

First NZ Cards Live & New NZ Client

Highlights

- First New Zealand (**NZ**) client now 'live' with first cards issued and transactions processed through the Vertexon PaaS Platform
- Go-live for other NZ clients expected to commence in Q4 FY23
- Change has invoiced Mastercard for the US\$1.0m (A\$1.5m) incentive payment
- New Vertexon PaaS Platform client win - Credit Union Auckland (**NZCU Auckland**) secured as a new processing and issuing client

18 April 2023 – **Change Financial Limited (ASX: CCA)** (**Change** or **the Company**) is pleased to announce that the first NZ client on its Vertexon Payments as a Service (**PaaS**) Platform is now live and the Company has secured another NZ credit union as a processing and issuing client.

Change CEO and Managing Director, Alastair Wilkie said, "Change's transformation from an on-premise solution to a PaaS offering began in 2021 and has been a hugely rewarding journey.

"From the proof-of-concept stage, through design and build, implementation, partnership with Mastercard, certification, Principal Issuing license, business development and client contracts, to the integration with Finzsoft and finally, the launch, the team has worked tirelessly and collaboratively to make this a reality in the last two years. This is a tremendous feat, and I am so proud of what we have accomplished.

"In further validation of our strategy, we are also pleased to have secured another NZ credit union, NZCU Auckland, who we look forward to working with as we onboard them to the Vertexon PaaS platform."

Launch of First NZ Client

Change has achieved another major milestone as part of the launch of its Vertexon PaaS offering to the Oceania market. Following onboarding, Change is now live with the first client cards in NZ and has commenced processing transactions.

Change will continue working with the NZ clients to launch the remaining card programs over the coming months and expects to complete the transition of all existing cards in early FY24 producing an anticipated increase in contracted revenues over this period.

The launch of the first NZ client has also triggered the US\$1.0m (A\$1.5m¹) incentive payment from Mastercard (announced on 31 March 2022).

New Vertexon PaaS Client Win - Credit Union Auckland

Change has signed a new PaaS contract with Credit Union Auckland (**NZCU Auckland**) to provide direct issuing, processing and card management solutions via its Vertexon PaaS Platform (**Contract**).

The Contract contains upfront implementation fees as well as ongoing volume and transaction-based fees. NZCU Auckland has approximately 4,000 active cards in market that will be transitioned across to the Vertexon PaaS Platform. These cards are in addition to the more than 35,000 previously announced cards being transitioned from First Credit Union², Nelson Building Society and Police Credit Union. Revenues from the Contract will contribute to Change's PaaS revenues in FY24 with pricing similar (on a per card / transaction basis) to the existing NZ client contracts.

¹ AUD/USD = 0.67

² Westforce Credit Union and NZCU Steelsands have recently merged with First Credit Union

Change will begin onboarding NZCU Auckland this quarter (Q4 FY23) with launch anticipated in H1 FY24. NZCU Auckland will utilise Finzsoft Solutions Limited (**Finzsoft**) as their banking platform provider. As such, the development work has already been completed through the Change and Finzsoft integration. The addition of another financial institution is further recognition of the strong partnership and combined value offering of Change and Finzsoft.

Key Contract terms are summarised below:

- Provision of direct issuing, processing and card management services in New Zealand
- Upfront implementation fees to be paid during onboarding with monthly revenue to commence on program launch which is expected in H1 FY24
- Following the five-year initial term, the contract automatically renews for periods of one year unless notice of non-renewal is provided
- There is no termination for convenience
- There are no other material conditions

Authorised for release by the Board of Change Financial Limited.

About Change Financial

Change Financial Limited (ASX: CCA) (**Change**) is a global fintech, leveraging innovative and scalable technology to provide tailored payment solutions, card issuing and testing to banks and fintechs. Change's technology is used by over 157 clients across 41 countries to deliver simple, flexible, and fast-to-market payment services, including card issuing and testing.

Change's payments as a service (PaaS) platform Vertexon, seamlessly integrates with banks and fintechs' core systems enabling delivery of digital and virtual card solutions to their customers. It includes integrated features such as Apple Pay, Google Pay, Samsung Pay and Buy Now Pay Later (BNPL) services. Change currently manages and processes over 16 million credit, debit, and prepaid cards worldwide.

Using PaySim, Change tests payment systems to help clients meet the reliability and performance expectations of end customers. Simulating the full transaction lifecycle across multiple systems, PaySim enables banks and fintechs to complete end-to-end testing of their payment platforms and processes from a desktop. Change also provides the default standard for payments testing for many Australian companies, including Australia's domestic card payment service eftpos.

Learn more about Change at www.changefinancial.com

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