New US Payments as a Service Client

Highlights

- Change secures new US fintech card program client in the US
- Recent partnership with Axiom Bank producing early results
- Client onboarding to commence this quarter with target go-live in Q3 FY22
- Revenue generation will commence upon go-live, adding to Annual Recurring Revenue
- Leverages Change's leading technology platform and program management capabilities

13 October 2021 **Change Financial Limited (ASX: CCA) ("Change"** or **"the Company")**, a global fintech offering banking and payments solutions to businesses and financial institutions, is pleased to announce it has secured a new processing and card management client in the US.

US Payments as a Service Client

The new client, Alaska Prepaid Card, LLC, is a fintech focused on benefits disbursement with an established customer base of cardholders which will be transitioned to Change's platform and will be the first card program launched with Axiom Bank.

Change will begin onboarding the client this quarter with program launch anticipated in Q3 FY22. The new client will leverage Change's platform and Program Management service offering, which enables clients to focus on value-added activities within their areas of expertise. Along with processing, card and program management, Change will also be providing mobile apps, giving customers digital control of their cards.

Change will generate revenue once the program is onboarded and launched. The contract contains minimum fee commitments with Change primarily generating revenue through interchange, transaction fees, cardholder fees, and program management services. Where interchange, transaction and other fees exceed minimums Change will earn additional revenue.

The total minimum contract value is US$0.7 million (A$1.0 million[1]) over an initial three (3) year term. Minimum fee commitments in the contract will add to Annual Recurring Revenue for Change.

Following the initial term, the contract automatically renews for periods of one (1) year unless notice of non-renewal is provided. There is no termination for convenience and the agreement can only be terminated by the client if there is a material breach of the agreement, misrepresentation by Change or as required by law. Aside from onboarding, there are no other material conditions to be satisfied.

Change CEO, Mr Alastair Wilkie said, "We are thrilled to be adding a new client on the Change platform in the US where we are starting to see increased traction with our product and service offerings. Supporting a benefits card program is confirmation of the versatility of our platform and also leverages our long-standing expertise in card program management and compliance. This client win is an important milestone as we execute on our key strategy to unlock growth in the US in FY22."

Axiom Bank's Executive Vice President, Banking as a Service, Mr Ron Strand-Sorrell said, "We are excited that Change has secured a new card program so quickly after partnering with them. This demonstrates the value of Change's technology and solutions to the US market."

Notwithstanding that the minimum financial amount under the contract is not material to annual revenues, the Company notes that it is only a minimum amount and that the actual revenues while unknown at this time, are expected to be higher. The Company also notes the strategic and commercial significance of welcoming the first client under the Axiom Bank partnership in a multi-year agreement.

Authorised for release by the board of Change Financial Limited.

[1] AUD/USD = 0.73

About Axiom Bank, N.A.

Axiom Bank, N.A., a nationally chartered community bank headquartered in Central Florida, provides retail banking services, including checking, savings, money market and CD accounts, as well as commercial banking, treasury management services and commercial loans for both real estate and business purposes.

About Change Financial

Change Financial Limited (ASX: CCA) is a global fintech, leveraging innovative and scalable technology to offer payment solutions to businesses and financial institutions.

- Next generation global payment processing and card management solutions platform
- Integrated financial transaction testing solution
- More than 136 customers in 36 countries
- Manages and processes over 16 million credit, debit and prepaid cards worldwide
- Annuity income from blue-chip client base including major banks, supermarkets and fintechs
- Highly experienced management and technical team

To learn more, please visit: www.changefinancial.com

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