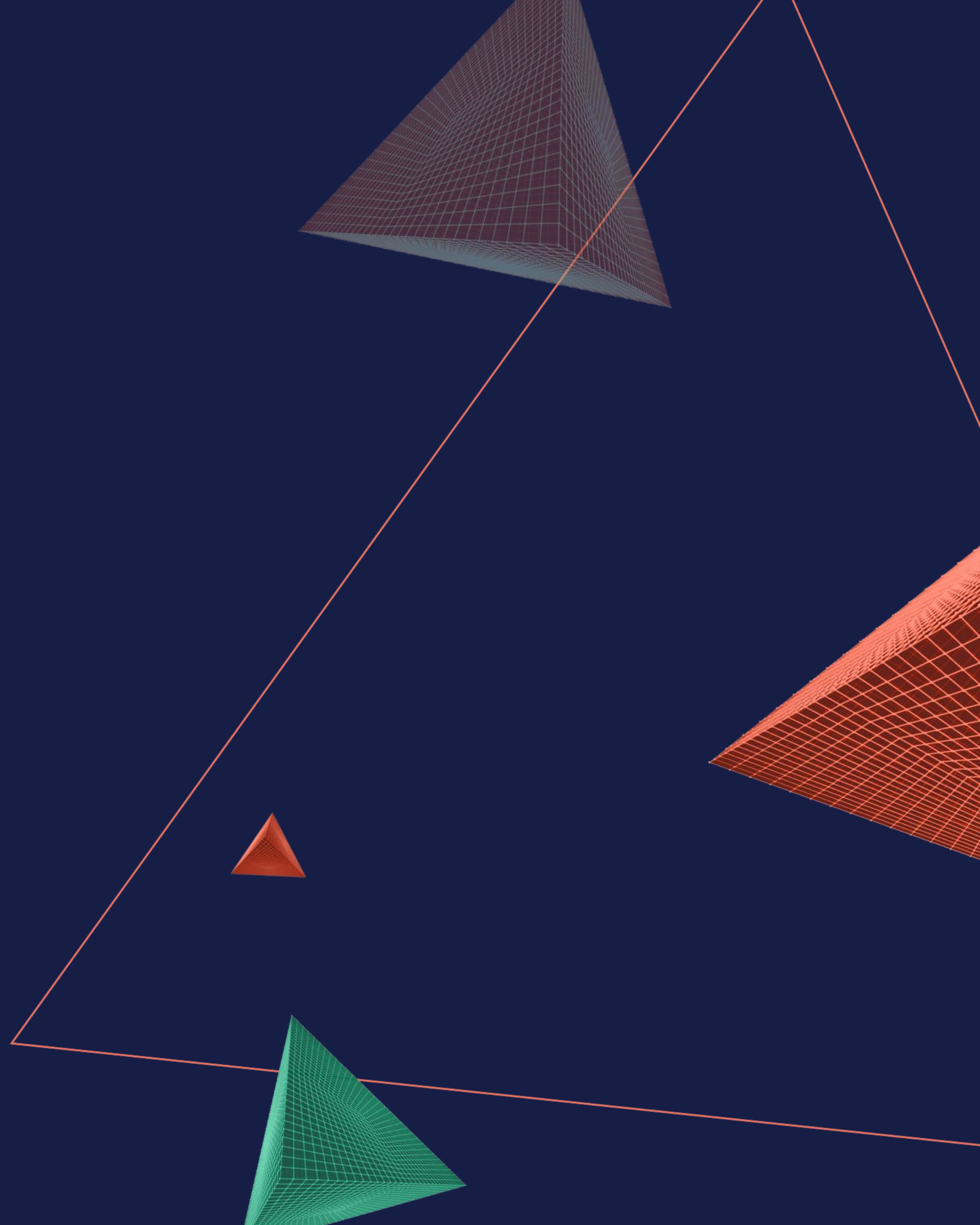




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# Q3 FY25 Investor Presentation

29 April 2025

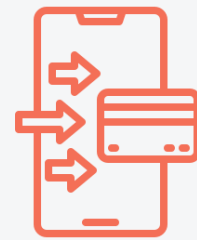


# Delivering innovative and scalable payments solutions

- ▶ 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

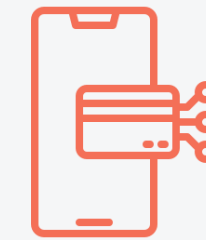
### Payments as a Service



Physical, digital  
& virtual card  
issuing



Transaction  
processing for all  
major card schemes

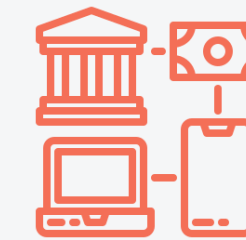


Digital payments  
(Apple, Google &  
Samsung Pay), BNPL

**79%**

of FY25 YTD Revenue

### Payment testing



Full payment  
simulation



ATM & POS  
emulation



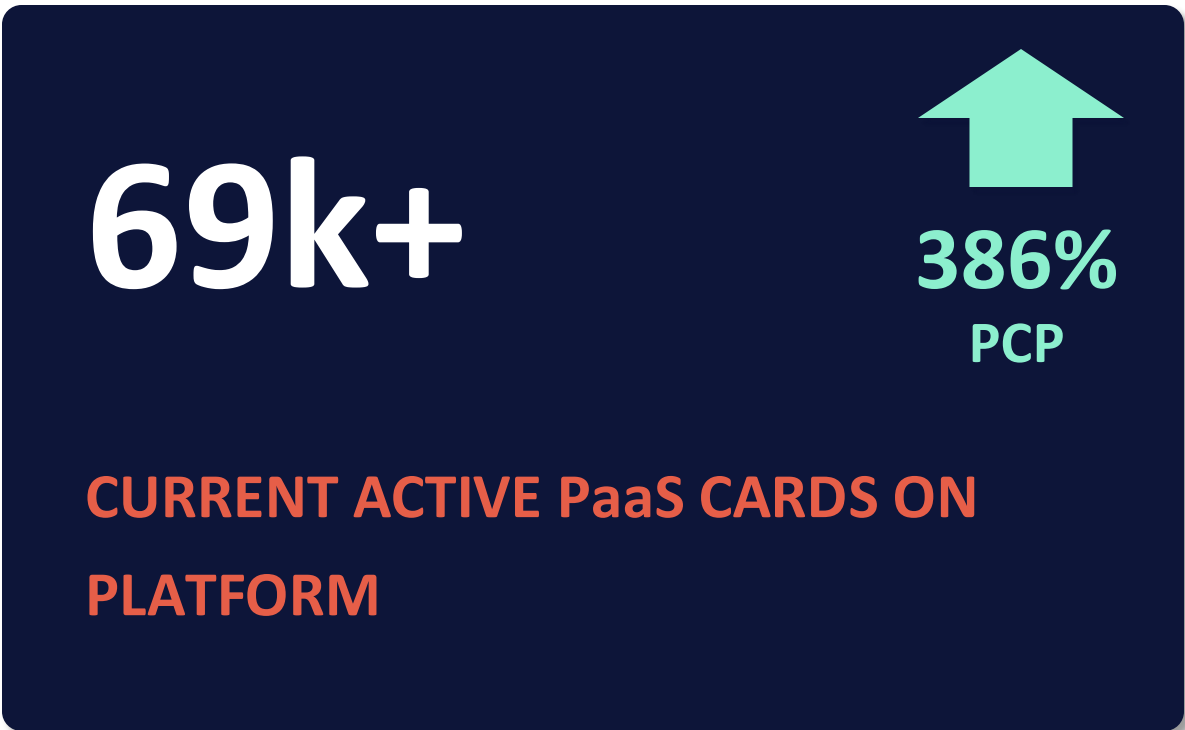
Visa, Mastercard,  
UnionPay, Amex, JCB  
validation

**21%**

of FY25 YTD Revenue

# Key Highlights

- ▶ New Vertexon PaaS client signed in Australia and a number of new projects and licences with existing Vertexon On-Premises and new PaySim clients
- ▶ FY25 YTD revenue (unaudited) of US\$11.1m (A\$17.3m), up 48% on pcp



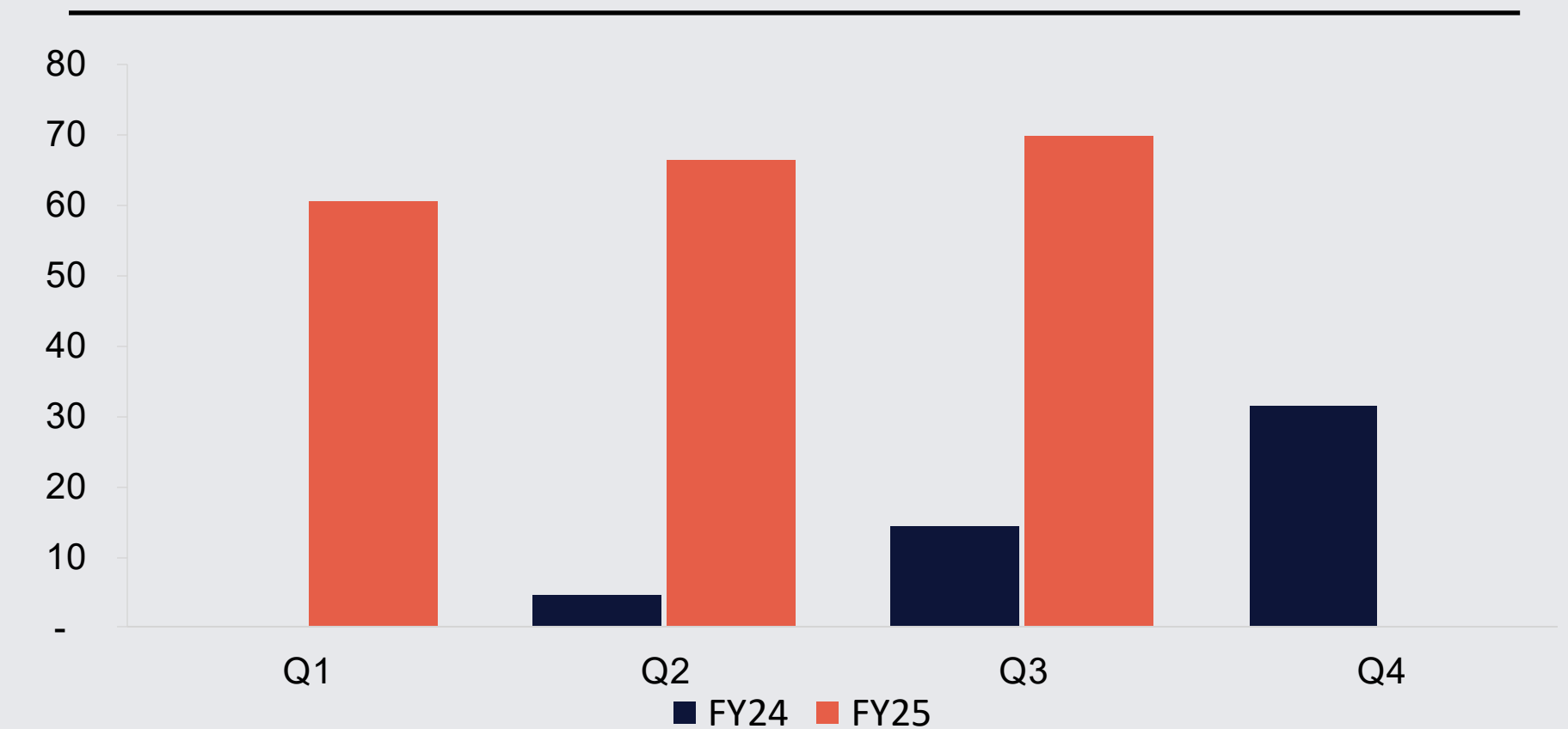
1. AUD/USD = 0.64, all AUD amounts are converted for representation purposes to assist the reader  
2. Revenue and Underlying EBITDA are Unaudited. Underlying EBITDA excludes interest included as revenue and share-based payments included as an expense in statutory accounts  
3. Includes Support & Maintenance and PaaS transaction fee revenue  
4. Transactions are denominated in local currencies and have been converted to USD, Change’s reporting currency, for reporting purposes

# Vertexon PaaS Metrics

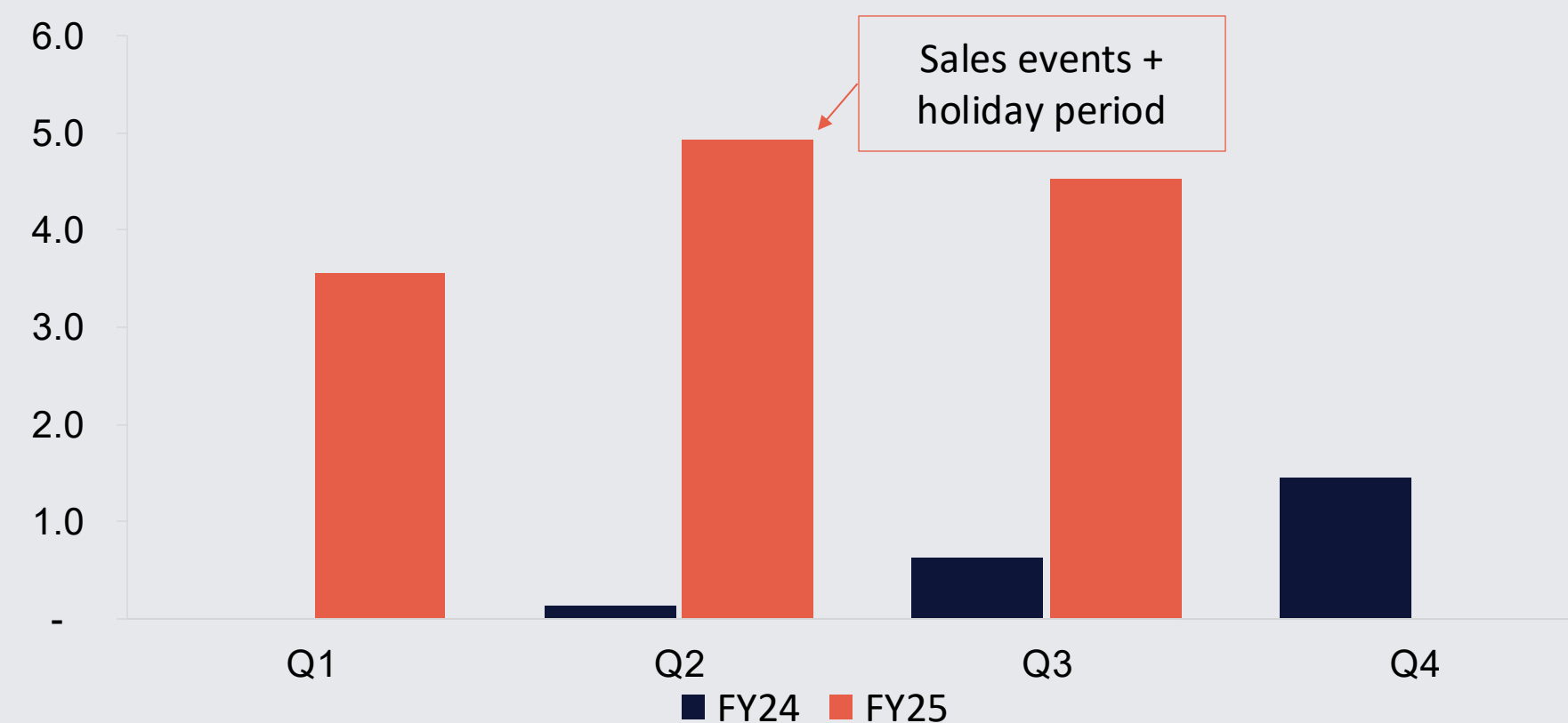
PaaS platform scaling  
with volume increasing  
as cards migrate to  
Change

- ▶ 69k+ cards active in Australia & NZ
  - ▶ Steady growth in existing client base – particularly from fintech clients
  - ▶ New clients signed and currently onboarding to drive further growth
- ▶ Seasonality effects from Black Friday, Boxing Day and other sales events and holiday period during Q2
- ▶ Significant movement in FX rates causing reporting / translation impact

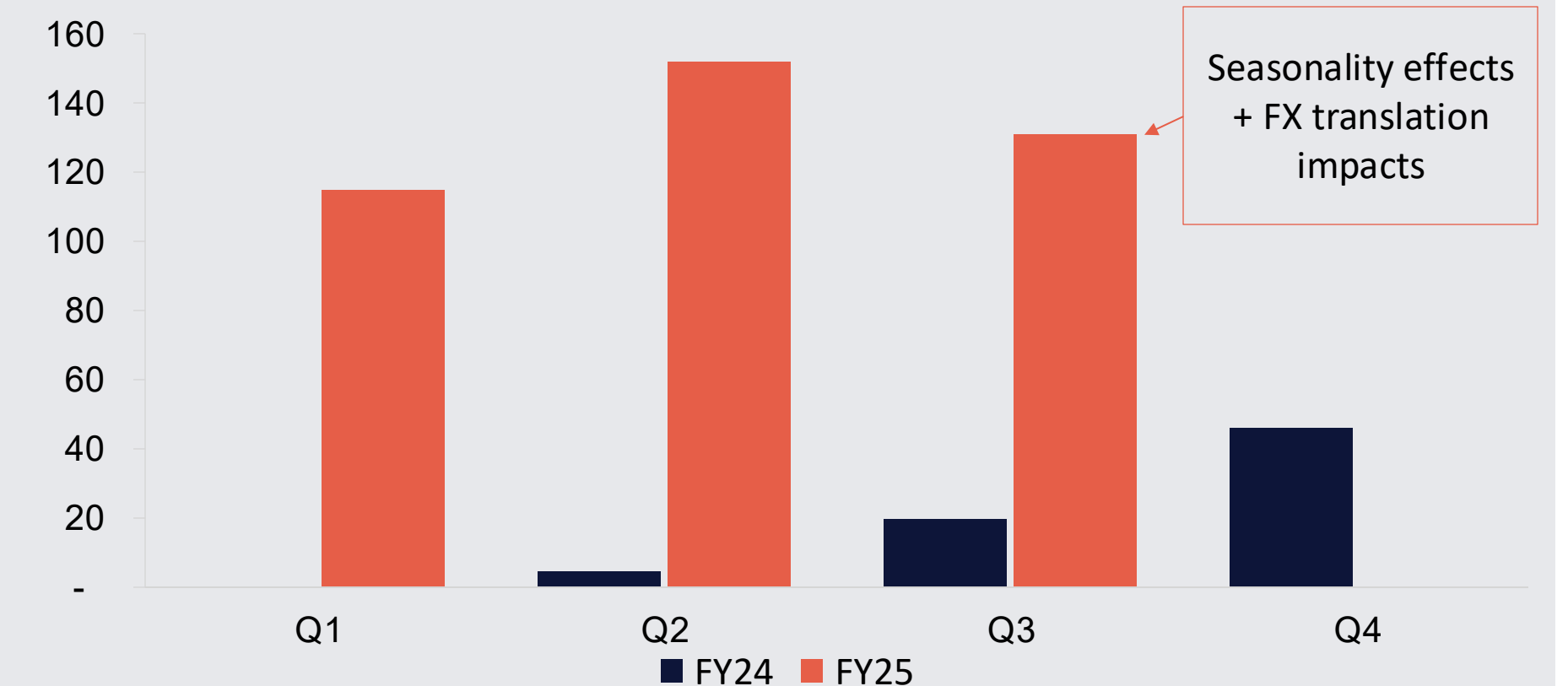
Active Cards (thousands)



Transactions Processed (millions)



Transaction Volumes (US\$m<sup>1</sup>)

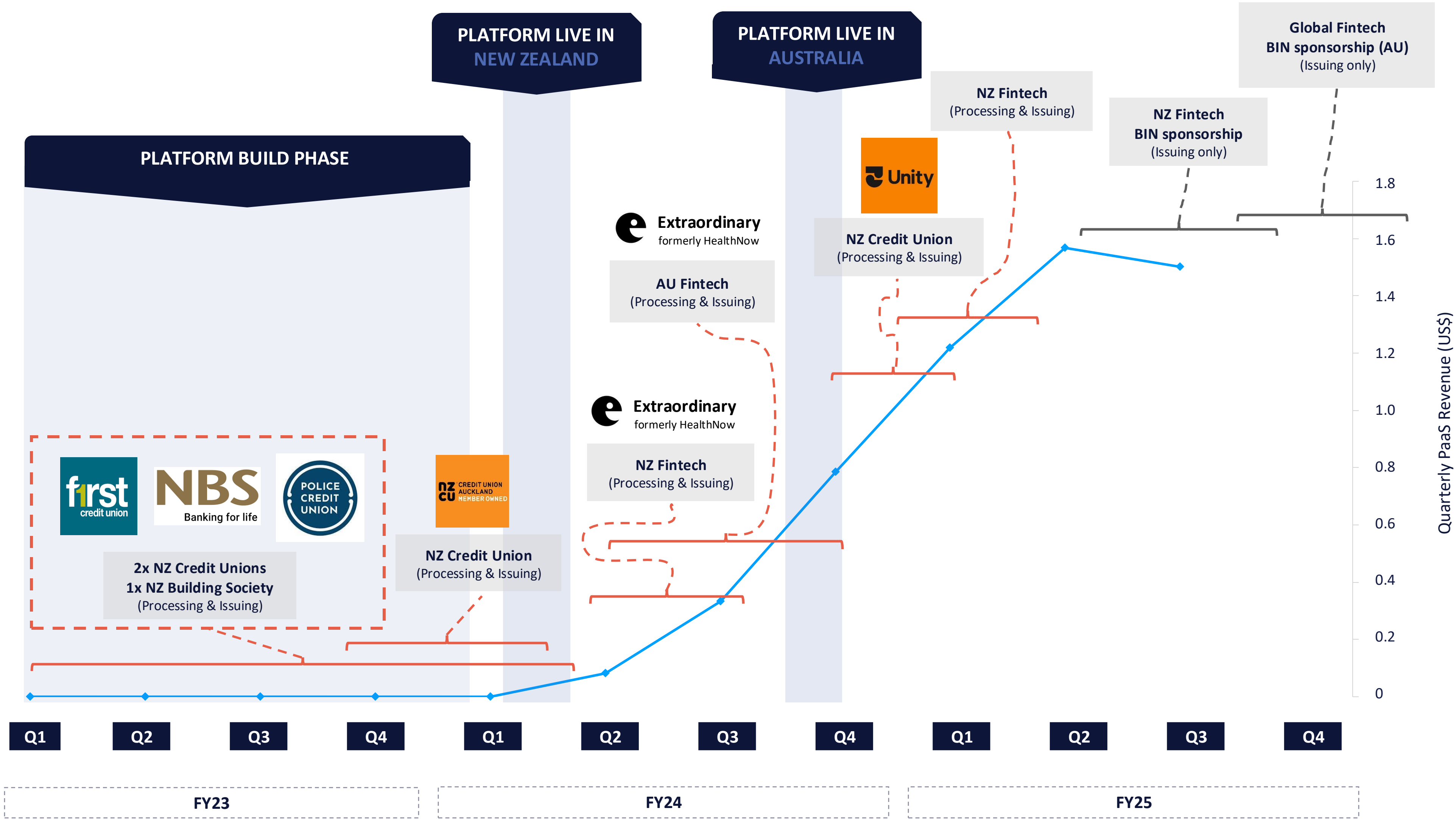


1. Transactions are denominated in local currencies and have been converted to USD, Change's reporting currency, for reporting purposes



Program launch  
timelines reducing  
given PaaS platform  
fully live and  
operational

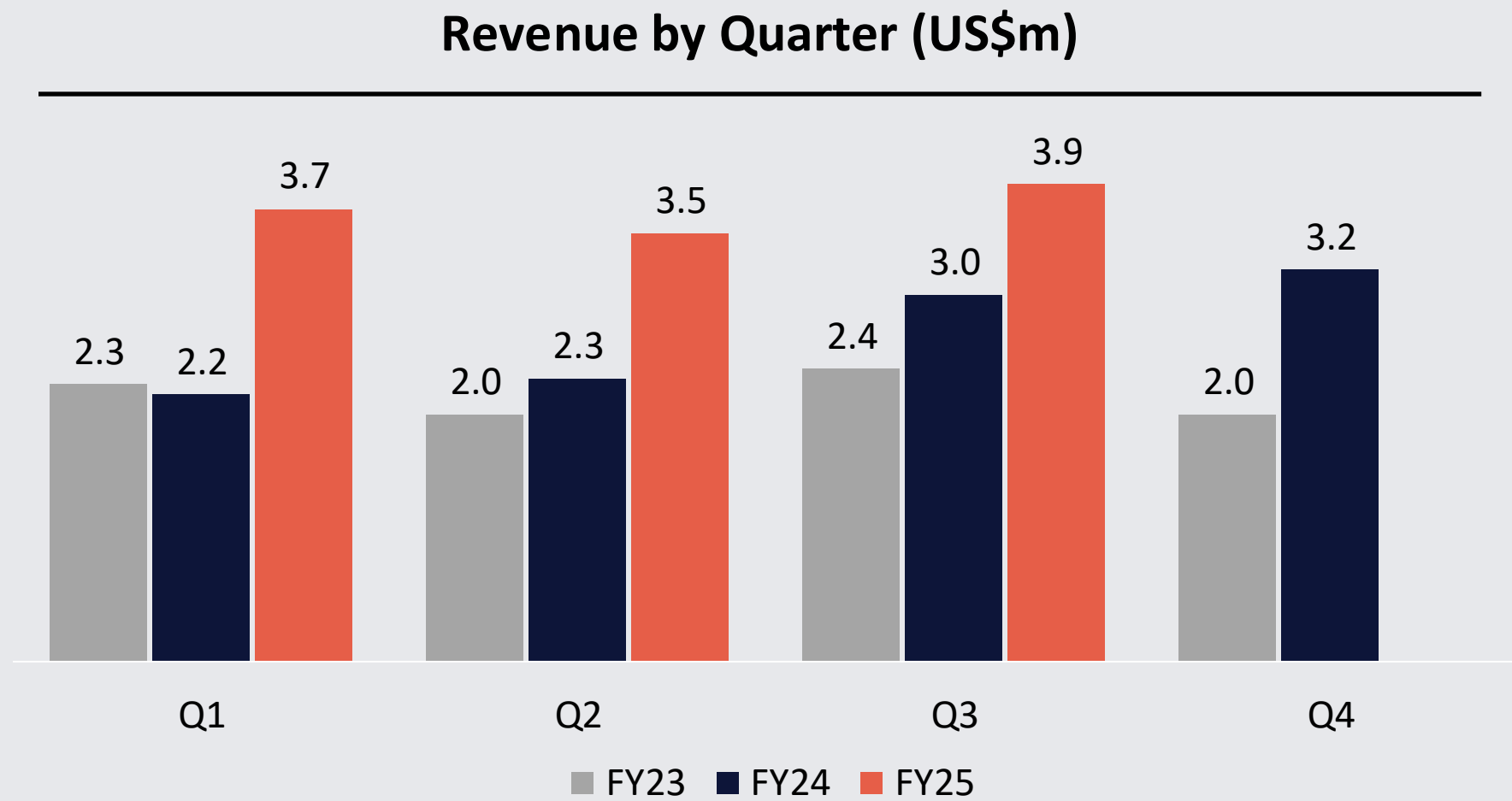
# Reducing launch timelines and accelerating PaaS Growth



PaaS making a meaningful contribution to revenue

# Financial Update – Q3 FY25

- ▶ Q3 FY25 revenue of US\$3.9m (A\$6.1m<sup>1</sup>), up 30% on pcp
  - ▶ **Record revenue quarter**
  - ▶ Growth driven by increasing PaaS revenue
  - ▶ Solid base of Support & Maintenance clients
  - ▶ Continuing to deliver one-off licence sales and professional services projects – in line with expectations
- ▶ Q3 FY25 Underlying EBITDA<sup>2</sup> (unaudited) of US\$0.4m (A\$0.6m)
  - ▶ Q3 FY25 Underlying EBITDA (unaudited) of US\$0.6m (A\$0.9m) excluding US operations



Revenue Contribution (US\$m)	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
PaaS (Recurring)	0.5	0.8	1.3	1.6	1.5
Support & Maintenance (Recurring)	1.2	1.2	1.3	1.3	1.3
Licence & Professional Services	1.3	1.1	1.1	0.5	1.1
Other	0.0	0.1	0.0	0.1	0.0
Total	3.0	3.2	3.7	3.5	3.9
% Recurring Revenue	53%	64%	69%	83%	70%

- ▶ Q3 FY25 PaaS revenue up 326% on PCP
- ▶ Slight decrease from Q2 FY25 (seasonality)
- ▶ 74% of FY25 YTD revenue from recurring revenue streams

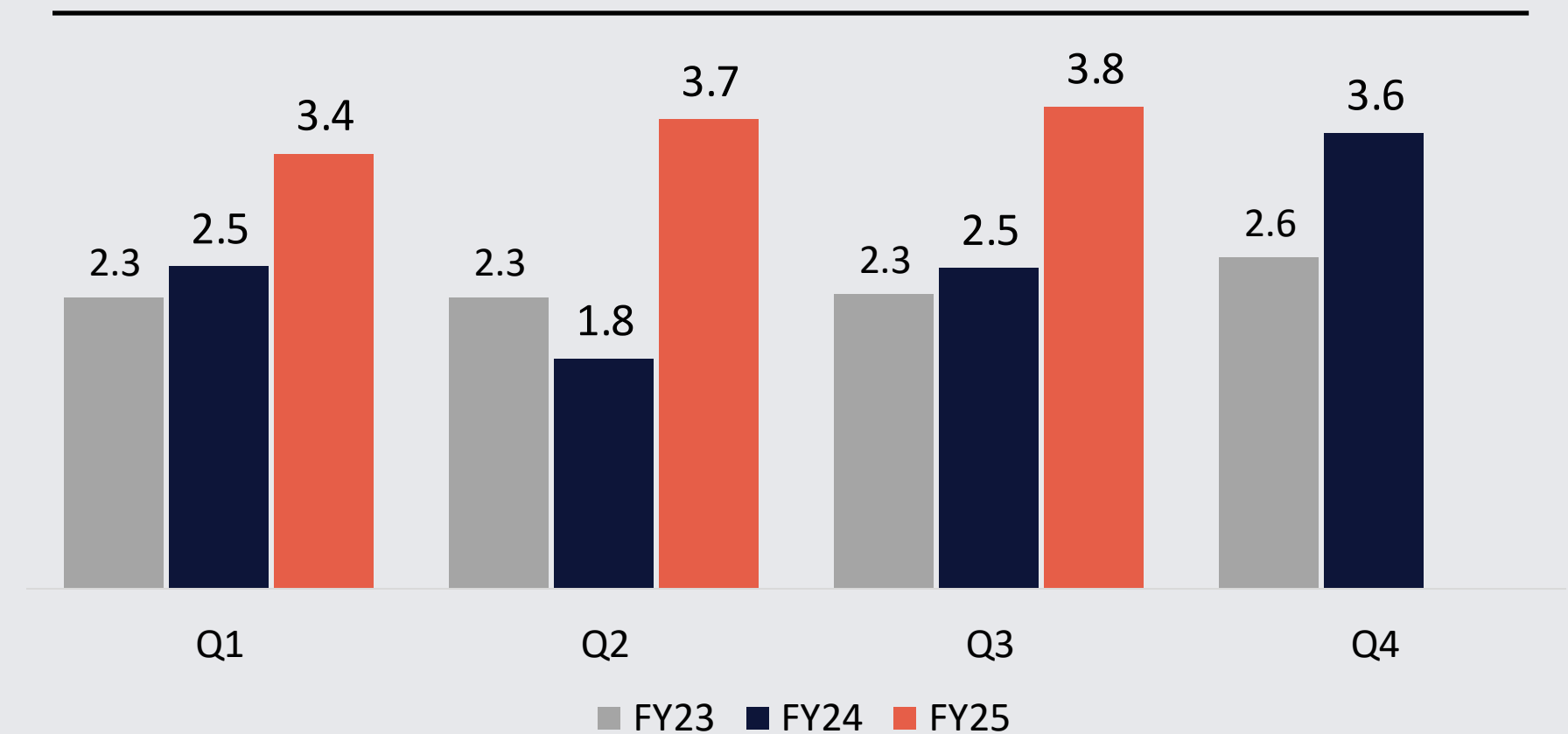
1. AUD/USD = 0.64  
2. Excludes interest included as revenue and share-based payments included as an expense in statutory accounts

## Financial Update – Q3 FY25 (cont.)

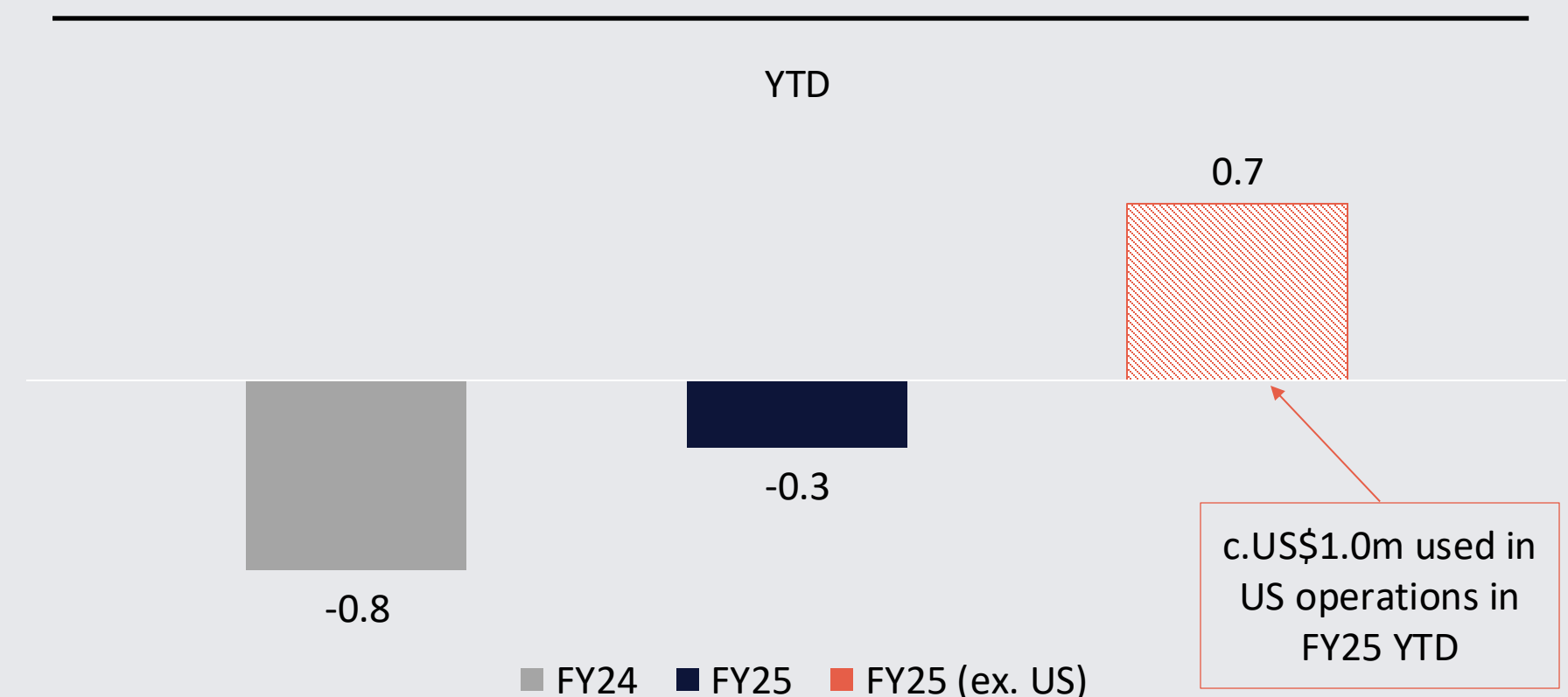
Exiting the US operations is delivering significant cost savings and operational efficiencies

- ▶ Cash receipts of US\$3.8m (A\$5.9m<sup>1</sup>), up 50% on pcip
- ▶ Cash payments for operating activities<sup>2</sup> of US\$3.7m (A\$5.8m), up 59% on pcip primarily driven by transaction costs for the NZ PaaS clients as volumes increased materially
- ▶ Staff costs (approximately 37% of cash payments for operating activities) up 3% on pcip
- ▶ Material increase in Admin & Corporate Costs on pcip due to:
  - ▶ Volume related PaaS transaction costs
  - ▶ Significant movements in Change funds used to settle obligations with the schemes in Q3 FY24
- ▶ Net cash used in operating activities in FY25 YTD materially lower than the prior year primarily due to:
  - ▶ Significantly higher cash receipts driven by PaaS clients
  - ▶ Stable fixed cost base
- ▶ US wind down substantially complete
  - ▶ Material reduction in operating costs in H2 FY25, particularly from Q4
- ▶ Cash holdings of US\$3.2m (A\$5.0m)
  - ▶ Additional US\$0.9m (A\$1.4m) held in cash-backed security guarantees relating to card issuing activities

Cash Receipts by Quarter (US\$m)



Net Cash from (used in) Operations (US\$m)



1. AUD/USD = 0.64

2. Excluding income tax and interest

# Key Focus to Accelerate Growth & Scale

1

## New Client Acquisition

- ▶ Vertexon – new PaaS clients in core target markets
  - ▶ Strong position and momentum in NZ market – continue to see solid pipeline of opportunities
  - ▶ Very focused on growing client base in AU – first AU BIN sponsorship client signed in Q3, building pipeline of opportunities on the back of NZ client wins
- ▶ PaySim – new licence sales
  - ▶ New Strategic BDM focused on outbound sales given significant market opportunity – positive early traction
- ▶ Partners – ‘one to many approach’ by leveraging existing partner network and establishing new strategic partnerships

2

## Cross Sell & Upsell

- ▶ Drive value-add project work from Vertexon and PaySim clients
- ▶ Release new features and functionality – first PaaS client now live with Apple and Google Pay in AU and NZ
- ▶ Continue journey with existing Vertexon On-Premises clients to migrate to PaaS or upgrade to latest On-Premises version

3

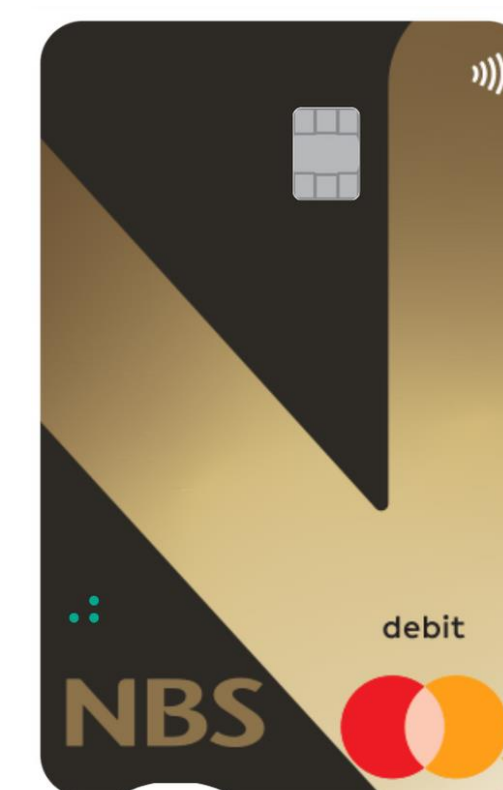
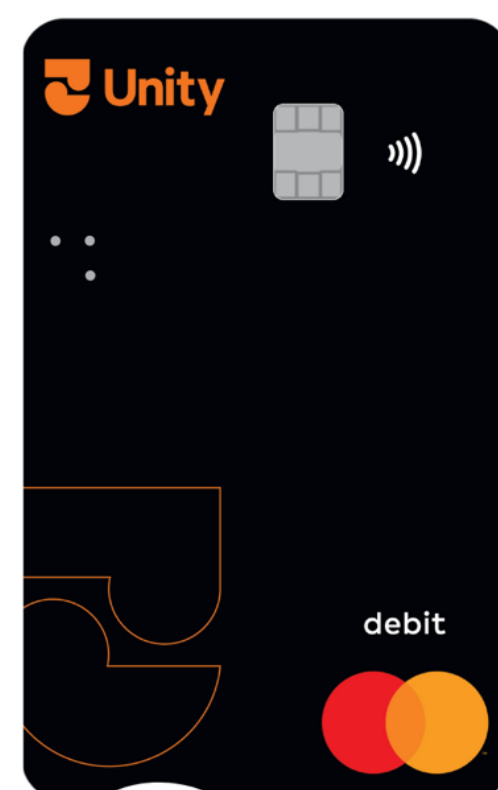
## Inorganic Growth

- ▶ Explore inorganic opportunities that complement strategy and organic growth – drive increasing growth and profitability



# Outlook

- ▶ **Delivering on FY25 growth and financial targets**
- ▶ **Targeting FY25 revenue growth in excess of 30% - ON TRACK**
  - ▶ Underpinned by significant portion of 'recurring' revenue – PaaS and Support & Maintenance (74% of FY25 YTD revenue)
  - ▶ Focused on building the sales pipeline and winning new deals, particularly in Oceania and SE Asia, to deliver sustained revenue growth over the coming quarters
- ▶ **Increasing operating leverage – targeting maiden EBITDA positive result in FY25 - ON TRACK**
  - ▶ Focused on scaling the PaaS platform in Oceania to drive margin improvement – replicate NZ success in Australia
  - ▶ Exit from loss-making US operations (now substantially completed) will drive material improvement in EBITDA and cashflow



With strong foundations in place, Change is focussed on delivering profitable growth

# Investment Highlights

## Building Blocks In Place



- ▶ All regulatory and licensing requirements for card issuing via Vertexon in NZ & AU in place
- ▶ Australian Financial Services Licence in AU & Financial Service Provider in NZ
- ▶ Strong relationship with Mastercard

## Growth & Scale Focus



- ▶ Targeting to deliver revenue growth in excess of 30% and maiden EBITDA positive result in FY25
- ▶ FY25 YTD revenue of US\$11.1m (A\$17.3m)
- ▶ Contracted PaaS revenue building
- ▶ Material cost base reduction in H2 FY25 as exit loss making US operations

## Marquee Customers



- ▶ Strong validation of PaaS platform with several financial institution and fintech clients in Oceania
- ▶ Long-term relationship with two of the largest banks in the Philippines
- ▶ 5 of the top 10 digital payment companies globally use PaySim for payments testing<sup>1</sup>

## Product Offering



- ▶ Vertexon: leading card management system for processing & issuing
- ▶ PaySim: default standard for eftpos testing in Australia. All participants must use PaySim to validate their technology and systems

## Long-term Contracts



- ▶ Longer term client relationships with initial contract terms typically 3-5 years
- ▶ Given critical nature of service provided, challenging to switch from Vertexon

## Market Tailwinds

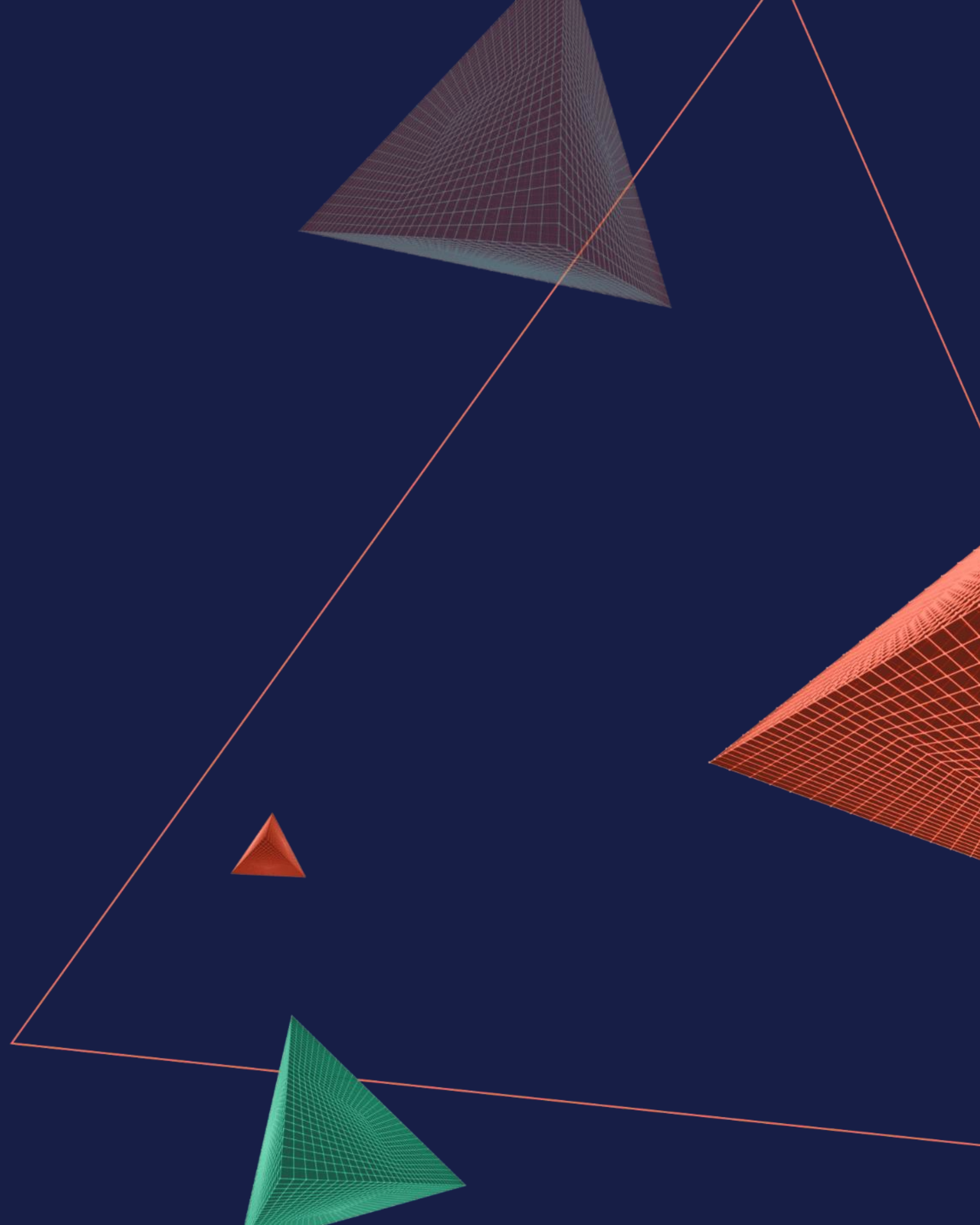


- ▶ Continued move towards digital payments as cash usage declines
- ▶ High barriers to entry to become card issuer with extensive regulatory and licensing requirements providing a strong moat for Change

change.

# Appendix

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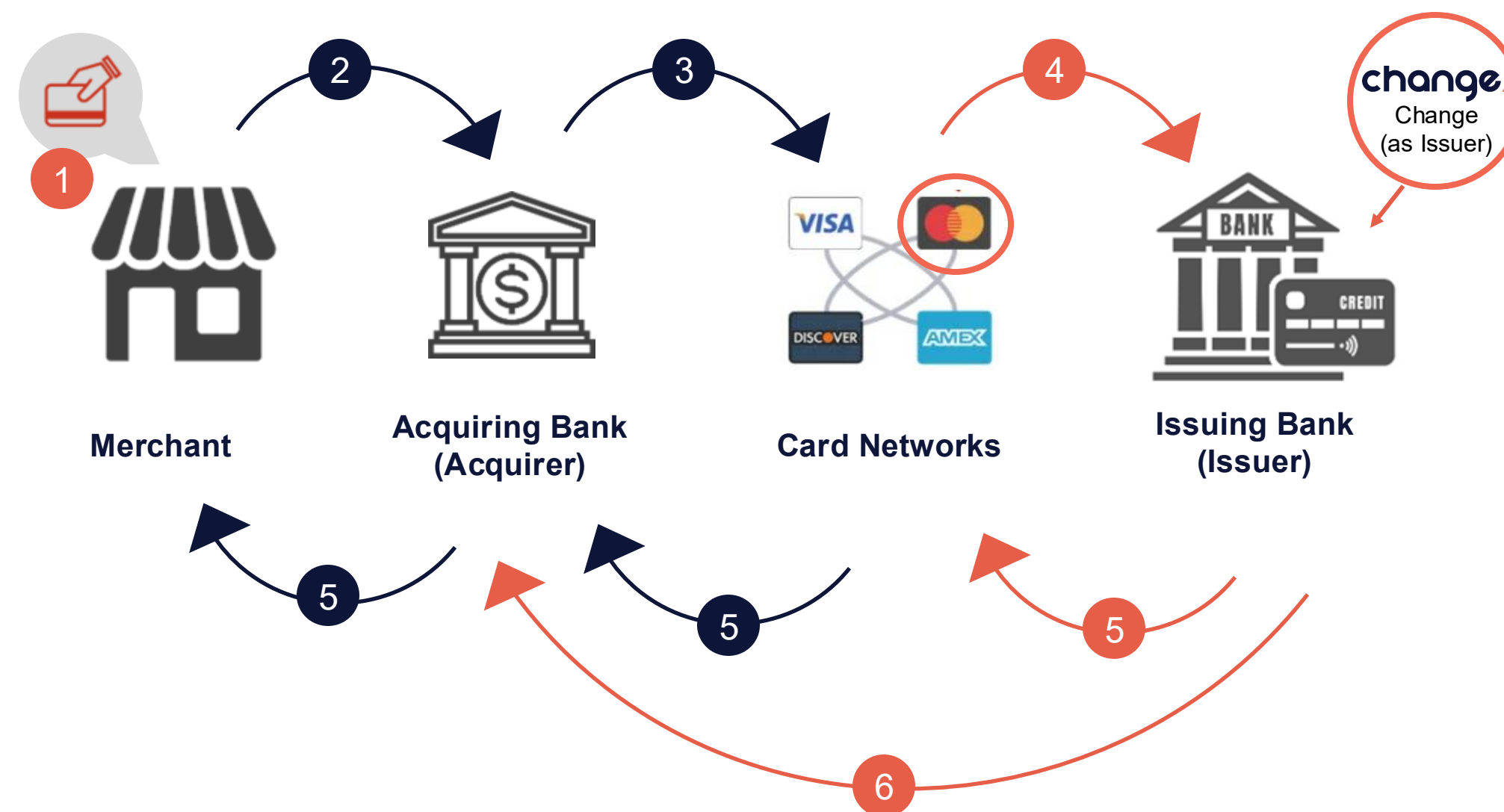




Change's role in the payments process depends on the region, client type and services provided

## 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**







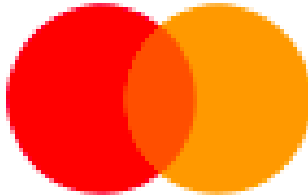


- Processing:** Customer pays with card (all card networks supported) & purchases goods/services from merchant  
**P&I:** Customer pays with a **Change** issued **Mastercard** & purchases goods/services from a merchant
- Payment authenticated – the merchant point-of-sale system captures the customer's 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



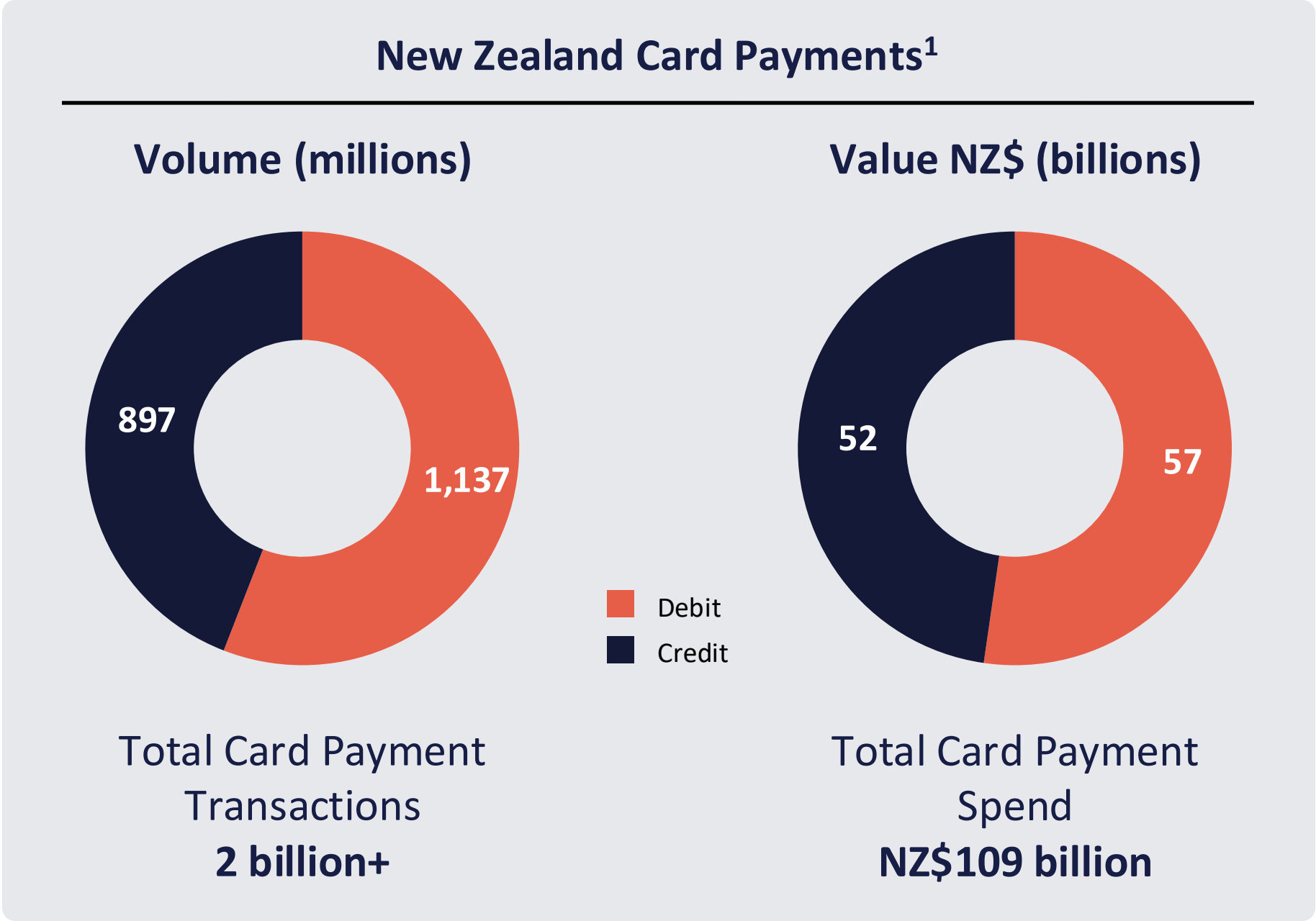
# Vertexon product offering

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

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

# Market Overview – New Zealand

- ▶ Banking in New Zealand is dominated by the Big 4 banks
  - ▶ 27 registered banks plus several credit unions & building societies
  - ▶ No payment aggregation services providers for smaller players & historically limited innovation outside the Big 4 Banks
  - ▶ Estimated that small financial institutions make up just less than 10% of the market<sup>1</sup>
- ▶ In addition to continuing to target the financial institution market segment, there are further opportunities in:
  - ▶ **Prepaid cards** – current clients include employee benefits provider & a prepaid gift card client signed in Q1 FY25
    - ▶ Further opportunities in insurance, gaming, government & healthcare sectors
  - ▶ **Debit card** – current client includes personal wealth management client with >500k members signed in Q2 FY25
    - ▶ Further opportunities include non-bank corporate lenders, embedded finance and other non-financial institutions



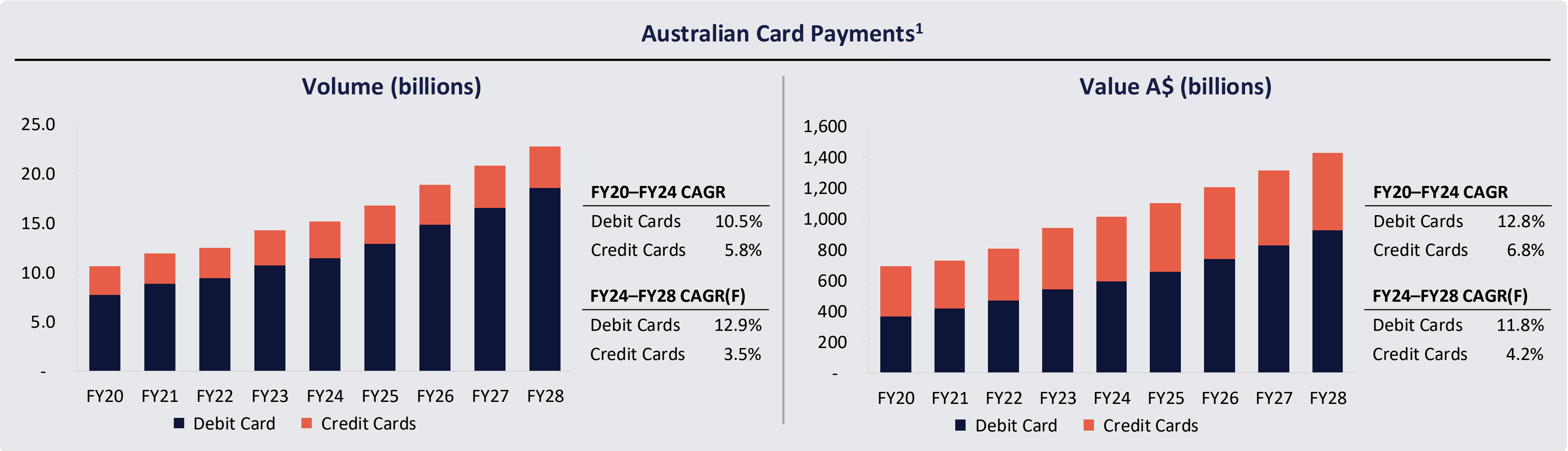
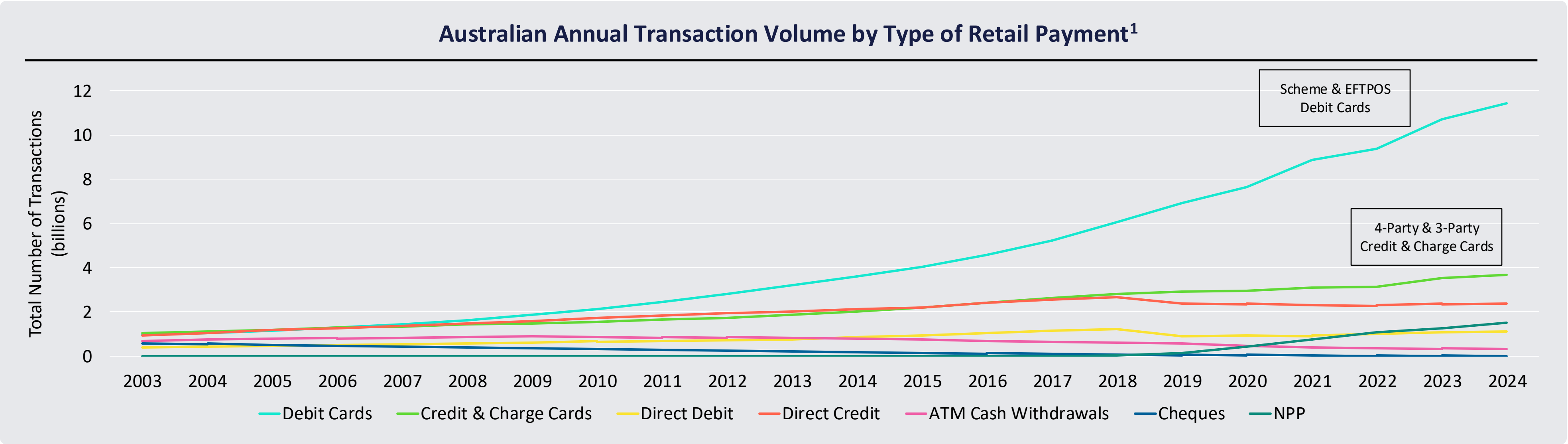
	change.	Annualised Run Rate	Market Share
Transaction Volume		c.19.4m	<1%
Transaction Value		c.NZ\$1.0b	<1%
▶ Change estimated debit market share <sup>2</sup> of small financial institutions is approx.15%			

1. Sourced from The Initiatives Group, Market Sizing for Vertexon – Australia & New Zealand Report

2. Excludes ATM transactions processed by Change

# Market Overview – Australia

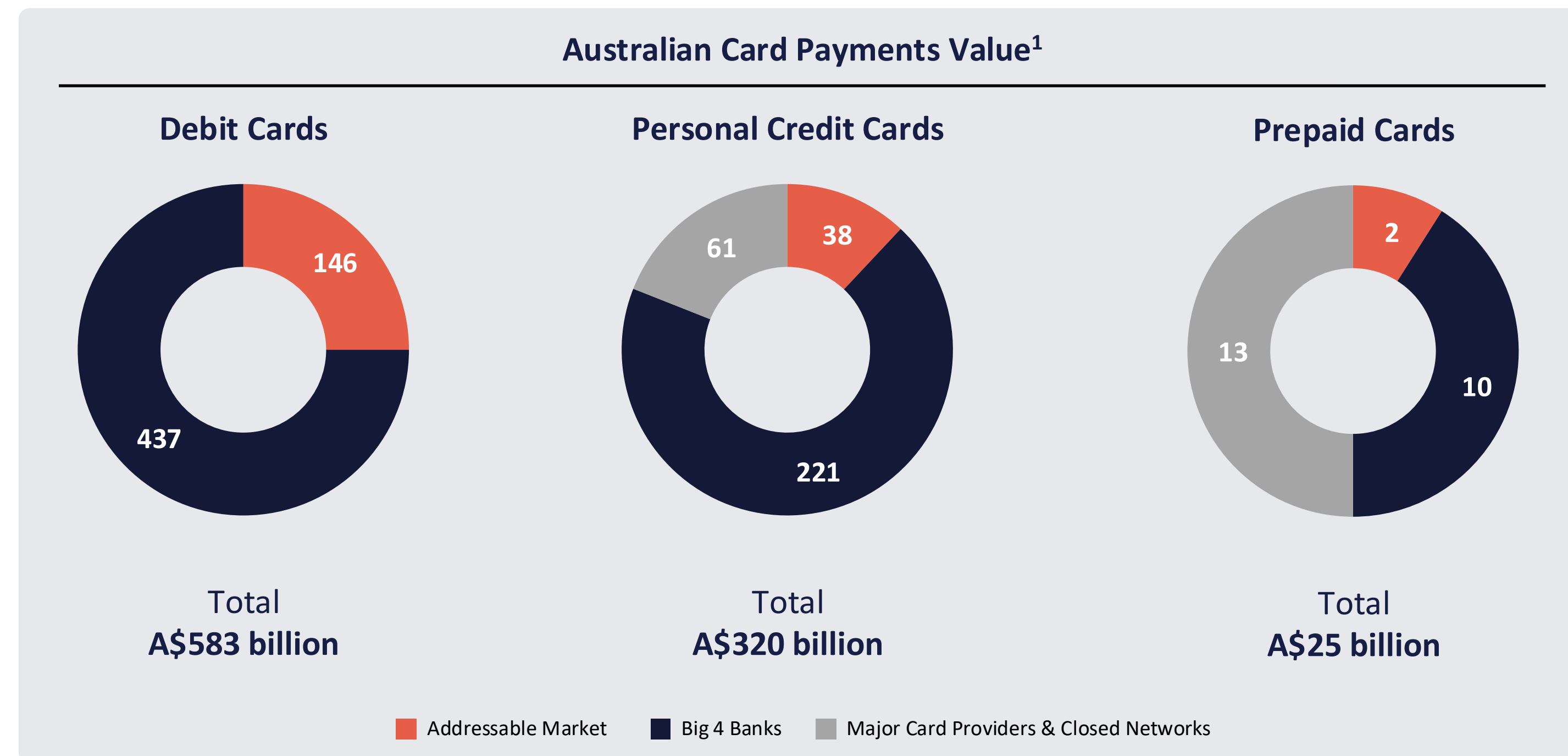
Card based payments  
now dominate  
transaction volume in  
Australia



1. Sourced from RBA Data & The Initiatives Group, Market Sizing for Vertexon – Australia & New Zealand Report. FY25-FY28 Forecasts

## Market Overview – Australia (cont.)

- ▶ Whilst the Big 4 banks have a significant position in the Australian card issuing market, there is a materially larger opportunity than in New Zealand
- ▶ Change is seeking to leverage the recent success in the NZ market to target the sizeable AU market
  - ▶ Small to medium sized financial institutions (e.g. credit unions, small banks and digital banks)
  - ▶ Non-bank lenders seeking to add card functionality, non-financial institutions and embedded finance opportunities
  - ▶ Credit cards (but not underwriting or providing credit)
  - ▶ White label prepaid card brands / issuers

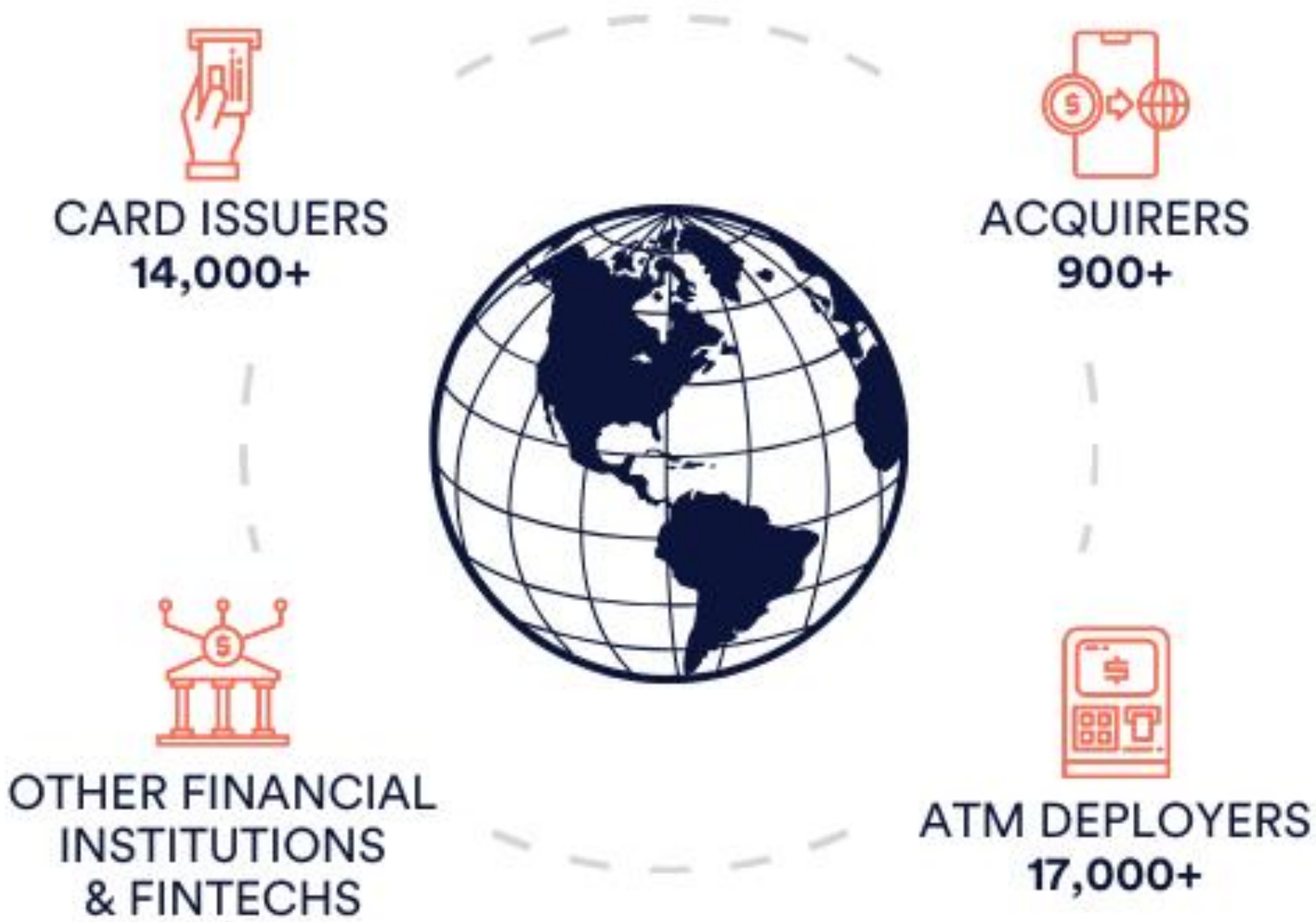


1. Sourced from RBA Data & The Initiatives Group, Market Sizing for Vertexon – Australia & New Zealand Report. FY25-FY28 Forecasts



# PaySim Market Overview – Global

- ▶ Extremely powerful modular end-to-end payments testing and certification solution embedded into tier 1 banking and payments institutions globally
  - ▶ Core based on global messaging standard ISO8583
  - ▶ Default standard and benchmark for EFTPOS testing in Australia
- ▶ Global payment testing market is estimated to be extensive<sup>1</sup>
  - ▶ More than 32,000 potential clients (inc. card issuers, acquirers, ATM deployers, financial institutions & fintechs)
  - ▶ New license sales are typically in the low six-figure range
  - ▶ Multi billion-dollar global market opportunity
- ▶ Key focus & opportunities for growth:
  - ▶ **Partner / reseller network** – leverage existing partner network to drive sales and secure new partners / resellers
  - ▶ **Direct sales** – outbound direct client sales supported by marketing activities
  - ▶ **Cross sell / upsell** – upgrade existing clients to adopt more modules and deepen integration into client’s systems
  - ▶ **Product development** – new products and features to meet additional payments testing requirements



Number of PaySim Clients	Market Share
--------------------------	--------------

140+	<0.5%
------	-------

- ▶ PaySim is a powerful payments testing tool, ensuring seamless transactions before they go live, can be sold globally and supported from Change's existing office locations

1. Sourced from The Initiatives Group, PaySim Market Review Report

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"><li>▶ Reduced capex</li><li>▶ Access to new features &amp; updates as they are released</li><li>▶ API &amp; cloud focused solution (improves scalability)</li></ul>
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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