

Change signs new flagship NZ PaaS Client

Highlights

- New Vertexon PaaS client – Unity Credit Union (**Unity**) signed as a processing and issuing client in New Zealand (**NZ**), following a competitive procurement process
- Total contract value anticipated to be in excess of US\$6.0m¹ (A\$9.0m²) over the initial 3-year term, delivering revenue in excess of US\$2.0m (A\$3.0m) per year
- Over 20,000 debit cards to be issued on Change’s Vertexon platform
- Change has now signed the two largest credit unions in NZ, six³ NZ financial institutions in total, representing over 65,000 accountholders in total, as Vertexon PaaS clients

30 May 2024 – **Change Financial Limited (ASX: CCA) (Change or the Company)** is pleased to announce that it has signed one of the largest NZ credit unions as a processing and issuing client.

Change CEO, Tony Sheehan said, “We are excited to be working with Unity Credit Union to elevate their card offering. We have made significant investment in our platform and like our other financial institution clients in New Zealand, Unity is making the switch to Change to take advantage of advanced features and services that allow them to deliver superior payments experiences to their customers. We now have a significant presence in the NZ market with our platform servicing the two largest credit unions.

“With our Vertexon platform fully operational and with clients now transacting, it is highly encouraging to secure another significant client as we build momentum in the commercialisation stage of our journey.”

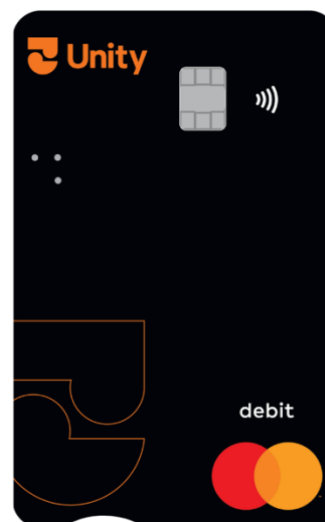
New Vertexon PaaS Client – Unity Credit Union

Following a competitive procurement process, Change has signed a new PaaS contract with Unity Credit Union (**Unity**) 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. As part of the migration, approximately 20,000 Unity debit cards will be issued on the Vertexon platform with the estimated total contract value expected to be in excess of US\$6.0m (A\$9.0m) over the initial 3-year term, delivering revenue in excess of US\$2.0m (A\$3.0m) per year.

Revenues from the Contract will contribute to Change’s PaaS revenues in FY25 and onwards.

Change has begun onboarding Unity with cards anticipated to be issued on the Vertexon platform in H1 FY25⁴. The Contract contains a condition requiring Change and Unity to finalise security collateral arrangements required by the schemes prior to Unity’s migration to Change. Change and Unity are working closely to finalise the structure and documentation requirements for these security arrangements to enable Unity to provide the necessary funding.



¹ Contract revenue is denominated in NZD, the Company reports financials in USD. NZD/USD = 0.61

² AUD/USD = 0.67, all AUD amounts are converted for representation purposes to assist the reader

³ Change has now announced six NZ financial institution client wins, however two of those clients have merged

⁴ Card designs have been approved by Mastercard, and Unity has placed the card order with Change to facilitate the migration of all cardholders to Change

Unity will utilise Finzsoft Solutions Limited (**Finzsoft**) as their core banking platform provider. As such, the development work has already been substantially completed through the Change and Finzsoft integration that was undertaken as part of the 'go-live' process with other NZ financial institutions. The addition of another credit union is further recognition of the strong partnership and combined value offering of Change and Finzsoft.

Change has now secured the two largest credit unions in NZ as Vertexon PaaS clients in addition to a number of other NZ financial institutions and fintechs.

Unity Credit Union CFO and acting CEO, Bruce Morrin said, "Change's product and service offering will enable us to improve the payments experience for our customers. From being able to offer enhanced features such as Apple Pay and Google Pay, to having superior controls that reduce fraud and other operational costs, we can provide modern card features that rival the major banks, a significant and unique value proposition for non-bank financial institutions like us."

Key Contract terms are summarised below:

- Provision of direct issuing, processing and card management services in NZ
- Upfront implementation fees to be paid during onboarding with monthly revenue to commence on program launch which is expected in H1 FY25
- Following the three-year initial term, the contract can be renewed for two additional periods of two years at the election of the client
- There is no termination for convenience
- There is a condition precedent that Unity and Change are required to mutually agree security collateral arrangements prior to 1 July 2024
- There are no other material terms or conditions that need to be satisfied prior to the agreement becoming binding on both parties

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 150+ clients across 40+ 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 27 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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