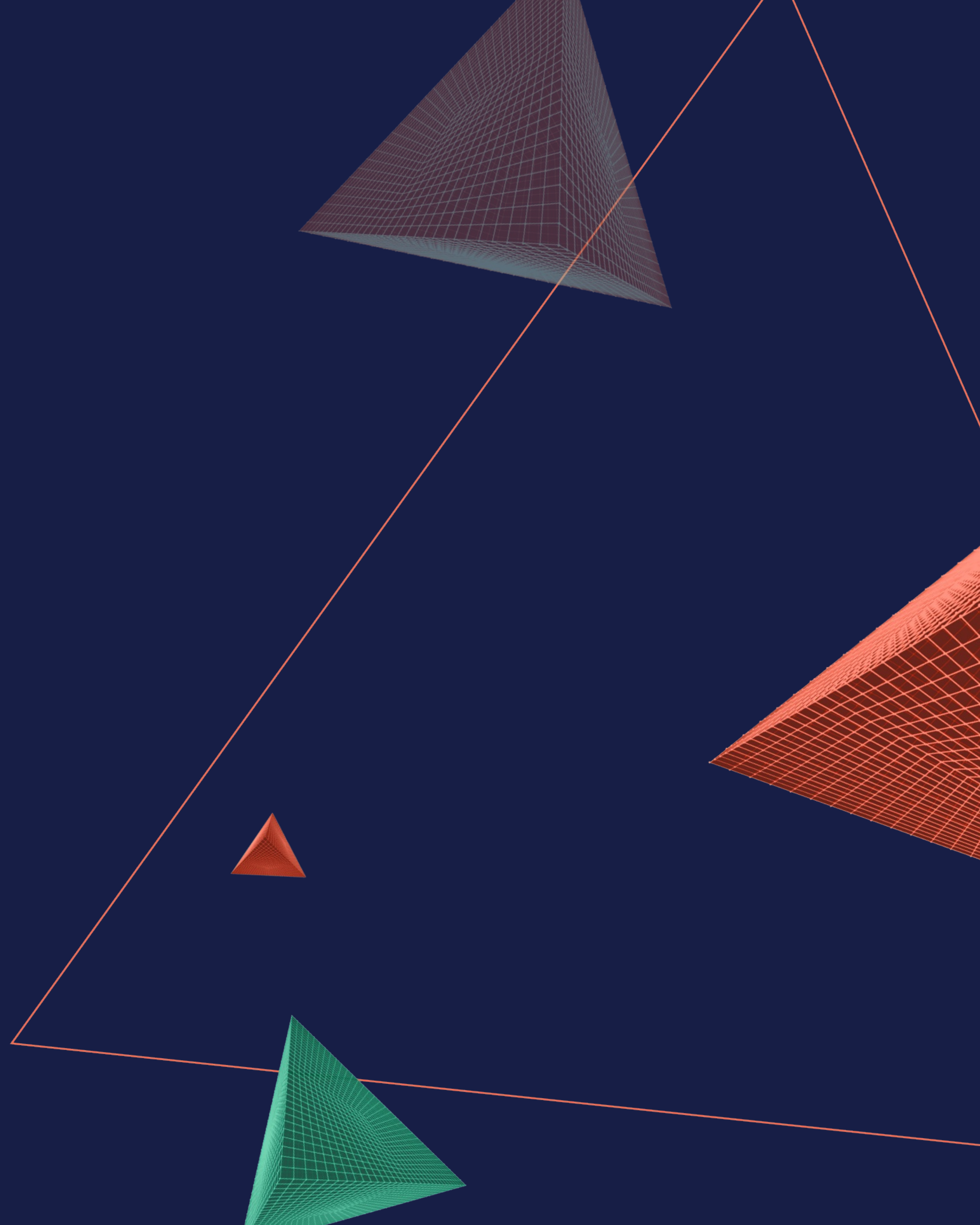


change.

Q1 FY23 Investor Presentation

31 October 2022

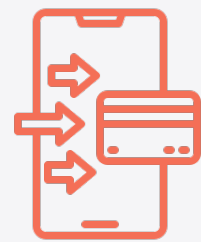


Change today: delivering scalable payments solutions

Payments solutions provider, driving innovation in the banking ecosystem

Banking as a Service

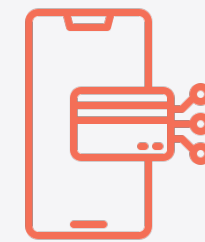
Payments as a Service



Physical & virtual card issuing



Transaction processing for all major card schemes

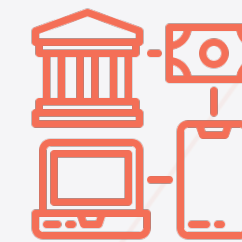


Digital payments (Apple, Google & Samsung Pay), BNPL

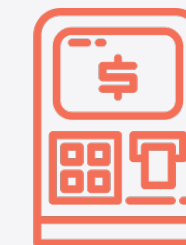
61%

% FY22 Revenue¹

Payment testing



Full payment simulation



ATM & POS emulation



Visa, Mastercard, UnionPay, Amex, JCB validation

39%

% FY22 Revenue

1. Includes c.1% of total revenue attributable to Other Products / Income

Global fintech with local expertise

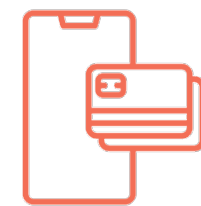
Global team with local knowledge to support our loyal & growing client base



Critical payments infrastructure
Deep client integration



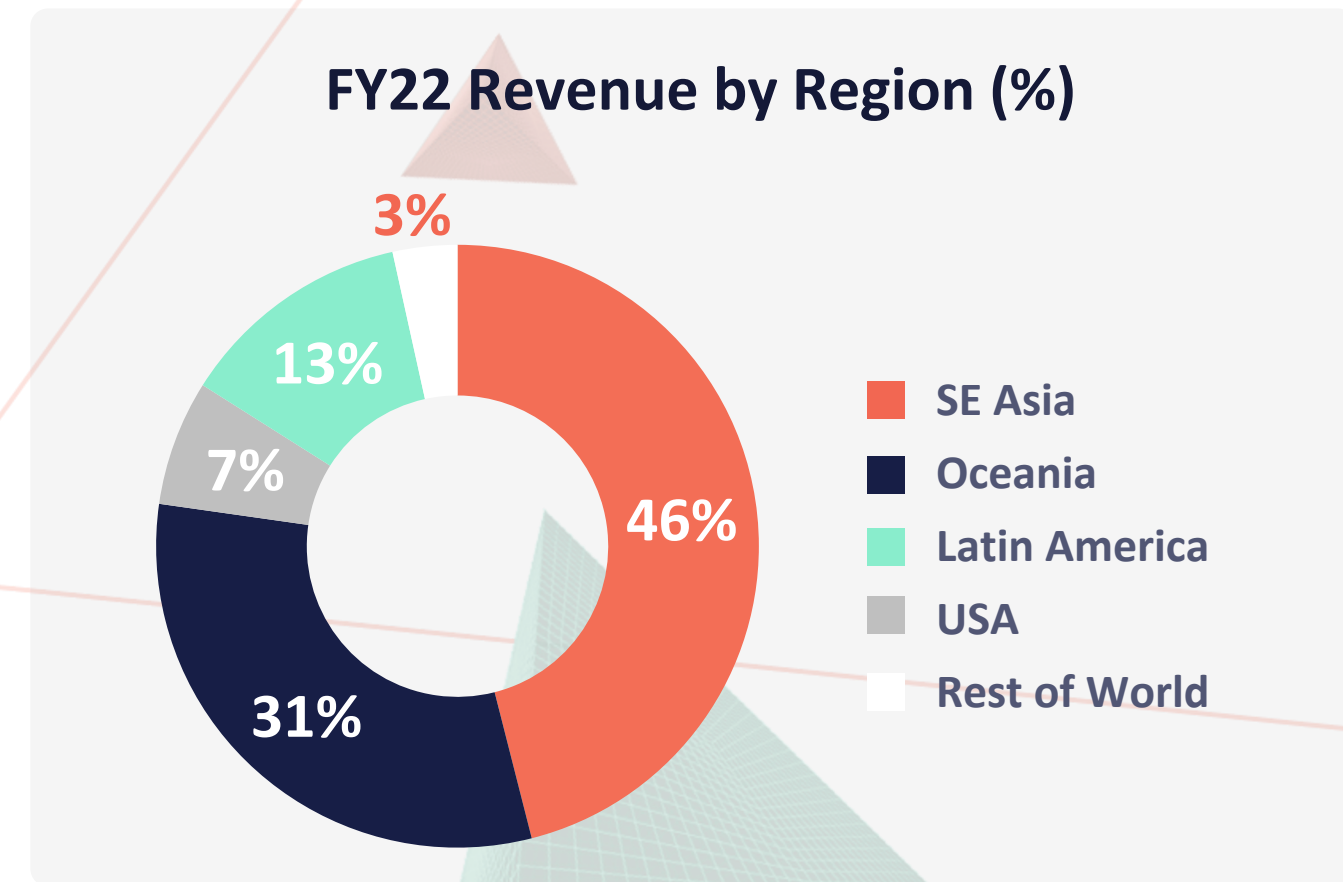
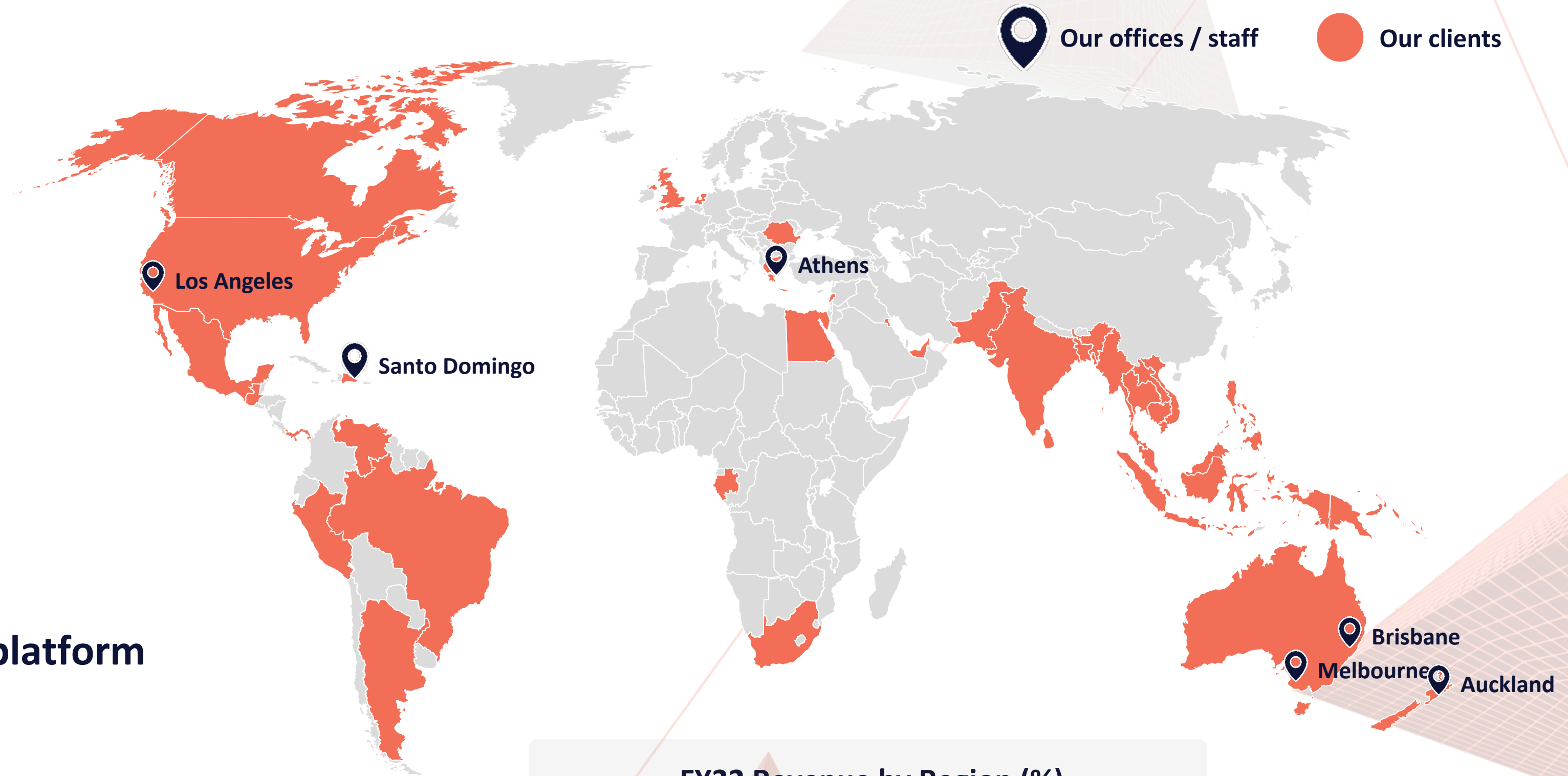
Global footprint
156 Clients in 41 countries



Scalable payments platform
16m+ cards



Processing for all the major schemes



Strong progress on operational readiness for direct issuing in Oceania to enable future 'go-live' for four New Zealand clients

FY23 Operational Milestones – Q1 Update

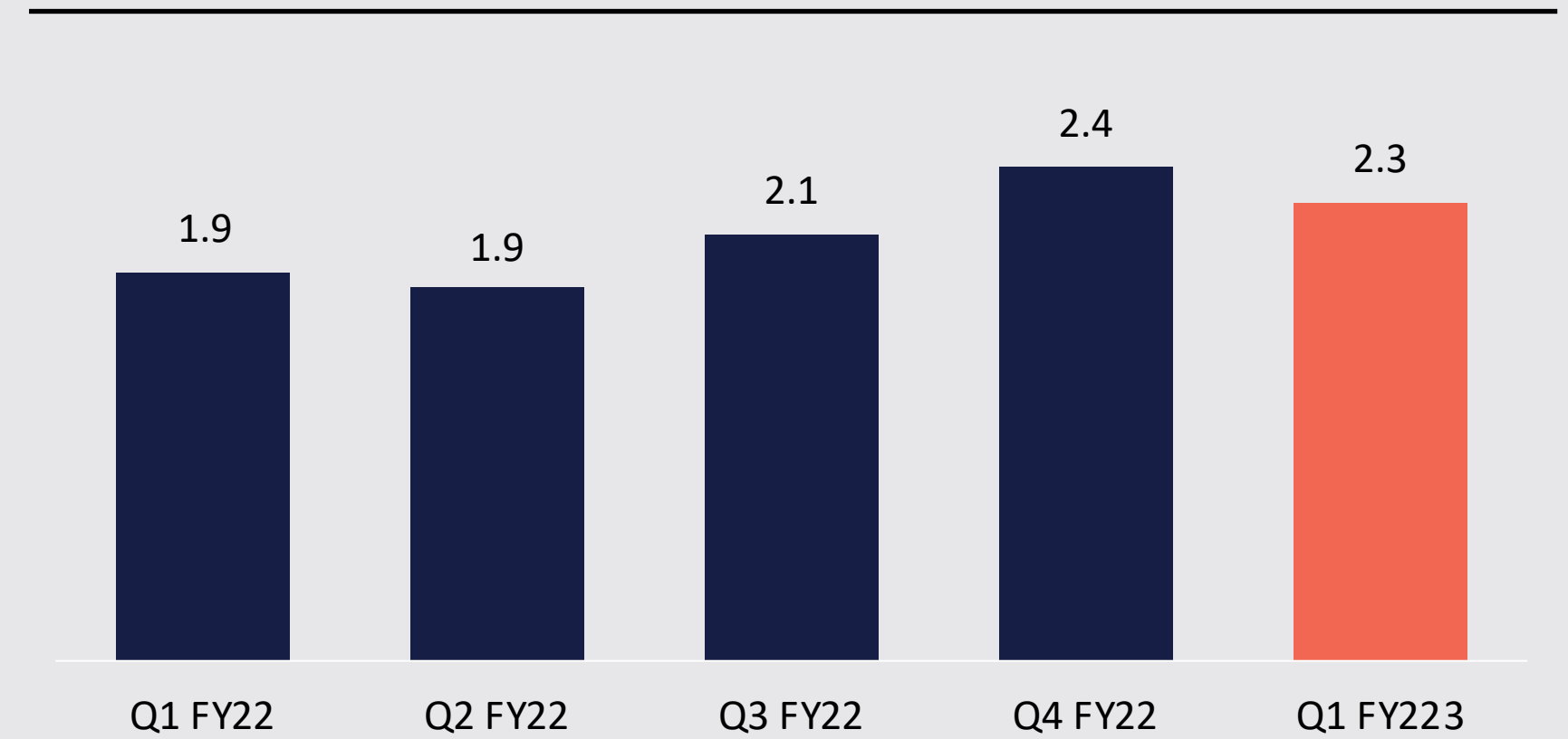
Milestone	Q1 Key Achievements
<p>Business readiness for direct card issuing in Oceania</p>	<ul style="list-style-type: none"> ▶ Mastercard Principal Issuer licence granted in New Zealand ▶ Granted a draft Australian Financial Services Licence (AFSL) <ul style="list-style-type: none"> ▶ Full AFSL subject to finalisation of operational matters (targeting to complete late Q2) ▶ Mastercard transaction level testing completed ▶ Software as a Service (SaaS) production environment established ▶ Card operations team established for production support ▶ Cardholder API enhancements completed ▶ Settlement accounts established
<p>Deliver market leading products</p>	<ul style="list-style-type: none"> ▶ Vertexon <ul style="list-style-type: none"> ▶ API suite extended ▶ Digital wallet enhancements scoped ▶ PaySim <ul style="list-style-type: none"> ▶ Certification Solution for ISO20022 (Faster Payments) development well progressed ▶ Certification Client Portal UX / UI design completed
<p>Grow through clients and partners</p>	<ul style="list-style-type: none"> ▶ Partners <ul style="list-style-type: none"> ▶ Gaining strong traction in US, LATAM and Asia from PaySim and Vertexon partners ▶ New clients <ul style="list-style-type: none"> ▶ Leads and pipeline continue to grow across all regions ▶ PaySim new client onboarded and growing interest in Certification Solution ▶ Existing clients <ul style="list-style-type: none"> ▶ Increased opportunities in Vertexon PaaS migration for LATAM, Oceania and SE Asia clients

Financial Update – Q1 FY23

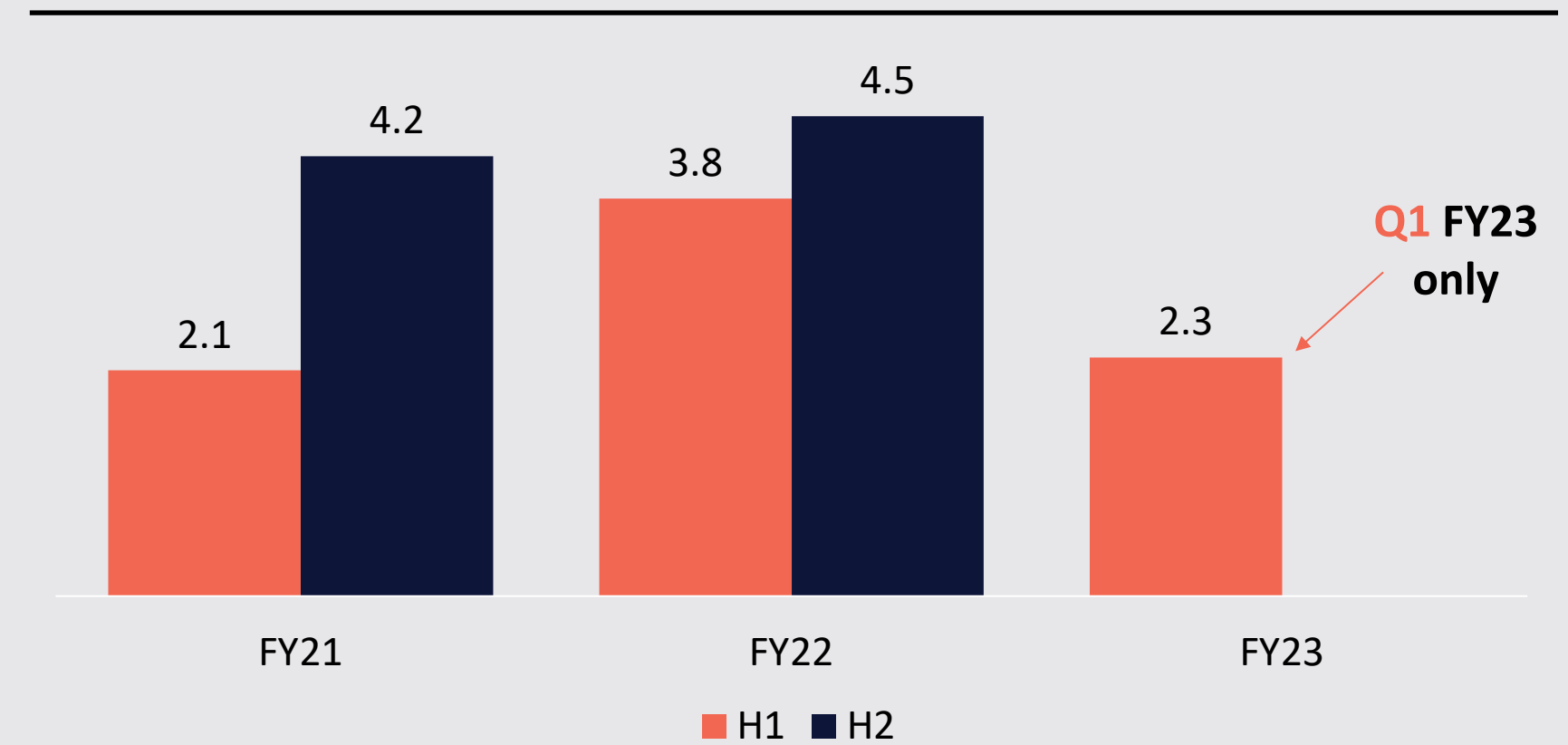
Strengthened the financial position of the Company through revenue growth, cost realignment and capital raise

- ▶ Q1 FY23 revenue of US\$2.3m (A\$3.6¹m), up 18% on pcp
 - ▶ Growth primarily driven through support and maintenance and new licence sales
 - ▶ c.54% of revenue derived from recurring sources
- ▶ Cash receipts of US\$2.3m (A\$3.6m), down 19% on pcp
 - ▶ Stronger cash collections in prior period driven by collection of a significant one-off licence sale from non-core product and aged debtors from acquisition
- ▶ Completed a realignment of the cost base
 - ▶ Resulted in several one-off restructuring costs (primarily related to staff entitlements)
 - ▶ Expect operating expenses to reduce going forward
- ▶ Strengthened balance sheet; net cash of US\$3.1m (A\$4.8m)
 - ▶ Strong cash position assisted by A\$5.72m capital raise in August from supportive shareholders

Revenue by Quarter (US\$m)



Revenue by Half (US\$m)



1. AUD/USD = 0.63

Outlook

Proactive management actions to deliver strong and profitable revenue growth

Revenue **Growth**

- ▶ Targeting to deliver strong (double digit) revenue growth in FY23
- ▶ FY22 revenue of US\$8.3m (A\$13.2m)
- ▶ Q1 FY23 revenue of US\$2.3m, up 18% on pcp
- ▶ Key drivers of growth:
 - ▶ Long-standing client base with contracted revenue
 - ▶ Recently contracted PaaS clients who are anticipated to 'go-live' throughout remainder of FY23
 - ▶ Existing clients with identified projects / upgrades + new opportunities in advanced discussions

Cost Base **Realigned**

- ▶ In July, realigned the cost base to streamline the business and enable future revenue growth to be delivered profitably
- ▶ Realised majority of one-off costs in Q1 FY23; expect operating expenses to reduce for the remainder of FY23, particularly in the second half

EBITDA **Positive**

- ▶ Targeting monthly EBITDA positive during H2 FY23
- ▶ Sales pipeline continues to grow and mature, with the realigned cost base not affecting the upside potential of the business

Disclaimer

Important Notice

This presentation has been prepared by Change Financial Limited (Change Financial) in good faith. No express or implied warranty is given as to the accuracy or completeness of the information in this document or the accompanying presentation. All statutory representations and warranties are excluded, and any liability in negligence is excluded, in both cases to the fullest extent permitted by law. No responsibility is assumed for any reliance by any person on this document or the accompanying presentation.

Summary information

The information contained in this presentation is a summary overview of the current activities of Change Financial. This presentation does not purport to be all inclusive or to contain all the information that a prospective investor may require in evaluating a possible investment. This presentation is for general information purposes and is not intended to be and does not constitute an offer to sell or a solicitation of an offer to buy or sell securities, a prospectus, product disclosure statement, pathfinder document or other disclosure document for the purposes of the Corporations Act and has not been, and is not required to be, lodged with the Australian Securities & Investments Commission. This presentation should be read in conjunction with all other periodic and continuous disclosure announcements lodged by Change Financial with the Australian Securities Exchange, available at www.asx.com.au.

Not financial product advice

The material contained in this presentation is not, and should not be considered as, financial product or investment advice. This presentation is not an offer, invitation or recommendation to acquire New Shares, and does not take into account the investment objectives, financial situation or particular needs of any particular investor. You must make your own independent assessment and review of Change Financial, and the information contained, or referred to, in this presentation, including its financial condition, assets and liabilities, financial position, profits and losses, prospects and business affairs, including the merits and risks involved. Nothing in this presentation constitutes investment, legal, tax or other advice. You should seek legal, financial, tax and other advice appropriate for your jurisdiction.

Past and future performance

This presentation contains information as to past performance of Change Financial. Such information is given for illustrative purposes only, and is not – and should not be relied upon as – an indication of future performance of Change Financial. The historical information in this presentation is, or is based upon, information contained in previous announcements made by Change Financial to the market. These announcements are available at www.asx.com.au.

This presentation contains certain “forward looking statements”. Forward looking words such as “expect”, “should”, “could”, “may”, “will”, “believe”, “forecast”, “estimate” and other similar expressions are intended to identify forward-looking statements. Such statements are subject to various known and unknown risks, uncertainties and other factors that are in some cases beyond Change Financial’s control. These risks, uncertainties and factors may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements and from past results, performance or achievements. Change Financial cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that Change Financial’s business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward-looking statements only speak as at the date of this announcement and Change Financial assumes no obligation to update such information.

For personal use only

change.▲

Thank you.

Get in touch

investors@changefinancial.com

