of Appendix 4C



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Q4 INVESTOR WEBINAR DETAILS

Splitit will host a webinar for investors today, Tuesday 31 January 2023, at 10.30am, Australian Eastern Daylight Time (AEDT)

CEO, Nandan Sheth, and CFO, Ben Malone will provide an overview of the Company's quarterly performance, followed by a Q&A session.

Date & Time: Tuesday 31 January 2023 at 10.30am (AEDT)

Zoom link: https://us06web.zoom.us/webinar/register/WN_2uQr2I59QDyl_xvjgsKPyA

Replay: Will be available at www.splitit.com after the event.



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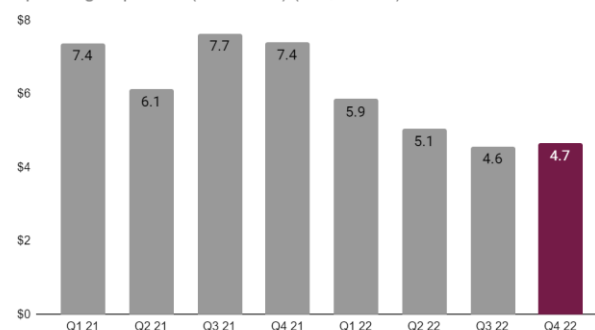
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Appendix – Quarterly Metrics

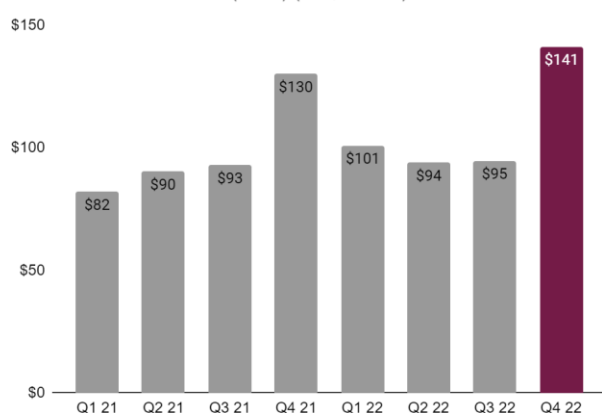
Net Transaction Margin %



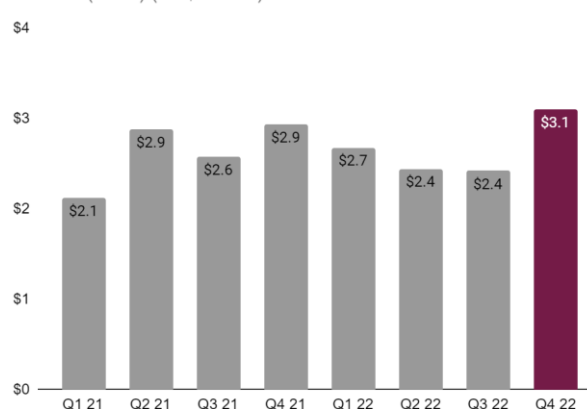
Operating Expenses (Non IFRS) (US\$'million)



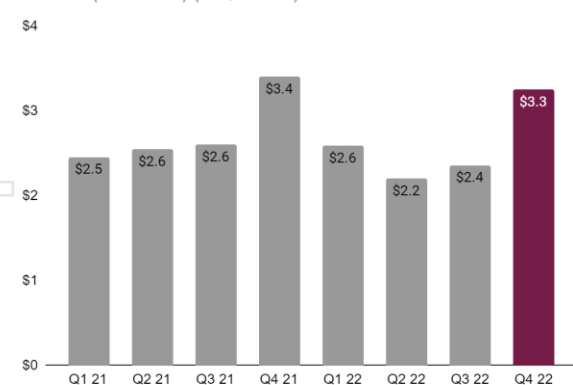
Merchant Sales Volume (MSV) (US\$'million)



Revenue (IFRS) (US\$'million)



Revenue (Non-IFRS) (US\$'million)



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About Splitit

Splitit powers the next generation of Buy Now, Pay Later (BNPL) through its merchant-branded Instalments-as-a-Service platform. Splitit is solving the challenges businesses face with legacy BNPL while unlocking BNPL at the point of sale for card networks, issuers and acquirers all through a single network API. Splitit's Instalments-as-a-Service platform mitigates issues with legacy BNPL like the declining conversion funnel, clutter at the checkout and a lack of control of the merchant's customer experience while putting the power back in the hands of merchants to nurture and retain customers, drive conversion and increase average order value. Splitit's white-label BNPL is the easiest instalment option for merchants to adopt, integrate and operate while delivering an uncluttered, simplified experience embedded into their existing purchase flow. Headquartered in Atlanta, Splitit has an R&D centre in Israel and offices in London and Australia. Splitit is listed on the Australian Securities Exchange (ASX) under ticker code SPT and also trades on the US OTCQX under ticker SPTTY (ADRs) and STTTF (ordinary shares).

Splitit's Key Points of Differentiation	
What is Splitit's Instalments-as-a-Service?	<p>Splitit's Instalments-as-a-Service platform is a new way to drive BNPL through a white-label, merchant-branded experience embedded within their existing checkout flow. Unlike legacy BNPL services that originate new loans, Splitit unlocks existing consumer credit on credit cards for 0% interest* instalments. Any consumer with available credit on their credit card is automatically pre-qualified to use Splitit for the value of that available credit. There's no application, registration or redirects and no additional interest, hidden fees (credit card terms and conditions may apply) or credit checks, making it the most seamless and frictionless BNPL checkout experience for consumers online and in-store.</p> <p><i>* No interest is payable to Splitit. The cardholder may be liable to pay interest to the issuer of their payment card if the instalments are not paid in full by the due date.</i></p>
Splitit is a consumer-friendly option for shoppers	<p>Splitit offers a consumer-friendly solution with no new debt or credit checks, no application, no interest or late fees charged (credit card terms and conditions may apply). Splitit is the instalment offering that allows shoppers to use their issued but unused credit on major credit cards at the point of sale. It also allows shoppers to continue collecting perks like cash back, rewards and points as they would on normal credit card transactions, without any risk of damaging their credit profile.</p>



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Unique benefits for merchants	Splitit is highly integrated (shoppers don't need to leave the merchant's website), easy to Implement and offers longer and flexible loans, reducing shopper friction and driving sales conversion rates. It also offers merchants the option of a funded or non-funded model. Splitit's white-label platform delivers one-click instalments embedded into the merchant's existing checkout flow. The merchant-branded experience reduces the clutter and confusion of multiple payment logos in the checkout, ensuring brand consistency while driving loyalty and repeat purchases.
Globally scalable model, boosted by white-labelling	Splitit is fundamentally a technology business leveraging the existing global credit card payment rails. This means its branded or white-label solution can be adopted in new markets without the need for an 'on the ground' presence, delivering strong operating leverage, enhanced scalability and a cost-effective pathway to profitability.
Already subject to existing credit card regulatory framework, and allows merchant surcharging	As a technology solution that operates within the highly regulated credit card industry, Splitit has a distinct advantage over legacy BNPL providers who are under increasing global regulatory scrutiny due to their consumer financing models. In addition, mounting sector-wide pressure to allow merchant surcharging will not impact Splitit, as merchants are already allowed to surcharge in accordance with credit card rules.
Unique IP	Splitit's protected IP secures the pre-authorisation on a consumer's credit card limits consumer defaults, as the transactions are secured by the credit card issuers. This unique business model provides operating leverage at scale and a pathway to future profitability without the same associated risk.

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

Contact Information

Australian Media & Investors

Catherine Strong, Citadel-MAGNUS
cstrong@citadelmagnus.com
+61 2 8234 0111

US Media

Lyndal Newman, Splitit
lyndal.newman@splitit.com



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



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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

In accordance with ASX Listing Rule 4.7C, Splitit provides the following information:

Payments to related parties and their associates for Q4 FY22 were US\$268K. These payments were related to salaries, director fees and expenses paid to directors and their associates, including the CEO.



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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
SPLITIT PAYMENTS LTD	
ABN	Quarter ended ("current quarter")
629 557 982	31 December 2022

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	3,209	10,343
1.2	Payments for		
	(a) research and development	(564)	(2,417)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(461)	(2,451)
	(d) leased assets	-	-
	(e) staff costs	(2,746)	(11,362)
	(f) administration and corporate costs	(1,128)	(4,602)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	76	151
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(69)	(172)
1.7	Government grants and tax incentives	-	-
1.8	Other – Merchant Receivables Funding	(12,556)	4,235
	Other – Cost of Sales	(330)	(1,537)
	Other one-off costs - CEO replacement (termination costs, sign-on bonus, agency placement fees)	-	(533)
1.9	Net cash used in operating activities	(14,569)	(8,345)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(9)	(66)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash used in investing activities	(9)	(66)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities	-	7,181
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	2	116
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(40)	(434)
3.5	Proceeds from borrowings	10,056	10,952
3.6	Repayment of borrowings (See note 6)	-	-
3.7	Transaction costs related to loans and borrowings	(247)	(247)
3.8	Dividends paid	-	-
3.9	Other - Interest and other costs of finance paid	(1,416)	(5,133)
	Other – Goldman Sachs Minimum Utilisation Fees	-	(1,396)
3.10	Net cash used in financing activities	8,355	11,039

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	35,178	28,933
4.2	Net cash used in operating activities (item 1.9 above)	(14,569)	(8,345)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(9)	(66)
4.4	Net cash from financing activities (item 3.10 above)	8,355	11,039
4.5	Effect of movement in exchange rates on cash held	844	(1,762)
4.6	Cash and cash equivalents at end of period	29,799	29,799

Note: Cash and cash equivalents at the end of the period include US\$10.6M of pre-drawn Goldman Sachs funds which are used for receivables funding only and not for other operational activities.

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	29,799	35,178
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	29,799	35,178

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	268
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

The above relates to payment of Directors' salaries and fees, including the CEO / Managing director

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000								
7.1	Loan facilities*	150,000	75,200								
7.2	Credit standby arrangements	-	-								
7.3	Other (please specify)	-	-								
7.4	Total financing facilities	150,000	75,200								
7.5	Unused financing facilities available at quarter end		74,800								
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <table border="1"> <thead> <tr> <th>Lender</th><th>Interest Rate / Management Fees</th><th>Maturity Date</th><th>Secured / Unsecured</th></tr> </thead> <tbody> <tr> <td>Goldman Sachs Bank USA</td><td>Benchmark Rate + 3.05% to 5.85%</td><td>5th February, 2025</td><td>Secured</td></tr> </tbody> </table> <p>On 5 February 2021 Splitit Treasury USA LLC and Splitit Treasury Europe DAC entered into a loan agreement with Goldman Sachs Bank USA ("GS") pursuant to which GS has provided a 150,000,000 USD three-year revolving funding facility. The facility is used to fund merchant receivables at a rate of 95% of the Gross Receivable (less merchant fees), based on geographic and other eligibility criteria. Drawings under this facility incur an interest rate of 3.05% to 5.85% plus benchmark rate p.a. As at 31 December 2022, the credit facility has \$75.2 million drawn.</p> <p>Splitit Treasury USA LLC, a Delaware limited liability company, was formed on November 6, 2020. Splitit Treasury Europe DAC, an Irish designated activity company, was formed on November 18, 2020. Each of these entities is a special purpose entity that is consolidated for financial reporting purposes within the Group and which have been structured to be "bankruptcy remote." Splitit Treasury USA LLC and Splitit Treasury Europe DAC are separate legal entities from Splitit USA Inc., Splitit UK Ltd. and each other member of the Group. The assets of Splitit Treasury USA LLC and Splitit Treasury Europe DAC will not be available to creditors of Splitit USA Inc., Splitit UK Ltd. or any other member of the Group. Drawdown amounts under the GS facility are secured against receivables owned by Splitit Treasury USA LLC that were acquired from Splitit USA Inc. and receivables owned by Splitit Treasury Europe DAC that were acquired from Splitit UK Ltd. None of Splitit USA Inc., Splitit UK Ltd. nor any member of the Group other than Splitit Treasury USA LLC and Splitit Treasury Europe DAC is an obligor under the GS facility. The foregoing statements in this paragraph are applicable to the Group from the date of the abovementioned companies' respective incorporations.</p>			Lender	Interest Rate / Management Fees	Maturity Date	Secured / Unsecured	Goldman Sachs Bank USA	Benchmark Rate + 3.05% to 5.85%	5 th February, 2025	Secured
Lender	Interest Rate / Management Fees	Maturity Date	Secured / Unsecured								
Goldman Sachs Bank USA	Benchmark Rate + 3.05% to 5.85%	5 th February, 2025	Secured								

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash used in operating activities (item 1.9)	(14,569)
8.2	Cash and cash equivalents at quarter end (item 4.6)	29,799
8.3	Unused finance facilities available at quarter end (item 7.5)	74,800
8.4	Total available funding (item 8.2 + item 8.3)	104,599
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	7
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2023

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been

prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.