

ClassWallet Achieves Significant Growth in 2021 Fiscal Year with 700% Increase in Business and Triple Digit Increases in Transaction Volume and Revenue

Record Number of Contracts for Company's Patented Accounts Payable Solution with Digital Wallet Technology That is Rapidly Becoming the Industry Standard for K-12 Education

MIAMI, Oct. 4, 2021 /PRNewswire/ -- ClassWallet, the leading digital wallet technology for K-12 education, experienced record-breaking growth in its 2021 fiscal year ending July 31 with a more than sevenfold increase in gross business, triple digit growth in both transaction volume and revenues, a significant number of federal, state and district contracts and a nearly tripling of staff requiring a move to a larger headquarters facility.

The privately held company, based in Hollywood, Florida and founded in 2014, is rapidly becoming a de facto standard in the education market. Used by 13 state agencies and 3,900 schools in 23 states serving 2.5 million students, the innovative accounts payable solution and digital wallet technology manages classroom supplies and facilities maintenance purchases, emergency funding and student scholarship programs. ClassWallet handles accounts payable funds via its patented fintech platform and digital wallet technology, for teacher and maintenance staff spending, as well as for managing and disbursing federal and state scholarship and grant monies to families, schools and districts.

In fiscal year 2021, the company booked more than \$750m in business, representing 700% growth, year-over-year, compared to 2020. Transaction volume increased by 272% with the company processing \$227 million in payments for its clients. Net revenues tripled compared to the prior year.

"We're gratified that our core technology and solutions are being recognized as best in class by federal and state agencies as well as school districts across the U.S.," said Jamie Rosenberg, CEO and co-founder, ClassWallet. "Our growth and success should be measured by far more than our financials – in many ways, we are helping school districts and government agencies to deliver better education outcomes by solving the challenges of funds distribution, accounts payable spending and transparent reporting in ways previously not possible."

Product Expansion

In the past year, the company launched two new products to join its TeacherWallet and MaintenanceWallet digital wallets for teachers and maintenance/custodial staff, respectively.

Its FamilyWallet solution leverages ClassWallet's spending management platform to provide virtual wallets to grant and scholarship program recipients enabling them to pay for tuition, goods and services. The solution has been adopted by seven states processing approximately \$150m in funds for its clients in Arizona, Idaho, New Hampshire, Georgia, North Carolina, Oklahoma and Texas.

Also introduced in the last fiscal year was SchoolWallet, which allows state education agencies to manage funding grants for public and nonpublic schools. SchoolWallet enables state administrators to centralize the distribution, tracking and reporting of the grant in one place without the messy paperwork usually associated with such responsibilities. SchoolWallet contracts have been received from six states issuing grants under the Emergency Assistance to Non-Public Schools (EANS) program.

Patents and Certifications

The company added to its intellectual property with the awarding of its second patent (US 11,032,153 B2) on June 8, 2021. The new patent supports the company's first patent (US 10, 122, 648 B2) granted on Nov. 6, 2018, which covers the disbursement mechanism of its digital wallet and the ability for an end-user to receive funding allocations from one or more entities while allowing the disbursing entities to track and report on the usage of those funds.

"Collectively, the patents cover ClassWallet's ability to allocate funds, for multiple customers, to end-users, set certain restrictions upon the use of those funds and covers the reporting functionality that provides insights and tracking capabilities for users," said Neil Steinhardt, president and co-founder, ClassWallet.

In addition, ClassWallet earned its SOC 2 Type II-certification as a compliant service provider in fiscal year 2021 from the American Institute of CPAs.

Investment in Human Capital

Beyond the contracts, products and technology, a critical aspect of the company's success in fiscal year 2021 was its expanding team of employees. Entering the fiscal year with just 29 employees, the company nearly tripled its head count to 79 by adding personnel in customer service, account management, sales and marketing roles, including the hiring of its first vice president of marketing, Karen Nelson, and Bryan Coble as vice president, sales. The growth was so rapid that ClassWallet outgrew its current headquarters and will be moving into a larger facility in the same building to accommodate its expanded team.

"We are grateful to our awesome, hard-working and dedicated staff who worked long hours, mostly from home during the pandemic, to manage all of our internal and customer-facing operations – even as our volume enjoyed monumental growth," said Rosenberg. "They held it all together as our customer count grew by 50% and our user base jumped nearly 50% to 140,840. We can't wait until our team reconvenes in our new offices in early November."

ClassWallet also opened a sales and marketing office in Raleigh, N.C.; employs a call center in El Salvador; and works with software engineers and developers in Central America and Eastern Europe.

Future is Bright

Through all its growth, ClassWallet remains focused on its mission of supporting and propelling the objectives of education. It works hard to support teacher empowerment in the classroom and brings its own brand of entrepreneurial spirit which allows the company to be flexible and extremely agile.

"Regardless of our growth, ClassWallet will always remain focused on supporting K-12 leaders with our technology which helps them create major efficiencies in the way they work. The key should be on student learning, and we can provide them with extra time back to do just that," said Rosenberg.

"We will continue to partner with government and school districts throughout the country to help them leverage our platform to solve real problems," said Steinhardt. "We'll continue to explore the use of cutting-edge technologies, such as artificial intelligence, to increase our value equation but never take our eye off the ball in supporting education."

About ClassWallet

Founded in 2014 and headquartered in Miami, ClassWallet (www.classwallet.com) supports K-12 finance leaders in saving valuable time and overhead costs by providing an automated accounts payable platform and marketplace for decentralized purchases. Used by 13 state agencies and 3,900 schools serving 2.5 million students, the innovative digital wallet technology is fast becoming the industry standard for classroom supply and facilities maintenance budgets, emergency funding and student scholarship programs. ClassWallet has attracted top retailers like Amazon, Office Depot, Staples, Scholastic, School Specialty, Home Depot, Lakeshore Learning and thousands of leading merchants that serve the K-12 education market to accept ClassWallet as a form for payment.

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