

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Accord Financial Corp (“**Accord**” or the “**Company**”)
40 Eglinton Avenue East, Suite 602
Toronto Ontario M4P 3A2

Item 2 Date of Material Change

December 22, 2025

Item 3 News Release

A news release in respect of the material change was disseminated through Business Wire on December 22, 2025 and subsequently filed under the Company’s profile on SEDAR+.

Item 4 Summary of Material Change

On December 22, 2025, the Company announced it had amended its senior secured revolving credit facility (the “Credit Facility”), extending the maturity date to February 27, 2026, reducing the total commitment from \$205 million to \$190 million, and updating milestones tied to proposed asset sales and the refinancing of the Credit Facility.

Item 5 Full Description of Material Change

The Amendment

On December 22, 2025, the Company announced that it had executed an amendment to its Credit Facility. The amendment follows a previously announced short-term extension disclosed on December 15, 2025. The terms of the amendment include a reduction in the total commitment to \$190 million from \$205 million and an increase in the required minimum availability from \$25 million to \$30 million. The amendment also incorporates milestones tied to potential asset sales, with net proceeds to be used to repay bank indebtedness. As at November 30, 2025 the outstanding balance of bank indebtedness was \$159.5 million.

Strategic Initiatives

As previously disclosed in the Company’s public filings, Accord has been working with financial advisors to pursue a broad range of strategic initiatives to streamline the business and strengthen the balance sheet and on December 15th, 2025 announced the following refinancing plan:

- (i) negotiation of an amendment to its Credit Facility to, among other things, extend the maturity date to February 27, 2026, which amendment became effective December 22, 2025;
- (ii) the entry into a non-binding letter of intent for the sale (the “**AFIU Transaction**”) of a majority of the loan portfolio of Accord Financial, Inc. (“**AFIU**”) which, if completed, is expected to reduce outstanding indebtedness by approximately \$45 million;
- (iii) a proposal to extend the maturity date to July 31, 2026 and amend certain other the terms of the 10.00% Unsecured Subordinated Debentures due January 31, 2026, which proposal is expected to be voted on at special meeting of debentureholders scheduled for January 26, 2026; and
- (iv) ongoing discussions with a number of potential lenders regarding the refinancing of the Corporation’s senior debt, on the basis that the AFIU Transaction will be completed.

Following completion of the foregoing initiatives, the Corporation will be exclusively focused on the Canadian small and medium enterprise sector, where it has been a market leader since 1978.

There is no assurance that any of these initiatives will be successful, timely or sufficient. While the Company focuses on these initiatives, profitable operating performance and growth will continue to be a challenge.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

Item 7 Omitted Information

No information of a material nature has been omitted from this report.

Item 8 Executive Officer

The following executive officer of Accord is knowledgeable about the material change described in this report:

Simon Hitzig
President and Chief Executive Officer
Accord Financial Corp.
hitzig@accordfinancial.com
(416) 961-0304

Item 9 Date of Report

December 23, 2025

Notice Regarding Forward-Looking Statements

This material change report contains certain “forward-looking statements” and certain “forward-looking information” as defined under applicable Canadian securities laws. Forward-looking statements can generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology. Forward-looking statements in this material change report include, but are not limited to, statements, management’s beliefs, expectations or intentions regarding the financial position of the Company and the ability of the Company to repay or refinance its outstanding debt obligations. Forward-looking statements are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements are subject to various risks and uncertainties including the Company’s overall liquidity and capital resource position and its ability to repay its debt obligations when due and those risks identified in Accord’s periodic filings with Canadian securities regulators. If any or all of the Company’s outstanding debt obligations are not renewed or replaced upon expiration of their terms, and if the Company is unsuccessful in its ability to generate additional capital from sales of portfolio assets and/or business units and additional alternative financing arrangements to repay same on terms acceptable to the Company, or at all, the Company may not be able to continue to finance its operations and operate as a going concern. See Accord’s most recent annual information form and most recent management’s discussion and analysis of results of operations and financial condition for a detailed discussion of the risk factors affecting Accord. Such forward-looking information represents management’s best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.