EVOLUTION CAPITAL

CCA | INITIATION OF COVERAGE | FINANCIALS

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The Invisible Layer

Change Financial Limited

Change Financial Limited (ASX: CCA) operates a licensed card issuing and payments infrastructure platform serving banks, credit unions, fintechs and embedded finance providers across Australia and New Zealand. The business is built around two complementary products: Vertexon, a platform-as-a-service for card issuing and processing, and PaySim, a payment testing and certification solution used globally. Both are live, revenue-generating and scaling. Active cards on Vertexon **exceeded 119,000** as at March 2026, representing **70% year-on-year growth**, while **recurring revenue** accounted for **72% of YTD FY26** revenue across platform fees, transaction-based revenue, and support and maintenance income. Two new Vertexon PaaS clients were signed in Australia during Q3 FY26. Embedded finance client Hnry went live in April 2026 and is migrating more than 30,000 debit cards onto the platform, while a new BIN sponsorship agreement with Paymentology opens an additional distribution channel into its network of fintech and digital bank clients.

What distinguishes the current period is the shift in the company's underlying economics. Revenue from continuing operations increased 30% in H1 FY26, while underlying **EBITDA reached US$2.5m on a YTD basis** by Q3 FY26. This is occurring against structural tailwinds: Australian debit card payment volumes continue to grow at double-digit rates, cash usage remains in long-term decline, and the removal of card surcharging from October 2026 may provide a further tailwind to transaction volumes. As recurring revenue compounds against a largely fixed cost base, the economics of each new client and additional active card continue to improve.

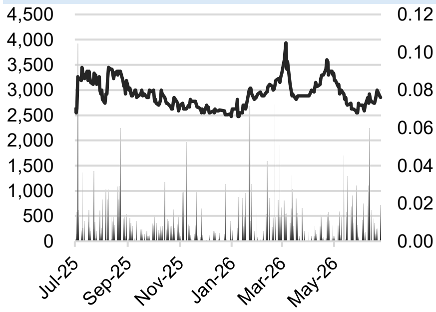
Alongside Vertexon sits PaySim, addressing a structurally different market opportunity. The global market for payment testing and certification software is estimated to comprise more than 32,000 potential clients, of which PaySim's installed base represents less than 0.5%. Its position as the default Eftpos testing standard in Australia creates a strong domestic competitive position, while support for major global payment schemes enables deployment across international markets. Expansion into new geographies requires minimal incremental infrastructure, providing a scalable growth opportunity that complements the Vertexon platform and, in our view, is not fully reflected in the current valuation.

Our valuation framework implies a fair value of **$0.12 per share**, representing 62% upside to the current share price of $0.074. With recurring revenue accounting for 72% of YTD FY26 revenue, an EBITDA-positive operating profile, an expanding PaaS client base and significant remaining growth potential for PaySim globally, we believe the current valuation does not yet fully reflect the company's improving operating leverage and long-term growth potential.

Recommendation	**SPEC BUY**
Price Target	**$0.12**
Share Price	**$0.074**
TSR	**+62%**

Company Profile	
Market Cap	$51m
Enterprise Value	$47m
SOI (diluted)	690m
Cash	US$3m
EV/Sales	1.9x
EV/Ebitda	12.1x
52-Week Range	$0.063 - $0.105

Price Performance



Company Overview

Change Financial Limited (ASX: CCA) is an Australian fintech operating a licensed card issuing and payments infrastructure platform through its proprietary Vertexon® platform-as-a-service and PaySim® testing solution. The company is expanding across Australia and New Zealand through deployments with banks, credit unions and fintechs, including the embedded finance client Hnry and a BIN sponsorship partnership with Paymentology. Near-term catalysts include FY26 results confirming upgraded guidance, onboarding of contracted PaaS clients, and the RBA surcharging removal in October 2026.

Analyst

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Figure 1: Key upcoming catalysts. Source: Company guidance, ASX announcements. Timing based on company disclosures and analyst estimates.

Catalyst	Est. Timing
FY26 full-year results confirming upgraded revenue and underlying EBITDA guidance	August 2026
Onboarding of four contracted Vertexon PaaS clients currently in pipeline	FY26/FY27
RBA surcharging removal on debit, prepaid and credit cards (potential volume tailwind)	October 2026

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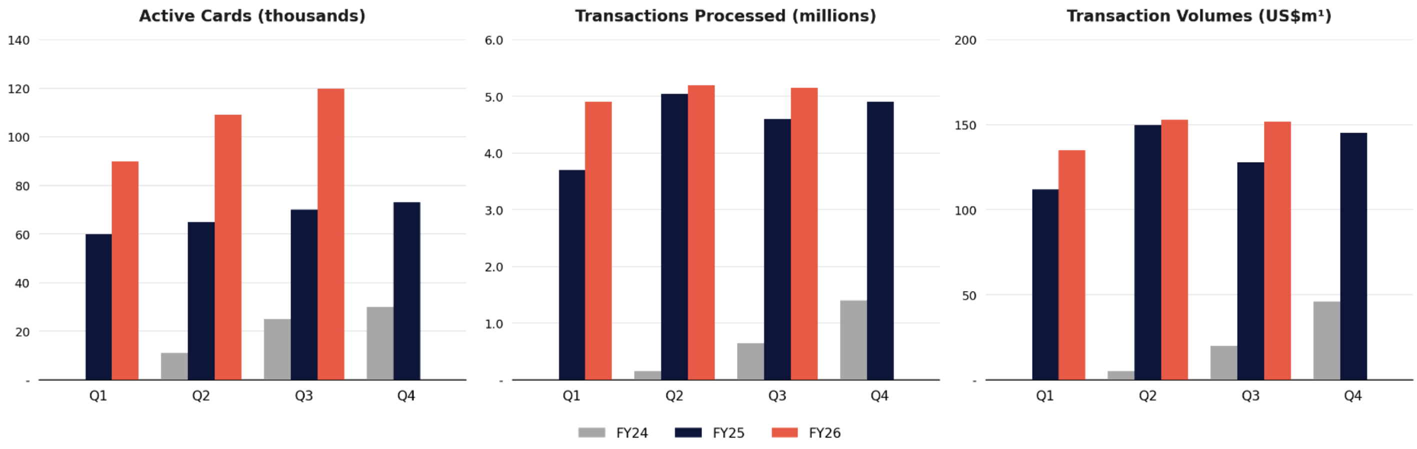
Investment Thesis

Change Financial offers exposure to a payments infrastructure business that we believe the market continues to value as an early-stage software company. In our view, that characterisation no longer reflects the underlying business. With 119,000 active cards on its Vertexon PaaS platform, up 70% year-on-year and more than four times the level of approximately 25,000 recorded two years prior, 72% of YTD FY26 revenue recurring, its first operating cash flow positive first half and FY26 guidance reaffirmed following the Q3 FY26 update, Change has moved beyond platform development and entered the early stages of scalable infrastructure economics. Despite this operational progress, the company trades on a market capitalisation of approximately $51m at the current share price of $0.074.

The current valuation appears to reflect Change's historical revenue base rather than the economics of a payments infrastructure platform whose revenue increasingly scales with transaction volumes while its underlying operating infrastructure remains largely established. Active cards on platform have grown at a two-year CAGR in excess of 100% on a same-quarter basis, and transaction volumes processed through Vertexon reached US$153m in Q3 FY26, more than four times the equivalent quarter two years prior. Recurring revenue has continued to increase as a proportion of total revenue, and Vertexon now supports payment programmes for clients that include some of Australasia's largest fintech operators. Despite these characteristics, Change continues to trade on an EV to forward revenue multiple of approximately 1.9x on our estimates, materially below both domestic and international payments infrastructure peers.

The most important transition underway is the evolution from a company that develops and licenses card issuing software to one that operates mission-critical payments infrastructure. Once a financial institution has completed certification, integrated its systems and launched a card programme on Vertexon, switching platforms becomes operationally complex, costly and disruptive. As a result, customer relationships become increasingly embedded over time, allowing recurring platform and transaction revenue to grow alongside card volumes without requiring equivalent growth in the underlying cost base.

Figure 2: Vertexon PaaS Metrics



Source: Q3 FY26 Investor Presentation, 28.04.2026

Operating leverage is one of the most attractive characteristics of the business. Illustratively, the operating infrastructure required to support 150,000 active cards is not materially different from that required to support 50,000 active cards. While transaction volumes, platform fees and maintenance revenue continue to expand, engineering, compliance and operational costs increase at a considerably slower rate. Underlying EBITDA reached US$1.8m in 1H FY26, increasing to US$2.5m on a YTD basis through Q3 FY26, demonstrating the early stages of this operating leverage. Our forecasts assume further margin expansion as platform utilisation continues to increase.

The company's growth opportunity also remains significantly larger than its current revenue base suggests. Vertexon continues to target the Australian and New Zealand market of regional banks, mutuals, credit unions, non-bank lenders and embedded finance providers that have yet to migrate to modern card issuing infrastructure. PaySim provides an additional source of long-term optionality. With more than 140 customers today, the platform has penetrated less than 0.5% of the estimated global addressable market of more than 32,000 financial institutions and payment providers, while requiring only limited incremental infrastructure to support expansion into additional geographies. During Q3 FY26, Change further strengthened its growth outlook by signing two new Australian Vertexon PaaS clients while progressing the onboarding of four additional contracted customers.

Mastercard provides an additional strategic dimension to the investment case. The US$1.0m incentive payment received in June 2023, recognised progressively as agreed transaction milestones are achieved, reflects a commercial arrangement that directly aligns Mastercard's incentives with transaction growth on the Vertexon platform. The arrangement demonstrates confidence from one of the world's largest card schemes in the continued expansion of Change's issuing platform and reinforces the company's position within the broader payments ecosystem.

We believe Change Financial should be assessed as an emerging payments infrastructure company rather than an early-stage software developer. The combination of a growing active card base, structurally recurring revenue, high customer switching costs, meaningful operating leverage, a globally scalable payment testing platform and a differentiated regulatory position across Australia and New Zealand creates a business that appears materially undervalued relative to its long-term earnings potential. Our DCF valuation derives a fair value of **$0.12 per share**, representing approximately **62% upside** to the current share price. While execution risk remains, the evidence from the first nine months of FY26 suggests that the transition from platform development to platform scale is no longer prospective. It is already underway.

Financial Summary

VALUATION DETAILS	A$	US$
Share Price (A$)	$0.074	$0.05
Market Cap (A$m)	51.09	34.70
Enterprise Value (A$m)	43.46	29.51
Fair Value/Share (A$)	$0.12	$0.08

FINANCIAL STATEMENTS (US$m)	FY25	FY26E	FY27E	FY28E
Income Statement				
Revenue	14.92	17.61	20.90	24.99
EBITDA	1.05	3.29	4.60	6.07
EBIT	-0.95	1.42	2.73	4.19
Net Income	-0.85	1.52	1.99	3.02
Balance Sheet				
Cash & Cash Equivalents	3.91	5.44	6.99	9.54
Client settlement funds	2.75	2.17	2.58	3.08
Receivables	2.91	2.65	3.15	3.77
Other Assets	8.46	8.84	9.94	10.71
Total Assets	18.03	19.10	22.66	27.09
Total Debt	0.42	0.25	0.20	0.20
Other Liabilities	10.62	10.35	11.97	13.38
Total Liabilities	11.04	10.60	12.17	13.58
Shareholders' Equity	6.99	8.50	10.49	13.51
Cash Flow Statement				
Net Income	-1.94	1.52	1.99	3.02
Add: Depreciation & Amortisation	2.00	1.87	1.87	1.87
Less: Change in Net Working Capital/Other	0.74	0.39	-0.26	-0.29
Cash Flow from Operations	0.80	3.78	3.61	4.60
Cash Flow from Investing	-2.05	-2.05	-1.85	-1.85
Equity Raised (net)	2.90	0.00	0.00	0.00
LL payments/Other	-0.14	-0.20	-0.20	-0.20
Cash Flow from Financing	2.76	-0.20	-0.20	-0.20
Unlevered Free Cash Flow	-0.55	1.63	1.65	2.63

PER SHARE DATA	FY25	FY26E	FY27E	FY28E
Shares Outstanding (m)	690.5	690.5	690.5	690.5
Normalised EPS (A$)	0.00	0.00	0.00	0.00
Dividends per Share (A$)	0.00	0.00	0.00	0.00
Payout	0%	0%	0%	0%
Franking	0%	0%	0%	0%

RATIOS	FY25	FY26E	FY27E	FY28E
Liquidity				
Current Ratio	1.04	1.14	1.20	1.36
Cash Ratio	0.40	0.58	0.63	0.77
Solvency				
Debt to Equity	0.06	0.03	0.02	0.01
Equity to Assets	0.39	0.45	0.46	0.50
Profitability				
ROA (Return on Assets)	-4.7%	7.9%	8.8%	11.1%
ROE (Return on Equity)	-12.2%	17.9%	19.0%	22.3%
EBITDA Margin	7%	19%	22%	24%
NPAT Margin	-5.7%	8.6%	9.5%	12.1%
Growth				
Blended Fee p. card (US$)	94.0	90.0	92.0	94.0
PaaS % of Total	41.9%	55.7%	63.3%	67.1%
Revenue	42.9%	18.0%	18.7%	19.5%
EBITDA improvement	+0.3m	+2.2m	+1.3m	+1.5m
NPAT improvement	+0.2m	+2.4m	+0.5m	+1.0m
Valuation				
P/E	n/a	32.2	27.2	18.0
EV/Sales	2.0	1.7	1.4	1.2
EV/EBITDA	28.1	9.0	6.4	4.9
Dividend Yield	0.0%	0.0%	0.0%	0.0%

USD-denominated financials have been translated into AUD using a 12-month average monthly AUD/USD exchange rate of 0.68 (US$1.00 = A$1.47). FY25 financial statements are presented on a continuing operations basis. Net loss of US$(0.85)m excludes a US$(1.09)m loss attributable to the US issuing business, which was exited during FY25 and classified as a discontinued operation under AASB 5. Total loss attributable to members of Change Financial Limited was US$(1.94)m. Revenue of US$14.92m represents revenue from contracts with customers and excludes US$0.10m of interest income, which is presented separately within the Other/Interest revenue line.

1. Why Banks Don't Build This Themselves

Understanding Card Issuing Infrastructure

From a consumer's perspective, a payment card appears deceptively simple. A customer taps a card, a transaction is authorised and funds move from one account to another. Behind that seemingly straightforward interaction sits a highly sophisticated technology stack involving transaction processing, card lifecycle management, fraud controls, scheme connectivity, settlement, compliance, security standards and regulatory oversight. Every card programme must operate within an evolving framework defined by payment schemes, regulators and financial institutions.

For banks and fintechs, maintaining this infrastructure internally is rarely a source of competitive advantage. Their competitive strength lies in customer relationships, lending, deposits and financial products rather than developing and operating payments infrastructure. Building a proprietary issuing platform requires substantial upfront investment, specialised technical expertise and ongoing expenditure to remain compliant with changing industry standards. These costs are largely fixed regardless of transaction volumes, while operational and regulatory complexity continues to increase.

As a result, many financial institutions have shifted away from internally developed systems towards specialised infrastructure providers. Rather than investing capital into technology development, certification and ongoing maintenance, banks and fintechs can focus on customer acquisition, product innovation and distribution while outsourcing the underlying payments infrastructure to specialist providers.

Change Financial operates directly within this market. Through Vertexon, the company provides card issuing, transaction processing and payments infrastructure across Australia and New Zealand. Through PaySim, it provides payment testing and simulation software used by financial institutions, processors and payment schemes globally. While neither platform is visible to end users, both perform mission-critical functions within the broader payments ecosystem.

The addressable market is significant. Change's technology is currently used by more than 150 banks and fintechs across over 40 countries and supports the management, processing and testing of more than 45 million payment cards worldwide. Despite this reach, the company remains relatively small within a large and expanding global payments infrastructure market, highlighting a substantial opportunity for future growth.

From Proprietary Systems to Licensed Infrastructure

The migration towards licensed payments infrastructure has been underway for more than a decade and continues to accelerate as payments become increasingly digital, real-time and interconnected. Legacy systems were designed for a much simpler payments environment centred on physical debit and credit cards. Today's financial institutions must support digital wallets, tokenised payments, embedded finance, open banking integrations, real-time fraud monitoring and continuously evolving security standards.

For many institutions, modernising internally developed systems has become increasingly expensive and operationally challenging. In many cases, adopting a modern third-party platform represents a more efficient solution than maintaining legacy infrastructure that was never designed for today's payments environment.

This industry evolution is favourable for specialised infrastructure providers such as Change Financial. Vertexon provides a scheme-certified, configurable and scalable issuing platform that enables financial institutions to launch modern card programmes more quickly and with lower operational complexity than developing proprietary infrastructure. Clients gain access to continuously maintained payments technology without carrying the associated development, certification and compliance burden themselves.

Vertexon operates through two complementary delivery models. Under the PaaS model, Change hosts and manages the platform on behalf of clients, generating recurring revenue through platform fees, transaction-based fees and value-added services. Under the on-premises model, customers deploy Vertexon within their own technology environment and pay software licence, support and maintenance fees. While the commercial mechanics differ, both models establish long-term customer relationships supported by recurring revenue streams.

The attractiveness of this model is particularly evident among challenger banks, embedded finance providers, digital wallet operators and fintech platforms. These businesses typically lack both the resources and the strategic incentive to develop issuing infrastructure internally. Outsourced payments infrastructure has therefore become the default operating model for many newer market participants. Each successful implementation creates the potential for a long-term customer relationship that expands alongside transaction volumes and product adoption.

Compliance as a Structural Competitive Advantage

One of the least appreciated aspects of the payments industry is the continuous burden of compliance and certification. Payment schemes regularly introduce new technical standards, security requirements and certification processes, while regulatory frameworks continue to evolve around fraud prevention, consumer protection and payment security. Institutions operating proprietary infrastructure must continually invest to remain compliant.

For customers operating on Vertexon, much of this complexity is managed by Change Financial. Compliance updates, scheme mandates and technical certifications are administered centrally, reducing operational risk and internal resource requirements. As regulatory complexity increases, so too does the value proposition of specialised infrastructure providers capable of managing these obligations efficiently.

The result is a business model characterised by high customer retention and meaningful switching costs. Once a financial institution has integrated its issuing, processing and compliance workflows into a third-party platform, migrating to an alternative provider becomes operationally disruptive, expensive and time consuming. Consequently, revenue from established customers is predominantly recurring and becomes progressively less reliant on continuous new client acquisition than a traditional software business.

The same principle applies to PaySim. Payment schemes and financial institutions must continually test and certify their systems as standards evolve. Testing therefore becomes an ongoing operational requirement rather than a one-off event, supporting recurring licence, maintenance and professional services revenue.

The Rise of Digital Issuing and Embedded Finance

The payments industry continues to evolve from traditional card programmes towards increasingly sophisticated digital payment ecosystems. Embedded finance, digital banking, virtual cards, tokenised credentials, mobile wallets and multi-currency payment solutions have become mainstream financial products. These developments increase the complexity of issuing and transaction processing while simultaneously increasing demand for flexible payments infrastructure.

Change Financial's operating metrics reflect these broader industry trends. As at Q3 FY26, the Vertexon PaaS platform supported more than 119,000 active cards, representing year-on-year growth of 70%. Growth has been driven by expanding debit and prepaid card programmes across multiple customer segments and use cases. As transaction volumes continue to increase across the platform, recurring platform and transaction revenue grows alongside customer activity.

Importantly, the long-term opportunity extends beyond simply issuing additional cards. As customers expand from individual payment products into broader digital payment ecosystems incorporating embedded finance, digital wallets and additional transaction capabilities, they become increasingly integrated into the underlying infrastructure platform. This strengthens customer relationships, increases switching costs and expands the long-term recurring revenue opportunity available to Change Financial.

The investment case is therefore not simply one of card issuance growth. It is the gradual expansion of Change Financial's role as critical payments infrastructure within the broader financial ecosystem. As digital payments continue gaining share globally and financial institutions seek increasingly efficient ways to deliver payment services, demand for specialised issuing and payments infrastructure is likely to continue growing. Change Financial's positioning within this structural trend provides a strong foundation for long-term recurring revenue growth and operating leverage.

2. Vertexon, PaySim and the Revenue They Generate

Vertexon: Processing and Issuing for the Australian Market

Vertexon is Change Financial's core payments platform, providing card issuing, issuer processing and payments infrastructure across Australia and New Zealand. The platform enables banks, credit unions, mutuals, fintechs and embedded finance providers to launch, manage and scale debit, prepaid and credit card programmes without developing proprietary issuing infrastructure. Through a single platform, Vertexon supports transaction processing, card lifecycle management, fraud controls, treasury functionality, compliance and scheme connectivity across the major payment networks. As an issuer in Australia and New Zealand, Change Financial currently operates exclusively through Mastercard, while its processing capabilities support multiple payment schemes.

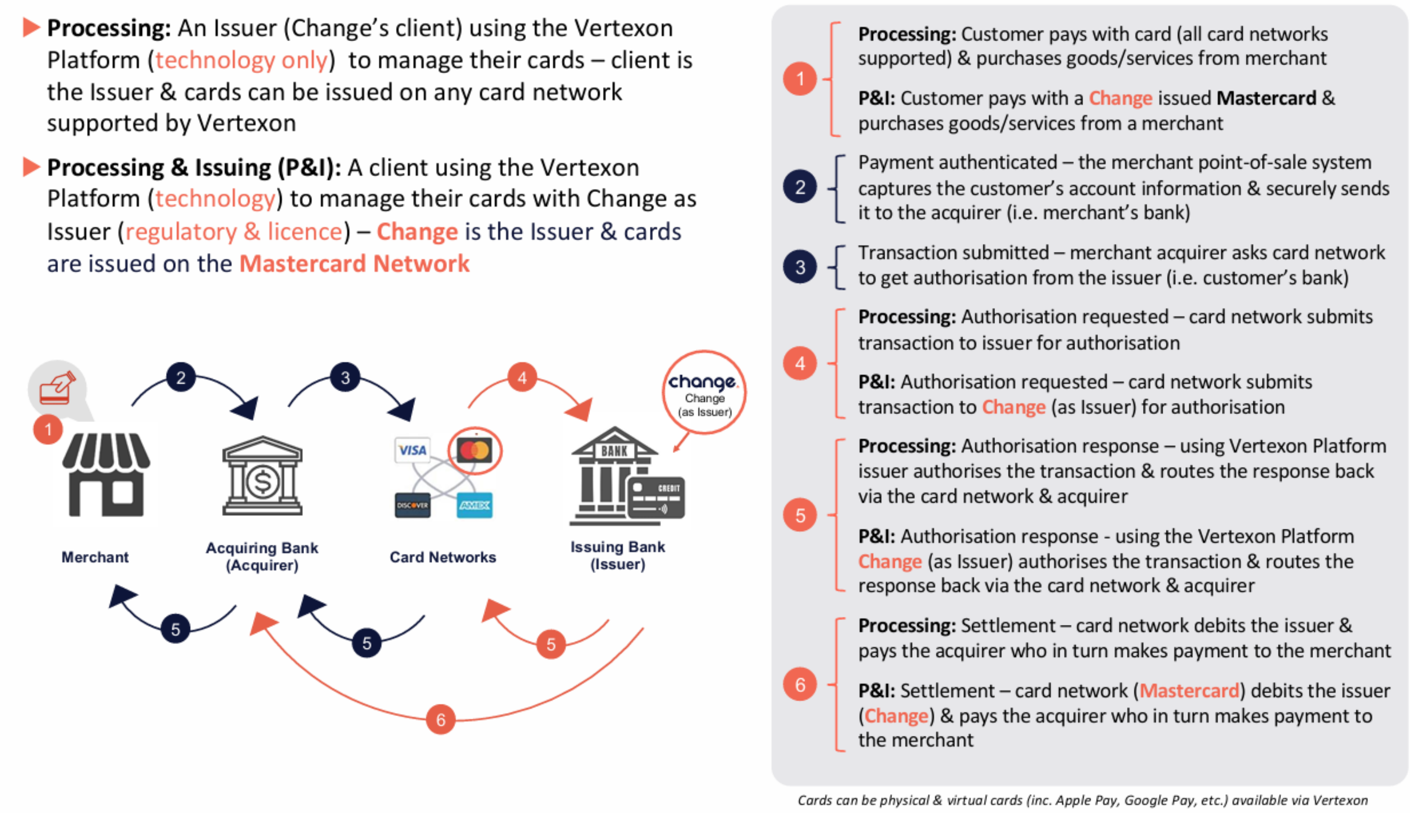
The platform is supported by Change Financial's regulatory infrastructure, including its Australian Financial Services Licence (AFSL), New Zealand Financial Service Provider (FSP) registration, Australian BIN sponsorship capability and payment scheme certifications. These regulatory credentials enable customers to launch compliant payment programmes while relying on Change Financial to maintain ongoing certification, scheme mandates and operational compliance.

Vertexon is deployed through two complementary commercial models. Under the PaaS model, Change Financial hosts and operates the platform on behalf of customers, generating recurring revenue through platform access fees, transaction-based fees and other usage-related services. As customer card volumes and transaction activity increase, recurring revenue grows alongside platform utilisation. Under the on-premises model, customers deploy Vertexon within their own technology environment and pay an upfront software licence fee followed by recurring support and maintenance revenue. While the revenue mechanics differ, both models create long-term customer relationships characterised by high switching costs and recurring income.

Vertexon performs substantially more than transaction processing. The platform manages issuer processing, BIN sponsorship arrangements, scheme certification, settlement workflows, fraud management, card lifecycle administration and compliance with evolving payment scheme requirements. These capabilities enable financial institutions to operate institution-grade card programmes without building and maintaining their own payments infrastructure.

For many financial institutions, particularly regional banks, credit unions, non-bank lenders and fintechs, developing these capabilities internally would require significant investment in technology, regulatory expertise and operational resources. Vertexon provides an established alternative that allows customers to focus on product development and customer acquisition while outsourcing the complexity of payments infrastructure to a specialist provider.

Figure 3: Vertexon in the Payments Process



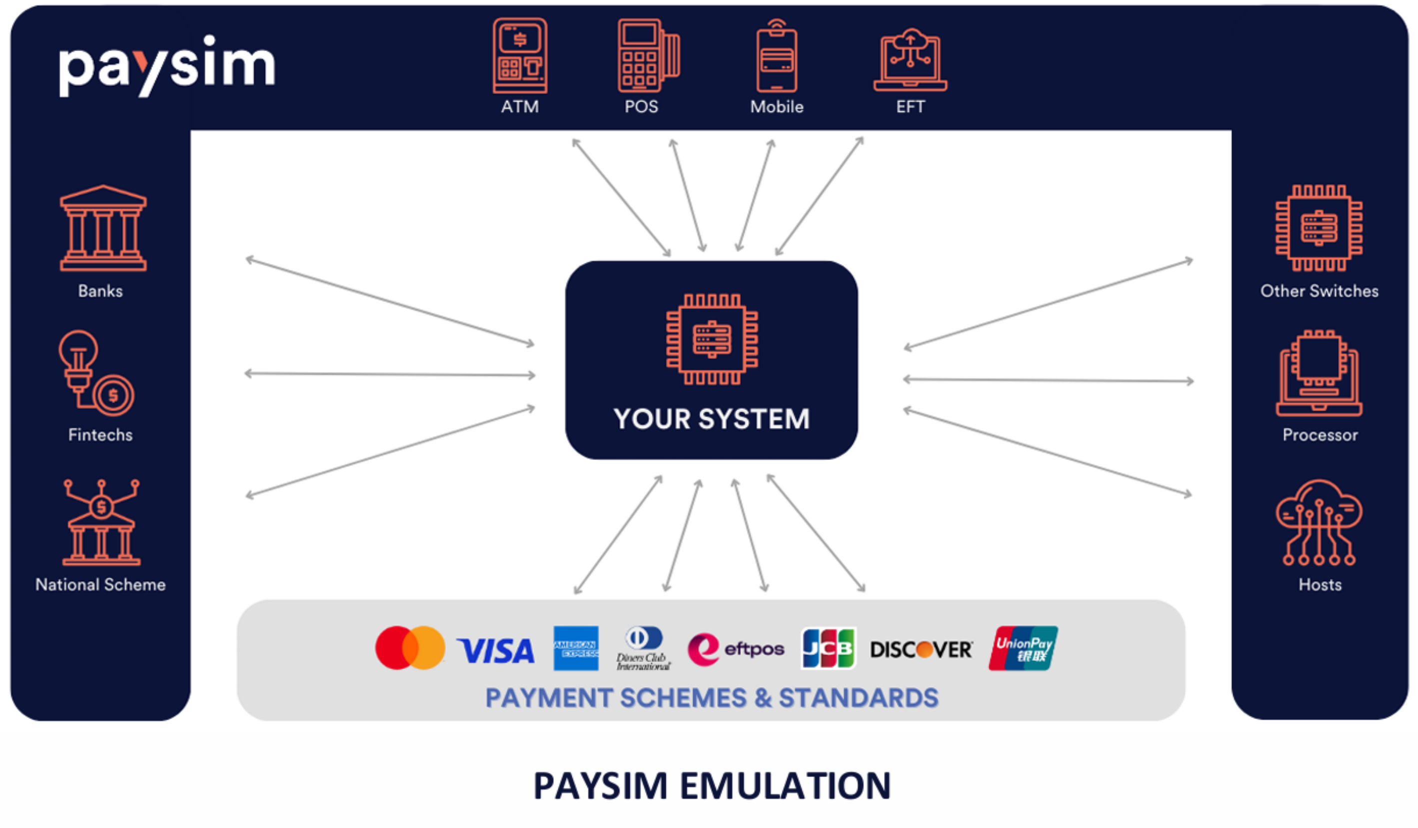
Source: Q3 FY26 Investor Presentation, 28.04.2026

PaySim: The Testing Standard That Travels With the Scheme

PaySim is a distinct product from Vertexon, but operates within the same institutional payments ecosystem. While Vertexon supports card issuing and transaction processing, PaySim provides payment testing, simulation and certification software used by financial institutions, processors and payment schemes. The platform supports end-to-end testing of payment messages across major schemes and standards, including ISO 8583 and ISO 20022, and covers payment simulation, scheme validation, ATM and POS emulation, regression testing and API connectivity.

The commercial logic of PaySim is straightforward. Every financial institution that processes payments must test changes to its infrastructure before they are deployed into production. Scheme updates, product launches, new integrations and regulatory changes all create recurring testing requirements. PaySim provides the controlled simulation environment in which this testing occurs, allowing clients to validate systems before live deployment.

Figure 4: PaySim – Critical Payments Infrastructure Testing Tool



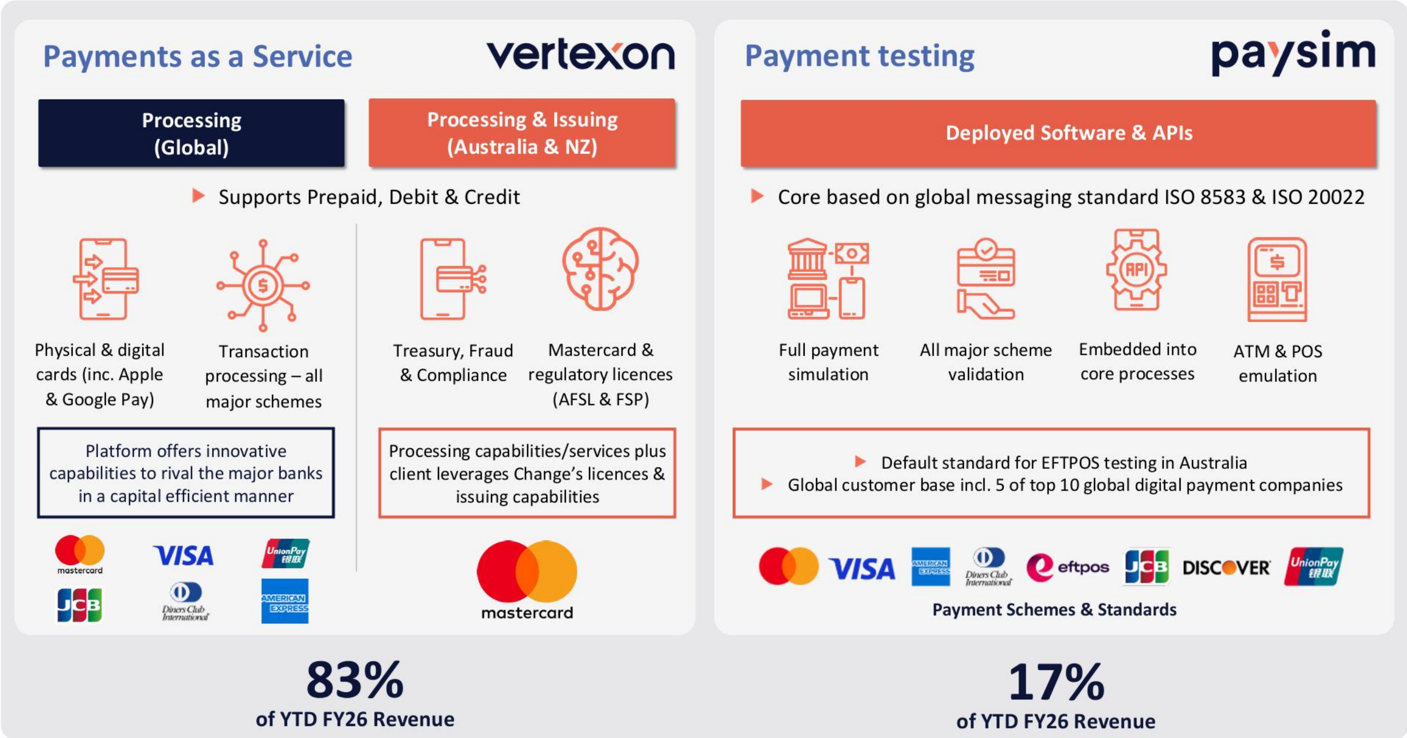
Source: Q3 FY26 Investor Presentation, 28.04.2026

As of the latest company disclosures, PaySim had more than 140 clients globally, representing less than 0.5% of the more than 32,000 potential global clients identified by independent market research. The customer base includes five of the top ten global digital payment companies, while the platform is also the default testing standard for eftpos in Australia. This creates a strong domestic reference point and provides validation for the product's relevance across broader international markets.

The growth opportunity is significant because PaySim is not constrained by the same geographic licensing requirements as Vertexon PaaS. The product can be sold globally and supported from Change Financial's existing office locations, with limited incremental infrastructure required to serve customers in new markets. During Q3 FY26, Change expanded its PaySim partner network with a new Latin American partner, sold module upgrades to Tier 1 and Tier 2 financial institutions globally and added a new fintech customer using PaySim to test card-present payment solutions in Australia.

PaySim currently represents a smaller proportion of Group revenue than Vertexon, but its strategic importance is greater than its current revenue contribution suggests. It provides global exposure, recurring licence and maintenance revenue, and a high-optionality growth channel outside the ANZ card issuing market. As scheme complexity, testing requirements and payment certification obligations continue to increase globally, PaySim provides Change Financial with a scalable software revenue stream that complements the transaction-driven economics of Vertexon.

Figure 5: Delivering Innovative & Scalable Payments Solutions



Source: Q3 FY26 Investor Presentation, 28.04.2026

Why Clients Stay

The retention characteristics of both Vertexon and PaySim are driven by operational dependency rather than contractual lock-in alone. Once a financial institution has gone live on Vertexon, it has completed certification, integrated its internal systems, trained operational staff and built its card programme around the platform. Migrating to an alternative provider would be disruptive, expensive and time consuming, with potential risks around certification, operational continuity and customer experience.

This creates meaningful switching costs. Each new PaaS client adds to the installed base and contributes recurring revenue through platform access fees, transaction-based fees and value-added services as card volumes grow. The more deeply Vertexon is embedded into a customer's issuing, processing and compliance workflows, the more valuable and difficult to replace the platform becomes.

The on-premises Vertexon installed base provides an additional layer of recurring revenue through licence, support and maintenance fees. These customers may not contribute to PaaS card volume metrics, but they remain economically relevant because their systems require ongoing maintenance, updates and support. This creates a stable revenue foundation alongside the faster-growing PaaS model.

Hnry provides a recent example of how new PaaS customers can expand the recurring revenue base. One of Australasia's largest accounting services platforms, Hnry formally launched with Change in April 2026 and commenced migration of more than 30,000 debit cards across Australia and New Zealand to the Vertexon platform. The migration adds a meaningful debit card programme to the PaaS base and is expected to contribute to platform activity as the cardholder transition progresses.

The same retention logic applies to PaySim. Once a financial institution uses PaySim for scheme testing, certification workflows and internal payment validation, the platform becomes embedded in its operational processes. Testing is not a one-off activity. It recurs as schemes update standards, institutions launch new products and payment infrastructure evolves. This supports recurring licence, maintenance and professional services revenue over time.

Recurring Revenue and What Drives It

One of Change Financial's most attractive characteristics is its growing base of recurring revenue. As at Q3 FY26, recurring revenue represented 72% of year-to-date revenue and 74% of Q3 revenue, primarily comprising Vertexon PaaS revenue together with support and maintenance income generated from Vertexon on-premises customers and PaySim licences. This recurring revenue base provides increasing earnings visibility while reducing reliance on the timing of software licence sales and professional services engagements.

The largest contributor to recurring revenue growth is the Vertexon PaaS platform. Under the PaaS model, customers pay recurring platform access fees together with transaction-based charges that scale as card programmes mature. Revenue therefore grows alongside active cards, transaction volumes and customer activity rather than depending on periodic software implementations.

This operating model is already evident in the platform's recent performance. As at Q3 FY26, Vertexon supported more than 119,000 active cards, representing year-on-year growth of 70%. Transaction activity also continued to increase, with processed transactions rising 12% year-on-year and transaction volumes increasing 18%. Growth has been supported by both new customer implementations and the continued expansion of existing client programmes, demonstrating that recurring revenue is generated through both customer acquisition and increasing utilisation of the installed platform.

Support and maintenance revenue provides a second source of recurring income. This revenue is generated from the installed base of Vertexon on-premises customers together with PaySim software licences and reflects ongoing software support, maintenance, certification updates and product enhancements. Unlike PaaS revenue, which varies with customer activity, support and maintenance revenue is largely contractual in nature and provides a stable foundation of recurring cash generation.

The quality of Change Financial's revenue mix is demonstrated by the coexistence of recurring and project-based revenue streams. During Q3 FY26, the company generated US$1.1m of licence and professional services revenue while recurring revenue continued to represent 74% of quarterly revenue. Project work therefore supplements rather than replaces recurring income, allowing the business to benefit from implementation activity without materially reducing the predictability of future earnings.

Importantly, these revenue streams reinforce one another. Licence and professional services engagements frequently deepen customer relationships and can lead to future platform adoption, while the growing recurring revenue base improves earnings visibility and operating leverage. As the installed customer base expands and transaction activity continues to increase, recurring revenue is expected to represent an increasingly important proportion of Group earnings, supporting stronger cash generation and greater long-term earnings quality.

3. Nine Months of Evidence

The Client Base Today

Change Financial enters the final quarter of FY26 with an increasingly diversified client base spanning banks, credit unions, building societies, fintechs and payment providers across Australia, New Zealand and more than 40 countries globally. Vertexon is now an established payments platform supporting a growing base of recurring transaction revenue, while the on-premises customer base continues to generate stable support and maintenance income. Separately, PaySim has expanded to more than 140 customers globally, including five of the world's ten largest digital payment companies.

The composition of the client base is equally important. Vertexon supports financial institutions, embedded finance providers and digital banking platforms across Australia and New Zealand. During Q3 FY26, Change signed two additional Australian PaaS customers while four contracted clients remained in implementation. At the same time, the combined Vertexon and PaySim sales pipeline increased to 83 qualified opportunities across various stages of qualification, proposal and commercial negotiation.

Importantly, this pipeline has been developed while the company has only recently established a dedicated outbound sales capability. The appointment of two strategic business development managers during FY25 broadened Change's commercial reach beyond relationship-led sales, with early evidence of conversion already visible through new client wins during FY26.

FY25: A Year That Changed the Shape of the Business

FY25 represented a significant turning point for Change Financial. Revenue from contracts with customers increased 43% to US$14.9m (excluding interest income), exceeding management's guidance for growth of more than 30%, while recurring revenue accounted for approximately 76% of total revenue. More importantly, the business demonstrated that revenue growth was beginning to translate into operating leverage.

Employee expenses increased only modestly relative to revenue growth, while the expanding PaaS platform drove higher program expenses associated with transaction processing and customer onboarding. This resulted in the company's first full-year positive underlying EBITDA of US$0.2m together with positive operating cash flow for the year, compared with an operating cash outflow in FY24.

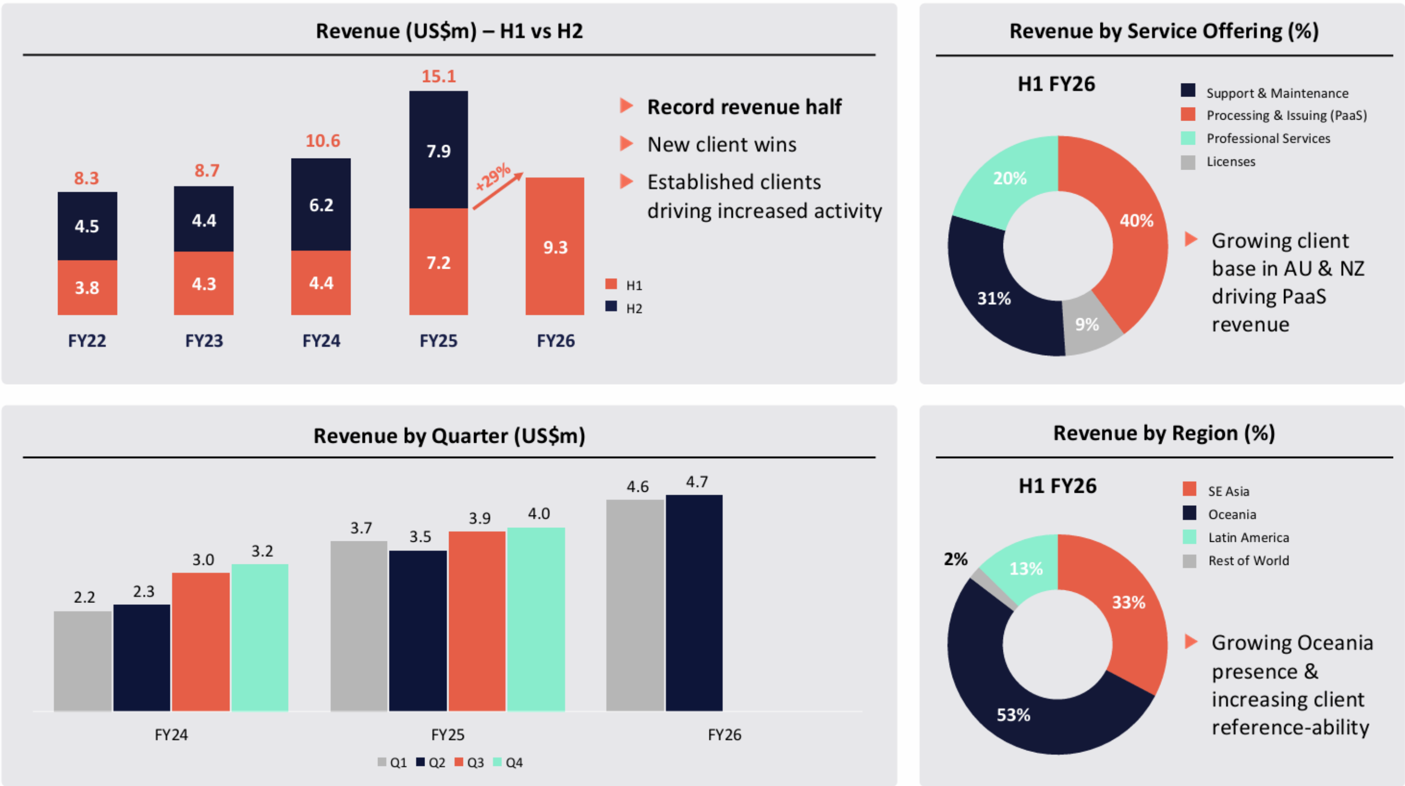
The balance sheet also strengthened during the year. Cash increased to US$3.9m while the company remained free of financial debt. Contract liabilities of US$4.1m reflected support, maintenance and project fees invoiced in advance, providing an additional level of revenue visibility.

FY25 also marked the completion of the company's strategic exit from its US issuing business. The disposal removed a structurally loss-making operation and allowed management to focus capital and resources on the higher-return ANZ issuing platform and the globally scalable PaySim business.

H1 FY26: The First Clean Half

The first half of FY26 represented the first reporting period fully reflecting the streamlined business.

Figure 6: Scaling Revenue with Discipline & Focus



Source: H1 FY26, Investor presentation, 26.02.2026.

Revenue from continuing operations increased 30% year-on-year to US$9.3m, while Change delivered its first statutory profit from continuing operations of US$0.64m compared with a loss of US$0.92m in the prior corresponding period.

Growth was broad based across the business. Vertexon PaaS fees increased to US$3.67m as active cards and transaction activity continued to expand. Maintenance and support revenue reached US$2.82m, providing a stable recurring revenue base, while professional services revenue of US$1.89m and licence fees of US$0.85m demonstrated the company's ability to generate meaningful implementation income alongside recurring platform revenue.

Operational leverage also became increasingly evident. Revenue growth materially exceeded growth in operating costs, resulting in underlying EBITDA of US$1.8m and the company's first positive half-year operating cash flow of US$35k.

The balance sheet remained strong, with US$2.56m of cash, US$1.44m of security deposits supporting scheme participation and no financial debt. Contract liabilities of US$4.25m continued to provide visibility over future revenue recognition through prepaid support, maintenance and platform services.

Following the strong first-half result, FY26 guidance was upgraded to revenue of US$17.5m to US$18.5m and underlying EBITDA of US$3.1m to US$3.8m, with management also expecting the business to be net cash flow positive for the full year.

Q3 FY26 and What Comes Next

The Q3 FY26 update provided further evidence that the operational momentum established during FY25 and H1 FY26 continued into the second half.

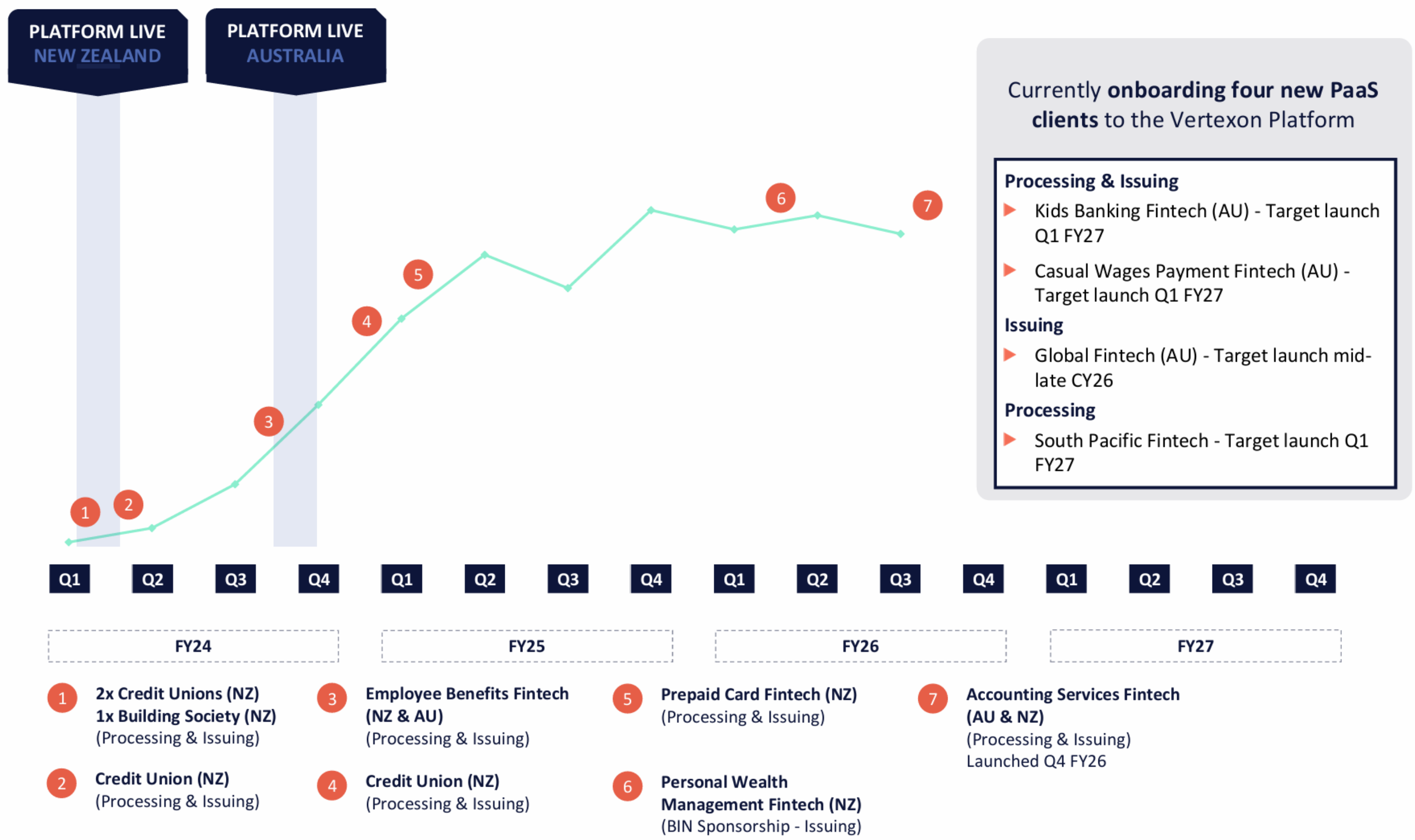
Quarterly revenue increased 11% year-on-year to US$4.3m, with recurring revenue representing 74% of quarterly revenue and 72% of year-to-date revenue. Year-to-date revenue reached US$13.5m while underlying EBITDA totalled US$2.5m, leaving the company well positioned to achieve its upgraded FY26 guidance.

Operational metrics also continued to improve. Active cards on the Vertexon PaaS platform exceeded 119,000, representing growth of 70% year-on-year and 8% sequentially. Processed transactions increased 12% year-on-year while transaction volumes grew 18%, reflecting both new customer implementations and increasing utilisation across the existing customer base. Customer cash receipts reached a record US$4.5m during the quarter, while cash at period end totalled US$3.0m together with a further US$1.4m of security deposits and no financial debt.

Commercial execution also accelerated. Change announced a strategic partnership with Paymentology to provide BIN sponsorship capabilities for Australian fintechs and digital banks, extending the company's distribution reach through an established global issuer processor. Hnry formally commenced migration of more than 30,000 Australian and New Zealand debit cards onto the Vertexon platform, two additional Australian PaaS customers were signed for implementation during FY27, and the PaySim partner network expanded through a new Latin American partner together with additional module sales to Tier 1 and Tier 2 financial institutions.

FY26 guidance was reaffirmed in full following the Q3 update. Taken together, the results delivered since FY25 demonstrate a business that has transitioned from platform development towards scalable commercial execution. Revenue growth, recurring income, customer expansion and improving profitability now reinforce one another, providing the operational evidence underpinning our investment thesis.

Figure 7: Accelerating PaaS Growth



Source: Q3 FY26 Investor Presentation, 28.04.2026

4. Scale, Competition and Where Change Sits

The Market Opportunity

Change Financial operates at the intersection of three long-term industry trends: the migration from proprietary card issuing infrastructure to licensed payments platforms, continued growth in electronic payment volumes, and increasing demand for payment testing and certification software. Together, these trends support sustained demand for both Vertexon and PaySim.

According to The Business Research Company, the global payment card issuance software market was valued at approximately US$2.1bn in 2025 and is expected to reach US$3.5bn by 2030, representing a CAGR of 11.2%. Growth is being driven by cloud-native banking platforms, virtual and prepaid card issuance, embedded finance and increasing regulatory complexity. As payment schemes continue to introduce new technical standards and certification requirements, maintaining proprietary issuing infrastructure has become progressively more expensive and operationally demanding. This increasingly favours specialised infrastructure providers such as Change Financial.

Australia provides an attractive operating environment for Vertexon. According to RBA data and analysis by the Initiatives Group, debit card payment values in Australia have grown at a CAGR of 12.8% between FY20 and FY24, with further growth forecast through FY28. The Reserve Bank of Australia's 2025 Consumer Payments Survey also highlighted the continued shift away from cash, with debit cards now accounting for approximately half of all consumer payments and cash representing approximately 15% of transaction volumes. These trends support continued growth in electronic payments, increasing the long-term transaction opportunity available to infrastructure providers.

The regulatory backdrop is also evolving. The Reserve Bank of Australia's March 2026 Conclusions Paper confirmed that card payment surcharging will be removed from October 2026. While Change Financial has indicated that the reforms are expected to have minimal direct operational impact, lower friction at the point of sale may support further growth in electronic payment volumes over time, providing a favourable backdrop for transaction-based revenue models.

New Zealand provides an additional growth market. According to the Initiatives Group's market sizing analysis for Vertexon, the New Zealand payments market continues to expand as digital payment adoption accelerates. Change Financial has already established a strong position within this market as the country's largest non-bank debit card issuer, processing more than NZ$1bn of annual card transaction value. The New Zealand business has provided an important operational foundation for the company's broader Australian PaaS expansion.

Vertexon's addressable market extends beyond Australia's major banks. The platform primarily targets regional banks, mutuals, credit unions, non-bank lenders, fintechs and embedded finance providers that require modern issuing infrastructure but lack the scale or strategic incentive to develop proprietary platforms. According to ResearchAndMarkets, the Australian prepaid card and digital wallet market reached approximately US$26bn in 2025 following several years of double-digit growth. As at December 2025, prepaid programmes represented 41% of active cards on the Vertexon PaaS platform, demonstrating the platform's increasing exposure to one of the fastest-growing segments of the payments industry.

PaySim addresses a different market with considerably broader international potential. Independent research from the Initiatives Group estimates more than 32,000 potential institutional customers globally, compared with PaySim's current customer base of more than 140 organisations. Technavio expects the global software testing services market to grow at an 11.7% CAGR through 2030, with financial services representing the largest end-user segment. PaySim occupies a specialised niche within this market by supporting payment message testing, certification and validation across ISO 8583, ISO

20022 and all major payment schemes. Its position as the default testing standard for eftpos in Australia further reinforces its relevance within the domestic payments ecosystem.

Unlike Vertexon, PaySim is not constrained by regional licensing requirements. The platform can be deployed internationally with limited incremental infrastructure, allowing Change Financial to pursue global customer growth while leveraging its existing engineering and support capabilities.

Taken together, Vertexon and PaySim provide exposure to two complementary growth markets. Vertexon generates recurring transaction and platform revenue from a growing ANZ payments infrastructure business, while PaySim generates recurring licence and maintenance revenue from a globally addressable software market. Although the products serve different customer needs, both leverage the same engineering, compliance and payments expertise. As both platforms continue to scale, this creates meaningful operating leverage and supports the long-term earnings profile underpinning our investment thesis.

Qualitative Peer Positioning

There is no listed company that replicates Change Financial's exact commercial profile. The selected peer group therefore balances technology comparability, business model relevance and capital market accessibility. It includes two international payments infrastructure businesses and three ASX-listed companies, each illustrating a different aspect of Change Financial's competitive positioning, including technology architecture, regulatory capability, customer focus and market positioning.

Marqeta (NASDAQ: MQ) - Global Technology Benchmark
Marqeta represents the closest international technology benchmark for Change Financial. Both companies operate modern API-driven issuing and payments platforms that enable fintechs, digital banks and embedded finance providers to launch and manage payment programmes without building proprietary infrastructure. Rather than acting as consumer-facing financial institutions, both provide the underlying payments technology on which their customers build financial products.

The principal difference lies in geographic focus and operating model. Marqeta primarily serves large enterprise fintechs and global commerce platforms, expanding internationally by following existing customers into new markets. Change Financial has instead developed a locally embedded operating model centred on Australia and New Zealand, combining its technology platform with regulatory licences, BIN sponsorship capability and direct connectivity to domestic payment schemes, including eftpos, JCB, UnionPay and Diners Club.

Accordingly, Marqeta is not a direct competitor within Change Financial's core ANZ mid-market. Instead, it demonstrates the scalability of the modern issuing platform model while highlighting the importance of local regulatory infrastructure and payment scheme connectivity in creating barriers to entry within Australia and New Zealand.

Cuscal (ASX: CCL) - Domestic Infrastructure Benchmark
Cuscal represents the closest domestic infrastructure comparable to Vertexon. The company provides issuing, acquiring, switching, real-time payments and open banking infrastructure to Australian financial institutions, serving many of the same customer segments targeted by Change Financial.

Unlike Change, Cuscal operates as an APRA-regulated Authorised Deposit-taking Institution (ADI), allowing it to provide banking, settlement and liquidity services alongside payments infrastructure. This broader regulatory framework also carries substantially greater prudential obligations and balance sheet requirements.

Cuscal's completed acquisitions of Indue in December 2025 and Paymark in 2026 highlight the strategic value of scale, regulatory capability and certification within the Australian and New Zealand payments ecosystem. The Paymark acquisition in particular reinforces the attractiveness of the New Zealand market as a growth opportunity for payments infrastructure providers, a market in which Change Financial has already established a strong operational presence as a card issuer.

EML Payments (ASX: EML) - Prepaid Platform Reference
EML Payments operates a global prepaid and embedded finance platform across Australia, New Zealand, Europe and North America. While both companies participate in payments infrastructure, their commercial models differ materially. EML derives a significant proportion of earnings from prepaid programmes, stored-value balances and associated interest income, whereas Change Financial primarily generates platform, transaction and software-related revenue.

EML remains an important reference because it illustrates how regulatory oversight and operational execution influence valuation outcomes within payments infrastructure. Following regulatory intervention in Europe, management changes and a multi-year restructuring programme, EML experienced a significant derating despite operating at substantially greater scale. The experience highlights the importance of regulatory compliance, governance and execution within payments businesses, factors that remain central to Change Financial's investment case.

Tyro Payments (ASX: TYR) - Payments Infrastructure Reference
Tyro operates on the merchant acquiring side of the payments ecosystem rather than the issuing side, providing acquiring services, payment terminals and banking products to more than 76,000 Australian merchants. Although its customer base and revenue model differ from Change Financial's, Tyro provides a useful reference for the evolution of Australian payments infrastructure businesses.

The company demonstrates how technology-led payment providers can establish differentiated market positions within a highly regulated industry while also illustrating how competitive dynamics evolve as markets mature and incumbent participants respond. While there is limited direct competitive overlap with Change Financial, Tyro provides an appropriate domestic benchmark for understanding the broader development of listed payments infrastructure companies in Australia.

Table 1: Peer Table / Qualitative

Attribute	Change Financial (ASX:CCA)	Cuscal (ASX:CCL)	EML Payments (ASX:EML)	Tyro Payments (ASX:TYR)	Marqeta (NASDAQ:MQ)
Core platform	Card issuing & processing (Vertexon); payment testing & simulation (PaySim)	Payments infrastructure (issuing, acquiring, switching, RTP, open banking)	Prepaid & embedded payments platform	Merchant acquiring & banking platform	Open API issuer processing platform
Primary market	Australia & New Zealand; PaySim global	Australia; expanding into New Zealand	Australia, Europe, North America	Australia	Global (largest exposure to North America)
Customer base	Banks, credit unions, fintechs, embedded finance	Banks, mutuals, government, fintechs	Corporates, retailers, fintechs, governments	SMEs and merchants	Enterprise fintechs, digital banks, marketplaces
Business model	B2B payments infrastructure and software platform	Regulated payments infrastructure provider	Prepaid programme manager	Merchant acquiring & banking	Cloud-native issuer processing & programme management

Regulatory position	AFSL; NZ FSP; Australian BIN sponsor; Mastercard, Visa, eftpos, JCB, UnionPay & Diners Club certifications	APRA-regulated ADI	Multi-jurisdiction payment licences	APRA-regulated ADI	Issuing-bank partner model; certified in 40+ countries
Technology positioning	Integrated issuing platform with proprietary payment testing capability	National payments infrastructure	Multi-program prepaid platform	Merchant acquiring technology	Cloud-native API-first issuer processing platform
Competitive overlap	-	Direct	Partial	Limited	Limited
Key competitive advantage	Local regulatory infrastructure combined with proprietary technology	Institutional relationships and national infrastructure	International prepaid platform expertise	SME acquiring franchise and banking capability	Cloud-native API architecture and international scale
Primary reason for inclusion	Reference company	Closest domestic infrastructure comparable	Operating model and regulatory reference	Australian listed payments benchmark	Global technology benchmark

Sources: All data sourced directly from company filings. CCA: FY25 Annual Report, Half Year Report (December 2025) and Q3 FY26 Quarterly Update and Appendix 4C (March 2026). CCL: H1 FY26 Interim Report, FY25 Annual Report and April 2026 placement announcement. EML: H1 FY26 Interim Report and FY25 Annual Report. TYR: H1 FY26 Interim Report and FY25 Annual Report. MQ: Q1 2026 Earnings Release (March 2026).

Financial KPI Comparison

The quantitative peer comparison focuses on three areas: valuation, margin profile and balance sheet flexibility. Change Financial remains materially smaller than the selected peer group, but its recent financial performance suggests that the operating leverage typically associated with mature payments infrastructure businesses is already emerging.

Margin

The most notable comparison is EBITDA margin. Change Financial generated a TTM EBITDA margin of 15.3% on $25.2m of revenue. This is broadly in line with Cuscal at 14.6% on $374.1m of revenue and Tyro at 14.0% on $490.2m of revenue. The comparison does not imply that Change Financial has reached the operational maturity of these larger peers. Rather, it indicates that incremental revenue from PaaS clients, licence wins and active card growth is already converting into EBITDA at a rate consistent with more mature payments infrastructure platforms.

Marqeta provides the most relevant international reference point. With $958.2m of TTM revenue, a TTM adjusted EBITDA margin of 18.8% and a gross margin of approximately 70%, Marqeta demonstrates the margin profile that can be achieved by a scaled issuing and processing platform. Change Financial's current margin remains below Marqeta's, but the gap is not structural. It primarily reflects scale, platform utilisation and the earlier stage of Change's PaaS card base.

This operating leverage is visible in the reported numbers. In H1 FY26, Change Financial's revenue increased 30.0% year-on-year while staff costs increased only 3.3%. This spread between revenue growth and employee cost growth is central to the investment case. As additional customers and card volumes are added to an established operating platform, revenue should continue to scale faster than fixed operating costs.

EML's TTM EBITDA margin of 20.1% is higher than the peer range, but its economics are not directly comparable. EML's earnings include a meaningful contribution from prepaid programme balances and associated interest income, which introduces rate sensitivity that is less relevant to Change Financial's platform and transaction-driven model.

Revenue Growth
Revenue growth is the clearest point of differentiation. Change Financial grew FY25 revenue by 42% and is tracking toward a FY26 outcome that implies a multi-year revenue CAGR of approximately 25% from the FY24 base. This growth rate is materially ahead of the listed domestic peers. Cuscal grew FY25 revenue by 8.3%, Tyro grew 3.4%, and EML grew 9.7%.

Marqeta remains the closest growth benchmark within the peer group, with CY2025 revenue growth of 23.3% and Q1 2026 growth of 19.2%. However, Marqeta operates at materially greater scale, with $958.2m of TTM revenue and a market capitalisation of $2.4bn. Change Financial is therefore earlier in its scaling curve, but the direction of travel is consistent with the economics of the global issuing platform model.

Balance Sheet
Change Financial's balance sheet provides sufficient flexibility for its current growth phase. As at March 2026, the company held $4.4m in cash, $0.6m of lease liabilities and no financial debt. Management has also reaffirmed its expectation that the business will be net cash flow positive in FY26.

This position compares favourably with EML, which carries $83.8m of total borrowings against $47.8m of cash, and with Tyro, which operates as an ADI with $83.3m in cash and $27.0m of lease liabilities. Marqeta remains the strongest balance sheet comparator, with more than $1.0bn of unrestricted cash and no financial debt, reflecting the capital efficiency of the model at scale.

Valuation
Change Financial trades on 2.1x TTM revenue on a market capitalisation basis and 2.0x TTM revenue on an EV basis. This compares with Marqeta at 2.5x TTM revenue, Cuscal at 2.7x market capitalisation to TTM revenue, Tyro at 0.9x and EML at 0.5x.

Against the domestic peer group, Change Financial trades at a premium to Tyro and EML, which is justified by its materially stronger growth profile. Tyro and EML are mature, lower-growth payments businesses, while Change Financial is still scaling its recurring PaaS revenue base. Cuscal now trades at a higher revenue multiple than Change Financial, reflecting its post-Indue and post-Paymark scale, ADI balance sheet structure and acquisition-driven growth strategy, rather than a comparable organic growth profile.

The more relevant comparison is Marqeta. Change Financial trades at a modest discount to Marqeta's revenue multiple despite demonstrating faster near-term growth and a margin profile already approaching scaled payments infrastructure peers. The discount reflects Change Financial's smaller scale, lower liquidity and earlier stage of development. However, it also highlights the potential valuation upside if the company continues to scale its recurring revenue base and demonstrate durable operating leverage.

On EV to TTM EBITDA, Change Financial trades at 12.8x, above Marqeta at 7.5x, Tyro at 5.3x and EML at 3.6x. This reflects Change Financial's smaller absolute EBITDA base rather than inferior economics. As revenue scales and EBITDA expands, the current EV to EBITDA multiple should compress quickly, provided the company continues to execute against its PaaS growth strategy.

In aggregate, the peer comparison supports our investment view. Change Financial is smaller and less liquid than the peer group, but it is growing faster, generating an

EBITDA margin already comparable with mature domestic payments infrastructure businesses, and operating with no financial debt. At 2.0x EV to TTM revenue, the market appears to recognise Change Financial as a growth platform, but not yet fully reflect the operating leverage embedded in its contracted PaaS pipeline, its differentiated ANZ regulatory position or the global optionality within PaySim.

Table 2: Peer Table / KPIs

A$	Change Financial (ASX: CCA)	Cuscal (ASX: CCL)	EML Payments (ASX: EML)	Tyro Payments (ASX: TYR)	Marqeta (NASDAQ: MQ)
TRADING DATA					
Share Price	$0.077	$4.970	$0.305	$0.795	$5.559
Shares on Issue (m)	690.5	199.6	388.7	531.2	433.6
Market Cap ($m)	$53.2	$992.0	$118.5	$422.3	$2,410.3
Cash ($m)	$4.4	$3,191.1 (ADI)	$47.8	$83.3 (ADI)	$1,047.2
Debt / Lease Liab ($m)	$0.6	nil	$83.8	$27.0	nil
Enterprise Value ($m)	$49.4	n/a	$154.5	$366.0	$1,363.1
Net Assets / Equity ($m)	$11.4	$421.1	$147.7	$247.1	$1,091.6
REVENUE PROFILE					
TTM Revenue ($m)	$25.2	$374.1	$215.9	$490.2	$958.2
FY25 Annual Revenue ($m)	$22.1	$353.1	$221.8	$487.3	$919.0
H1 FY26 Revenue ($m)	$13.7	$197.3	$113.3	$251.2	$425.7 (H1 CY2025)
FY25 Revenue Growth	42%	8.3%	9.7%	3.4%	23.3%
H1 FY26 Revenue Growth (YoY)	30.0%	11.9%	(4.9%)	1.2%	19.0%
H1 FY26 Staff Cost Growth (YoY)	3.3%	19.4%	3.0%	(8.1%)	(15.5%)
PROFITABILITY					
TTM Gross Profit ($m)	n/d	n/d	n/d	$225.7	$670.9
TTM Gross Margin	n/d	n/d	74.8% (H1 FY26)	46.8% (H1 FY26)	70.0% (TTM)
TTM EBITDA ($m)	$3.9	$54.7	$43.4	$68.5	$180.6
TTM EBITDA Margin	15.3%	14.6%	20.1%	14.0%	18.8%
TTM NPAT ($m)	$0.9	$31.4	($66.5)	$25.2	$3.2
TTM NPAT Margin	3.7%	8.4%	n/m	5.1%	0.3%
CASH FLOW					
FY25 Operating CF ($m)	$1.2	$148.7*	$16.7	$138.1*	$239.1
H1 FY26 Operating CF ($m)	$0.05	$678.5*	($33.2)	($73.7)*	n/d
Cash / Market Cap	8.2%	n/a	40.3%	19.7%	43.4%
VALUATION MULTIPLES					
EV / TTM Revenue (x)	2.0x	n/a	0.7x	0.7x	1.4x
Market Cap / TTM Rev (x)	2.1x	2.7x	0.5x	0.9x	2.5x
Market Cap / FY25 Rev (x)	2.4x	2.8x	0.5x	0.9x	2.6x
EV / TTM EBITDA (x)	12.8x	n/a	3.6x	5.3x	7.5x
P/E (x) — TTM	57x	32x	n/m	17x	n/m*
Price / Book (x)	4.7x	2.4x	0.8x	1.7x	2.2x

Sources: All financial data sourced directly from company filings. CCA: FY25 Annual Report, H1 FY26 Half Year Report and Q3 FY26 Appendix 4C. CCL: FY25 Annual Report and H1 FY26 Interim Report; revenue represents gross fee and commission revenue per the statutory income statement; no financial institution borrowings as an ADI. EML: FY25 Annual Report and H1 FY26 Interim Report; FY25 revenue is statutory total revenue of $221.8m. TYR: FY25 Annual Report and H1 FY26 Interim Report; EBITDA and revenue on a normalised basis. MQ: CY2025 10-K, Q2 2025 10-Q and Q1 2026 Earnings Release; TTM reflects CY2025 plus Q1 2026 less Q1 2025; H1 figures represent the six months ended 30 June 2025. TTM bridges per comp model. MQ and CCA converted from USD at AUD/USD 0.680. Share prices as at 29 June 2026.

**MQ: TTM P/E not meaningful — Q1 2026 was first GAAP-profitable quarter after three loss-making quarters.*

5. Valuation

We value Change Financial using a discounted cash flow (DCF) methodology. In our view, a DCF is the most appropriate valuation framework because it captures the long-term earnings potential of a business transitioning from platform development to platform scale. Change Financial has established a growing base of recurring revenue, achieved positive underlying EBITDA, and is beginning to demonstrate operating leverage as additional customers and transaction volumes are added to an already established operating platform.

Our forecasts are built from the bottom up using publicly reported operating metrics, including active PaaS cards, recurring revenue, historical cost trends and disclosed customer activity. Financial forecasts are prepared in USD, consistent with Change Financial's reporting currency, and translated into AUD for valuation purposes using a 0.68 AUD/USD exchange rate, based on the 12-month average monthly AUD/USD exchange rate. The key value drivers are continued growth in Vertexon PaaS active cards, increasing recurring revenue, expanding EBITDA margins through operating leverage and the global growth opportunity presented by PaySim. Given these characteristics, we believe a DCF better reflects the company's intrinsic value than short-term earnings or trading multiples alone. Peer trading multiples are therefore used as a reasonableness check rather than the primary valuation methodology.

Our base case DCF derives a fair value of **$0.12 per share**, compared with the current share price of **$0.074**, implying **62% upside**.

Table 3: Valuation Summary

Metric	Value
Fair value per share ($)	**$0.12**
Current share price ($)	**$0.074**
Implied upside	**62.2%**
Enterprise value (US$m)	**$50.6**
Equity value (US$m)	**$54.2**
Equity value ($m)	**$79.8**
WACC	**14.5%**
Long-term growth rate	**3.0%**
AUD/USD	**0.68**
Diluted shares on issue (m)	**690.5**

Revenue Forecast

Revenue is forecast using a bottom-up operating model. Each revenue stream is modelled independently based on its underlying commercial drivers, allowing every key assumption to be assessed individually. This approach reflects the differing economics of Vertexon PaaS, Support and Maintenance, Software Licences and Professional Services, while providing a transparent link between operational performance and financial outcomes.

Vertexon PaaS

Vertexon PaaS is the primary growth driver within our model. Revenue is forecast as the product of the average active card base and an estimated blended annual revenue per active card.

The active card forecast is anchored to reported operating metrics. Change Financial reported 89,000 active cards at the end of Q1 FY26, 110,000 at the end of Q2 FY26 and more than 119,000 at the end of Q3 FY26. We estimate an average active card base of approximately 109,000 for FY26, assuming card volumes remain broadly stable through Q4.

From FY27 onwards, we forecast active cards to increase by 32%. This assumption reflects the full-year contribution from recently contracted programmes, including the Hnry migration, two Australian PaaS clients signed during Q3 FY26, four contracted PaaS clients currently being onboarded, and the continued ramp-up of recently launched customer programmes. Given that transaction-based revenue is generated only once clients are live, our forecast assumes these programmes contribute progressively over FY27 rather than immediately.

Growth moderates gradually thereafter, reaching 7% by FY33. This reflects the natural maturation of the platform as the installed customer base expands and percentage growth normalises from a larger base. The terminal growth assumption remains conservative relative to the company's historical active card growth, which has consistently exceeded 50% in recent reporting periods, while remaining broadly aligned with the long-term structural growth outlook for digital payments, embedded finance and card issuance across the Australian and New Zealand markets.

The blended annual revenue per active card is an internally derived modelling assumption. FY25 Processing and Issuing revenue of US$6.3m, together with an estimated average active card base of approximately 67,000 cards, implies annual revenue of approximately US$94 per active card. The average card base is reconstructed from quarterly disclosures of approximately 60,000, 67,000, 70,000 and 73,000 active cards during FY25.

We conservatively reduce the blended fee to US$90 per card in FY26. This reflects the increasing proportion of prepaid programmes within the platform, which expanded from 20% of active cards in June 2025 to 41% in December 2025. As prepaid programmes typically generate lower transaction activity than debit programmes, this mix shift is expected to reduce average revenue per card despite continued growth in overall transaction volumes.

From FY27 onwards, the blended fee increases by 2% per annum, reaching approximately US$104 by FY33. This assumption broadly reflects long-term inflation together with gradual improvements in platform utilisation and transaction activity. Under these assumptions, Vertexon PaaS revenue increases from US$9.8m in FY26 to approximately US$32.0m by FY33.

Support and Maintenance
Support and Maintenance represents the most stable revenue stream within the model. Revenue is generated from the installed base of Vertexon on-premises customers together with PaySim software deployments and is primarily contractual in nature.

Support and Maintenance revenue is forecast using a roll-forward approach. The opening Support and Maintenance revenue base is carried forward each year, with incremental recurring maintenance revenue added from new software licence sales. We assume annual maintenance revenue equivalent to 20% of each new software licence value, commencing in the following financial year. This assumption is broadly consistent with enterprise software maintenance arrangements and aligns with the historical relationship between Software Licence and Support and Maintenance revenue reported by the company.

We assume four new software licence wins per year throughout the forecast period. Combined with the existing installed base, this supports continued recurring revenue growth while preserving the recurring nature of the business. Accordingly, Support and Maintenance revenue increases from US$5.3m in FY26 to approximately US$6.4m by FY33.

Software Licences
Software Licence revenue comprises one-off licence sales associated with new Vertexon and PaySim implementations. While inherently more variable than recurring revenue

streams, new licence sales expand the installed customer base and generate future Support and Maintenance revenue.

Our forecast assumes four new software licence wins per annum, representing a conservative normalisation relative to recent activity. Throughout FY26, Change continued to secure new Vertexon and PaySim licence sales across multiple quarters, including new enterprise licences, PaySim module upgrades and additional project wins, demonstrating an active sales pipeline while also highlighting the inherently lumpy nature of licence revenue. We therefore adopt a conservative assumption that remains below the implied run rate achieved during FY25 and FY26.

Average licence revenue of approximately US$150,000 per contract is derived from FY25 reported licence revenue relative to the implied level of new enterprise software implementations during the year and remains broadly consistent with recent reported licence activity.

Under these assumptions, Software Licence revenue remains broadly stable at approximately US$0.6m per annum throughout the forecast period.

Professional Services
Professional Services comprises implementation, integration, configuration, training and consulting work associated with new customer deployments. Revenue is project-based and therefore represents the most variable component of the model.

We assume an average day rate of US$2,500, representing a conservative assumption for specialist enterprise payments implementation work. Billable utilisation is forecast at approximately 700 consulting days during FY26, reducing to 600 days in FY27 before increasing progressively to 1,000 days from FY29 as the installed customer base, implementation activity and partner network continue to expand.

These assumptions produce Professional Services revenue of approximately US$1.75m in FY26, moderating to US$1.5m in FY27 to reflect the normalisation of one-off activity from what was a record year, before increasing to approximately US$2.5m from FY29 onwards. The forecast reflects the lumpy nature of implementation activity while recognising that continued customer growth should support a larger professional services capability over time.

Table 4: Revenue by Segment

US$	FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	FY32e	FY33e
Vertexon PaaS	$6.3	$9.8	$13.2	$16.8	$20.4	$23.7	$26.6	$29.3	$32.0
Support & Maintenance	$5.2	$5.3	$5.5	$5.6	$5.8	$5.9	$6.1	$6.2	$6.4
Software Licences	$1.5	$0.6	$0.6	$0.8	$0.8	$0.8	$0.8	$0.8	$0.8
Professional Services	$1.8	$1.8	$1.5	$1.8	$2.4	$2.5	$2.5	$2.5	$2.5
Other	$0.1	$0.1	$0.1	$0.1	$0.1	$0.1	$0.1	$0.1	$0.1
Total Revenue	**$14.9**	**$17.6**	**$20.9**	**$25.0**	**$29.4**	**$33.0**	**$36.0**	**$38.9**	**$41.7**

Margins, Costs and Operating Leverage

The central feature of our forecast is operating leverage. Change Financial has already established the core infrastructure required to support its payments platform, including scheme certifications, regulatory licences and customer integrations. As the active card base and transaction volumes continue to expand, we expect revenue to grow materially faster than the underlying operating cost base.

Each operating expense category is forecast independently based on its underlying cost driver.

Employee Expenses

Employee expenses represent the largest operating cost and are forecast to increase from US$6.3m in FY25 to US$7.0m in FY26. The initial increase reflects continued investment in customer delivery and business development to support the expanding implementation pipeline. Thereafter, employee costs are forecast to grow by approximately 4% per annum through FY30 before moderating to 3% thereafter.

This assumption reflects the operating characteristics of infrastructure software businesses, where additional customers and transaction volumes can generally be supported without proportional increases in headcount once the platform has been established. The assumption is also supported by recent operating performance. During H1 FY26, revenue increased 30% year-on-year while employee expenses increased only 3.3%, demonstrating that operating leverage is already emerging.

Under these assumptions, employee expenses decline from approximately 42% of revenue in FY25 to around 22% by FY33.

Programme Expenses

Programme expenses comprise payment scheme fees, network charges and transaction processing costs. Unlike most operating expenses, these costs increase directly with transaction activity and therefore represent the primary variable cost within the business.

FY25 programme expenses were elevated at US$4.6m, reflecting certification and implementation activity associated with the continued expansion of the Vertexon PaaS platform. We forecast a modest normalisation to US$4.3m in FY26 as these one-off activities moderate. From FY27 onwards, programme expenses are modelled as broadly proportional to active card volumes, reflecting the transaction-linked nature of scheme fees and processing costs. At an implied cost of approximately US$40 per active card per annum, consistent with the normalised FY26 level, programme expenses increase to US$5.8m in FY27 and US$7.9m in FY28, tracking active card growth of 32% and 24% respectively. Beyond FY28, programme expenses continue to increase in absolute terms but grow at a moderating rate of approximately 10% per annum as per-card processing costs stabilise and transaction economics improve across a more mature platform, declining gradually as a percentage of revenue over the forecast period.

Technology and Hosting

Technology and hosting costs are forecast at US$0.9m in FY26, growing at approximately 3.5% per annum to reach US$1.4m by FY32. The growth rate reflects the established nature of the underlying cloud infrastructure, where additional transaction volumes and card numbers can be supported without proportional incremental investment. As a result, technology and hosting costs decline from 5.4% of revenue in FY26 to approximately 3.5% by FY32.

Consulting and Other Operating Expenses

Consulting fees and other operating expenses are forecast as declining percentages of revenue. These expenses primarily comprise external advisory, compliance, insurance and corporate administration. While they increase modestly in absolute terms as the business expands, they are not expected to grow in line with revenue because the underlying corporate infrastructure is already established.

Advertising and Marketing

Advertising and marketing expenditure remains modest throughout the forecast period. The company primarily acquires customers through direct relationships, strategic partnerships and industry referrals rather than large-scale marketing campaigns. As a result, marketing expenditure declines gradually from approximately 1.2% of revenue in FY26 to 0.5% by FY33, reflecting increasing operating scale and the growing contribution from partner-led customer acquisition.

Margin Outlook

Taken together, these assumptions result in meaningful operating leverage over the forecast period. Total operating expenses decline as a proportion of revenue as recurring platform revenue scales across an already established operating base.

Accordingly, EBITDA margin is forecast to increase from 7% in FY25 to approximately 19% in FY26, 22% in FY27 and 24% in FY28, before reaching approximately 37% by FY33. While this represents a significant improvement, the forecast reflects the inherent economics of a scalable payments infrastructure platform rather than aggressive cost reduction assumptions. Revenue growth is expected to materially outpace growth in the underlying operating cost base, allowing profitability to expand as platform utilisation increases.

Table 5: Profitability

US$	FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	FY32e	FY33e
Revenue	$14.9	$17.6	$20.9	$25.0	$29.4	$33.0	$36.0	$38.9	$41.7
EBITDA	$1.1	$3.3	$4.6	$6.1	$9.0	$11.1	$12.9	$14.3	$15.5
EBIT	($0.9)	$1.4	$2.7	$4.2	$6.9	$9.2	$10.9	$12.2	$13.4
NPAT	($0.8)	$1.5	$2.0	$3.0	$4.9	$6.5	$7.8	$8.5	$9.4
EBITDA margin	7.1%	18.7%	22.0%	24.3%	30.5%	33.8%	35.7%	36.8%	37.1%

Capital Intensity and Free Cash Flow

A defining characteristic of Change Financial's business model is its relatively low capital intensity. Unlike many other payments businesses, the company does not require significant ongoing investment in physical infrastructure, payment terminals or customer funding balances to support growth. Once a new PaaS client has been implemented, additional revenue is generated primarily through higher card volumes and transaction activity rather than through material incremental capital investment.

Capital expenditure is forecast at approximately US$1.65m per annum through FY27, comprising around US$50k of property, plant and equipment and approximately US$1.6m of capitalised software development. This is broadly consistent with FY25 capital expenditure of US$1.57m, comprising US$48k of PP&E and US$1.52m of capitalised software development, and reflects management's continued investment in enhancing the Vertexon platform, expanding functionality and maintaining ongoing scheme certifications.

From FY28 onwards, we reduce capitalised software expenditure to US$1.2m per annum as the platform transitions from its current development and expansion phase to a more mature operating environment. By this stage, we expect the core platform architecture, scheme connectivity and major product functionality to be largely established, with investment increasingly focused on maintenance releases, regulatory updates, incremental functionality and customer-driven enhancements rather than significant new platform development.

Total capital expenditure therefore declines to approximately US$1.25m per annum from FY28, equivalent to around 3-4% of revenue in the outer years of the forecast. We believe this assumption remains conservative given the asset-light nature of the business and is broadly consistent with the capital intensity typically observed across mature software infrastructure businesses, where ongoing investment is primarily directed towards product enhancement rather than large-scale platform development.

Working capital requirements are forecast to remain modest throughout the projection period. We assume an average debtor collection period of approximately 55 days, reflecting the enterprise software and institutional payments customer base. Overall, working capital is not expected to be a significant constraint on free cash flow generation.

These assumptions produce free cash flow of approximately US$1.6m in FY26, remaining broadly stable at US$1.6m in FY27 as higher transaction volumes and customer growth increase programme expenses, before improving steadily over the remainder of the forecast period. By FY33, free cash flow reaches approximately US$9.7m as recurring revenue continues to expand while capital expenditure and operating costs grow materially slower than revenue.

Free cash flow conversion, measured as free cash flow relative to EBITDA, stabilises at approximately 63-64% in the outer years of the forecast. In our view, this reflects the economics of a mature software and payments infrastructure platform, where recurring revenue, relatively modest capital requirements and limited working capital intensity support strong long-term cash generation.

Discount Rate

WACC of 14.5%, applied entirely as cost of equity given the company carries no financial debt. The build-up follows CAPM with two additional premia.

The raw beta from a three-year weekly regression against the ASX 200 is approximately 0.57. We do not use this figure directly. A beta of 0.57 would classify CCA as less systematically risky than the broad market, which is not credible for a micro-cap fintech with a market capitalisation of approximately $51m and limited trading liquidity. We apply the Blume adjustment, pulling the raw beta toward the market mean of 1.0, producing an adjusted beta of 0.97.

To the CAPM cost of equity we add a size premium of 3.0%, reflecting CCA's position well below any institutional liquidity threshold, and an illiquidity premium of 1.0%, reflecting daily trading volumes that preclude meaningful institutional participation. Together these four percentage points of additional premium above the pure CAPM output build a deliberate margin of conservatism into the discount rate. At 14.5%, the WACC is appropriate for a profitable, growing Australian micro-cap software infrastructure business.

Table 6: WACC Build-Up

Component	Assumption
Risk-free rate (AU 10yr govt bond)	4.7%
Equity beta (Blume-adjusted)	0.97
Equity market risk premium	6.0%
Size premium	3.0%
Illiquidity premium	1.0%
Cost of equity / WACC	14.5%
After-tax cost of debt	7.0%
Target leverage (D/V)	-

Terminal Value and Equity Bridge

Beyond FY33e we apply a Gordon growth terminal value to the FY33e free cash flow of US$9.7m, capitalised at a long-term growth rate of 3.0% and discounted at the 14.5% WACC back eight periods to the valuation date. The 3.0% LTG sits modestly below the long-run nominal Australian GDP growth rate, a defensively calibrated assumption for a recurring-revenue-dominant payments infrastructure business with a material and growing global component. In USD terms, where CCA generates and reports its revenue, 3.0% is broadly in line with consensus long-run nominal US GDP growth, making the assumption reasonable on both a domestic and functional currency basis.

The present value of the terminal value is US$29.5m. The present value of the explicit forecast free cash flows across FY26e to FY33e is US$21.0m. Enterprise value is US$50.6m. Adding cash of US$3.9m and deducting lease liabilities of US$0.2m produces an equity value of US$54.2m, or $79.7m at AUD/USD 0.68, itself a one-year monthly average rather than a spot rate. Divided by 690.5m shares on issue, the result is a fair value of $0.12 per share.

The terminal value represents approximately 58% of enterprise value, lower than is typical for early-stage growth companies precisely because the explicit forecast period runs to FY33e and captures a substantial portion of the value creation within the discounted cash flow schedule itself rather than pushing it entirely into perpetuity.

Table 7: Equity Bridge

Line item	
PV of explicit FCFs (FY26e–FY33e)	$21.0
PV of terminal value	$29.5
Enterprise value (US$m)	**$50.6**
+ Cash (FY25a, US$m)	$3.9
− Debt and lease liabilities (US$m)	$0.2
Equity value (US$m)	**$54.2**
AUD/USD rate	0.68
Equity value (A$m)	**$79.8**
Diluted shares on issue (m)	690.5
Fair value per share (A$)	**$0.12**

The terminal value represents approximately 58% of enterprise value, lower than is typical for early-stage growth companies precisely because the explicit forecast period runs to FY33e and captures a substantial portion of the value creation within the discounted cash flow schedule itself rather than pushing it entirely into perpetuity. This makes the valuation less sensitive to terminal assumptions than it would be with a shorter explicit forecast period, though those assumptions still warrant direct testing, which is addressed in the sensitivity analysis.

Sensitivity Analysis

We test the valuation against the three variables that carry the most weight: the discount rate, the long-term growth rate, and the AUD/USD exchange rate. Two two-way tables isolate each pair.

WACC versus long-term growth rate. The base case (14.5% WACC, 3% LTG) is shaded.

Table 8: Fair Value ($/share), WACC × LTG

LTG \ WACC	11.5%	12.5%	13.5%	14.5%	15.5%	16.5%	17.5%
1.0%	$0.14	$0.13	$0.12	$0.11	$0.10	$0.09	$0.08
2.0%	$0.15	$0.14	$0.12	$0.11	$0.10	$0.09	$0.08
3.0%	$0.16	$0.14	$0.13	**$0.12**	$0.10	$0.10	$0.09
4.0%	$0.18	$0.16	$0.14	$0.12	$0.11	$0.10	$0.09
5.0%	$0.20	$0.17	$0.15	$0.13	$0.12	$0.10	$0.10

Across the full WACC/LTG grid, fair value ranges from $0.08 to $0.20. Every cell in the base row at WACC 14.5% exceeds the current price of $0.074, with upside ranging from 49% at LTG 1.0% to 76% at LTG 5.0%. Every cell at WACC 13.5% or below at LTG 5.0% implies upside in excess of 100%. A one percentage point increase in the WACC reduces the fair value by approximately $0.011; a one percentage point reduction increases it by approximately $0.013. The asymmetry reflects the convex relationship between the discount rate and a discounted perpetuity. A one percentage point move in the LTG shifts the fair value by approximately $0.006 to $0.007 in either direction. The valuation is roughly twice as sensitive to the discount rate as it is to the terminal growth assumption, which is the expected result given that the terminal value represents approximately 58% of enterprise value.

WACC versus AUD/USD. Because CCA operates in US dollars but is quoted in Australian dollars, the exchange rate applies mechanically to the fair value: a weaker Australian dollar lifts it, a stronger one compresses it. We test the range of 0.62 to 0.74.

Table 9: Fair Value ($/share), WACC × AUD/USD

AUD/USD \ WACC	11.5%	12.5%	13.5%	14.5%	15.5%	16.5%	17.5%
0.62	$0.18	$0.16	$0.14	$0.13	$0.11	$0.10	$0.10
0.65	$0.17	$0.15	$0.13	$0.12	$0.11	$0.10	$0.09
0.68	$0.16	$0.14	$0.13	**$0.12**	$0.10	$0.10	$0.09
0.71	$0.16	$0.14	$0.12	$0.11	$0.10	$0.09	$0.08
0.74	$0.15	$0.13	$0.12	$0.11	$0.10	$0.09	$0.08

The second sensitivity table crosses the WACC against the AUD/USD exchange rate with LTG held at 3.0%. Fair value ranges from $0.08 to $0.18 across the grid, with every cell exceeding the current price of $0.074. A two cent depreciation in the Australian dollar increases the fair value by approximately $0.003 at the base WACC, reflecting the mechanical effect of converting a larger USD equity value into fewer Australian cents. The exchange rate sensitivity is modest relative to the discount rate sensitivity and does not materially alter the investment case across any plausible near-term currency range.

Table 10: Blended Card Fee (US$ p.a.) × FY26e Avg Active Cards (000s)

Fee \ Cards	140k	130k	120k	109k	100k	90k	80k
US$100	$0.16	$0.15	$0.14	$0.13	$0.12	$0.11	$0.10
US$95	$0.15	$0.14	$0.13	$0.12	$0.12	$0.11	$0.10
US$90	$0.15	$0.14	$0.13	**$0.12**	$0.11	$0.10	$0.09
US$85	$0.14	$0.13	$0.12	$0.11	$0.11	$0.10	$0.09
US$80	$0.13	$0.12	$0.12	$0.11	$0.10	$0.09	$0.09

The third sensitivity table tests the two primary operational value drivers: the FY26 average active card base and the blended annual revenue per card. Fair value ranges from $0.09 to $0.16 across the grid, with every cell exceeding the current price of $0.074 and minimum upside of 22% at the most conservative combination modelled.

Taken together, the three sensitivity tables confirm that the investment case is not contingent on a specific macro, rates or operational outcome. Across every combination of discount rate, growth rate, exchange rate, card volume and blended fee modelled, the fair value exceeds the current price. What narrows or widens that margin is operational delivery, and the trajectory of the past eight quarters is the most relevant available evidence on that question.

We initiate coverage of Change Financial with a 12-month target price of **$0.12** per share and a **Buy recommendation**. At the current price of $0.074, we see upside of 62% to our target. The target is derived from our DCF model and reflects a business that is already generating positive EBITDA, growing its card base at a rate well above what our forecast assumes, and doing so with a cost structure that has demonstrated near-complete operating leverage against revenue growth. We see the current price as mispricing the compounding value of a recurring-revenue-dominant platform that requires minimal incremental capital to scale.

Appendix

Key Risks

Commercialisation and Execution Risk

Change Financial's investment case depends on management's ability to convert the existing Vertexon PaaS pipeline into live, revenue-generating client relationships. While the platform is operational and the New Zealand client base is established, Australia remains earlier in its commercialisation curve, and the company is currently onboarding four contracted PaaS clients alongside the recently signed Hnry migration. Delays in client go-live timelines, slower-than-expected card volume ramp-up, or difficulties converting the Paymentology BIN sponsorship pipeline into signed programmes could affect the pace at which recurring revenue and underlying EBITDA continue to scale. PaySim's international expansion similarly depends on continued sales execution into new geographies, even though the product itself can be deployed with minimal incremental infrastructure.

Customer Concentration Risk

Despite 72% of YTD FY26 revenue now being recurring, Change Financial's client base remains relatively small in absolute terms, and a meaningful proportion of revenue is concentrated among a limited number of institutional clients. The loss of, or a material reduction in activity from, any one of these clients would have a disproportionate impact on revenue given the company's current scale. This concentration risk diminishes as the PaaS client base broadens, but remains a relevant consideration until the client list reaches greater diversification.

Regulatory, Licensing and Scheme Certification Risk

Card issuing is a regulated activity, and Change Financial operates under an Australian Financial Services Licence in Australia and as a Financial Service Provider in New Zealand, alongside certifications across Mastercard, Visa, Eftpos, JCB, UnionPay and Diners Club. Any change to licensing conditions, scheme rules, interchange regulation or BIN sponsorship arrangements could affect the economics or operating scope of the Vertexon platform. The experience of EML Payments, discussed elsewhere in this report, illustrates how severely the market can reprice a payments platform when regulatory issues emerge in any operating jurisdiction, and underscores the importance of Change Financial maintaining its current clean regulatory standing.

Technology and Operational Risk

The Vertexon platform sits at the centre of clients' card issuing and transaction processing infrastructure, and any disruption to platform availability, security or data integrity carries reputational and contractual consequences disproportionate to the company's size. Card issuing introduces specific operational risks around treasury management, fraud monitoring and compliance that differ from Change Financial's earlier project-based business, and the company remains exposed to cyber-attack risk common to all payments infrastructure providers. Continued investment in IT systems, testing and personnel with the relevant skill sets is required to manage these risks as the platform scales.

Competitive Risk

While global card issuing platforms such as Marqeta currently have no presence in the ANZ regulatory environment, this is not a permanent structural barrier, and continued growth in the attractiveness of the ANZ mid-market could attract new entrants over time. Domestically, Cuscal is expanding its payments infrastructure footprint through acquisition, including Indue and the announced Paymark transaction in New Zealand, increasing the scale of the most directly comparable domestic competitor. Change Financial's competitive position rests on its accumulated scheme certifications, regulatory licensing and institutional relationships, which represent a meaningful but not unassailable moat against both domestic consolidation and potential future entry by larger global platforms.

Funding, Liquidity and Key Person Risk

Change Financial held US$3.0 million in cash and no debt as at 31 March 2026, with management guiding to net cash flow positive for FY26. While the trajectory is positive, any slippage in the timing of underlying EBITDA growth could affect the company's funding position and its ability to invest in continued PaaS and PaySim expansion without recourse to additional capital. As a micro-cap ASX-listed company, Change Financial is also subject to limited trading liquidity and share price volatility relative to larger payments peers, which can affect both valuation outcomes and capital markets access. The company's commercial relationships, including its arrangements with Mastercard and Paymentology and its day-to-day execution, remain closely tied to a small senior management team, and the Board itself has seen recent change, with Non-Executive Director Michael Giles ceasing to be a director effective 31 March 2026 after his appointment in March 2025.

Board & Management

Geoffrey Sam OAM – Non-Executive Chairman

Non-Executive Chairman of Change Financial, having joined the Board on 1 June 2023 and assumed the Chairman role from 30 April 2025 following the retirement of former Chairman Edward Grobler. Sam is an experienced ASX company director, currently serving as Chairman of Earlypay Limited (ASX: EPY) and as a director of IDT Australia Limited. Earlier in his career he held Chief Executive roles across Adelaide-based hospitals, and remains Co-Founder and Director of HealtheCare Australia, a privately owned healthcare group comprising 18 hospitals. Sam holds a Bachelor of Commerce (Accounting and Finance) and a Master of Health Administration from the University of New South Wales, and a Master of Arts (Economics and Social Studies) from the University of Manchester, and is a Fellow of the Australian Institute of Company Directors.

Tom Russell – Executive Director

Executive Director of Change Financial. Russell has more than 15 years of experience as an investor, corporate adviser, director and executive across technology, finance, industrial, energy and resources sectors, working with both listed and unlisted growth companies. His background spans capital raising, business strategy, M&A and takeover execution, and the launch of technology platforms. Russell holds a Bachelor of Commerce (Finance) and a Bachelor of Economics (Quantitative Methods) from the University of Queensland.

Ian Leijer – Non-Executive Director

Non-Executive Director of Change Financial. Leijer is a Chartered Accountant with more than 25 years of experience in financial analysis, corporate transactions, business strategy and business management. He served for over 10 years as CFO and Company Secretary of the former ASX-listed Avatar Industries Limited, which operated across mining services, electronics distribution, building products fabrication and printing. He began his career with Price Waterhouse specialising in corporate transactions and valuations before moving to a boutique investment bank, and currently works with a number of entities on business analysis and capital raising. Leijer holds a Bachelor of Economics from the University of Sydney.

Tony Sheehan – Chief Executive Officer

Chief Executive Officer of Change Financial. Sheehan is a finance executive with more than 20 years of international experience across investment banking, private equity, corporate finance and operations in Australia, New Zealand and the United Kingdom. He joined Change from Global Payments Australia/New Zealand, where he held the roles of Chief Operating Officer and Chief Financial Officer, with responsibility for accounting, financial performance and reporting, compliance, legal, operations, and sales and marketing. He has also held roles at Queensland Treasury Corporation, LJ Capital, Macquarie Group and PwC.

Jennifer Mateer – Chief Commercial Officer

Chief Commercial Officer of Change Financial. Mateer brings more than 15 years of experience across fintech, payments and SaaS businesses, with a track record of building high-performing commercial teams and executing growth strategies. Prior to joining Change, she held senior commercial roles at international payments technology provider Global Payments.

Clayton Fossett – Chief Operating Officer

Chief Operating Officer of Change Financial since the company's establishment. Fossett has more than 20 years of experience across fintech, financial services, technology and consulting, and has built and managed Change's engineering, compliance, customer support and marketing functions while establishing partnerships with issuing banks, card schemes and key service providers. He previously spent 10 years at Yahoo! in senior operational finance roles across paid search, display advertising and subscription businesses, and has also worked at the US Securities and Exchange Commission, First Boston, Deloitte and Freddie Mac. Fossett holds AB and MBA degrees from Harvard University.

Arnold Lee – Chief Technology Officer

Chief Technology Officer of Change Financial. Lee has more than 20 years of experience leading technology teams across IT, logistics and financial services, including an 11-year tenure in London spanning banking and energy commodity trading. Prior to joining Change, he held senior roles at Wirecard, and has also worked at Paymark, Trayport, Royal Bank of Scotland and BNP Paribas, bringing direct prior experience of the New Zealand payments infrastructure underpinning the PaaS platform.

Evolution Capital Ratings System

Recommendation Structure	• **Buy:** The stock is expected to generate a total return of >10% over a 12-month horizon. For stocks classified as 'Speculative', a total return of >30% is expected. • **Hold:** The stock is expected to generate a total return between -10% and +10% over a 12-month horizon. • **Sell:** The stock is expected to generate a total return of <-10% over a 12-month horizon.
Risk Qualifier	• **Speculative ('Spec'):** This qualifier is applied to stocks that bear significantly above-average risk. These can be pre-cash flow companies with nil or prospective operations, companies with only forecast cash flows, and/or those with a stressed balance sheet. Investments in these stocks may carry a high level of capital risk and the potential for material loss.
Other Ratings:	• **Under Review (UR):** The rating and price target have been temporarily suppressed due to market events or other short-term reasons to allow the analyst to more fully consider their view. • **Suspended (S):** Coverage of the stock has been suspended due to market events or other reasons that make coverage impracticable. The previous rating and price target should no longer be relied upon. • **Not Covered (NC):** Evolution Capital does not cover this company and provides no investment view.

Expected total return represents the upside or downside differential between the current share price and the price target, plus the expected next 12-month dividend yield for the company. Price targets are based on a 12-month time frame.

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