ASX ANNOUNCEMENT
12 October 2017

CHANGE FINANCIAL BREAKS NEW GROWTH RECORDS IN SEPT QUARTER

Change Financial Limited (ASX: CCA, OTCQX: CNGFF) ("Change Financial", or the "Company"), an award winning FinTech banking software provider, is pleased to present its September 2017 quarterly report on business progress.

INVESTMENT HIGHLIGHTS

- Consecutive record breaking growth for ChimpChange, with acquisition during the quarter of 33,768 new customers
- Another record level of quarter-on-quarter (QoQ) growth across key metrics: Total Transaction Volume ("TTV"), Customer Deposits, Customer Spend and Revenue all to new highs
- Annualised TTV of US$150 million (A$190 million)
- Annualised revenue run-rate exceeded US$1m during the quarter
- Internal processing capability nearing completion which is expected to deliver improved costs and faster to market innovation of future products
- Positive start for October and a strong quarter across all metrics is expected to continue

Record transaction growth on core banking platform
The Company continues to deliver strong growth across all areas of its core consumer banking business.

The Company is pleased to announce that its millennial focused ChimpChange mobile banking platform has set another record for quarterly customer acquisition since the June 2016 IPO.

ChimpChange acquired 33,768 new banking customers in the quarter, representing an increase of nearly 10% from the previous quarter and record. The high acquisition pace was bolstered by a record number of organic acquisitions and lower cost of acquiring customers than the previous quarter.

Key metrics continued to grow ahead of forecast and delivered company-wide records during the quarter.

The table below highlights the breadth and consistency of ChimpChange's growth.

	Three Months Ended (USD)				Change
Metric	30 Sept 2017	30 June 2017	31 Mar 2017	31 Dec 2016	PCP% Growth[1]
Transaction Volume	$33,113,903	$25,028,627	$23,906,550	$10,536,894	638%
Deposits	$16,321,241	$12,260,318	$12,039,570	$5,294,705	611%
Purchases	$11,463,570	$8,711,695	$8,104,894	$3,690,271	677%
Revenue	$207,000[2]	$183,000	$140,000	$69,000	624%

Note: 1. Prior Corresponding Period Comparison (Quarter ended 30 Sept 2016)

2. Subject to immaterial changes to be accounted for on receipt of June statements from transaction partners

Ash Shilkin, Managing Director & CEO of Change Financial, stated:

"Our core ChimpChange banking product provides an experience that drives value to customers and in doing so creates value for our shareholders. We are focused on driving this value further by continuing to deliver an exceptional banking platform while leveraging the technology we've built across multiple channels.

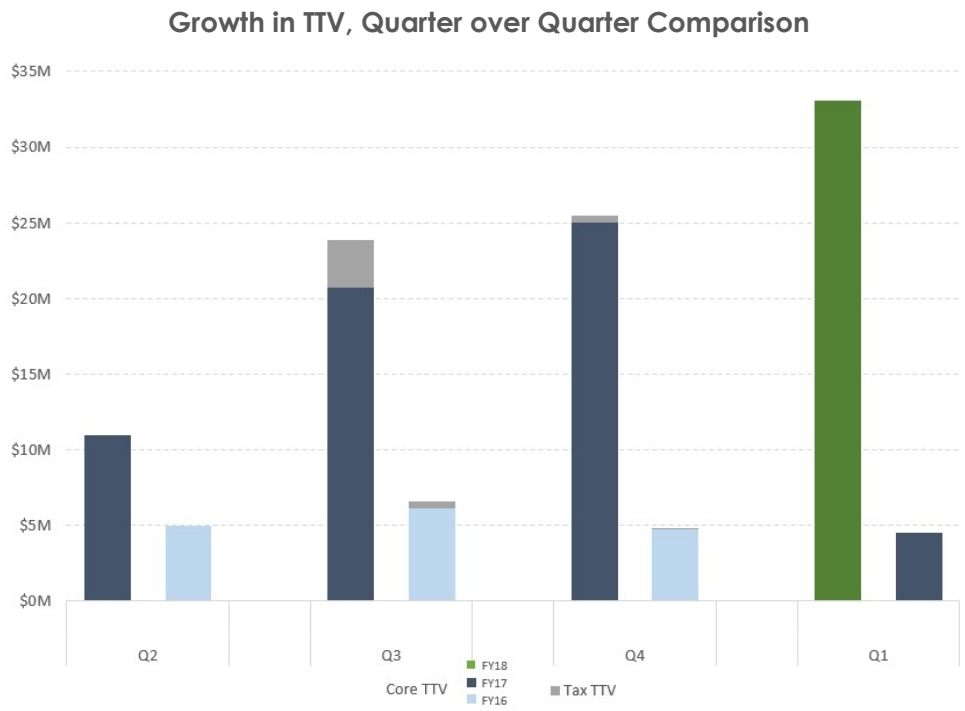
"We are tremendously grateful to see validation of our core product from our customers through continued attraction and adoption onto the platform. The continual growth across all key metrics provides us comfort that we are delivering to our customers a product that they need in the fragmented US banking marketplace."

KEY METRIC ANALYSIS – ChimpChange Mobile Banking

Growth in Total Transaction Volume (TTV)

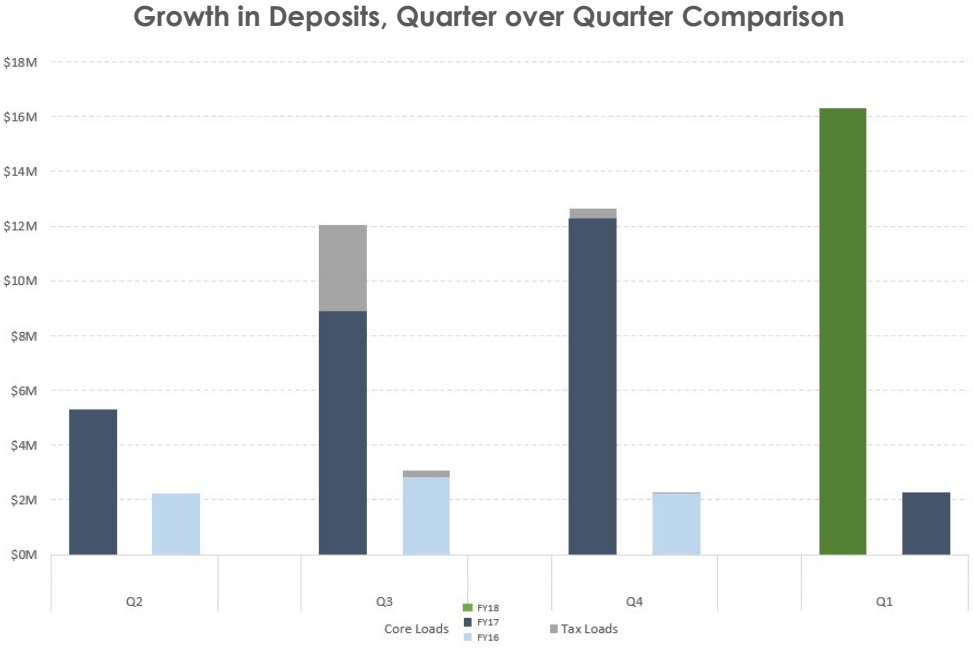
Total Transaction Volume, which represents the movement of gross customer funds within our banking platform, grew by 32% QoQ to US$33.1 million (A$41.9 million[1]).

The charts below show ChimpChange's strong recent momentum in building transactional scale.



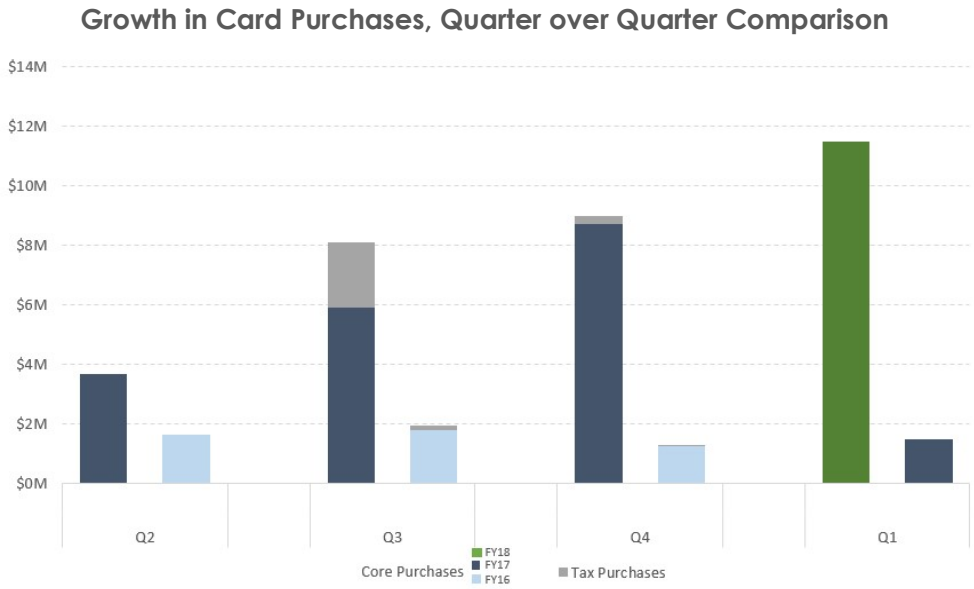
Growth in Customer Deposits

Customer deposits for the quarter grew 33% to US$16.3 million (A$20.6 million[1]). As the chart below illustrates, deposits are rising as existing customers load an increasing amount of funds each month, and new customers begin to transact on the platform. This virtuous cycle drives TTV and ultimately revenue.



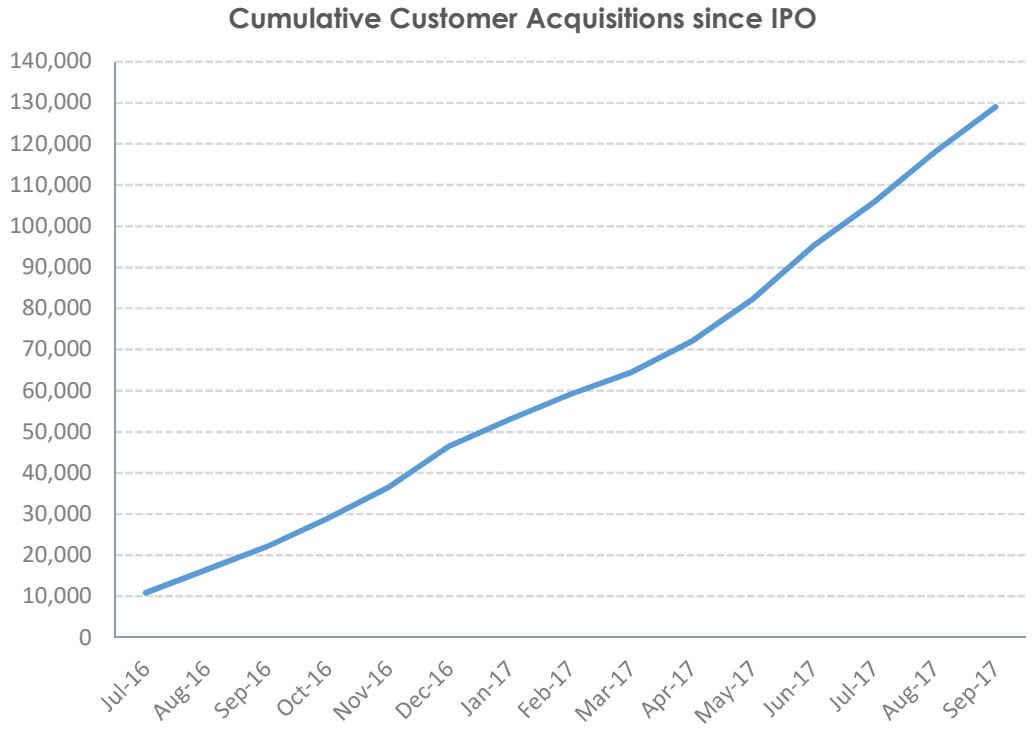
Growth in Customer Card Purchases

Customer Card Purchases increased quarter-on-quarter by 32% to US$11.5 million (A$14.6 million[1]).



Customer acquisition and activity

Change is pleased to report that in the first quarter of FY18, the Company set another record quarter in acquiring customers, attracting over 33,700 new customers.



Beginning in late May, the Company accelerated its customer acquisition campaign by broadening the digital channels to acquire new customers. With this focus, each quarter since has represented a record acquisition pace.

Going forward, the focus will be to take the insights from the recent quarters and utilise analytics to reduce Change's average cost of acquiring customers. The Company is actively seeking partnership opportunities to drive product distribution and customer acquisition at a lower cost.

Diversifying the business

During the quarter, the company changed its name to reflect the evolution of the business and growth into new banking verticals beyond the core millennial focused consumer bank ChimpChange.

The goal of the diversification is to expand the breadth and depth of the company as a financial institution. The Company continues to work on building out valuable new features and products that improve the customer banking experience.

The Company continues to work to broaden its reach by developing multiple banking products to suit consumers in other demographics. Change plans to expand its customer base beyond the millennial demographic by providing new consumer-facing products as well as enterprise software services to other financial institutions.

Mr Shilkin commented:

"The Company continues to drive strong growth based on the value proposition of utilising FinTech tools to provide a better banking experience for millennials and the underbanked. Consistent growth in transaction volumes each month and quarter since our IPO in June has validated this approach.

"Through market research and customer feedback, we feel strongly that transaction accounts with different branding to ChimpChange will appeal to a wider demographic. These new potential customers would benefit from a digital first, customer focused user experience, offering reporting, analysis and savings features as a real alternative to the incumbent banks.

"The Company remains on track to deliver a second brand to the US market with a similar feature set, but a more 'grown up' brand persona in early 2018 to complement ChimpChange's success to date. Coupling this second brand with our internal Mastercard processing capabilities will drive enhanced margins for the Company and expedite its path to profitable scale.

"The Company is aggressively seeking additional opportunities to monetise the award winning technology we have built. This will be the theme for the remainder of FY2018, while we continue to scale our consumer banking platform via ChimpChange.

"We are very excited about the prospects of an Enterprise SaaS offering to banks and card program managers in the US. We are developing opportunities to white-

label, license and/or sell as an enterprise solution to other banks and financial institutions. I look forward to updating our shareholders on progress as we get closer to securing deals with future partners."

Cash at the end of the September quarter was **US$6.9 million** (A$8.73 million[1]).

All financial figures in the following Appendix 4C are denominated in US dollars, unless stated otherwise.

[1]Based on a Quarter-end USD/AUD of $0.79

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About Change Financial

Change Financial Limited (ASX: CCA, OTCQX: CNGFF), is an award winning FinTech banking software provider, and via its wholly owned subsidiary Chimpchange LLC, is Australia's only listed digital banking platform.

Change Financial's 'ChimpChange Mobile Banking' brand offers consumers award-winning secure, low-cost, feature-rich bank accounts. Based in Los Angeles, California, ChimpChange delivers a better way to bank with two key value propositions to customers.

Firstly, it makes free retail banking available to tens of millions of Americans who typically pay monthly fees and overdraft fees to have a bank account. Secondly, the Company provides money management tools to help customers better understand how they spend their money, and save their money. The Company also offers real-time mobile cheque deposit and instant person to person payments.

All funds on deposit are held with a federally regulated FDIC-insured bank in the USA.

Change Financial is also developing Mastercard Certified processing capabilities to support Enterprise level SaaS banking services to a wide audience of US banks and commercial enterprises. The Enterprise software will be available for public deployment in 2018.