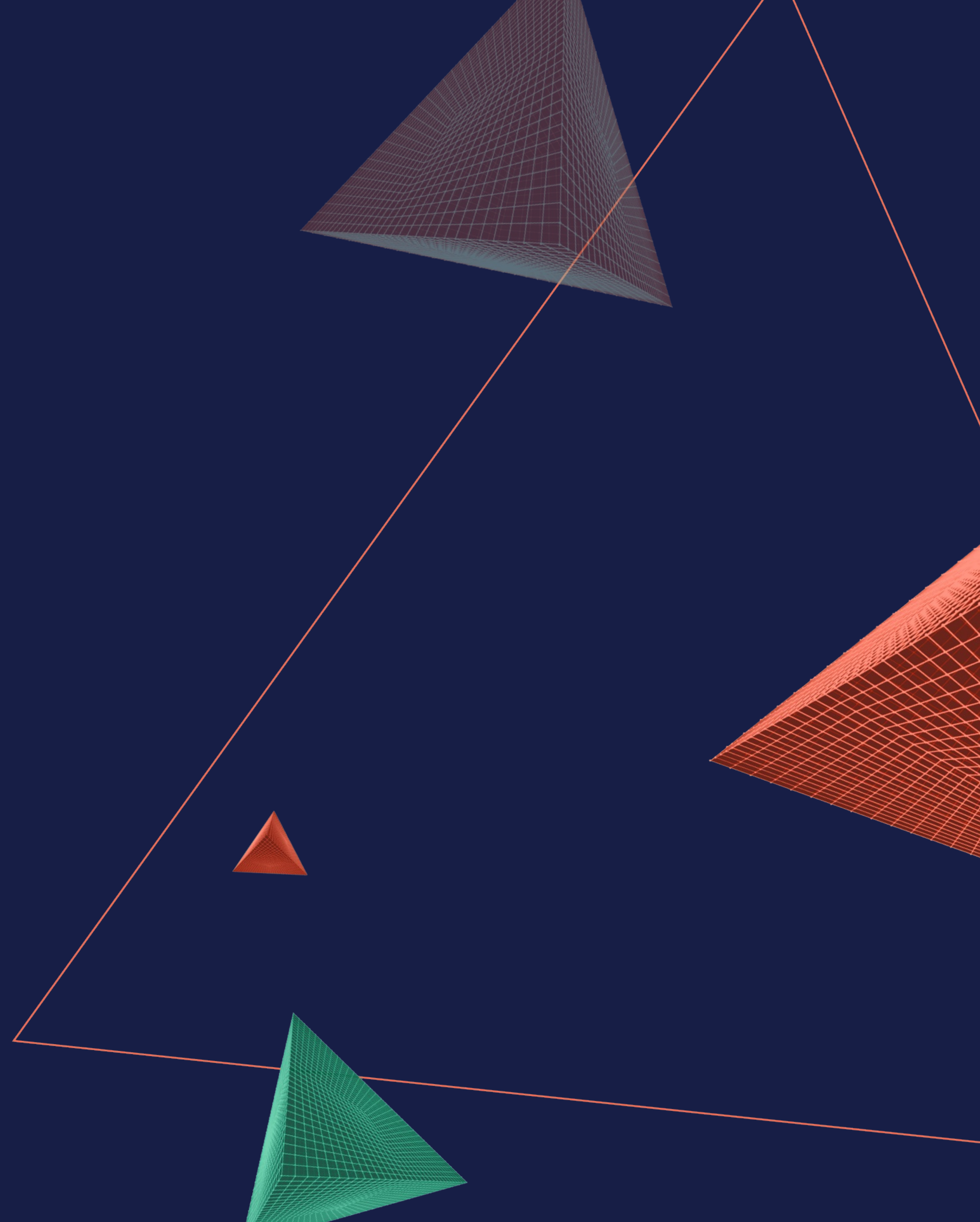




Q1 FY24 Investor Presentation

31 October 2023

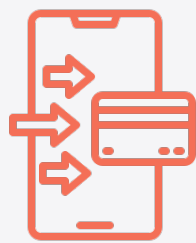


Delivering innovative and scalable payments solutions

- ▶ Change leverages innovative and scalable technology to provide tailored payment solutions, card issuing and testing to 150+ banks & fintechs across 40+ countries
- ▶ Two core products in the banking & payments ecosystem – Vertexon & PaySim

Banking as a Service

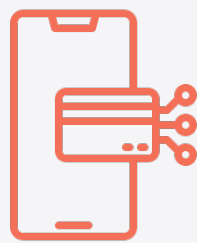
Payments as a Service



Physical &
virtual card
issuing



Transaction
processing for all
major card schemes

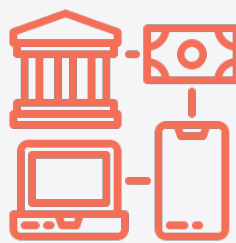


Digital payments
(Apple, Google &
Samsung Pay), BNPL

63%

of Q1 FY24 Revenue

Payment testing



Full payment
simulation



ATM & POS
emulation



Visa, Mastercard,
UnionPay, Amex, JCB
validation

37%

of Q1 FY24 Revenue

All regulatory and licensing requirements for card issuing in Australia, New Zealand and the US are now in place

Vertexon issuing capabilities

- ▶ Change has completed all necessary regulatory and licensing requirements to enable card issuing in Australia, NZ and the US
 - ▶ Change can now issue debit and prepaid cards in Australia, NZ and the US
- ▶ Australian Vertexon PaaS platform now certified by Mastercard
 - ▶ Australian Bank Identification Number (BIN) now live – ready to onboard Australian clients
- ▶ Mastercard Principal Memberships in Australia and New Zealand enables Change to offer BIN Sponsorship in these regions
 - ▶ Enables clients without local issuing capabilities to access Change’s principal issuing status with Mastercard to issue and manage prepaid and debit cards
 - ▶ Also provides an efficient and cost-effective solution for clients looking to expand their service offerings in the region

 	Regulatory Licence	Mastercard Issuing Licence	Mastercard Certified Processor	Mastercard Prepaid Issuing	Mastercard Debit Issuing ¹
New Zealand	Registered FSP	Licenced	Certified	Live	Live
Australia	AFSL	Licenced	Certified	Live	Live
United States	Issuing Bank Partner	Licenced	Certified	Live	Approved

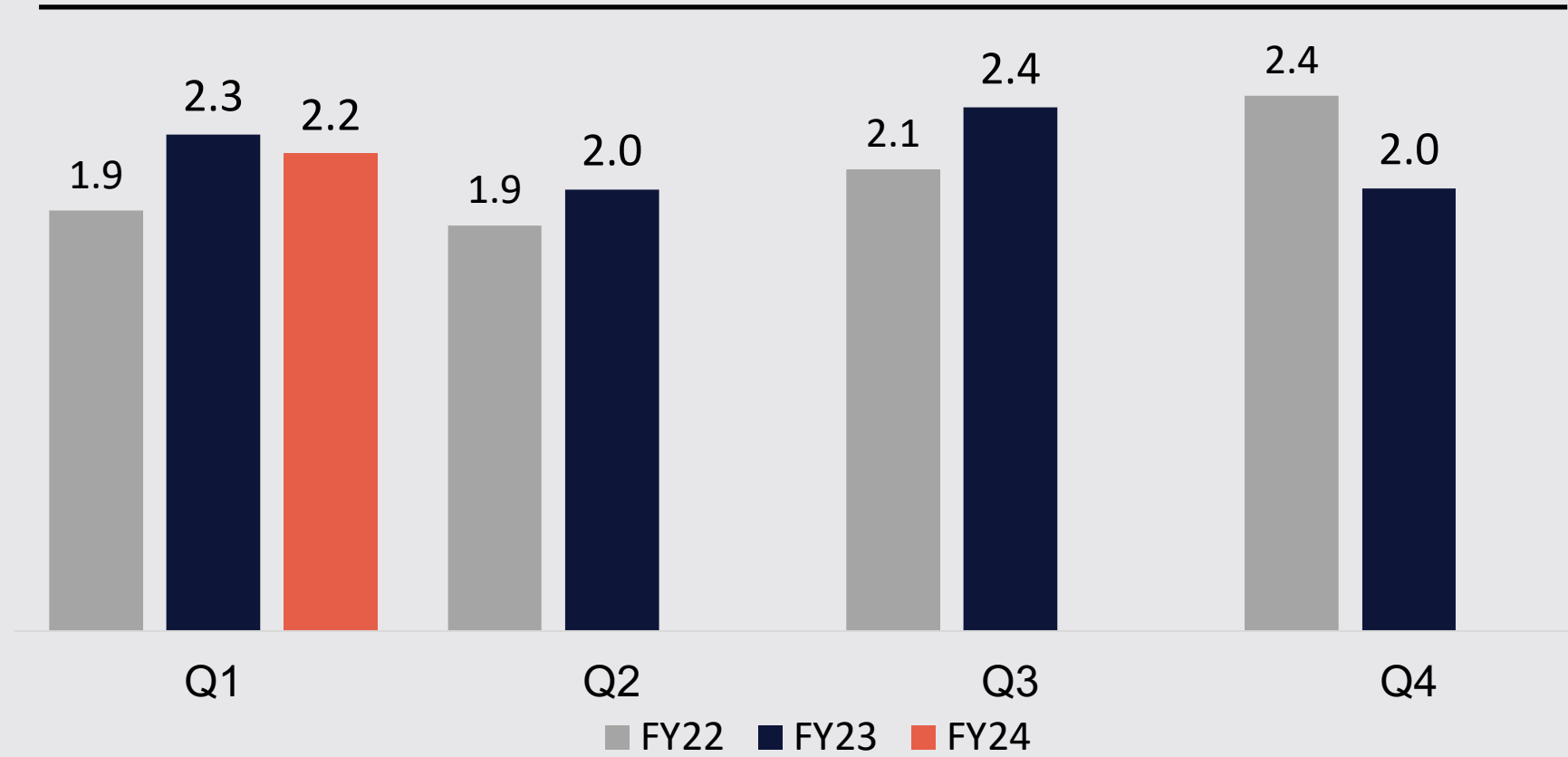
1. Debit issuing requires a partner bank (US) or customers to be a licensed deposit taking entity (NZ & AU)

Change has now commenced migrating NZ cardholders to Vertexon and PaaS revenues will progressively ramp up until the full migration is complete

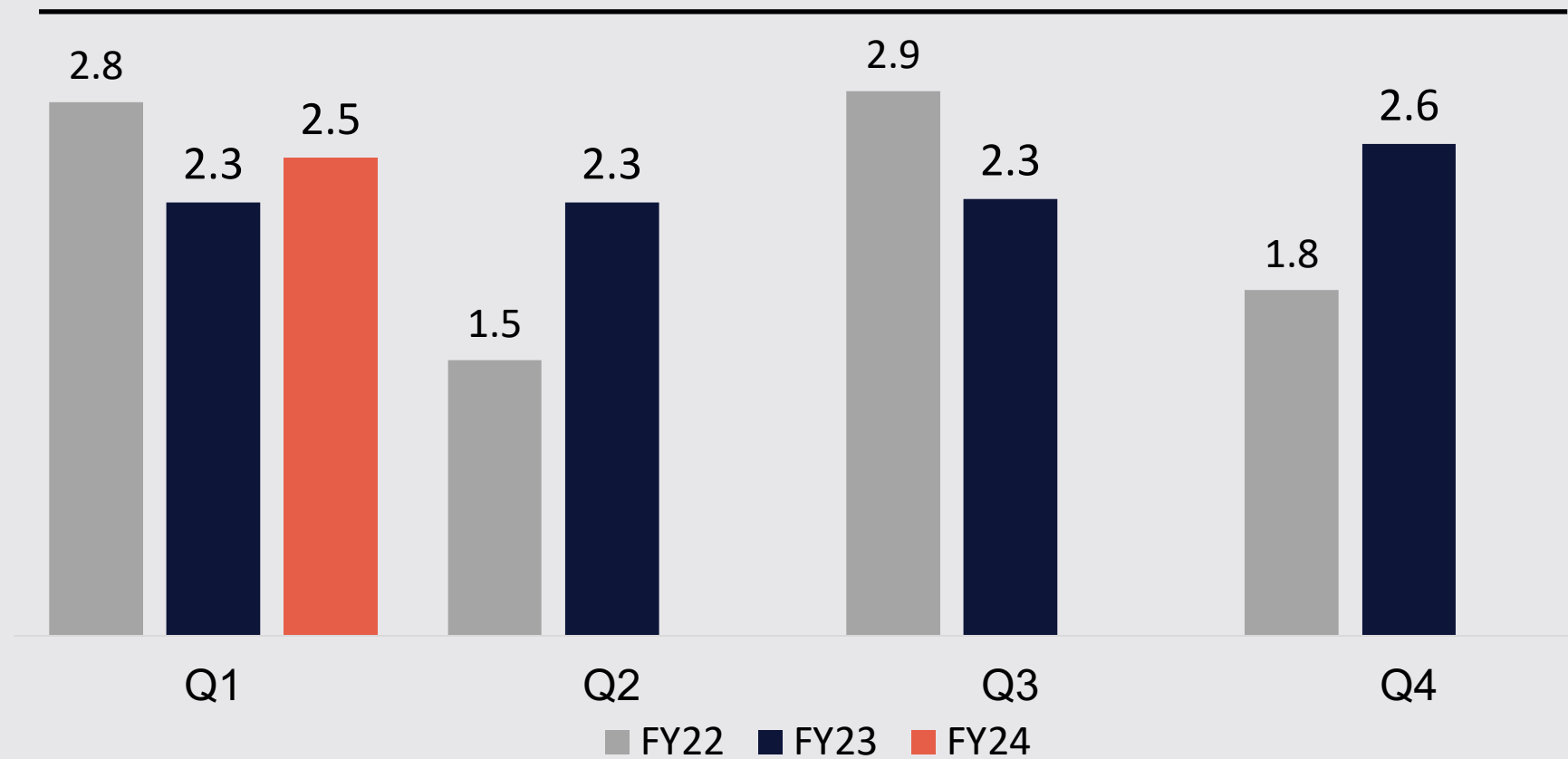
Financial Update – Q1 FY24

- ▶ Q1 FY24 revenue of US\$2.2m (A\$3.4m¹)
 - ▶ Professional services revenue impacted by the Company’s increased activity on the Vertexon PaaS platform
 - ▶ Full NZ market coverage of Mastercard and EFTPOS now achieved – has enabled NZ card migrations to Vertexon to commence
 - ▶ PaaS revenues will progressively ramp up until the full migration is complete
- ▶ Cash receipts of US\$2.5m (A\$3.9m), up 10% on pcg
- ▶ Cash payments for operating activities (excluding income tax and interest) of US\$2.3m (A\$3.6m), down 13% on pcg
 - ▶ Decrease relative to the pcg primarily due to staff costs – Q1 FY23 had an additional fortnightly pay-run and employee costs associated with the cost base realignment
- ▶ Cash holdings of US\$4.7m (A\$7.3m)
 - ▶ Additional US\$0.5m (A\$0.8m) held in cash-backed security guarantees relating to card issuing activities

Revenue by Quarter (US\$m)



Cash Receipts by Quarter (US\$m)



1. AUD/USD = 0.64

Delivering on Key Milestones

1

Shared Success & Growth

- ▶ Transition NZ card programs to Change which will drive transactional revenue growth – **IN PROGRESS**
 - ▶ All NZ financial institution clients issued 'live' cards and migration of cardholders to the Vertexon platform underway
- ▶ Onboard US clients once platform operational in market – **IN PROGRESS**
 - ▶ Rolling Thunder's Latin Pay and PlutusM – planned 'go-live' in Q2 FY24
- ▶ Drive new client wins by leveraging Vertexon and PaySim technology and partner ecosystem – **ONGOING FY24 FOCUS**
 - ▶ **Q1 New Vetexon Client Wins:** HealthNow (NZ), Simply Zibra & Fintech Actuator (Australia) and Onni (US)
 - ▶ **Q1 New PaySim Client Wins:** three new licence sales to global financial institutions



Delivering on Key Milestones (cont.)

2

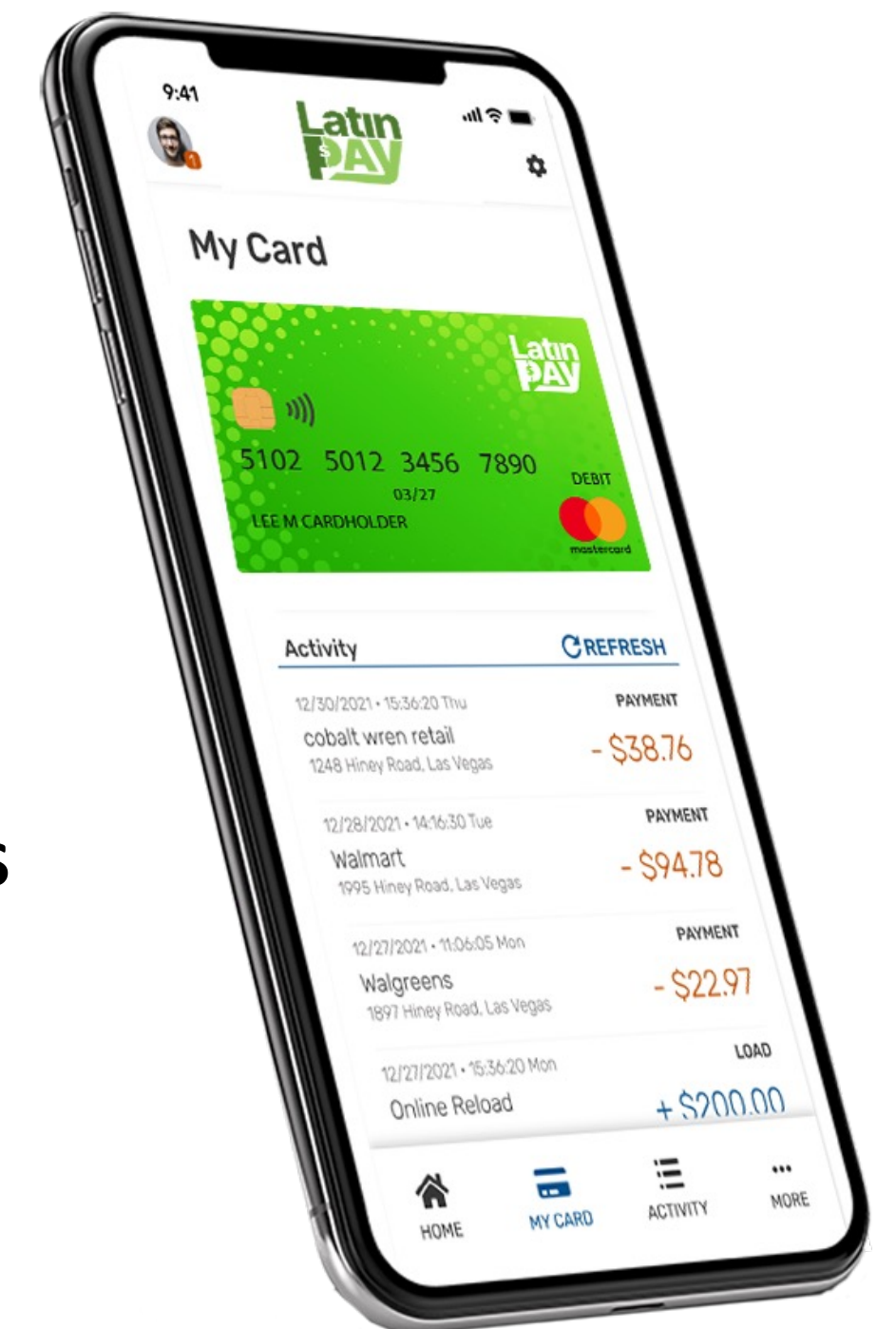
Operational Excellence

- ▶ Achieve go-live for NZ EFTPOS acceptance – **COMPLETE**
 - ▶ Full market acceptance in NZ for Mastercard and EFTPOS transactions
- ▶ Strengthen core operations and capabilities – compliance, security, fraud & transaction monitoring – **COMPLETE**
- ▶ Continue working with existing Vertexon on-premise clients to upgrade or migrate to PaaS – **ONGOING FY24 FOCUS**

3

Market Leading Solutions

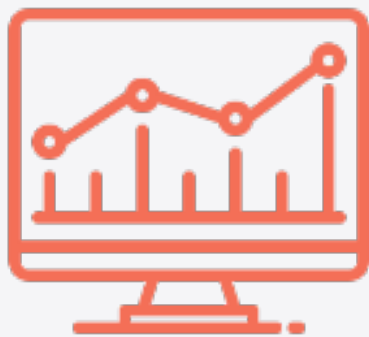
- ▶ Mastercard technical certification in Australia – **COMPLETE**
 - ▶ Australian BIN now live – ready to onboard Australian clients
- ▶ Mastercard debit card issuing approval in the US – **COMPLETE**
- ▶ Launch latest version of Vertexon PaaS platform in US market – **COMPLETE**
- ▶ Undertake PaySim modernisation program (UX/UI improvements) – **ONGOING FY24 FOCUS**



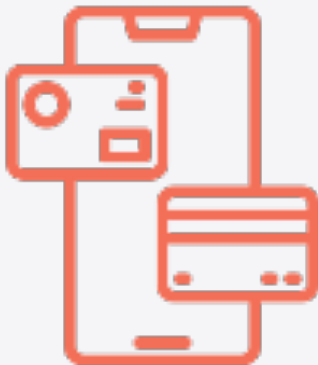
Outlook

- ▶ **Profitable revenue growth**
 - ▶ Realigned cost base has positioned Change to deliver profitable revenue growth in FY24+
 - ▶ Despite initial delays with NZ clients, first live cards have been issued and the migration of cardholders is underway
- ▶ **Cashflow breakeven**
 - ▶ Targeting to achieve a monthly cashflow breakeven run-rate exiting FY24 through
 - ▶ Existing client base + contracted PaaS clients + new client / partner wins

4 Key Objectives to Drive Success



Shared
Success &
Growth



Operational
Excellence



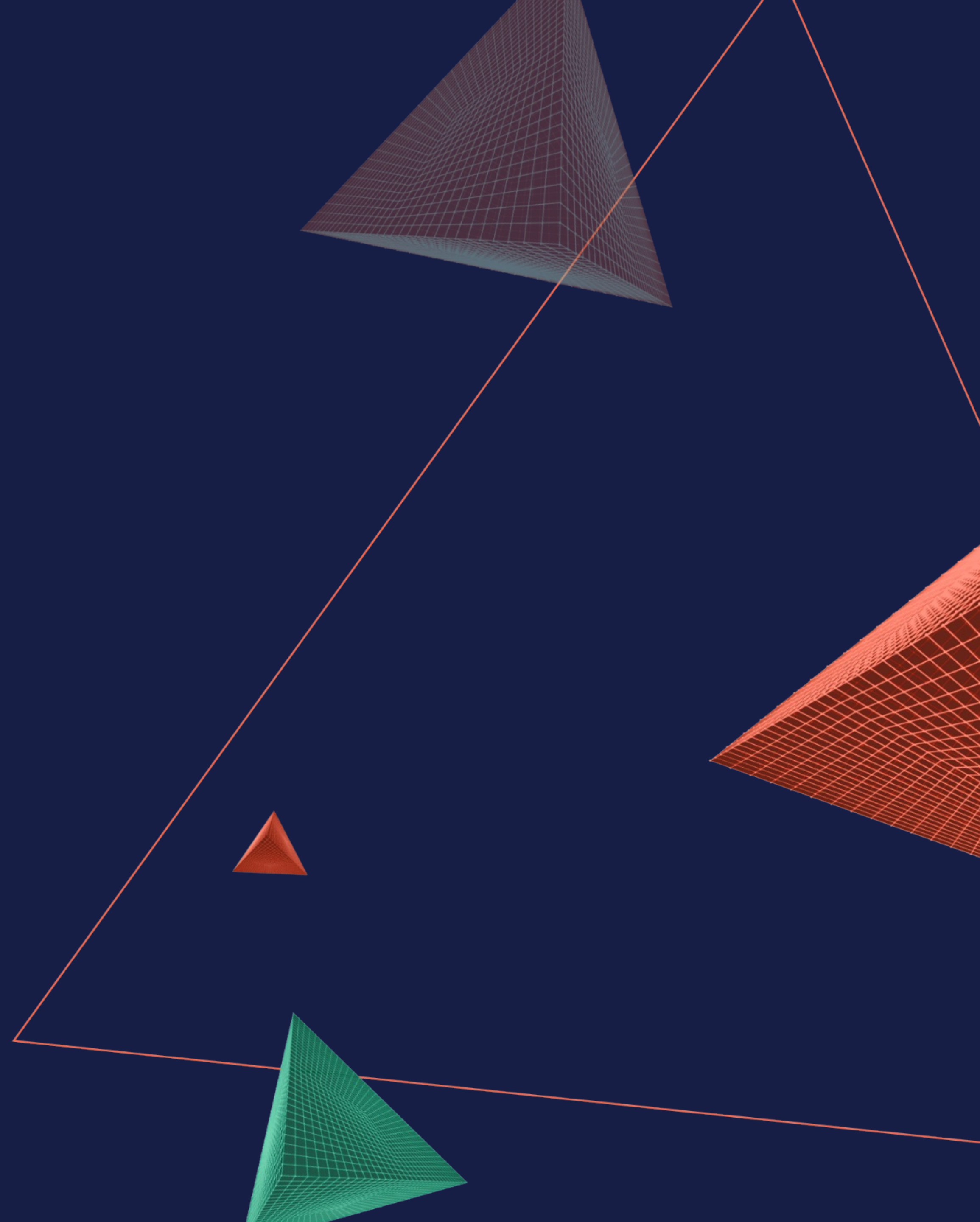
Market Leading
Solutions



Powering our
People

change.

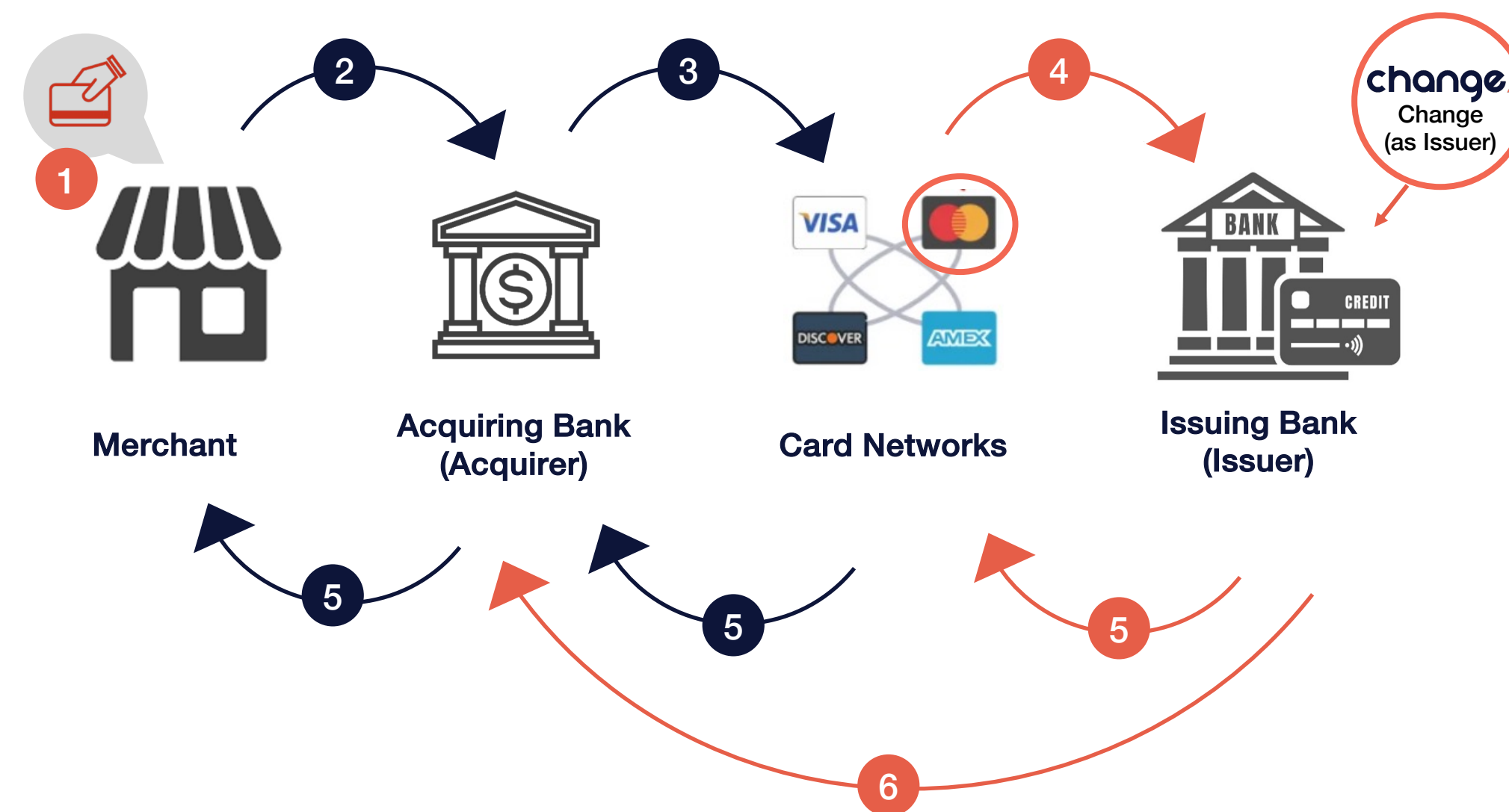
Appendix



Change's role in the payments process depends on the region, client type and services provided

Vertexon in the payments process







- **Processing:** An Issuer (Change's client) using the Vertexon Platform (**technology only**) to manage their cards – client is the Issuer and cards can be issued on any card network supported by Vertexon
- **Processing & Issuing (P&I):** A client using the Vertexon Platform (**technology**) to manage their cards with Change as Issuer (**regulatory & licence**) – **Change** is the Issuer and cards are issued on the **Mastercard Network**



- Processing:** Customer pays with card (all card networks supported) & purchases goods/services from merchant
 - P&I:** Customer pays with a **Change** issued **Mastercard** & purchases goods/services from a merchant
- Payment authenticated – the merchant point-of-sale system captures the customer's account information & securely sends it to the acquirer (i.e. merchant's bank)
- Transaction submitted – merchant acquirer asks card network to get authorisation from the issuer (i.e. customer's bank)
- Processing:** Authorisation requested – card network submits transaction to issuer for authorisation
 - P&I:** Authorisation requested – card network submits transaction to **Change** (as Issuer) for authorisation
- Processing:** Authorisation response – using Vertexon Platform issuer authorises the transaction and routes the response back via the card network and acquirer
 - P&I:** Authorisation response - using the Vertexon Platform **Change** (as Issuer) authorises the transaction and routes the response back via the card network and acquirer
- Processing:** Settlement – card network debits the issuer and pays the acquirer who in turn makes payment to the merchant
 - P&I:** Settlement – card network (**Mastercard**) debits the issuer (**Change**) and pays the acquirer who in turn makes payment to the merchant

Vertexon offering can be tailored by client to offer services that best suit client and end customer needs

Vertexon product offering

	Processing	Processing & Issuing
Overview	<ul style="list-style-type: none">• Provide core technology to enable card issuing and management including:<ul style="list-style-type: none">○ Transaction processing○ Card management○ Fraud monitoring○ Digital and virtual cards○ BNPL functionality• Platform offers innovative processing capabilities to rival the major banks in a capital efficient manager (Change responsible for PCI DSS compliance, hosting etc)• Client responsible for card issuing – client holds the necessary scheme and regulatory licences	<ul style="list-style-type: none">• Provide Processing capability + the following key card Issuing capabilities:<ul style="list-style-type: none">○ Card design and production○ Card issuing○ AML / CTF○ Settlement and reconciliation○ KYC & Onboarding• Change responsible for card issuing – Change holds the necessary scheme (Mastercard) and regulatory licences (i.e. AFSL / FSP / Issuing Bank Partner)
Cards Supported	<ul style="list-style-type: none">• Prepaid, Debit and Credit	<ul style="list-style-type: none">• Prepaid and Debit
Target Clients	<ul style="list-style-type: none">• Banks & financial institutions• Large entities with direct issuing capability• Migration of key existing Vertexon on-premise clients	<ul style="list-style-type: none">• Mid / Small banks & financial institutions incl. credit unions• Fintechs and corporates• BIN sponsorship (Australia & New Zealand only)
Regions	<ul style="list-style-type: none">• Global - processing does not require scheme or regulatory licences	<ul style="list-style-type: none">• Australia, New Zealand and the US
Supported Schemes	<div><div> mastercard</div><div> VISA</div><div> UnionPay</div><div> JCB</div><div> AMERICAN EXPRESS</div><div> Diners Club INTERNATIONAL</div></div>	

Software facilitates remote testing without the need for physical devices such as ATMs & POS terminals

PaySim: critical payments infrastructure testing tool

- ▶ **Simulates the full transaction lifecycle**, enabling banks & fintechs to complete end-to-end testing of their payment platforms, processes & scheme rule compliance
- ▶ Enables financial institutions to **test their payment systems** to meet the reliability & performance expectations of their customers

Growth Strategy	Licence Model			SaaS Model	
	Licences	Additional Modules	Maintenance	Monthly Subscription	Key benefits of SaaS solution for client
Description	New licence sales to new clients	New licence sales for additional features	c.20% p.a. of licence & module sales	All in monthly subscription fee	<ul style="list-style-type: none">▶ Reduced capex▶ Access to new features & updates as they are released▶ API & cloud focused solution (improves scalability)
Revenue type	One-off upfront	One-off upfront	Recurring	Recurring	
Target clients	New banks, financial institutions & fintechs	Existing clients	-	New banks, financial institutions & fintechs	
Primary sales channels	Partnerships (e.g. EFTPOS mandate), resellers & direct	Direct & retargeted marketing	-	Partnerships (e.g. EFTPOS mandate), resellers & direct	

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