



ASX ANNOUNCEMENT

24 April 2020

Revised Appendix 4C

24 April 2020: Change Financial Limited (ASX: CCA) ("**Change**" or "**the Company**"), is re-releasing its Appendix 4C in the current form provided by ASX. The corresponding numbers in the attached 4C have not changed from the Appendix 4C that was released on 21 April 2020 using the previous ASX form.

In relation to the adequacy of the Company's cash availability, the Company notes the capital raising announced on 1 April 2020 and the Entitlement Offer Booklet announced on 3 April 2020. The Company advises that as part of the Entitlement Offer it has already received applications and commitments that together with existing cash reserves provides adequate funding to continue to pursue the Company's objectives for at least the next two quarters.

Payments to related parties of the entity and their associates detailed in Section 6 of the Appendix 4C relate to director's fees paid during the quarter to Ms Teresa Clarke and Mr Ian Leijer.

Authorised for release by Ben Harrison, Director

For more information, please contact:

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Web: www.changefinancial.com

About Change Financial

Change Financial Limited (ASX: CCA) is a US-focused fintech company developing innovative and scalable payments technology to provide solutions for businesses and financial institutions. Change Financial is building a Mastercard registered enterprise payments and card processor. Change is the first Mastercard certified processor in the last 5 years and second in the last 20 years.

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

Appendix 4C

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

Name of entity

Change Financial Limited

ABN

34 150 762 351

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (9 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1	4
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(356)	(1,083)
(f) technology / hosting expense	(151)	(371)
(g) compliance	(13)	(115)
(h) consulting / outsourced services	(44)	(231)
(i) administration and corporate costs	(15)	(483)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	17
1.5 Interest and other costs of finance paid	(6)	(19)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	14	14
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(574)	(2,267)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
	(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	-	200
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Sub lease payments received (excluding interest)	44	92
2.5	Dividends received (see note 3)	-	-
2.6	Other (provide details if material)	-	-
2.7	Net cash from / (used in) investing activities	44	292

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	28
3.2	Proceeds from issue of convertible debt securities	-	951
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	86	86
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Payment of lease liabilities (excluding interest paid)	(22)	(101)
3.10	Other (provide details if material)	-	-
3.11	Net cash from / (used in) financing activities	64	964

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	923	1,465
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(574)	(2,267)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	44	292
4.4	Net cash from / (used in) financing activities (item 3.10 above)	64	964
4.5	Effect of movement in exchange rates on cash held	(34)	(31)
4.6	Cash and cash equivalents at end of period	423	423

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	423	923
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)	423	423

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$US'000
23
-

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

7. Financing facilities

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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
-	-
-	-
-	-
-	-

7.5 Unused financing facilities available at quarter end

-

- 7.6 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.

n/a

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(574)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	423
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	423
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	0.74

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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: As flagged in the quarterly activities report the Company is working on a number of initiatives to reduce expenditures while ensuring that it can continue to pursue its objectives.

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: The Company notes the capital raising announced on 1 April 2020 and the Entitlement Offer Booklet announced on 3 April 2020. The Company has received applications and commitments under the Entitlement Offer that together with existing cash reserves provides adequate funding to continue to pursue the Company's objectives for at least the next two quarters.

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: Yes, based on the details provided in 1 and 2 above.

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: 24 April 2020.....

Authorised by: By the board..... Adam Gallagher, Company Secretary
(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.