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**ASX RELEASE**

Company Announcements Platform

**Sezzle Submits Application for Removal from the Official List of the ASX**

Sezzle Inc. (ARBN 633 327 358) (ASX: SZL; NASDAQ: SEZL) (**Sezzle** or **Company**) announces it has submitted a formal application to the Australian Securities Exchange (**ASX**) for the removal of the Company from the official list of the ASX under ASX Listing Rule 17.11 (the **Delisting**).

Subject to ASX approval, the Company expects that trading in the Company's CHES Depository Interests (**CDIs**) will be suspended on the ASX on or around the close of trading on 12 January 2024 (being two business days before the Delisting), and the Delisting will take place on or around 16 January 2024.

The Company is currently listed on two securities exchanges – the ASX and the NASDAQ Capital Market (**NASDAQ**). Following the expected delisting from the official list of the ASX, the Company will be removed from the official list of the ASX and its CDIs will no longer be tradeable on the ASX. The Company's securities will remain listed on the NASDAQ under the ticker "**SEZL**" and will only be tradeable on the NASDAQ.

The Company sets out the following information for securityholders' reference in accordance with section 2.4 of ASX Guidance Note 33 titled '*Removal of Entities from the ASX Official List*':

**1. Formal application**

The Company has formally applied to ASX for removal from the official list in accordance with the ASX Listing Rules.

**2. Reasons for seeking removal**

The Board of Directors of the Company has determined that it is in the best interests of the Company and its securityholders for the Company to delist from ASX for the following reasons:

- (a) Primary listing is not in Australia:** the primary purpose of the Company's listing on the NASDAQ was to move the Company's primary listing to the NASDAQ and give the Company access to what the Board considers to be a more attractive equity market for the Company, which improves the potential for further international investor interest.
- (b) Additional costs:** the financial, administrative and compliance cost of maintaining a listing on the ASX (including the higher level of regulatory compliance costs associated with a dual listing,

noting there are material differences between the ASX and NASDAQ listing rules) outweighs the benefits of maintaining a listing on the ASX. The Board considers that the delisting is an important step in the Company's ongoing efforts to reduce its cash burn rate.

- (c) **Geographic considerations and ownership:** a majority of the Company's securityholders are based in the United States. Further, the Company notes that the Company's 20 largest securityholders hold a combined total of 59% of the Company's issued capital, of which Australian securityholders represent less than 7%.
- (d) **Low liquidity:** there is a relatively low average daily trading volume in the Company's CDIs on the ASX. The Board considers there is a risk that low levels of trading activity can cause securities price volatility and makes an assessment of the value of the Company's securities difficult. The Company also believes that the current dual listing of the Company's securities on the ASX and the NASDAQ reduces the trading volume on the NASDAQ, and as a result of the delisting, the Company's trading volume on the NASDAQ may increase and provide better liquidity to all of the Company's securityholders.
- (e) **Likely impact on Australian securityholders:** The Company will give holders of CDIs (**CDI Holders**) an opportunity to sell their CDIs on the ASX, should they wish to, prior to delisting. Any CDIs that are not sold by the time the Company is delisted from the ASX, will be automatically converted into the underlying securities, held on the US share register, capable of being traded solely on the NASDAQ. The Company considers the NASDAQ to be a more liquid market than the ASX. On that basis, the Board does not consider that CDI Holders will be unduly adversely affected by the Delisting.

### 3. Consequences of removal for Company and securityholders

As a registered foreign company, the consequences for the Company and its CDI Holders if it is removed from the official list are as follows:

- (a) the Company's CDIs will no longer be quoted on the ASX and will no longer be traded on the ASX. This will mean that CDI Holders will no longer have the ability to sell their securities and release their investment in the Company via ASX trading;
- (b) any CDIs that have not already been converted into the underlying securities, held on the US share register, by the time the Company is delisted on the ASX, will be automatically converted into underlying securities and will only be capable of sale via the NASDAQ;
- (c) the Company will no longer be able to raise capital on the ASX from the issue of securities by means of limited disclosure fundraising documents;
- (d) a reduction of obligations associated with a listing on the ASX, which may include relief from some reporting and disclosure requirements and requirements concerning significant changes to the Company's activities; and
- (e) the ASX Corporate Governance Principles and Recommendations will no longer be applicable to the Company.

The Company will continue to be subject to the obligation to lodge a balance sheet, cash flow statement and profit and loss statement in accordance with section 601CK the Corporations Act 2001 (Cth) (**Act**) (at least while it remains a registered foreign company).

#### 4. Arrangements for the sale of securities

Following confirmation of ASX's formal approval to delist, the Company will send to each CDI Holder a letter by post or email which will provide an overview of the delisting process as well as instructions and details of the following options which will be available to CDI Holders:

***OPTION 1: Sell CDIs on the ASX on or before the date that the CDIs are suspended from ASX quotation***

As noted above, CDI Holders will be informed that they may sell their CDIs on the ASX on or before the CDIs are suspended from ASX quotation. If a CDI Holder elects to do so, they will be responsible for any costs associated with the sale of their CDIs, including any broker commissions and taxes.

***OPTION 2: Convert CDIs into the underlying securities that can be traded on the NASDAQ***

CDI Holders will be given the option to convert their CDIs into the underlying securities that can be traded on the NASDAQ by completing a CDI cancellation form and returning it (together with certified identification documentation where required) to the Company's Australian CDI registry, Computershare Investor Services Pty Limited (**Computershare**). This would allow the CDI Holder to trade their securities on the NASDAQ once the conversion is complete. CHES holders must arrange for their sponsoring broker to convert their CDIs to an issuer sponsored holding before requesting to convert their CDIs into the underlying securities.

***OPTION 3: Do nothing – CDIs are automatically converted into the underlying securities that can be traded on the NASDAQ***

A CDI Holder may choose to do nothing (i.e., not proceed with Option 1 or Option 2).

Following delisting, any remaining CDI Holders will have their CDIs automatically converted into the underlying securities held registered directly in their own name on the Company's United States share register in book-entry form (uncertificated) in the Direct Registration System (**DRS**), and quoted on the NASDAQ. DRS is the equivalent of holding securities in issuer sponsored form in Australia and is evidenced by a DRS advice. Those securities will only be capable of trading on the NASDAQ. This is likely to occur on, or around 26 January 2024.

In other words, Option 3 will automatically apply to CDI Holders who choose to do nothing.

As noted above, CDI Holders will be sent a letter by post or email which provides further details regarding the options available to them relating to their CDIs and the delisting process.

## 5. In-principle advice obtained

The Company has sought, and received, in-principle advice from ASX that it will agree to the request for removal from the official list upon the satisfaction of certain conditions, which the Company has satisfied or intends to satisfy prior to its removal. ASX's in-principle advice is set out in Annexure A to this announcement.

The proposed timeline for satisfying the conditions set out in Annexure A is as follows:

Event	Date
Trading halt Formal delisting request and draft ASX announcement provided to ASX	9 November 2023
Voluntary suspension	13 November 2023
Release of ASX announcement to market Lodgment of application to waive ASX Settlement Operating Rule 13.9.9, to suspend ability for new CDIs to be issued from 13 November 2023	13 November 2023
Written communication sent or emailed to CDI Holders containing details of the Delisting and information on the options available to CDI Holders	15 November 2023
Removal of the Company from official list and ASX Settlement Pty Limited to close the CHES subregister	16 January 2024
CHES Depository Nominees Pty Limited to revoke the trust under which it holds the Common Stock underlying the CDIs.	23 January 2024
Issuance of the Common Stock in DRS form	26 January 2024
Despatch of the DRS advices	1 February 2024

*Note: dates are indicative only and subject to change by the Company and/or ASX.*

On the basis of the above, the expected date for the Company's removal from the official list of ASX is 16 January 2024, being not less than two months after the date that written communication is sent to CDI Holders with respect to the Company's delisting on the ASX.

## 6. Remedies that may be pursued by CDI Holders

The Company confirms that remedies may be pursued by the security holders of the Company under the following provisions of the Act (or any equivalent overseas legislation):

- (a) Part 2F.1 of the Act:** if the security holder considers the removal of the Company from the official list to be contrary to the interests of security holders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, a security holder or security holders, the security holder may apply to the Court for an order under Part 2F.1 of the Act.

Under section 233 of the Act, the Court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs; or

- (b) Part 6.10 of the Act:** if the security holder considers the removal of the Company from the official list as involving 'unacceptable circumstances', the security holder may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Act.

Under Section 657D of the Act, if the Takeovers Panel has declared circumstances to be unacceptable it may make any order that it thinks appropriate to protect the rights of any person or group of persons where the Takeovers Panel is satisfied that those rights are being affected, or will be or are likely to be affected, by the circumstances.

If CDI Holders have any questions about the Delisting process, please contact Computershare on 1300 918 416 (within Australia) or +61 3 9946 4422 (outside Australia) between 8.30am and 5.00pm (Sydney time).

This announcement was authorised by Charlie Youakim, Executive Chairman and CEO.

### Contact information

For more information about this announcement, contact:

**Lee Brading, CFA**

Investor Relations

+1 651 240 6001

investorrelations@sezzle.com

**Justin Clyne**

Company Secretary

+61 407 123 143

jclyne@clynecorporate.com.au

**Erin Foran**

Media Enquiries

+1 651 403 2184

erin.foran@sezzle.com

### About Sezzle Inc

Sezzle is a purpose-driven digital payments company on a mission to financially empower the next generation. Sezzle's payment platform increases the purchasing power for millions of consumers by offering interest-free installment plans at online stores and select in-store locations. Sezzle's transparent, inclusive, and seamless payment



option allows consumers to take control over their spending, be more responsible, and gain access to financial freedom.

For more information visit [sezzle.com](https://sezzle.com).

### Annexure A – ASX in-principle advice

- 1 Subject to resolution 2, and based solely on the information provided, on receipt of an application from Sezzle Inc. (the ‘Company’) for removal from the official list of ASX Limited (‘ASX’) pursuant to listing rule 17.11, ASX would be likely to remove the Company from the official list, on a date to be determined by ASX in consultation with the Company, subject to compliance with the following conditions:
  - 1.1 the entity sends a written or electronic communication to all security holders, in form and substance satisfactory to ASX, setting out:
    - 1.1.1 the nominated time and date at which the entity will be removed from the ASX official list and that:
      - (a) if they wish to sell their securities on ASX, they will need to do so before then; and
      - (b) if they don’t, thereafter they will only be able to sell their securities on-market on the other exchange or exchanges where the entity is listed;
    - 1.1.2 generally what they will need to do if they wish to sell their securities on the other exchange or exchanges where the entity is listed; and
    - 1.1.3 specifically, if its securities are traded on ASX in the form of CHESD Depository Interests (CDIs):
      - (a) the steps holders must take to convert their CDIs to the underlying securities before they are able to sell them on the other exchange or exchanges where the entity is listed; and
      - (b) the steps that will be taken by the CHESD Depository Nominee if holders do not convert their CDIs to the underlying securities by a nominated date; and

- 1.2 the removal of the entity from the ASX official list not take place any earlier than one month after the above-mentioned communication has been sent to securityholders, so that securityholders have at least that period to sell their securities on ASX should they wish to do so.
  
- 2 Resolution 1 only applies to 22 December 2023 and is subject to any amendments to the Listing Rules or changes in the interpretation or administration of the Listing Rules and policies of the ASX.