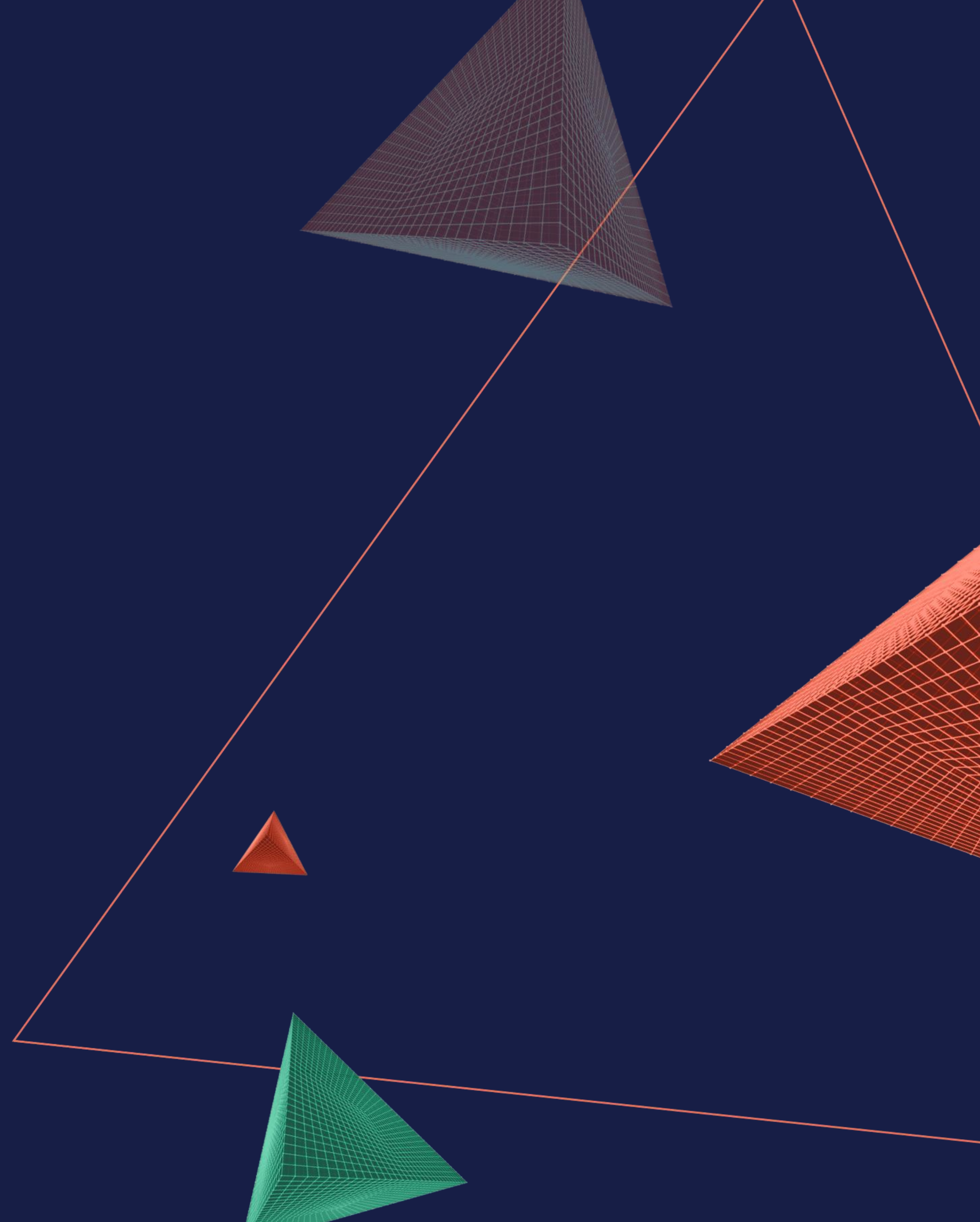


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## Annual Report Presentation

For the year ended 30 June 2021



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## Important Notice

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Change has the vision and capabilities to simplify payment experiences worldwide.

# Payments as a Service provider

## Vision

Simplifying payment experiences worldwide

## Ambition

To be a leading Payments as a Service provider through simple, flexible and fast to market technology

## Enablers

People      Products      Partnerships

## Priorities



Grow from the core



Perform with strong results



Excel through solutions



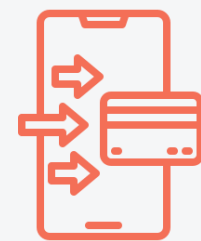
Differentiate in client experiences

# Delivering scalable payments solutions

Payments solutions provider, driving innovation in the Banking as a Service ecosystem.

## Banking as a Service

### Payments as a Service



Issuing physical, digital and virtual prepaid, debit and credit cards

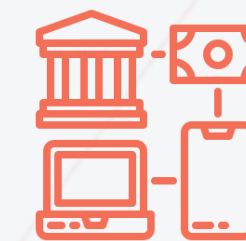


BNPL, Digital wallets, Apple Pay, Google Pay and Samsung Pay



Transaction processing for major schemes Mastercard, VISA, Union Pay, JCB and AMEX

### Payment testing



Payment simulation



Testing automation



All network management and financial transactions

## Company snapshot

Leveraging our people and customer base to grow our payments and testing solutions.



**16m+ cards**

Scalable payments platform



**99 different currencies**

Agnostic payments solutions



**96% client retention**

Sticky client base



**8+ years average tenure**

Highly engaged clients

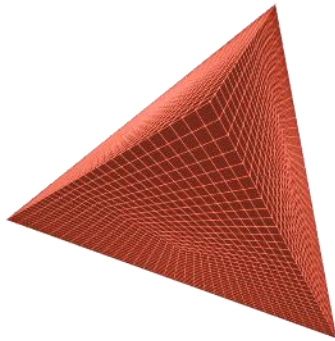


**Processing for the major schemes**



Transformative year for Change, acquiring world class solutions to extend our payment capabilities.

# Building a strong foundation for growth



FY21 Q1

FY21 Q2

FY21 Q3

FY21 Q4



- ✓ MasterCard certified processor launched in USA

- ✓ Key payment certification received (PCI-DSS certification)

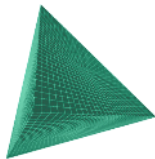
- ✓ UpChange prepaid card & mobile app launched

- ✓ Strategic acquisition to build on payment processor technology, benefits include:

- Blue-chip client base
- Geographical reach
- Accelerated technology and product roadmaps
- Global workforce

- ✓ Completed Phase 1 of platform integration project

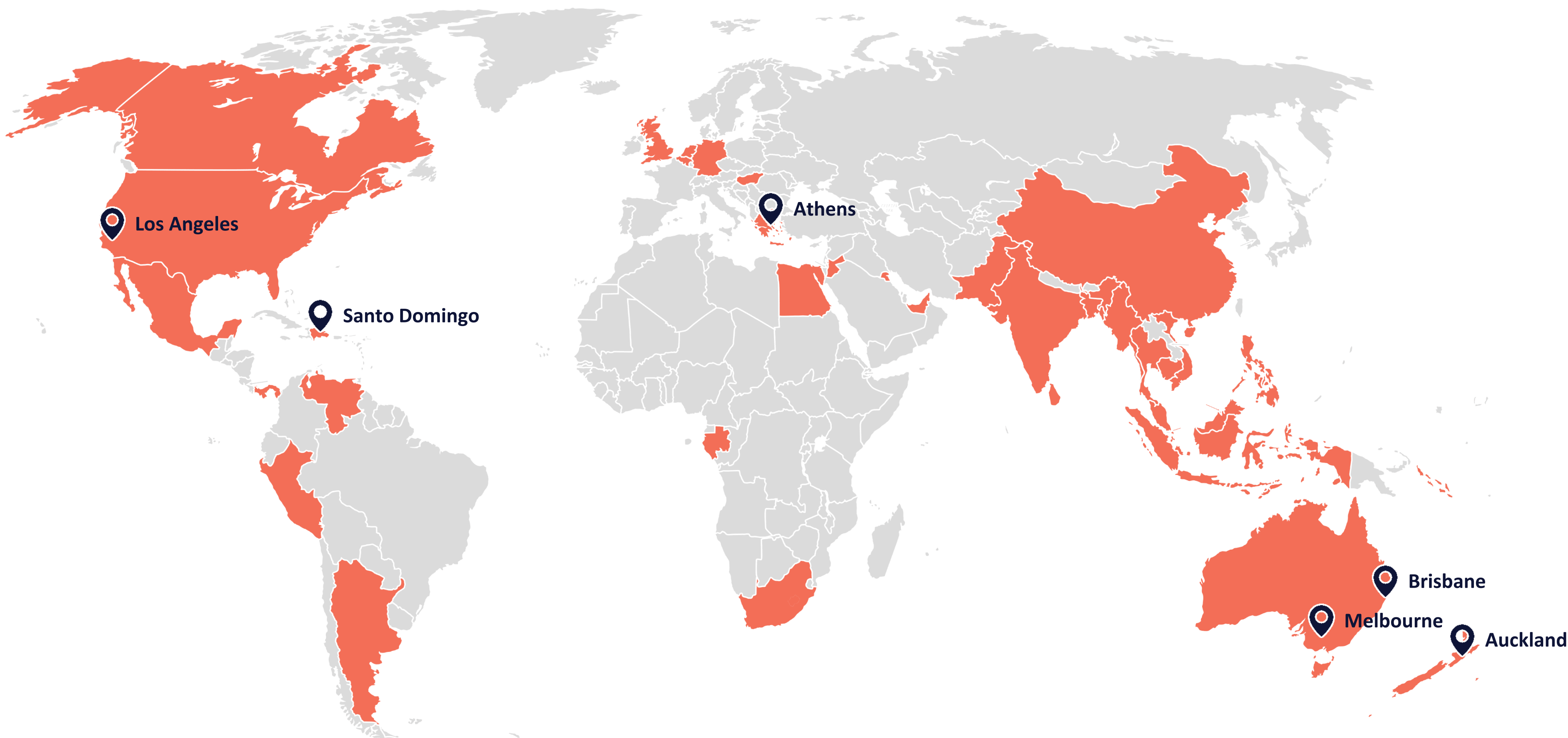
- ✓ Pi Pay partnership
- ✓ Strategy and GTM completed
- ✓ Key executive team appointments complete





We have a diverse team of 80 people with local knowledge to support our 136 customers across 36 countries.

# Global fintech with local expertise



136 clients  
Large and growing customer base

 Our offices / staff

 Our clients

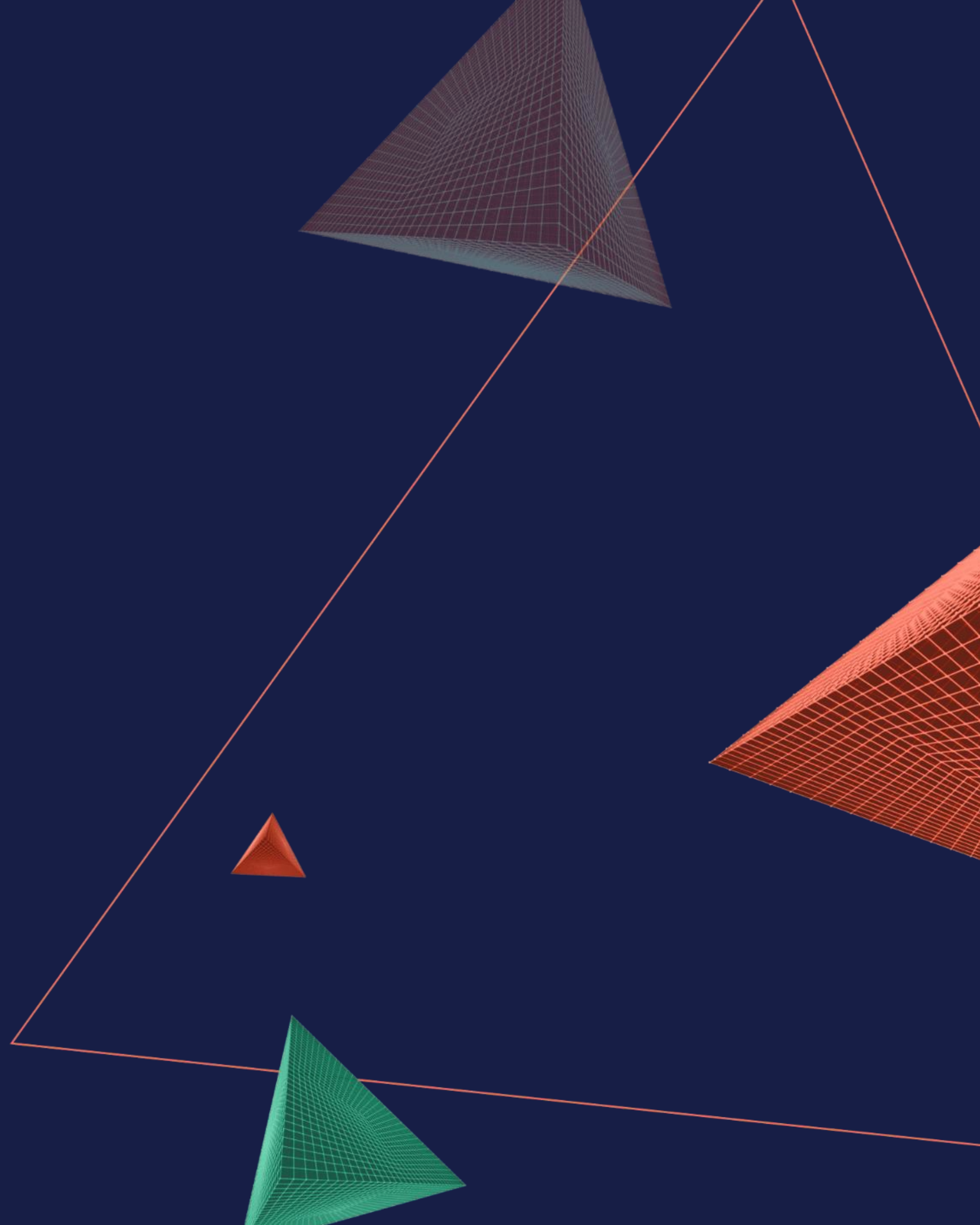


Clients in 36 countries  
Global footprint

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# Products

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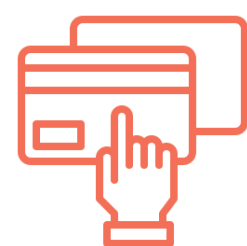
Our payments solutions power card programs around the globe.

## Payments as a Service

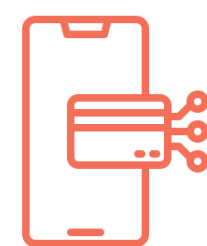
Our payment platform aims to lower the barrier of entry for banks, fintechs and brands to deliver digital card solutions to their customers.



Issuing physical, digital and virtual cards



Prepaid, debit and credit cards



Digital wallets, Apple Pay, Google Pay and Samsung Pay



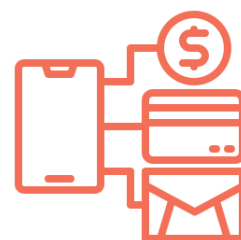
Transaction processing for major schemes Mastercard, VISA, Union Pay, JCB and AMEX



Buy Now Pay Later



Loyalty program integration



Full program management services

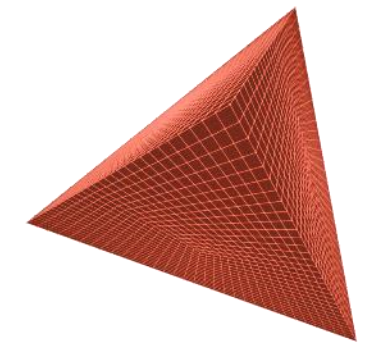


SaaS and OnPrem offerings





# Tailored payments solutions to suit our clients' needs



Our technology allows our clients to deliver innovative and market leading card solutions to their customers.

*“Change’s staff are knowledgeable, professional and cooperative across every project. They have helped us bring many innovative and flexible payments solutions to market quickly.”*

Senior Vice  
President, BDO



## ME Bank's Digital Experience

ME has issued over 450,000 card products including the Buck card, a digital and physical Mastercard debit card and Frank, a low rate physical and digital Mastercard credit card.

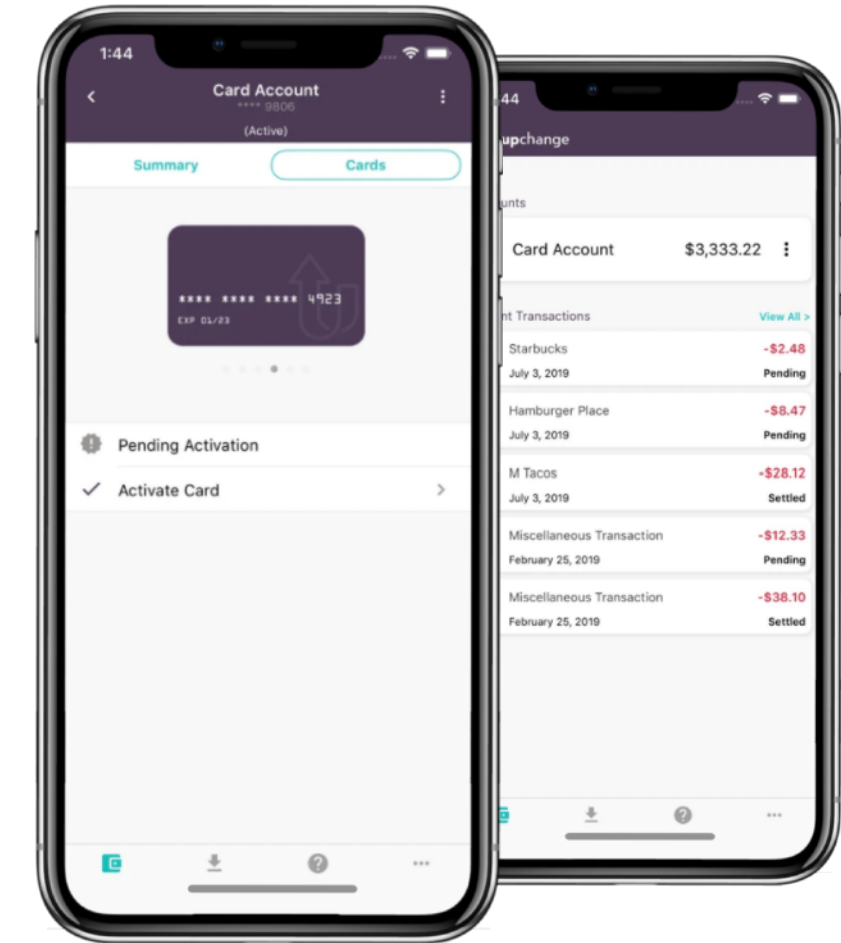
Vertexon powers ME's digital wallets including Apple Pay, Google Pay, Samsung Pay, Fitbit Pay and Garmin Pay.



## BDO Cards and BNPL

BDO, the Philippines' largest bank, trust Change's Vertexon to deliver its card solutions, flexible BNPL payment solutions

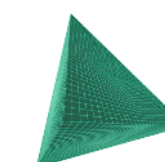
The partnership is key to providing BDO with flexibility and control over its card programs.



## UpChange Prepaid

The UpChange prepaid card showcases the Vertexon program management and Mastercard processing capabilities.

Change delivers PCI-DSS certified card management services, dynamic transaction control and mobile apps to its US cardholders.

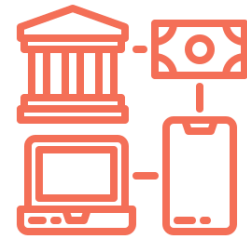




PaySim enhances our customers' speed to market by delivering automated, repeatable and scalable testing capabilities.

## Testing platform

Enables financial institutions to test their payment systems to meet the reliability and performance expectations of their customers. PaySim simulates the full transaction lifecycle, enabling banks and fintechs to complete end to end testing of their payment platforms and processes.



Payment Simulation



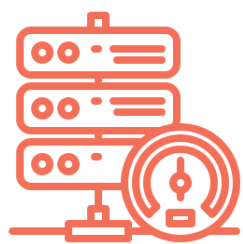
Testing Automation



All network management and financial transactions



ATM and POS Emulation



Stress Testing



Visa, Mastercard, UnionPay, Amex, JCB Validation



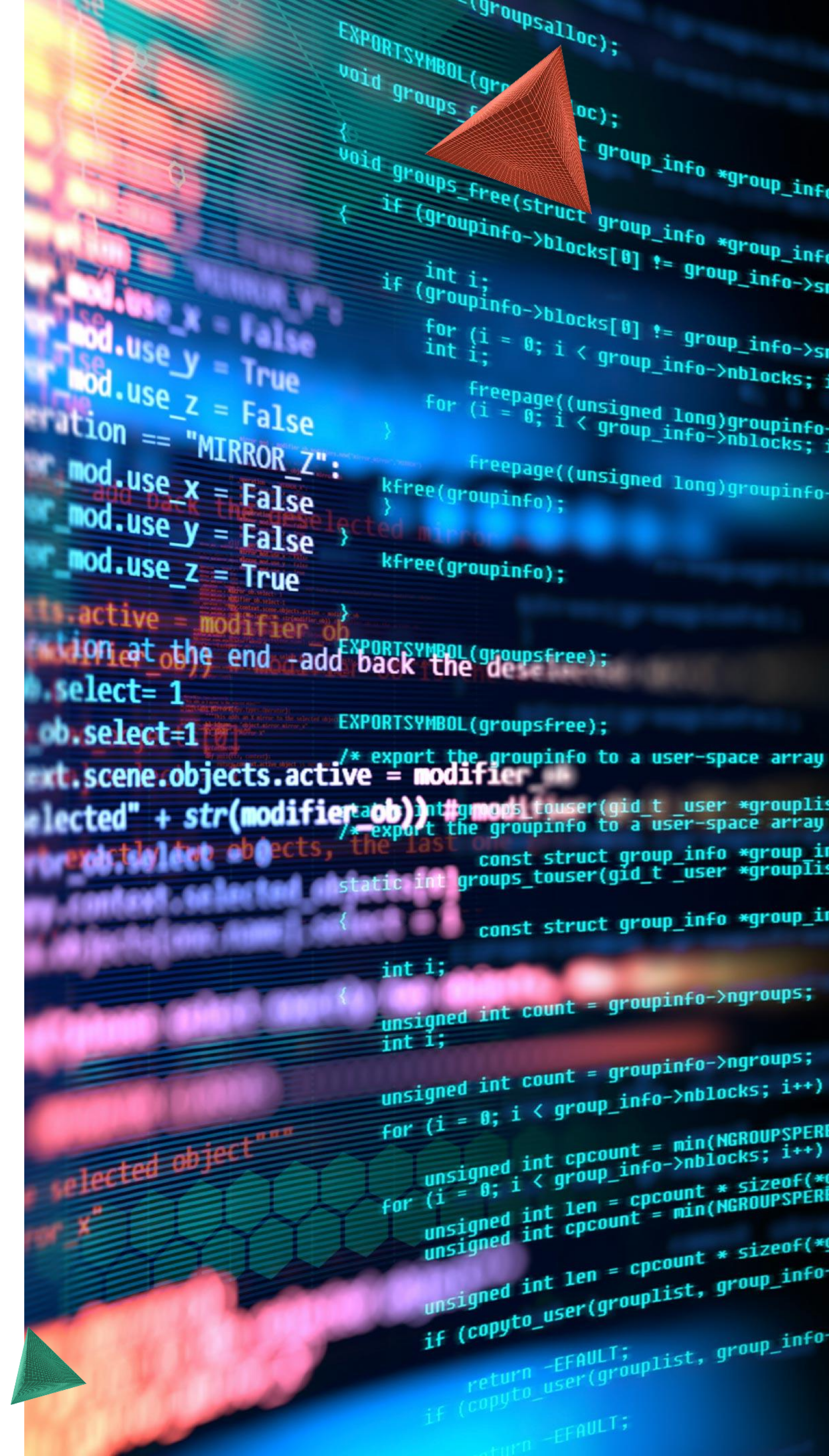
API



Regression Testing



EMV, Faster Payments Standards / NPP

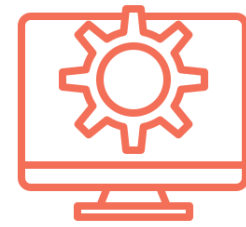




# Testing platform to speed up clients' processes

PaySim is the de facto standard for EFTPOS testing in Australia and all participants must use our software to validate their technology.

By removing the complexity of needing to integrate with third party and physical testing devices, the PaySim solution speeds up the testing process, cutting costs and delivering secure payments.



Accelerate development



Work remotely



Coverage of all possible faults



Quarterly updates



Product Roadmap



ROI



Test the latest features



Compliance for schemes and networks



Increase speed to market

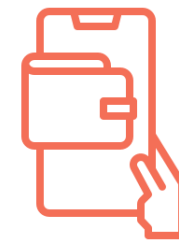




A digital wallet  
SaaS platform for  
fintechs and banks  
to deliver world  
class payments  
solutions in  
emerging markets.

## White Label Mobile Wallet

Change recently announced our partnership with Pi Pay. Under the partnership, Change's solution will enable Pi Pay to offer digital acquiring services to more than 50,000 merchants, as well as mobile wallets to more than 360,000 consumers.



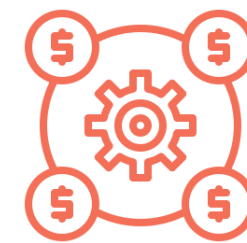
Mobile and  
digital wallet



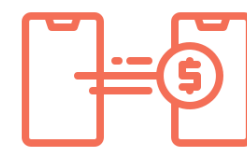
Merchant  
acquiring



Merchant self  
management



Money transfers



Transfers



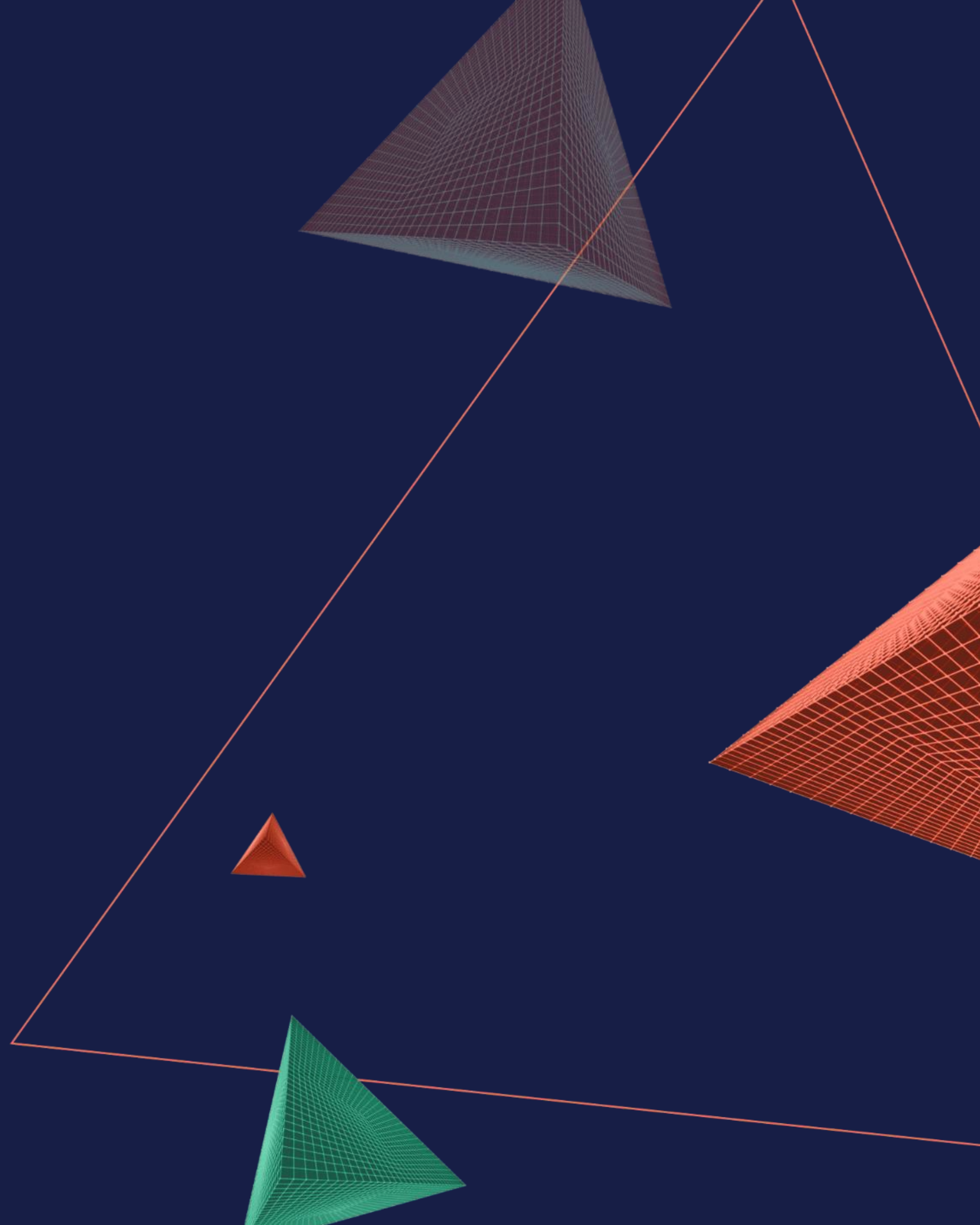
Promotions



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# FY21 Results

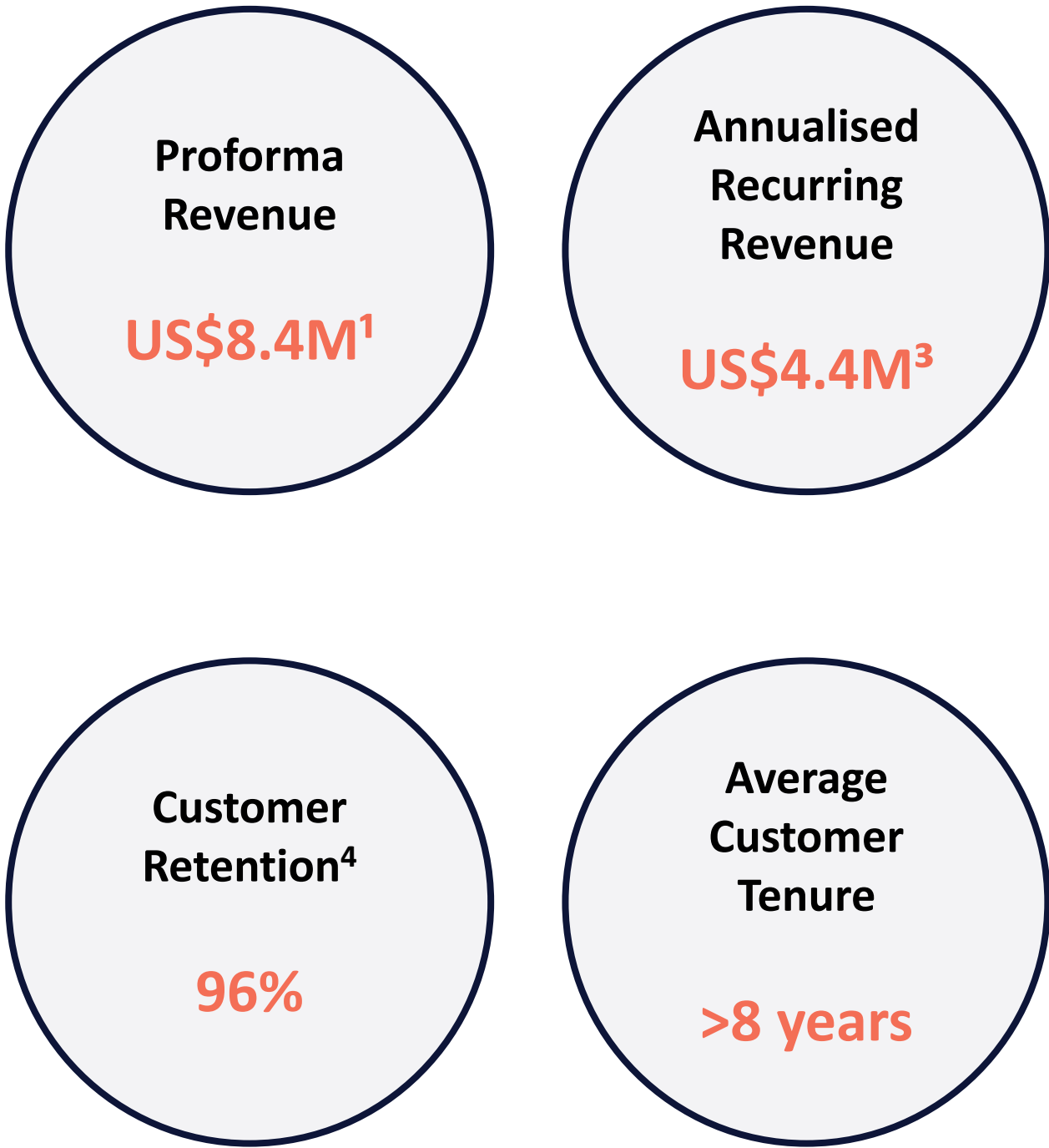
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# Financial Performance

Transformative year for the business, generating strong ARR and laying the foundations for future growth.



Year ended 30 June (US\$'000)	FY21 Actual	Adjustments¹	FY21 Combined Proforma²	FY20 Actual	FY21 Actual v FY20 Actual
Revenue	6,313	2,120	8,433	258	2,344%
Operating Expenses	(8,966)	(1,572)	(10,539)	(3,758)	139%
EBITDA	(2,653)	547	(2,106)	(3,500)	24%
Depreciation & Amortisation	(635)	(267)	(902)	(12)	4,991%
Profit / (Loss) before Tax	(3,288)	281	(3,008)	(3,513)	6%
Income Tax (Expense) / Benefit	(189)	(16)	(205)	-	N/A
Profit / (Loss) from Operations	(3,477)	265	(3,213)	(3,513)	1%

¹Wirecard FY21 management accounts (unaudited) for the period prior to acquisition, being 1 July 2020 to 30 September 2020

²On a proforma basis assuming the acquisition occurred on 1 July 2020

³Run rate Annualised Recurring Revenue as at 30 June 2021

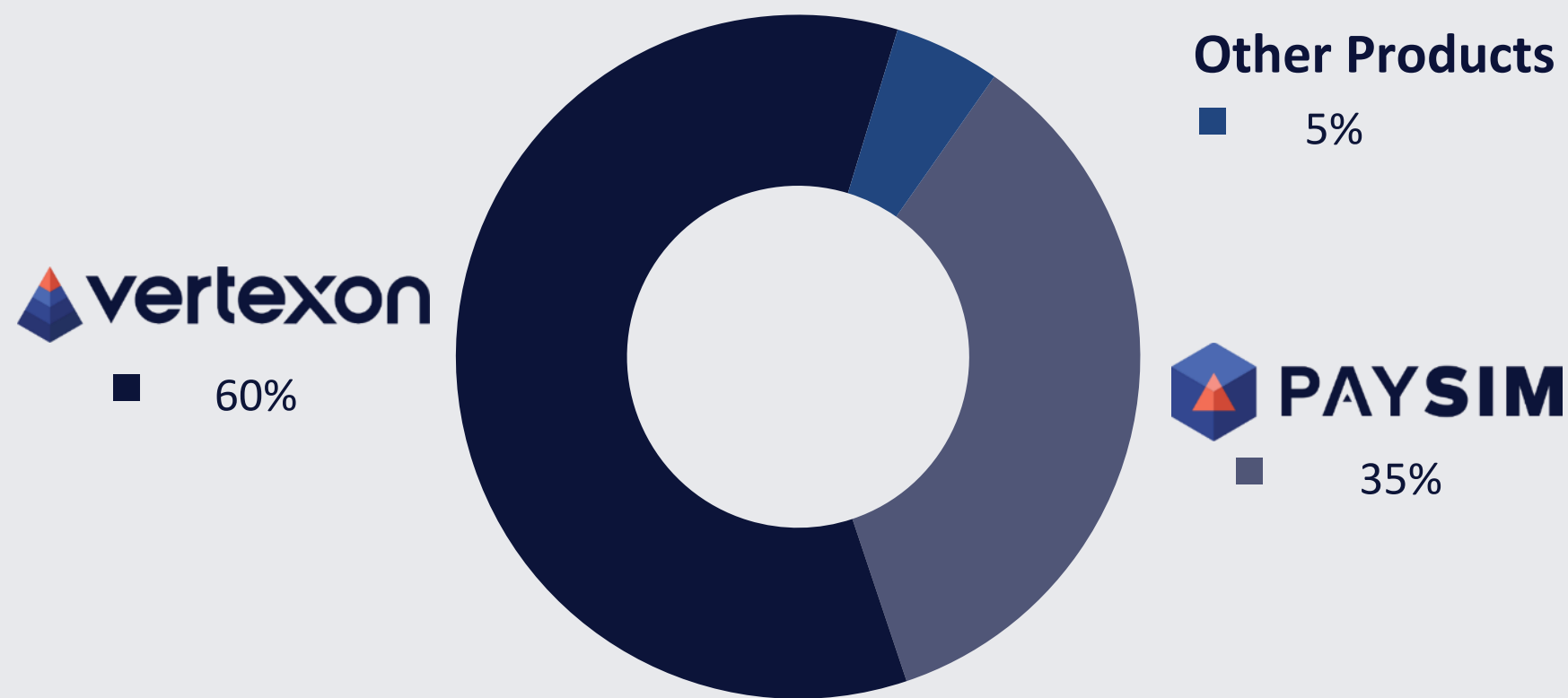
⁴Customer retention for the period 1 October 2020 to 30 June 2021

Diverse range of customers and product usage globally.

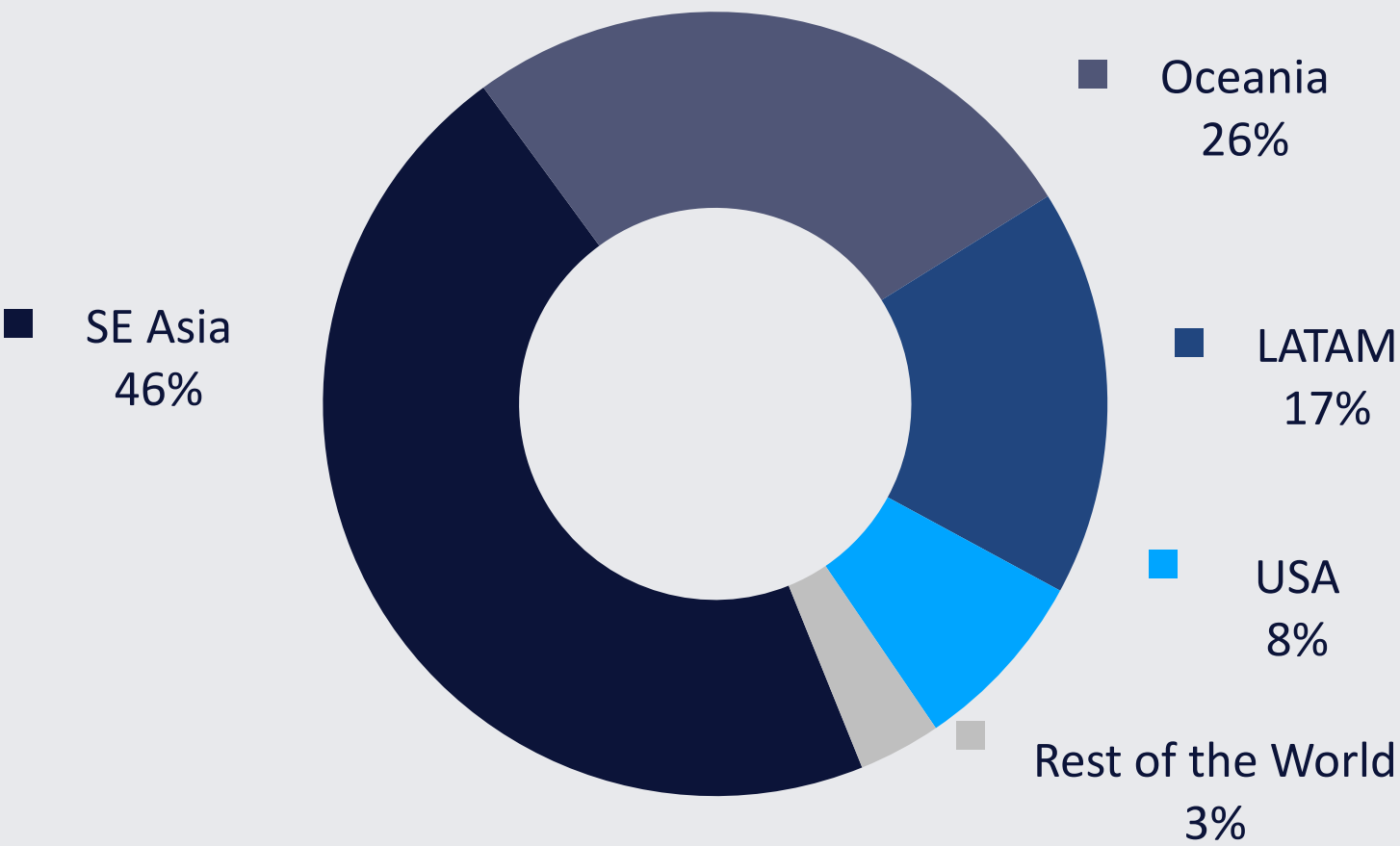
Expansive regional presence and a platform for future growth and expansion.

# Revenue Breakdown

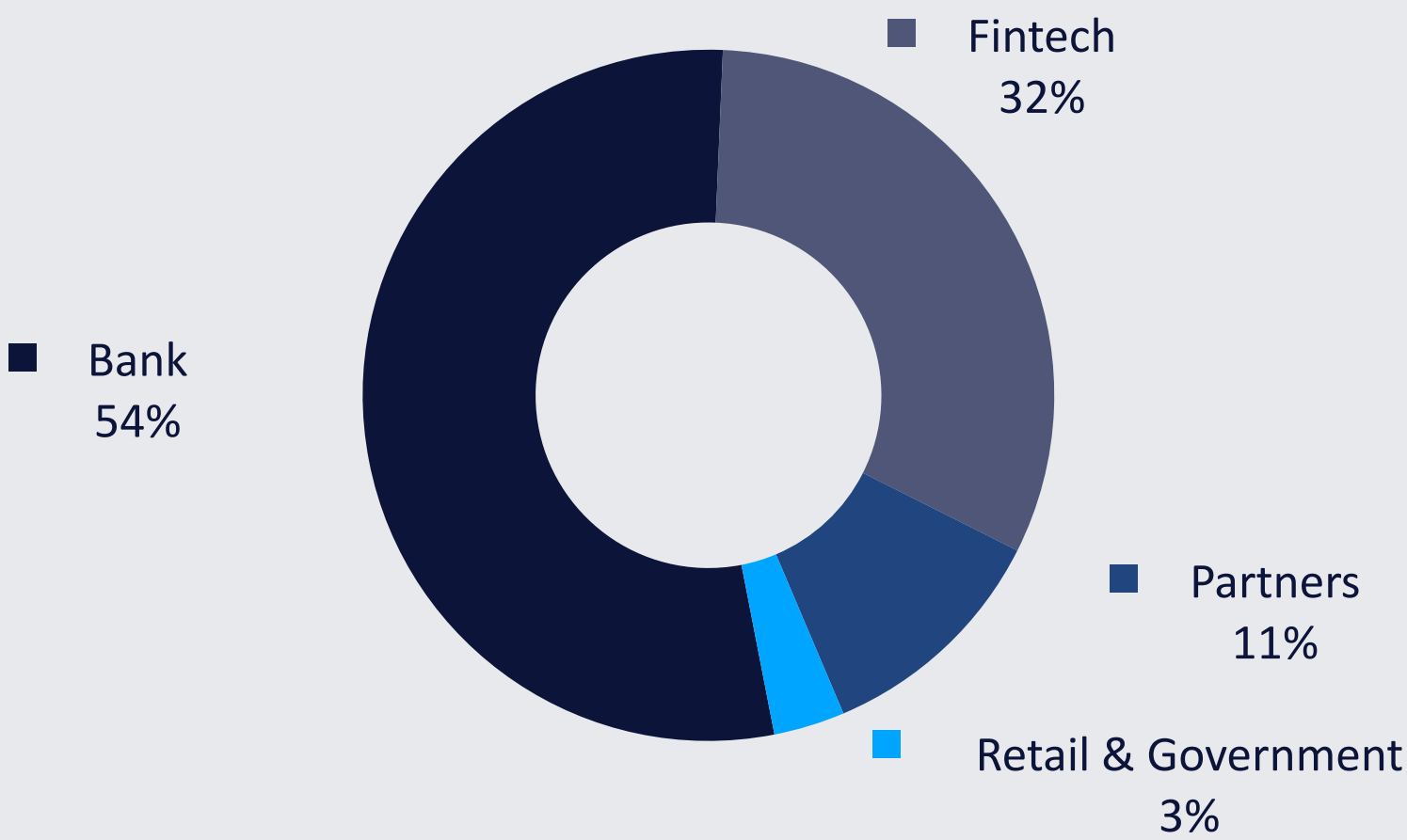
Revenue by Product



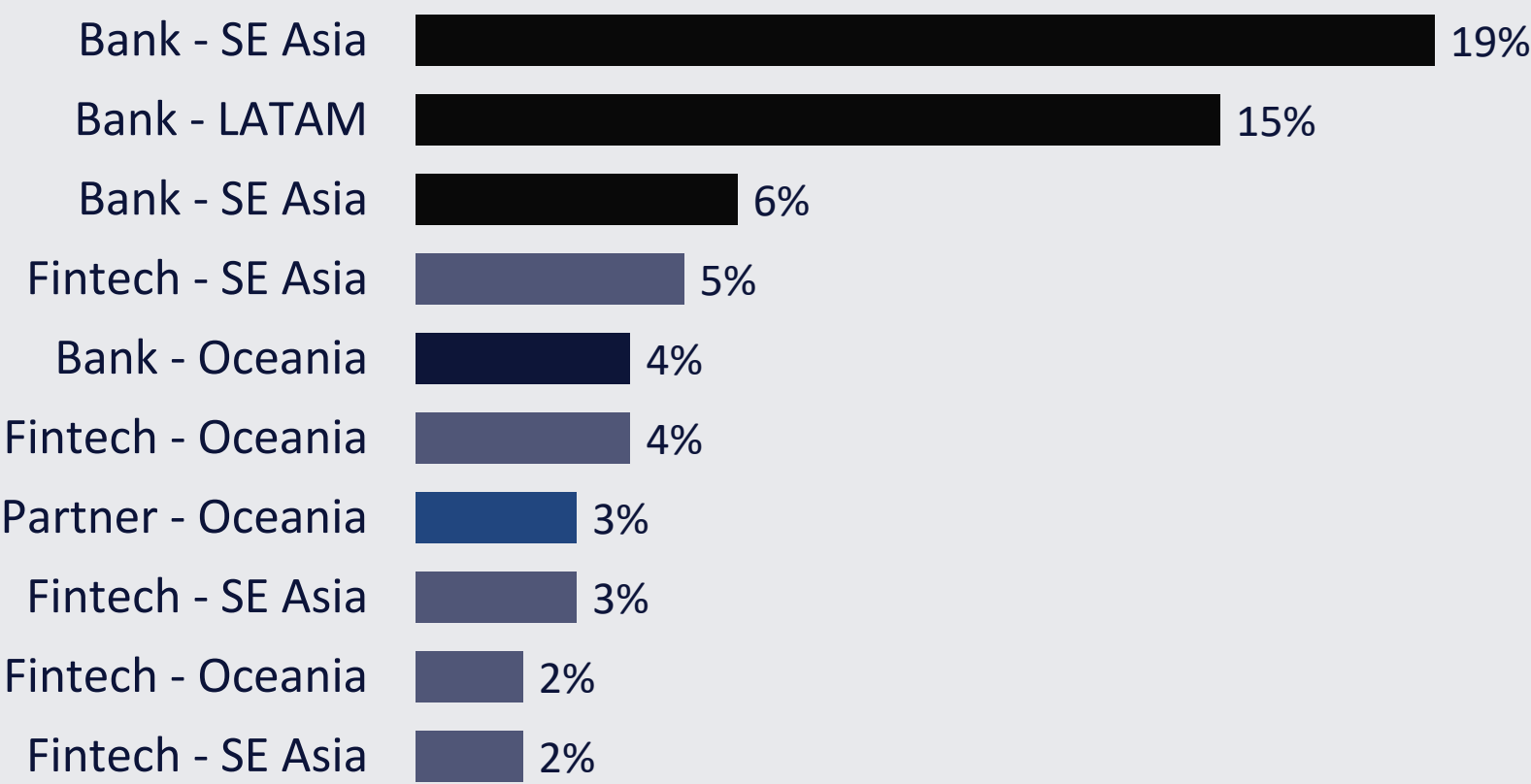
Revenue by Region



Revenue by Client Type



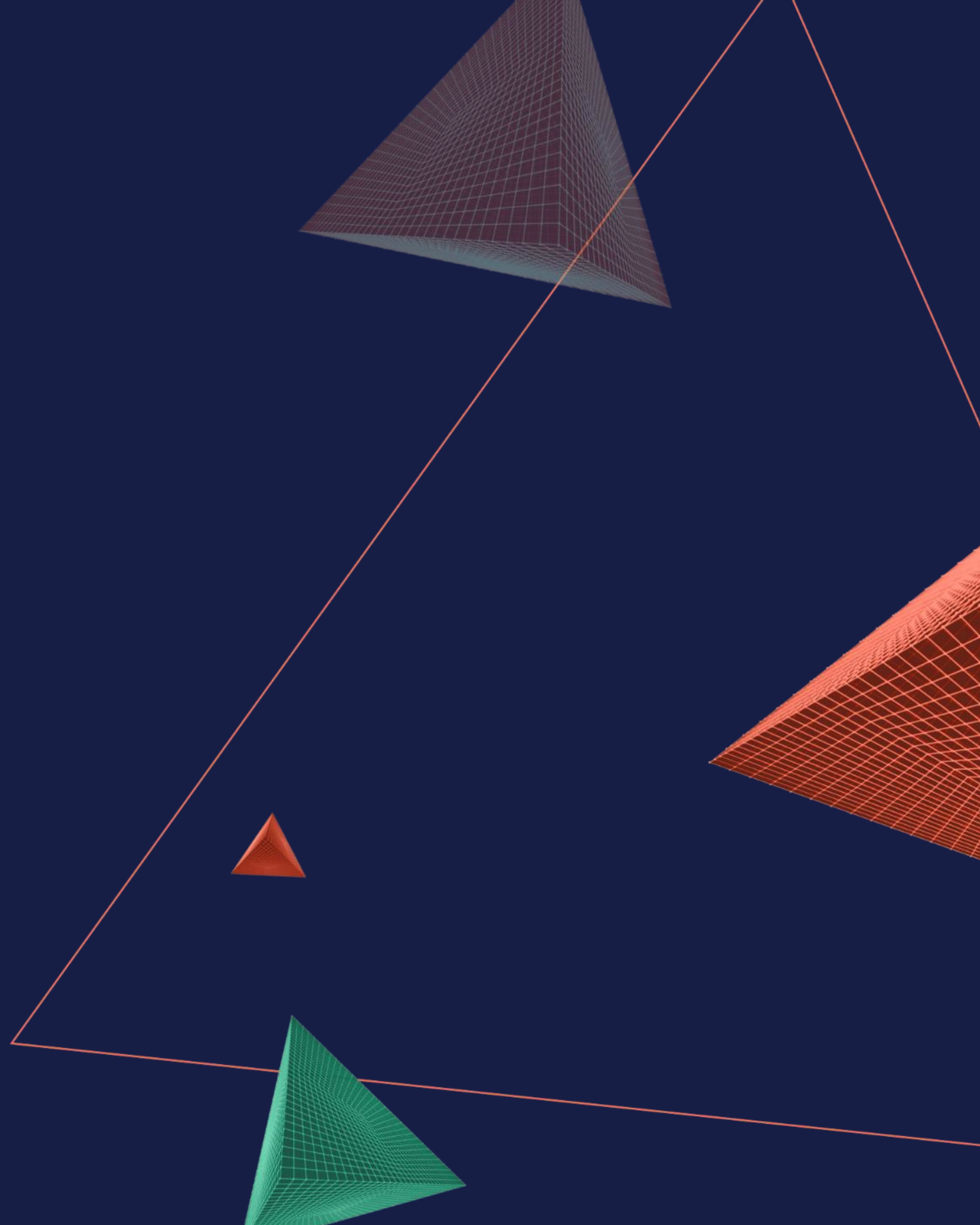
Top 10 Customers by Revenue



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# Strategy

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Working with Deloitte, we analysed our products, capabilities and global market opportunities.

# Core strategies to drive growth

Be competitive  
FY22

Be different  
FY23

Be famous  
FY24



Objective

Build upon Change’s existing foundation by strengthening and growing the core business

Evolve Change’s products and explore growth accelerators

Change leads the market with innovative payment solutions



Solutions

Enhance SaaS solutions and features

Focus on market leading user experiences and product features

Complement existing solutions with enhanced capabilities and ecosystem partnerships



Growth

Growth through banks and early-stage fintechs

Explore retail, government and corporate opportunities while growing banks and fintech

Accelerate growth through global opportunities



Partnerships

Develop partnerships and build regional relationships with schemes

Scale partnership model to increase pipeline and scale client engagement

Build out partner ecosystem with complementary financial and banking solutions



Regions

Prioritise growth for LATAM and SEA  
Unlock growth for US and ANZ

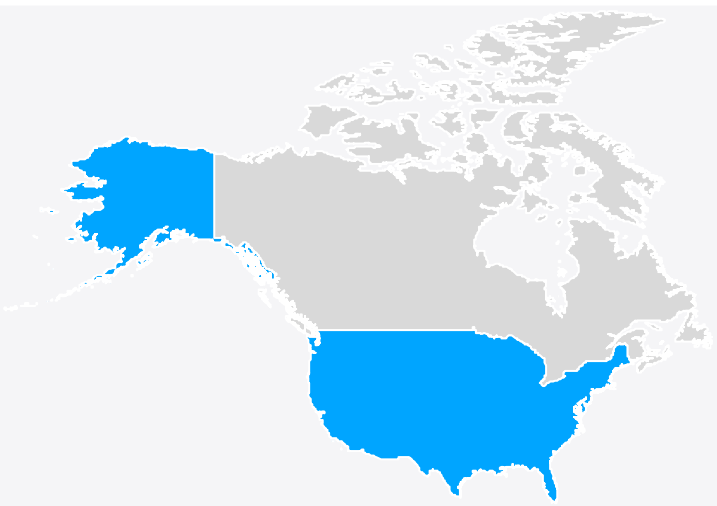
Strengthen client engagement across LATAM, SEA, US and ANZ

Explore opportunities in new regions and countries

We are focusing on 4 key markets; US, LATAM, SE Asia and Oceania. Our target countries have a TAM of over USD \$10 trillion.

# A large addressable market for growth opportunities

## US TAM



\$8.3T

Transaction value

6%

Transaction volume growth

153B

Transaction volume #

## LATAM TAM



\$1.1T

Transaction value

11%

Transaction volume growth

46B

Transaction volume #

49%

Unbanked Population

## Oceania TAM



\$565B

Transaction value

6%

Transaction volume growth

13B

Transaction volume #

## South East Asia TAM



\$487B

Transaction value

19%

Transaction volume growth

63B

Transaction volume #

Our Be Competitive year will focus on integration of our platforms, feature development, partnerships and customer growth.

# FY22 Key deliverables for growth

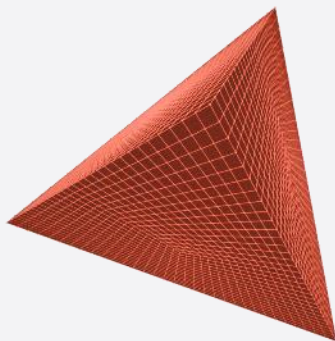
## FY22 Q1-Q2

## FY22 Q3-Q4

- ✓ Payment Card Industry PA-DSS Certification
- ✓ BDO Unibank Major Platform Upgrade
- ✓ Established Global Business Development team
- ▶ New website launch
- ▶ Vertexon Eventing
- ▶ Vertexon SaaS Platform launch
- ▶ PaySim API launch
- ▶ New US Issuing Bank Partnership
- ▶ Partnership model enabled
- ▶ First Vertexon SaaS Customer
- ▶ Enhanced Customer Support Model
- ▶ PaySim SaaS launch



# Experienced management team



Our management team has extensive payments and financial services experience in multiple international markets.



**Alastair Wilkie**  
Chief Executive Officer

Alastair is an experienced financial services executive specialising in banking and payments coupled with a background in information technology and business development. Alastair has over 25 years of experience in senior leadership roles across Australia, Europe and North America.



**Tony Sheehan**  
Chief Financial Officer

Tony is a highly experienced, strategic and influential finance executive with more than 18 years of international experience in investment banking, private equity, corporate finance, operations and sales and marketing roles, across Australia, New Zealand and the United Kingdom.



**Clayton Fossett**  
Chief Operating Officer

Clayton has over 20 years of experience in fintech, financial services, technology and consulting. He has been Chief Operating Officer at Change Financial since it was established and has been instrumental in the company’s journey through building and launching its payments and card issuing platform.



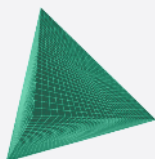
**Vinnie D’Alessandro**  
Chief Product Officer

Vinnie has over 20 years of technology experience spanning operational, architectural, strategic and managerial roles across multiple industries including, financial services, aged care, energy, gaming, retail, tourism, construction and not-for-profit.



**Arnold Lee**  
Chief Technology Officer

Arnie is a highly-experienced executive focused on people and technology. He has spent over 20 years leading technology teams across a range of sectors such as IT, logistics and financial services; including an 11-year tenure in London working in banking and energy commodity trading. He has an in-depth knowledge of the payments space, and a strong track record in building high-performing teams.



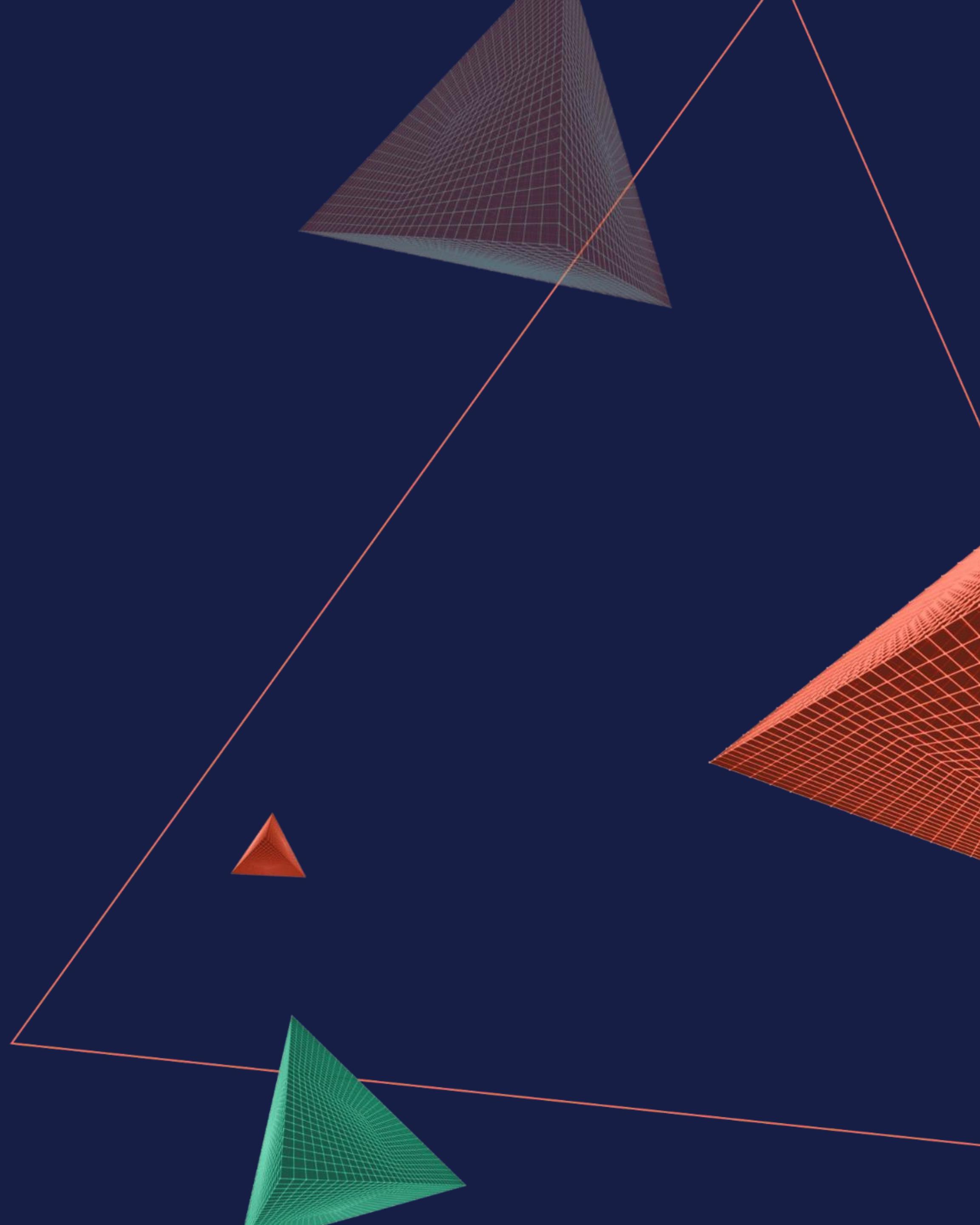
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# Thank you.

**Get in touch**

[investors@changefinancial.com](mailto:investors@changefinancial.com)

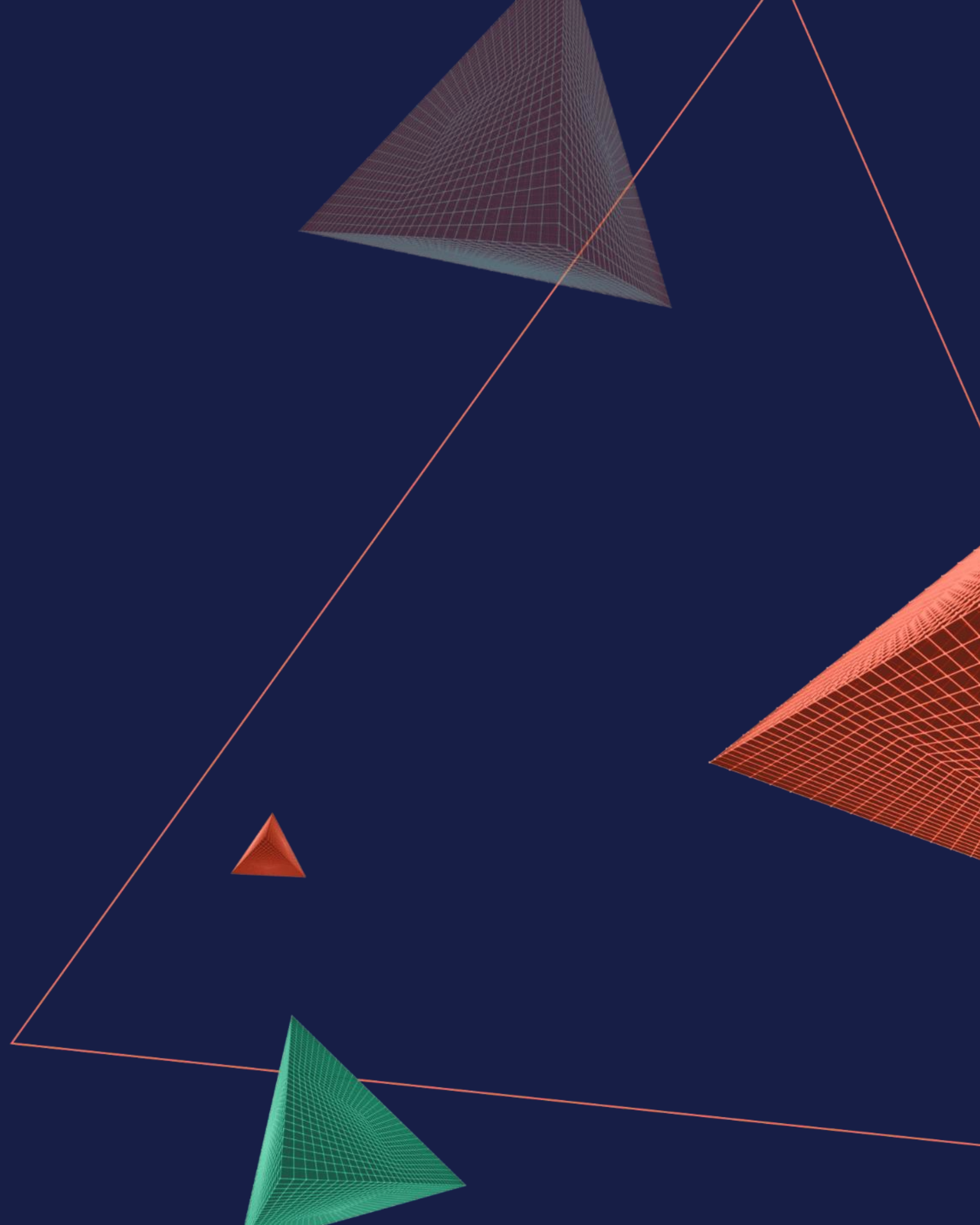




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# Appendix

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# Statement of Profit or Loss

Year ended 30 June	FY21 US\$	FY20 US\$
Revenue & other income	6,313,343	258,312
Employee benefits expenses	(5,451,265)	(1,684,449)
Advertising & marketing expense	(36,616)	(41,736)
Program expense	(297,129)	(125,964)
Professional services & insurance	(555,592)	(378,204)
Consulting expense	(782,937)	(485,911)
Technology & hosting expense	(842,616)	(503,006)
Depreciation & amortisation expense	(635,453)	(12,481)
Business acquisition expense	(175,013)	-
Impairment of lease receivable	(326,432)	-
Finance expense	(19,549)	(259,794)
Other expenses	(479,148)	(279,407)
<b>Profit (loss) before tax</b>	<b>(3,288,407)</b>	<b>(3,512,640)</b>
Income tax (expense) benefit	(188,975)	-
<b>Profit (loss) from operations</b>	<b>(3,477,382)</b>	<b>(3,512,640)</b>

# Statement of Financial Position

As at	30 June 2021 US\$	30 June 2020 US\$
Cash and cash equivalents	4,019,001	2,966,200
Trade and other receivables	2,360,898	231,875
Lease receivable – current	-	161,980
Other current assets	368,203	5,564
<b>Total Current Assets</b>	<b>6,748,102</b>	<b>3,365,619</b>
Property, plant & equipment	460,953	-
Lease receivable – non-current	-	189,472
Intangible assets	5,513,817	-
<b>Total Non-current Assets</b>	<b>5,974,770</b>	<b>189,472</b>
<b>Total Assets</b>	<b>12,722,872</b>	<b>3,555,091</b>
Trade & other payables	1,351,738	631,393
Provisions	1,035,100	154,285
Lease liability – current	297,380	153,287
Contract liabilities	2,714,047	-
Other current liabilities	-	111,165
<b>Total Current Liabilities</b>	<b>5,398,265</b>	<b>1,050,130</b>
Provisions	39,559	-
Lease liabilities – non-current	264,378	179,388
<b>Total Non-current Liabilities</b>	<b>303,937</b>	<b>179,388</b>
<b>Total Liabilities</b>	<b>5,702,202</b>	<b>1,229,518</b>
<b>Total Equity</b>	<b>7,020,670</b>	<b>2,325,573</b>

# Statement of Cash Flows

Year ended 30 June	30 June 2021 US\$	30 June 2020 US\$
Receipts from customers	6,091,317	4,102
Payments to suppliers and employees	(7,879,153)	(3,117,723)
Interest received	10,790	22,807
Interest paid	(19,549)	(22,456)
Government grant programs	60,549	230,000
R&D tax offset	-	14,224
<b>Net cash used in operating activities</b>	<b>(1,736,046)</b>	<b>(2,869,046)</b>
Proceeds from sale of property, plant & equipment	-	500
Payment for plant & equipment	(41,003)	-
Payment for software development	(664,510)	-
Receipts from sublease (excluding interest received)	25,020	147,148
Business acquired	(4,492,416)	-
Proceeds from sale of investment	-	200,000
<b>Net cash provided by (used in) investing activities</b>	<b>(5,172,909)</b>	<b>347,648</b>
Proceeds from share issue	8,358,600	3,372,572
Proceeds from convertible note funding	-	951,391
Cost of funding	(606,588)	(218,405)
Payments of lease liabilities (excluding interest paid)	(190,098)	(139,395)
<b>Net cash provided by financing activities</b>	<b>7,561,914</b>	<b>3,966,163</b>
<b>Net increase (decrease) in cash held</b>	<b>652,959</b>	<b>1,444,765</b>

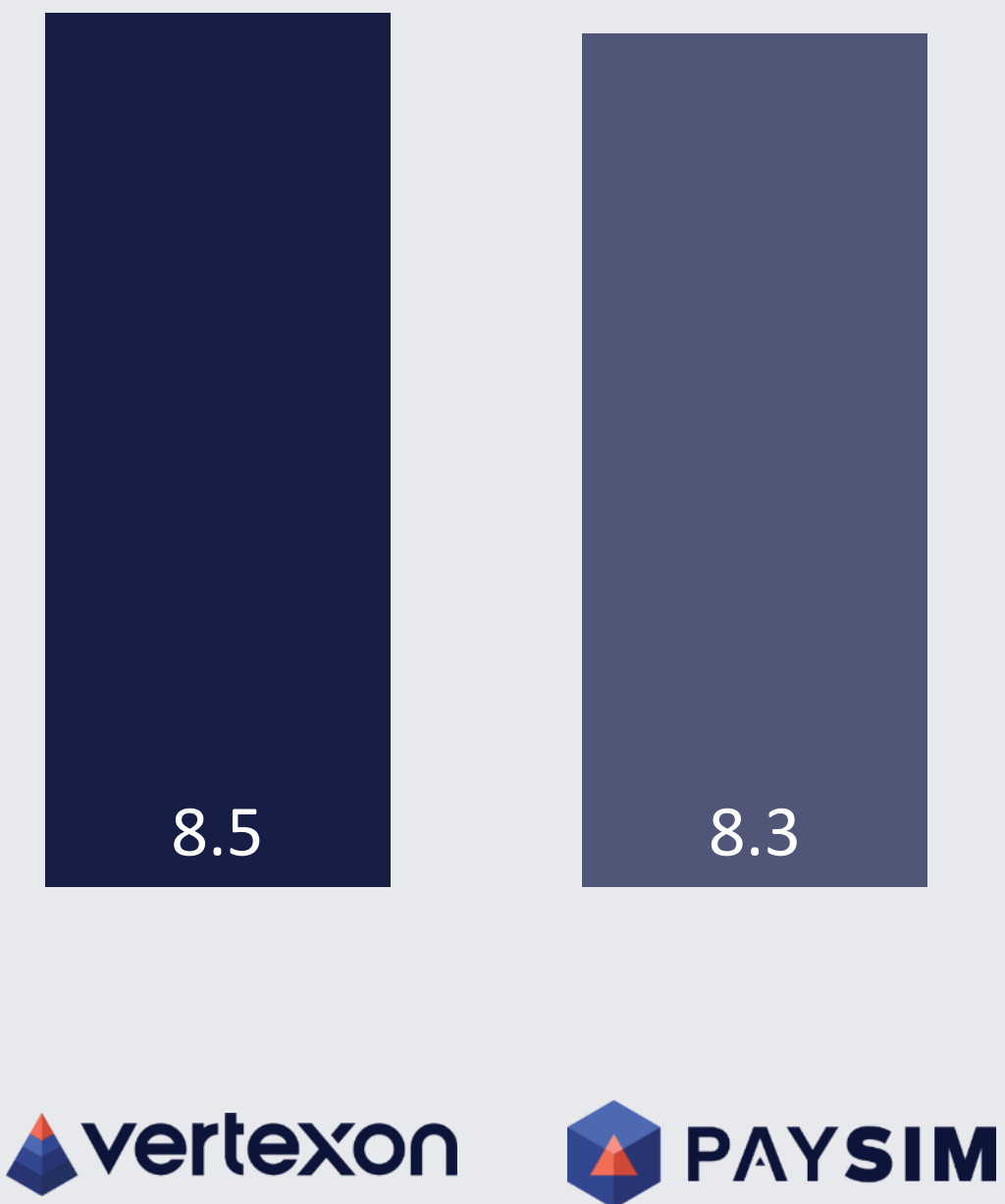


# Key operating metrics

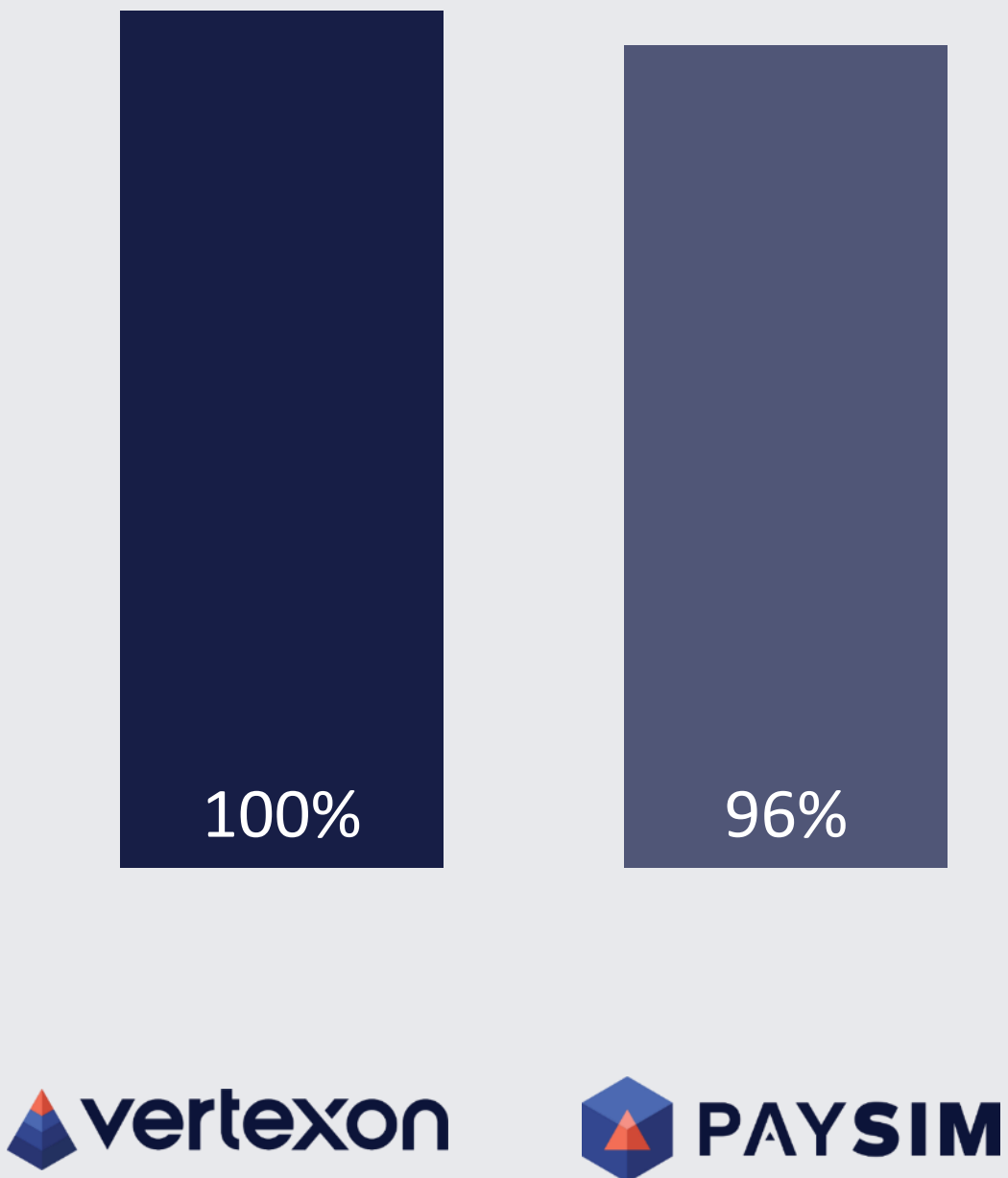
Our focus is to grow our ARR for our payments and testing solutions.

Loyal customer base who are supportive of our engagement and product strategy.

Average Customer Tenure (years)



Customer Retention



Revenue Split

