

ASX ANNOUNCEMENT

18 May 2026

Klevo enters Heads of Agreement to acquire an Australian Credit Licence holder

Strategic step toward crypto centric credit-enabled rewards, loyalty and payments capability for Fly Wallet card users

Klevo Rewards Limited (ASX: KLV) (Klevo or Company) is pleased to announce that it has entered into a Heads of Agreement (HOA) to acquire 100% of the issued share capital of Just Ask Solar Pty Ltd, the holder of Australian Credit Licence No. 483627.

The proposed acquisition is subject to due diligence, negotiation and execution of binding transaction documents, including a share purchase agreement, and satisfaction or waiver of customary conditions precedent. The HOA includes an indicative purchase price of \$150,000 inclusive of GST and provides Klevo with an exclusivity period to conduct due diligence and progress the transaction documents.

The proposed acquisition forms part of Klevo's broader strategy to expand the capability of its Fly Wallet platform and strengthen the Company's regulated financial services infrastructure. If completed, and in conjunction with recently announced stablecoin initiative, the acquisition is expected to provide Klevo with a pathway to develop consumer crypto centric credit functionality for eligible Fly Wallet card users, supporting a more seamless payments, rewards and loyalty experience, subject to product design, compliance requirements, responsible lending obligations, Mastercard approval processes and all applicable regulatory requirements.

Material terms of the HOA can be found in Annexure A.

Strategic rationale

Klevo's recent performance update highlighted the continued growth of Fly Wallet as a scalable payments, rewards and loyalty infrastructure platform. During the relevant performance period, Fly Wallet processed approximately \$344 million in gross dollar value, representing 164% year-on-year growth, and approximately 3.2 million transactions, representing 67% year-on-year growth.

The Company also identified a significant conversion opportunity from declined transactions. In Q1 2026, Fly Wallet recorded approximately 243,000 declined transactions, with approximately 58% of those declines attributed to insufficient funds or over-credit-limit scenarios. Based on the Year 2 average transaction value, this represented an estimated \$15.2 million in missed gross dollar value for Q1 2026.

Klevo believes that the ability to provide appropriately structured credit functionality backed by its own stablecoin, to eligible Fly Wallet users, has the potential to improve transaction approval rates, reduce missed spend opportunities and enhance the overall cardholder experience. This is particularly relevant where a cardholder has available assets or value within the Fly Wallet ecosystem but insufficient funds in the relevant cash account at the point of transaction.

By reducing declined transactions, Klevo expects to strengthen the utility of Fly Wallet as a rewards-linked spending platform, enabling more cardholders to complete transactions and participate in cashback, merchant offers, loyalty benefits and other reward opportunities connected to their everyday spend.

Mastercard consumer credit BIN pathway

Klevo is also progressing work with Mastercard in relation to obtaining a consumer credit BIN to support the intended credit functionality. The proposed credit capability remains subject to Mastercard approval, regulatory compliance, technical implementation and the Company's internal credit risk framework.

The Company's recent receipt of more than \$2.0 million in Mastercard incentives, comprising \$1,705,176 in cash and \$300,913 in service credits, demonstrates the strength of the Fly Wallet platform's growth profile, increased platform utilisation and the commercial momentum of Klevo's payments, rewards and loyalty strategy.

Credit capability and customer experience

Subject to completion of the proposed acquisition and the implementation of all required compliance, risk and operational frameworks, Klevo intends to explore credit solutions that may allow eligible Fly Wallet card users to access credit at the point of transaction. The objective is to reduce transaction declines caused by insufficient funds in a user's cash account where there may otherwise be available value or assets within the broader Fly Wallet ecosystem, and provide credit using Klevo's own AUD pegged stablecoin.

The Company expects that any consumer credit product would be developed in accordance with applicable credit laws, responsible lending obligations, product governance requirements and Klevo's broader compliance framework.

The intended credit capability is expected to complement Klevo's existing rewards and loyalty offering by supporting higher transaction completion rates, improving merchant engagement and creating a more frictionless customer journey across Fly Wallet's card-linked rewards ecosystem.

Klevo CEO and Managing Director, **Alexander Gold**, said:

"Our strategy is to build Fly Wallet into a more complete crypto centric payments, rewards and loyalty technology platform. The data shows that 'insufficient funds declines' represent a meaningful opportunity to improve customer outcomes and platform performance.

The HOA is an early but important step in exploring how Klevo can responsibly introduce credit capability into the Fly Wallet ecosystem. Any product launch will be subject to completion of the acquisition, regulatory compliance, Mastercard approvals and robust credit risk controls.

Importantly, this potential capability aligns with Klevo's broader objective of making everyday spending more rewarding by helping eligible users' complete transactions, access merchant offers and participate more fully in the Fly Wallet rewards ecosystem."

Status of Transaction

The HOA is an agreement in principle and remains subject to contract. There is no guarantee that the proposed acquisition will complete. Klevo will update the market in accordance with its continuous disclosure obligations as material developments occur.

This announcement is authorised for release by the Board of Directors of the Company.

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About Klevo Rewards Limited (ASX: KLV) is an Australian rewards, loyalty and payments technology company delivering customised, subscription-based marketplace solutions for corporate clients, members and consumers.

Following the acquisition and integration of Fly Wallet, Klevo has strengthened its technology capability and expanded its offering to include white-labelled Mastercard-powered loyalty and rewards solutions, digital wallet infrastructure, card-linked rewards, customer engagement programs and digital marketing services.

Klevo's platform is designed to help corporates, financial services providers and consumer brands deliver more meaningful customer and employee engagement through tailored rewards, payment-linked benefits, loyalty marketplaces and data-driven promotional campaigns. The Company continues to focus on building scalable technology, strengthening governance and compliance capability, and expanding its commercial partnerships across the rewards, loyalty and payments ecosystem.

Annexure A – Material Terms of the HOA

Material term	Summary
Parties	Vendor: John David Telfer. Purchaser: Klevo Rewards Limited or any entity nominated by Klevo.
Target entity	Just Ask Solar Pty Ltd (ACN 169 351 464).
Licence held	Just Ask Solar holds Australian Credit Licence No. 483627, allowing it to engage in credit services as a credit provider in Australia.
Proposed transaction	Klevo proposes to acquire 100% of the issued share capital of Just Ask Solar.
Status of HOA	Agreement in principle and subject to contract. Binding only where expressly stated.
Term / due diligence period	8 weeks from the HOA agreement date. Klevo may conduct due diligence and negotiate transaction documents during this period.
Exclusivity	Vendor must not negotiate or sell the shares to another party during the term.
Purchase price	Indicative purchase price of \$150,000 inclusive of GST.
Deposit	Klevo to pay a \$7,500 deposit within 3 business days. Deposit is refundable if the parties do not enter into a binding SPA before the end of the term.
Completion timing	Completion to occur 5 business days after completion precedents are satisfied or waived, and no later than 15 business days after the SPA is executed, unless agreed otherwise.
Vendor obligations	Vendor must assist with due diligence, ensure compliance with applicable laws and ACL conditions, notify Klevo of any breaches, avoid material contracts without consent, and not change company name, responsible managers or shareholding without Klevo's written consent.
Warranties and indemnities	SPA to include customary warranties, including no current, future, actual or contingent liabilities pre-completion, and indemnities for pre-completion liabilities.
Confidentiality	Parties must keep the transaction confidential, except where disclosure is required by law, stock exchange rules, court/government order, or agreed in writing.
Governing law	New South Wales.
Impact of transaction	As the proposed acquisition of the ACL represents an early-stage step in the Company's pathway to exploring consumer credit functionality, including potential crypto-linked credit offerings, it is too early to determine or predict any financial impact on the Company's securities.