

## Non-dilutive funding secured to support growth

### Highlights

- A\$1.5 million (US\$1.08 million) Unsecured Term Facility (Facility)
- Facility will support Change to:
  - pursue its near-term revenue growth opportunities without the need to issue new shares
  - complete key initiatives to enhance the platform for future revenue growth and diversification
- First Payments as a Service (PaaS) client in the US scheduled to launch this quarter

**31 January 2022 Change Financial Limited (ASX: CCA) (“Change” or “the Company”)**, an Australian based global fintech providing tailored payments solutions, card issuing and testing to banks and fintechs, is pleased to announce it has agreed terms for A\$1.5 million (US\$1.08 million)<sup>1</sup> Unsecured Term Facility (Facility).

The Directors are pleased to have secured access to additional funding that will be used to support several near-term strategic key growth objectives that the Company is working towards in the current and coming quarters. The Directors believe that the non-dilutive nature of the funding is in the best interests of shareholders in the lead up to the anticipated achievement of these milestones.

**Change CEO Alastair Wilkie** commented, “With our Payments as a Service (PaaS) platform nearing completion, Change made an investment to bring in a dedicated business development team and implement a refreshed sales strategy in mid-CY2021.

“Since releasing our PaaS offering, Vertexon, to market in October 2021, we continue to execute on our growth and sales strategy. We are starting to see significant traction from our business development team and we are pleased to announce that we have agreed terms for a new Facility which will provide Change with non-dilutive funding to continue to execute on business development plans.”

“We are seeing a strong increase in our pipeline of new sales opportunities, particularly in North America and Oceania. Our first US PaaS client, Alaska Prepaid Card, LLC, is scheduled to launch this month and our existing clients are committing to deliver new payment solutions to their customers, including Buy Now Pay Later (BNPL), Visa, Mastercard, JCB and UnionPay.”

“To support our increased market activities, we are strengthening our Southeast Asia and Oceania business development resources.”

“Additionally, we are continuing to work on delivering our Vertexon and PaySim roadmaps which will provide an enhanced platform capability for future growth and diversification. Further details around these key initiatives will be released to market upon completion, which is anticipated to be in Q3 and Q4 FY22.

“We are delighted to have finalised the terms of the Facility and look forward to driving growth and delivering on new key milestones in the coming quarters.”

### Key Commercial Terms

The key commercial terms of the Facility are:

- Amount – up to A\$1.5 million
- Drawdown – drawn down in three (3) tranches of A\$0.3 million, A\$0.6 million and A\$0.6 million at the election of the Company
- Security – unsecured
- Interest rate – 13.0% pa accrued and capitalized monthly
- Establishment fee – 2.0% of the Facility, to be offset against the first draw down
- Term – 24 months
- Repayment – Facility will be repaid in cash at Term
- Funder – Altor Capital via ACM AEPF Pty Ltd ATF Altor Emerging PIPE Fund (“Funder”)

<sup>1</sup>AUD/USD = 0.72

Altor Advisory Partners Pty Ltd (“AAP”) arranged the Facility and will receive a 3.0% (plus GST) arrangement fee on the total size of the Facility.

### Related Party considerations

The Funder is a related party of Mr. Harley Dalton who retired as Director of Change at the 2021 Annual General Meeting held on 25 November 2021 and thus the Funder may remain a related party for six months post Mr Dalton’s cessation as a Director.

The Chairman of Change Mr. Ben Harrison and his alternate director Mr. Tom Russell are the Chief Investment Officer and Investment Director respectively at the Altor group of companies. Neither Mr Harrison nor Mr Russell control the Funder or AAP. As such, those entities are not considered to be related parties to Mr Harrison and Mr Russell. Notwithstanding that, Mr Harrison and Mr Russell have abstained from the board discussions and resolutions concerning the Facility.

The Board examined alternate approaches for capital raising and having regard to the current circumstances has determined (with Mr. Harrison and Mr. Russell abstaining) that the Facility is the most favourable approach for the Company and is on arm’s length terms. As a result, shareholder approval is not required under Chapter 2E of the Corporations Act in connection with the Facility.

*Authorised for release by the board of Change Financial Limited.*

### About Change Financial

Change Financial Limited (ASX: CCA) (Change) is a global fintech, leveraging innovative and scalable technology to provide tailored payment solutions, card issuing and testing to banks and fintechs. Change’s technology is used by over 147 clients across 41 countries to deliver simple, flexible, and fast-to-market payment services, including card issuing and testing.

Change’s payments as a service (PaaS) platform Vertexon, seamlessly integrates with banks and fintechs’ core systems enabling delivery of digital and virtual card solutions to their customers. It includes integrated features such as Apple Pay, Google Pay, Samsung Pay and Buy Now Pay Later (BNPL) services. Change currently manages and processes over 16 million credit, debit, and prepaid cards worldwide.

Using PaySim, Change tests payment systems to help clients meet the reliability and performance expectations of end customers. Simulating the full transaction lifecycle across multiple systems, PaySim enables banks and fintechs to complete end-to-end testing of their payment platforms and processes from a desktop. Change also provides the default standard for payments testing for many Australian companies, including Australia’s domestic card payment service eftpos.

Learn more about Change at [www.changefinancial.com](http://www.changefinancial.com)

### For more information, please contact

**Alastair Wilkie**  
CEO & Managing Director  
Change Financial Limited  
[investors@changefinancial.com](mailto:investors@changefinancial.com)