Company Presentation (April 2020)
Strategic Investment and Capital Raising

ASX: CCA

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Highlights

Change is a US-based fintech company listed on Australian Securities Exchange (ASX: CCA).

Change has built an innovative payments and card issuing platform which is PCI DSS certified and Mastercard registered.

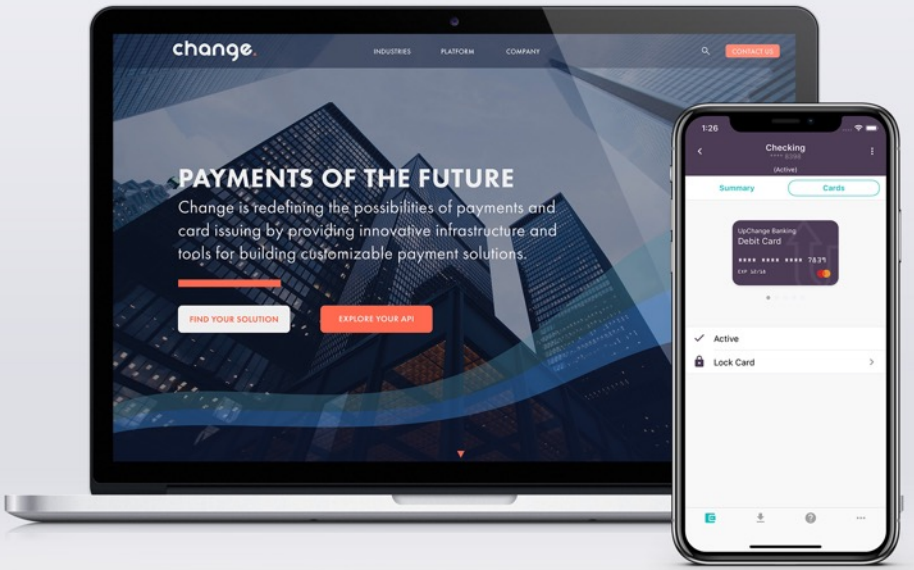
The Company delivers innovative and scalable payments solutions for existing and emerging markets.

Change is the first US Mastercard certified processor in the last 5 years and second in the last 20 years.

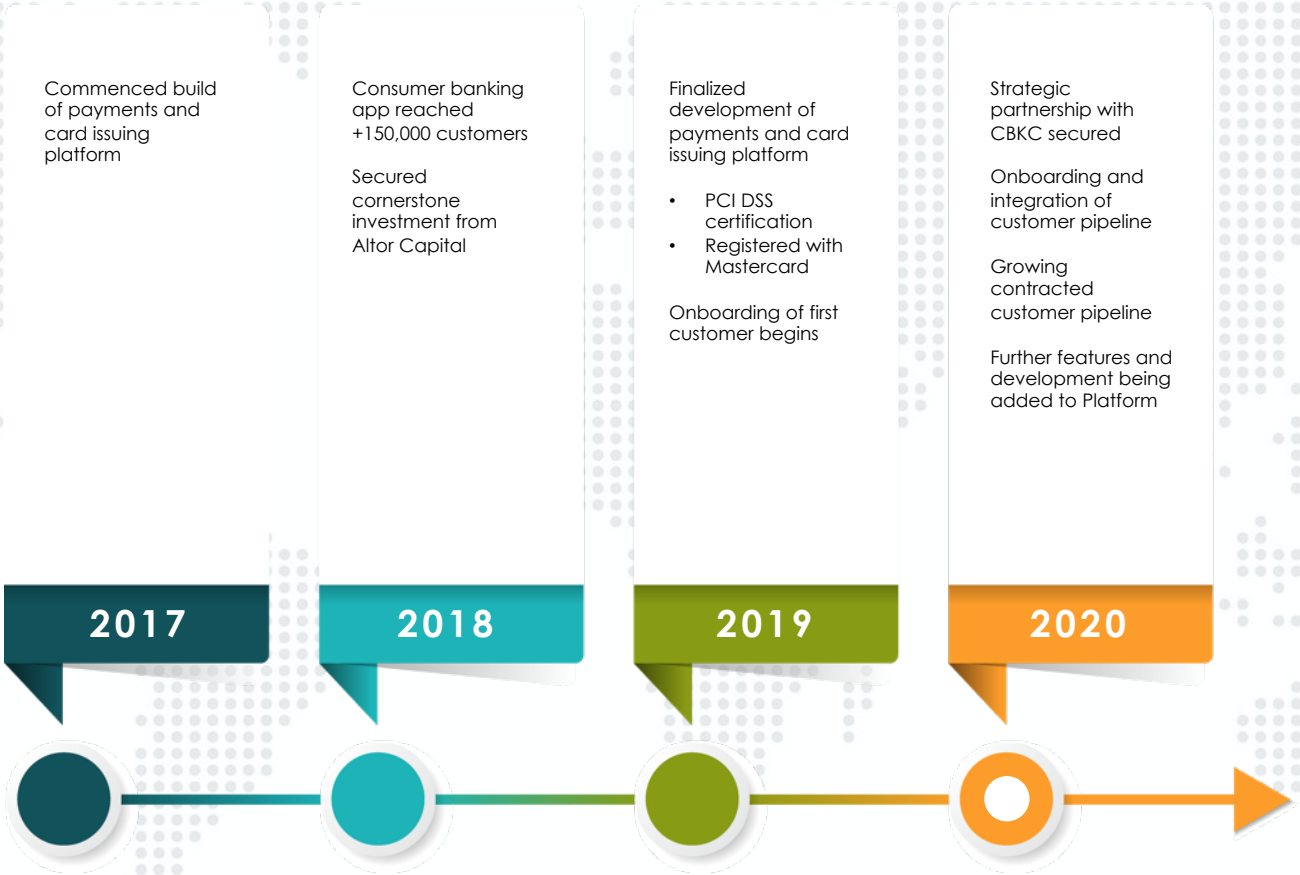
Change has secured a strategic investment and partnership with US bank, Central Bank of Kansas City (**CBKC**).

The first Platform customer, a CBKC program, is currently launching on Change's Platform and will go-live shortly.

Change is launching an entitlement offer to raise up to A$5 million.



Timeline


2017
Commenced build of payments and card issuing platform
2018
Consumer banking app reached +150,000 customers
Secured cornerstone investment from Altor Capital
2019
Finalized development of payments and card issuing platform
• PCI DSS certification
• Registered with Mastercard
Onboarding of first customer begins
2020
Strategic partnership with CBKC secured
Onboarding and integration of customer pipeline
Growing contracted customer pipeline
Further features and development being added to Platform

Industry Drivers

Legacy issues

- Legacy providers have antiquated technology and commoditized offerings.
- Expensive, large and slow moving existing issuer processors.
- Lack of flexibility with slow development and long implementation times reliant on third-parties.
- Consolidation in the industry has led to fewer options for customers.

Current operating landscape

- Increasing regulatory and compliance requirements and complexity.
- Rising risks to data privacy and incidents of card fraud.
- Financial service providers face increased competition for new payment products.

Evolving market

- Changing consumer spending patterns and behaviours.
- Consumer preference for prepaid and debit cards.
- Prepaid and debit cards are less profitable for issuers than credit cards.
- Social media and digital disruption of consumer interactions.
- Consumers demand mobile payments and innovative new financial products.



Market Opportunity

Cashless society driving significant growth	• Number of US debit and prepaid transactions projected to hit 132 billion p.a. by 2025[1] • Addressable market transaction volume growth projected at approx. 60% per annum to 2025[1]
Attractive business model	• High barriers to entry - less than 30 Mastercard certified issuers in US • Change is the first Mastercard certified issuer processor in the last 5 years and second in the last 20 years • Recurring and scalable revenues
Large customer base in the US alone	• Large captive customer base with +7,000 FDIC banks and +6,000 credit unions in the US • Many innovative players in the financial services arena looking for disruptive payments technology

(1) Edgar Dunn & Company

Payments and Card Issuing Platform



Our Benefits



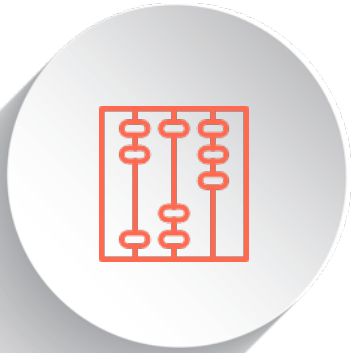
Designed For The Future

A modern payments and card issuing platform allowing delivery of innovative new financial products and services.



Speed To Market

Fully integrated infrastructure and partnerships improving time to market.



Flexibility and Control

Providing the management and control to implement and modify your payment and card products.

Platform Benefits

Change's innovative payments and card issuing platform includes the following features:



Banking as a Service

White-labelled banking application that allows companies to offer innovative mobile banking applications under their own brand.



Mobile Solution

Award-winning consumer banking technology including features such as paperless mobile account opening and innovative money management tools.



Program Dashboard

Manage payment programs in real-time and configure program and account settings such as transaction limits and fees charged on an individual customer level.



API Connectivity

Built for connecting digital assets that improve time to roll out new programs and features while building infrastructure to improve productivity.



Data Insights & Dynamic Controls

Access to data rich information and real-time payment and authorization controls allowing real-time insights that support day-to-day operations and drive growth.



Mastercard Processor

Payment processing capability built on Mastercard's new network gateway (MNGS). Leverages the best of Mastercard's evolving technology advancements.

Industry Agnostic Solution

Change's Platform can power payment and card solutions across a wide range of industries.



Corporate Overview



Strategic Investment Partner

Central Bank of Kansas City (**CBKC**), a Member FDIC bank in the United States, via its affiliate CPx Holdings, L.L.C. (**CPx**) to make initial investment of A$0.4 million (US$0.25 million)

CPx and Change have also signed a non-binding term sheet where CPx can invest up to a further A$4.6 million (US$2.75 million) subject to certain conditions

CBKC to integrate Change's payments and card processing platform with its CPX open-API platform

The strategic investment from CBKC strengthens the longstanding partnership between the businesses providing Change with funding and a pipeline of target customers for Change's Platform

Capital Raising Summary

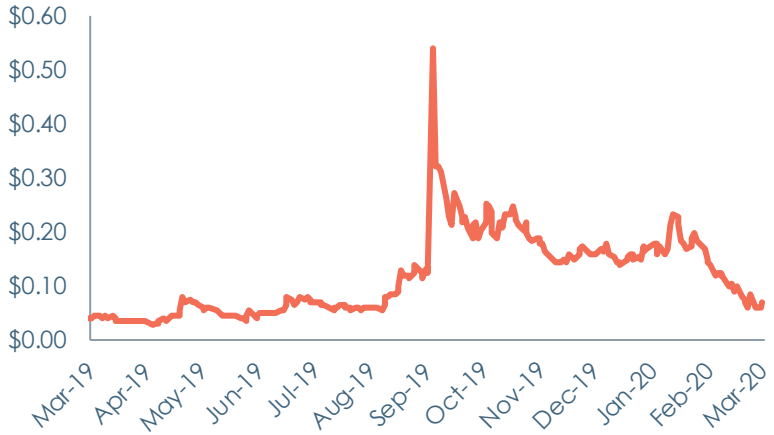
Overview	The Company is launching a capital raising to raise up to A$10 million including the strategic investment by CBKC (via its affiliate CPx Holdings, L.L.C. (**CPx**))
Capital Raising Structure	1. Strategic investment by CPx (A$5 million) 2. Entitlement Offer to existing shareholders (A$5 million)
Capital Raising Price	Entitlement Offer will be priced at A$0.05 per new share
Pricing / Discounts	Issue price represents a: • 30.6% discount to last close price of $0.072 • 33.9% discount to the 15-day VWAP ($0.076) • 45.8% discount to the 1-month VWAP ($0.092)
Use of Funds	The capital raising will provide funds to: • Continue onboarding customers in partnership with CBKC • Build out further features and functionality of Change's Platform • Grow the Company's business development capabilities

Corporate Overview

Capital Structure	
Last Share price (ASX: CCA)[1]	A$0.072
Shares on issue	102,518,631
Market capitalisation[2,3,4]	A$8.5m US$5.1m

[1] as at 27 March 2020
[2] includes ~$3.4 million existing convertible notes converting at A$0.05 per share
[3] fully dilluted pre-money valuation based on capital raising price
[4] AUD/USD 0.60

Share Price History



Shareholders	
Top 20 Shareholders	43.0%
Balance of Register	57.0%

Board	
Ben Harrison	Ian Leijer
Harley Dalton	Teresa Clarke

Investment Highlights

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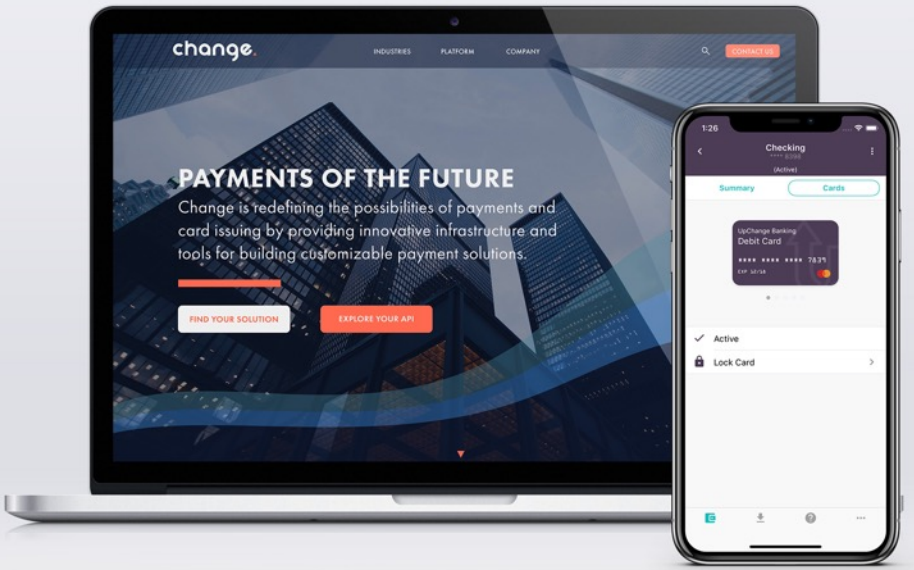
Change is the first US Mastercard certified processor in the last 5 years and second in the last 20 years.

Change has secured a strategic investment and partnership with US bank, CBKC.

The first Platform customer, a CBKC program, is currently launching on Change's Platform and will go-live shortly.

Initially targeting more than 7,000 FDIC (Federal Deposit Insurance Corporation) banks, 6,000 credit unions and a host of innovative players in the financial services arena across the US with innovative mobile banking services.

Addressable market in the US was approx. US$50 billion in 2019, projected to grow at approx. 60% per annum through to 2025.



Appendix



Executive Team



Alastair Wilkie - CEO

Alastair, an experienced executive in the financial services industry focussed on banking and payments with a background in information technology and business development. He has over twenty-five years' experience in senior leadership roles in Australia, Europe and North America.

He is the Founder and Chairman of a number of private companies driving digital disruption in the financial services industry. He was formerly COO of ASX listed EML Payments and was Executive General Manager at Indue, an Approved Deposit taking Institution providing aggregated banking services to the Australian Payment System. Prior to joining Indue, Mr Wilkie was CEO of Monteray Group Ltd, an ASX listed company managing solutions for the superannuation services market. He has also held senior executive roles overseas at Bull Information Systems, Vision Consulting and ExplorelT.

Alastair has a Diploma in Management Studies from W.L. College in Scotland and studied Business Administration at the Executive Management Institute, ESSEC in Paris.



Clayton Fossett - COO

Clayton has more than 20 years experience in fintech, financial services, technology and consulting. He has been COO at Change Financial from the Company's startup days and has been instrumental in the Company's journey building and launching its payments and card issuing platform. Over his tenure Clayton has directly managed and built the Company's Engineering, Compliance, Customer Support and Marketing teams. He has forged partnerships with issuing banks, Mastercard, and other networks and key industry service providers.

Prior to joining Change Financial, Clayton was at Yahoo! for 10 years, where he held a number of senior Operations Finance roles, supporting paid search, display advertising and subscription businesses in the US and globally. Clayton has also worked at the United States Securities and Exchange Commission, First Boston, Deloitte and Freddie Mac.

Clayton holds AB and MBA degrees from Harvard University.



Ian Leijer – Finance Director

Ian is a Chartered Accountant with over 25 years' experience in financial analysis, corporate transactions, business strategy and business management. He was CFO and Company Secretary for over 10 years of former ASX listed company Avatar Industries Limited which operated globally in a number of diverse industries including mining services, electronics distribution, fabrication of building products and printing. Ian started his career with Price Waterhouse specializing in corporate transactions and valuations before joining a boutique investment bank.

Ian currently works with a number of entities on business analysis, capital raising (debt & equity) and general management. Ian also holds a Bachelor of Economics from the University of Sydney, Australia.

Our Technology

change.



Microservices Architecture

Scale up operations with limited incremental spend

Modular design to isolate functionality and services



Cloud Based

Built on AWS and latest technologies

Increased efficiency and cost savings



API Driven

Intuitive, accessible and self-service platform

Easily integrated with partner systems



Audit Framework

Audit trail and event-based architecture

Enhanced transaction monitoring and compliance benefits



Global & Scalable

Easily adaptable application for new markets

Automatic scalability of services and data centers

Innovative Payments and Card Issuing

Change is redefining the possibilities of payments and card issuing. Providing innovative infrastructure and tools for building customizable solutions via open APIs, our platform has been designed for companies who want to control their offering of payment products to their customers.



Innovative

Change's APIs provide the tools for companies to design, build and implement new payment solutions without legacy issuer processors.



Agile

Customer's needs are constantly evolving. Change's platform allows rapid deployment of new card programs and payment solutions.



Access

Gain a new level of control to implement and modify payment and card products. Set customer business rules.



Personalize

Change enables customization of parameters in real-time to control the flow and processing of funds. Configure payment and card experiences.



Business Intelligence

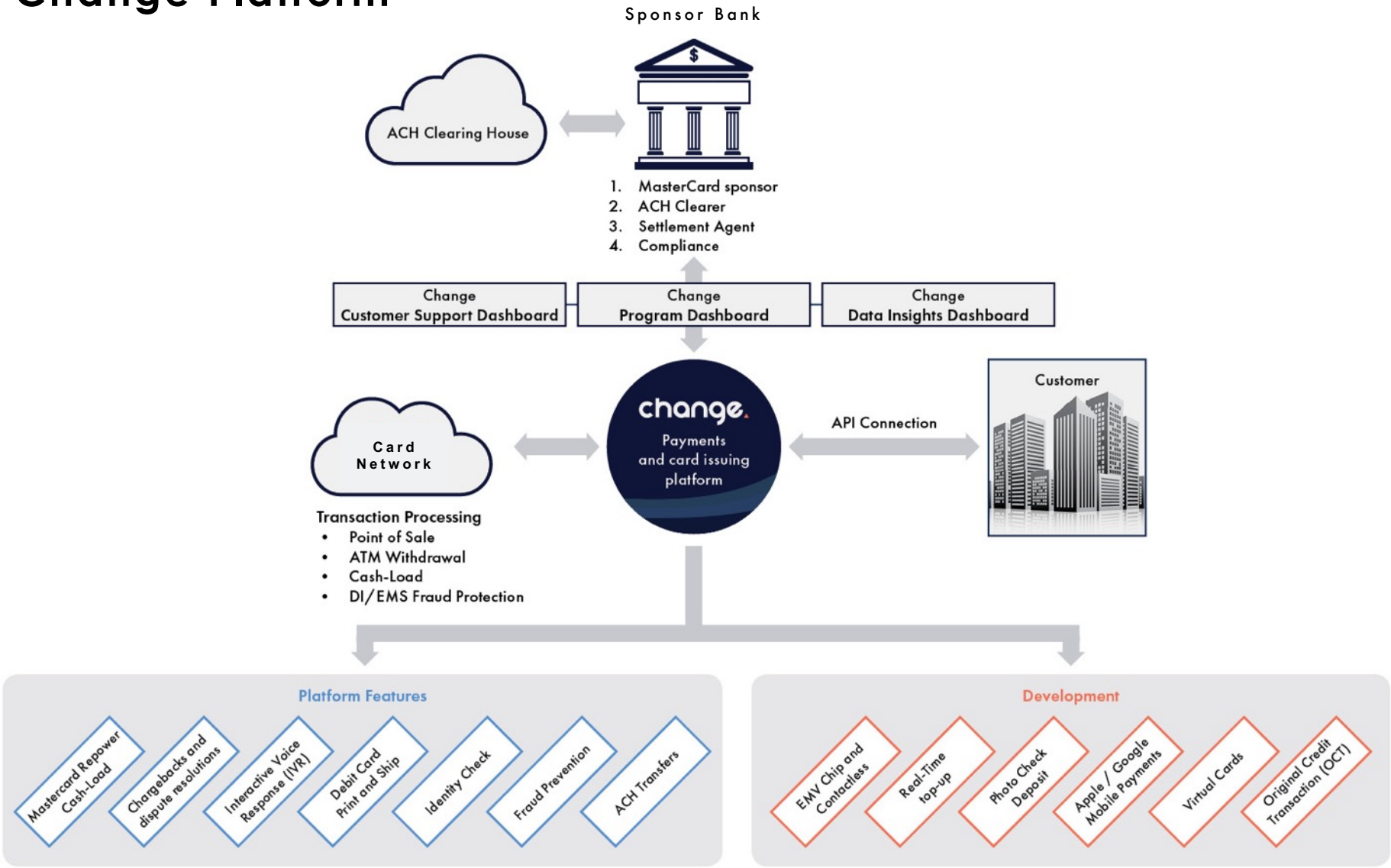
Provides a solution that is data driven and allows real-time analytics on customer and merchant behavior.



Mobile Solution

Award-winning consumer banking technology including features such as paperless mobile account opening and innovative money management tools.

Change Platform



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