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Investor Presentation

For the half year ended 31 December 2021

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Change Financial Limited

ASX: CCA

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Payments as a Service provider

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

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

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

Delivering scalable payments solutions

Banking as a Service

Payments as a Service

vertexon

- 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

PAYSIM

- Payment simulation
- Testing automation
- All network management and financial transactions

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Global fintech with local expertise

We have a diverse team of over 85 people with local knowledge to support our loyal and growing client base.

16m+ cards
Scalable payments platform

147 Clients in 41 countries
Global footprint

8+ years average tenure
Highly engaged clients

Processing for the major schemes

mastercard VISA UnionPay JCB AMERICAN EXPRESS Diners Club INTERNATIONAL

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Core strategies to drive growth

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

	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 fintechs	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

Core strategies to drive growth

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

	Be Competitive FY22	Key Achievements – FY22 to date
Objective	Build upon Change's existing foundation by strengthening and growing the core business	✓ Significant investment in people and product ✓ Strengthened relationships with existing client base ✓ Increased our sales qualified leads by 222%
Solutions	Enhance SaaS solutions and features	✓ Phase 2 of Vertexon platform build completed on time and within budget ✓ Vertexon Payments as a Service platform launched in Oceania ✓ PaySim API launched and beta testing completed with Big 4 Australian bank
Growth	Growth through banks and early-stage fintechs	✓ 5 of the top 10 digital payments companies[1] globally trust our services ✓ Evolving and enhancing our product suite to better cater for fintechs ✓ Secured a new US Payments as a Service client
Partnerships	Develop partnerships and build regional relationships with schemes	✓ Partnered with a new US issuing bank ✓ Partnered with Mambu to deliver leading digital banking and payment capabilities ✓ Working closely with the schemes to enhance our product offering
Regions	Prioritise growth for LATAM and SEA Unlock growth for US and ANZ	✓ Built a highly experienced global business development team across our key markets ✓ Secured 11 new clients in our key focus markets

[1] https://www.emergenresearch.com/blog/top-10-leading-digital-payment-companies-in-the-world

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FY22 Key deliverables for growth

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

FY22 Q1-Q2

- ✓ Payment Card Industry PA-DSS Certification
- ✓ BDO Unibank Major Platform Upgrade
- ✓ Established Global Business Development team
- ✓ New US Issuing Bank Partnership
- ✓ New US Payments as a Service Client
- ✓ Board changes announced
- ✓ Vertexon SaaS Platform launch
- ✓ New Website Launch
- ✓ Vertexon Eventing
- ✓ PaySim API launch

FY22 Q3-Q4

- ✓ Vertexon SaaS Platform launch in new region
- ✓ Vertexon Product Roadmap release
- ✓ PaySim Product Roadmap Release
- ▶ Axiom Bank issuing onboarding complete
- ▶ PaySim SaaS Launch
- ▶ First Vertexon SaaS Customer
- ▶ Partnership model enabled
- ▶ Enhanced Customer Support Model

H1 FY22 Results

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Continue to invest in the business to build a strong platform to drive future growth.

Financial Performance

Key Takeaways

- **Revenue –** strong increase in client interest and opportunities across both Vertexon and PaySim products. Geographically diverse client base provides a solid platform for future growth within our target geographies
- **Operating Expenses –** increased as the company continued to execute the Go-to-Market strategy to drive growth
- **Technology Investment –** significant investment in development as we deliver new software as a service (SaaS) solutions for our core products

Recurring Revenue Split

55%

Contracted ARR Run Rate

US$4.7 million[1]

Half Year to 31 December (US$'000)	H1 2021	H1 2020[2]	% Change
Revenue	3,769	2,140	76%
Operating Expenses	(5,461)	(3,366)	62%
EBITDA	(1,692)	(1,226)	38%
Depreciation & Amortisation	(528)	(184)	187%
Profit / (Loss) before Tax	(2,220)	(1,410)	57%
Income Tax (Expense) / Benefit	-	(189)	N/A
Profit / (Loss) from Operations	(2,220)	(1,599)	39%

[1]Run rate Contracted Annualised Recurring Revenue as at 31 December 2021
[2]Acquisition of the assets of Wirecard was effective 1 October 2020 and therefore only contributed for three months of the half year ended 31 December 2020

Revenue Breakdown – H1 FY22

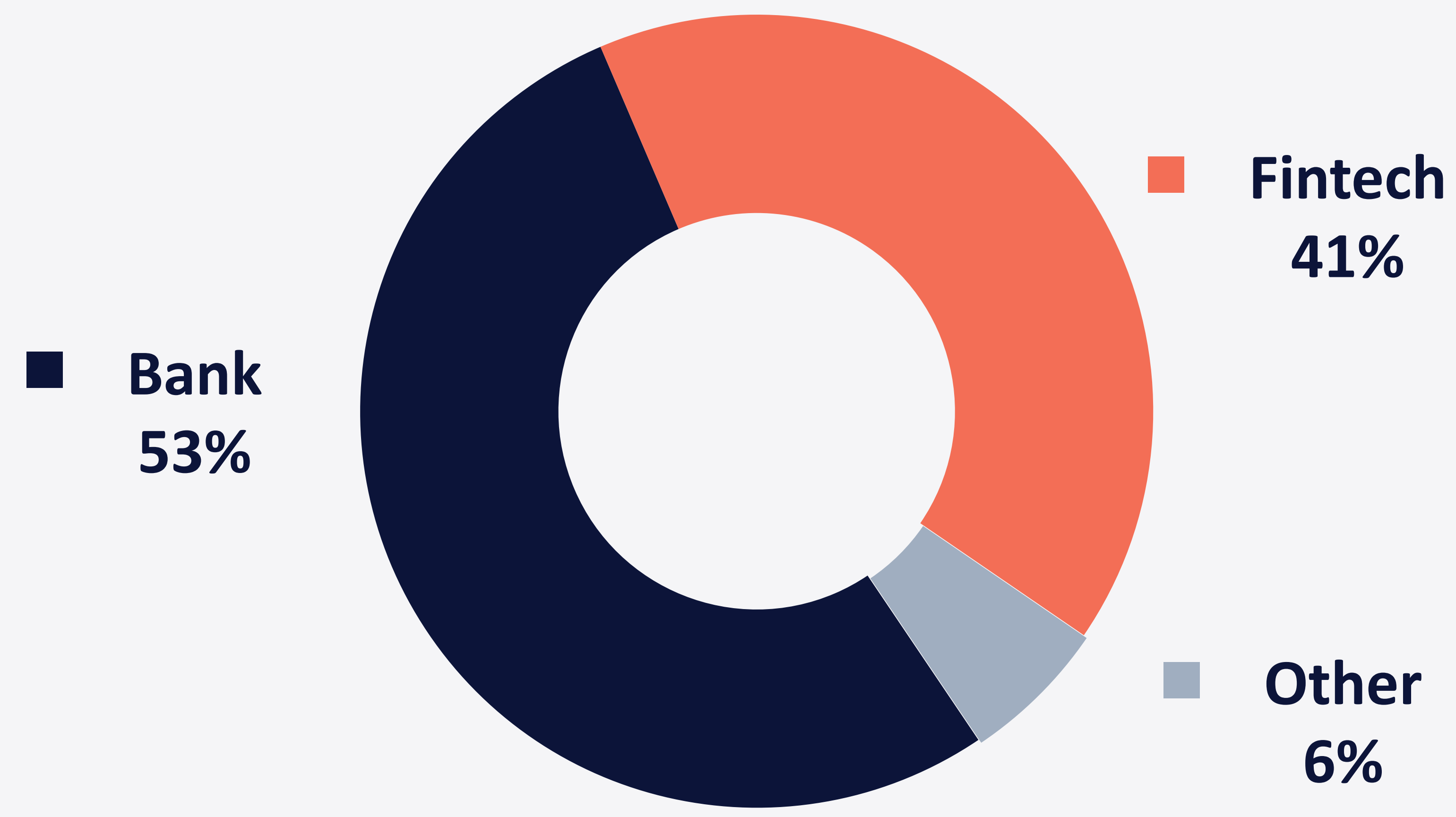
Diverse range of customers and product usage globally.

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

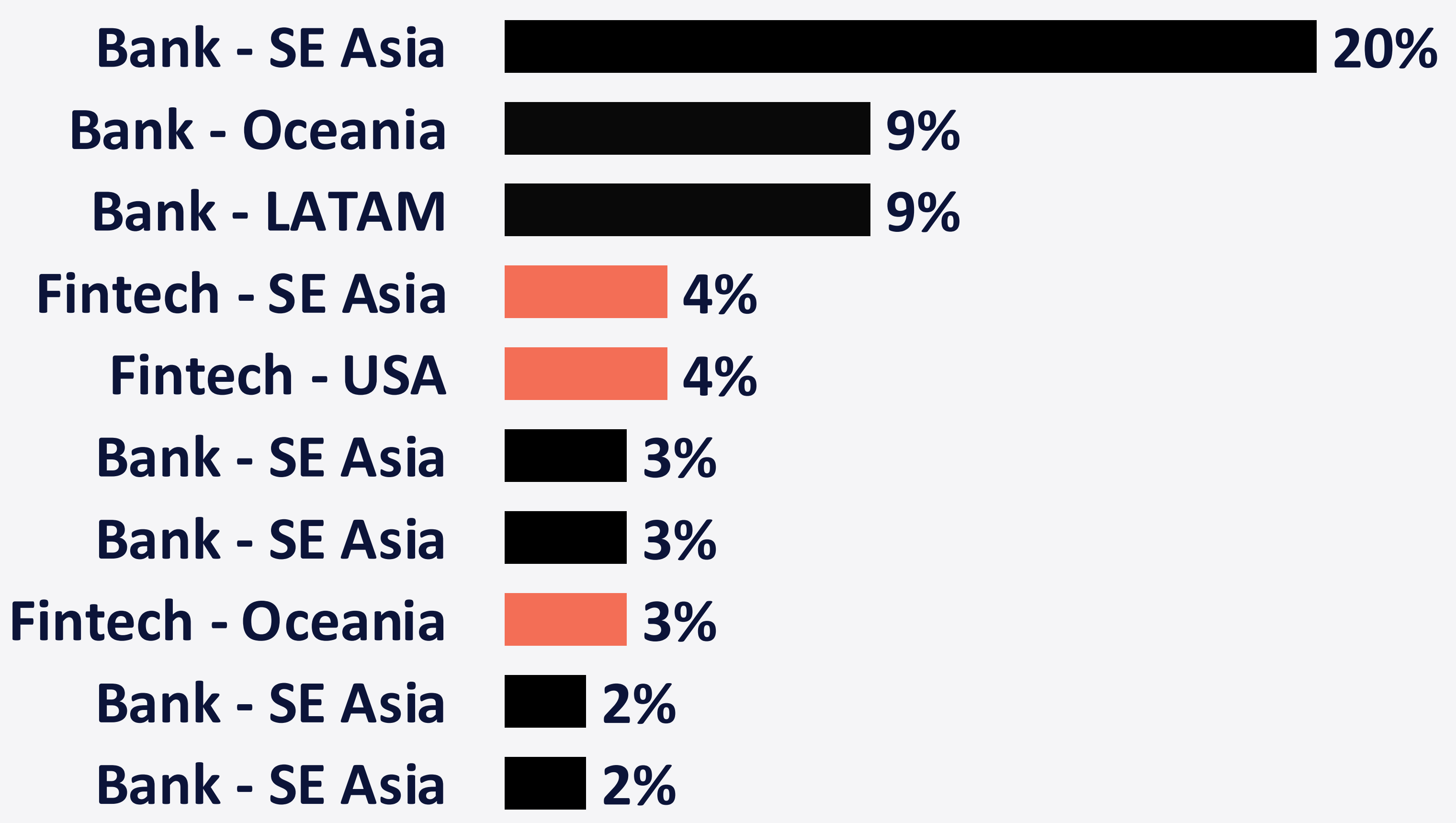
Revenue by Product

Revenue by Region

Revenue by Client Type



Top 10 Customers by Revenue



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Business Development activities has delivered new customers and opportunities.

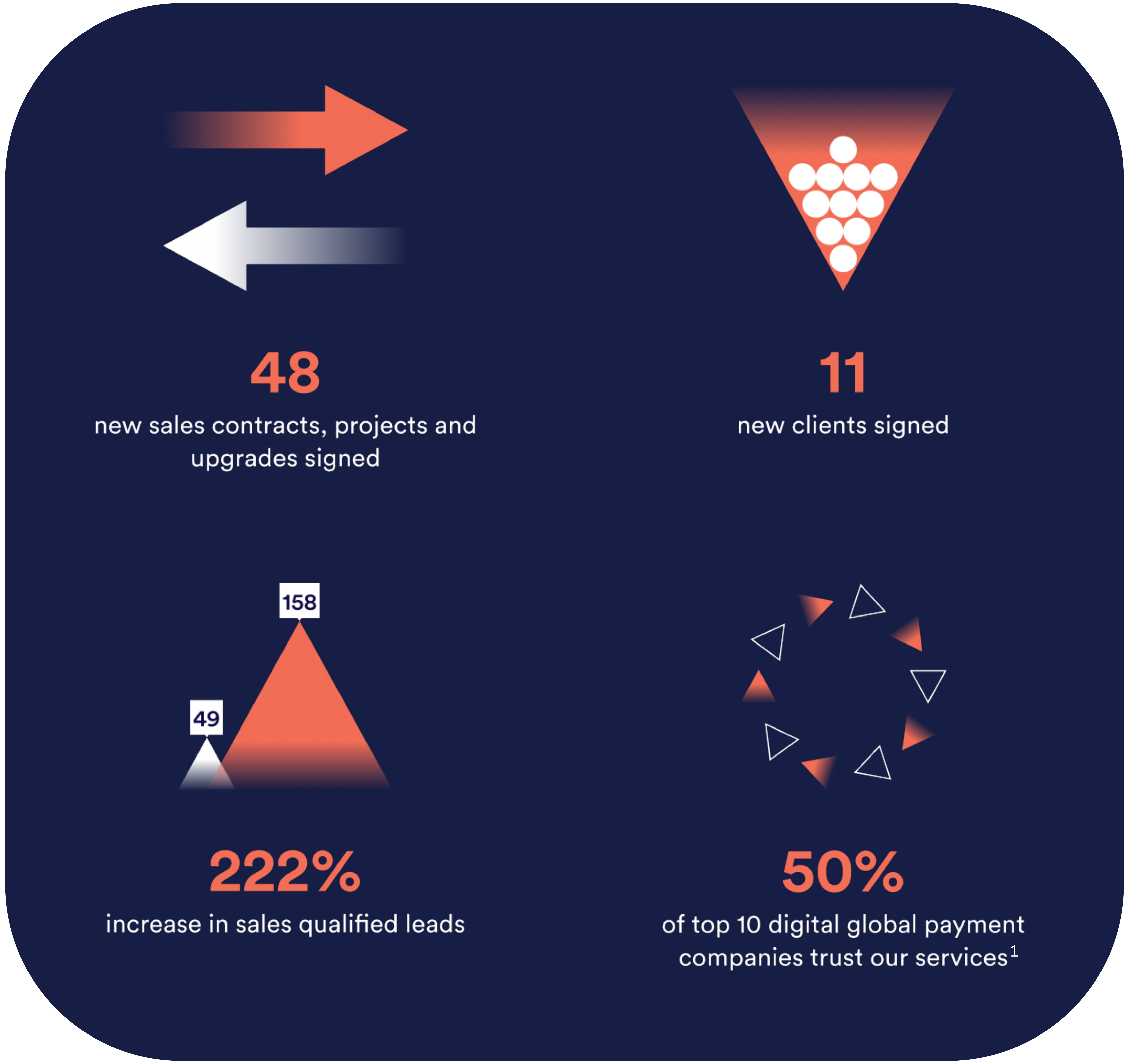
H1 FY22 Business Development Update

Business Development Activities

- 48 opportunities were closed and won in H1 FY22
- US Payments as a Service Client secured - new US fintech Mastercard prepaid card program
- Significant growth in pipeline from 49 to 158 opportunities across both Vertexon and PaySim
- Strong interest in Vertexon SaaS solutions from new and existing clients that will drive ARR growth

Strategic Activities

- Focus on strategic partnerships for growth
- Axiom bank onboarding in progress to be completed in Q3 FY22, strengthening our Mastercard Prepaid issuing capability in the US market
- Launch of new product brands and company website
- Release of product roadmaps for Vertexon and PaySim
- Marketing, PR and content strategy in place to increase market visibility and opportunities



[1] https://www.emergenresearch.com/blog/top-10-leading-digital-payment-companies-in-the-world

Delivering market leading solutions

Change is building strategic partnerships to accelerate the roll out of its PaaS platform.

Mambu has 800 employees that support 200 customers in over 65 countries – including N26, BancoEstado, OakNorth, Raiffeisen Bank, ABN AMRO, Bank Islam and Orange Bank.

Core banking technology
inc. savings, accounts and lending

+

Payments platform
inc. cards, BNPL, Apple Pay

= market leading digital banking and payment capabilities

Key Partnership Details

- Mambu is the cloud banking platform that fast-tracks the design and build of banking and financial offerings
- Partnership will see Change's Vertexon PaaS platform added to Mambu's application programming interface (API) driven cloud banking platform
- The companies will work together to make Change's payment simulation and testing solution, PaySim, available to all Mambu clients

Thank you.

Get in touch

investors@changefinancial.com

Appendix

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Statement of Profit or Loss

Half Year to 31 December	2021 US$	2020 US$
Revenue & other income	3,768,536	2,139,794
Employee benefits expenses	(3,753,504)	(2,032,052)
Advertising & marketing expense	(222,933)	(16,207)
Program expense	(174,643)	(19,910)
Professional services & insurance expense	(514,373)	(244,929)
Consulting expense	(253,574)	(358,587)
Technology & hosting expense	(411,550)	(342,515)
Depreciation & amortisation expense	(528,271)	(184,487)
Business acquisition expense	-	(171,903)
Finance expense	(13,488)	(6,996)
Other expenses	(116,470)	(171,746)
Profit (loss) before tax	**(2,220,270)**	**(1,409,538)**
Income tax (expense) benefit	-	(188,975)
Profit (loss) from operations	**(2,220,270)**	**(1,598,513)**

- Increase in revenue and expenses for the half year ended 31 December 2021 relative to the prior period is reflective of the acquisition of the assets of Wirecard which occurred part way through the prior period (effective 1 October 2020)
- Expenses also increased as the company continued to execute the Go-to-Market strategy to drive growth – in particular, new senior leader hires, business development manager hires and marketing expenses

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Statement of Financial Position

Balance at	31 Dec 2021 US$	30 Jun 2021 US$
Cash and cash equivalents	1,564,098	4,019,001
Trade and other receivables	2,472,094	2,360,898
Contract assets	69,480	184,864
Current tax asset	64,766	-
Other current assets	318,821	183,339
Total Current Assets	**4,489,259**	**6,748,102**
Property, plant & equipment	394,372	460,953
Intangible assets	5,825,747	5,513,817
Total Non-current Assets	**6,220,119**	**5,974,770**
Total Assets	**10,709,378**	**12,722,872**
Trade & other payables	954,554	1,351,738
Provisions	1,185,677	1,035,100
Lease liability – current	219,067	297,380
Contract liabilities	3,322,053	2,714,047
Total Current Liabilities	**5,681,351**	**5,398,265**
Provisions	37,672	39,559
Lease liabilities – non-current	192,641	264,378
Total Non-current Liabilities	**230,313**	**303,937**
Total Liabilities	**5,911,664**	**5,702,202**
Total Equity	**4,797,714**	**7,020,670**

Statement of Cash Flows

Half Year to 31 December	2021 US$	2020 US$
Receipts from customers	4,307,774	1,082,858
Payments to suppliers and employees	(5,761,800)	(3,377,325)
Interest received	-	5,439
Interest paid	(13,488)	(6,996)
Government grant programs	-	60,547
Net cash used in operating activities	**(1,467,514)**	**(2,235,477)**
Receipts from sublease (excluding interest received)	-	41,589
Payment for plant & equipment	(34,158)	(35,111)
Payment for software development	(745,861)	(160,119)
Business acquired	-	(4,492,416)
Net cash used in investing activities	**(780,019)**	**(4,646,057)**
Proceeds from share issue	-	8,358,600
Cost of funding	-	(606,588)
Payments of lease liabilities (excluding interest paid)	(140,682)	(86,542)
Net cash (used in) / provided by financing activities	**(140,682)**	**7,665,470**
Net increase (decrease) in cash held	**(2,388,215)**	**783,936**