



Intelligent Information Exchange

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Identitii partners with Trace Financial to simplify new financial message standards migration for SWIFT member banks

A product partnership, with a joint focus on sales and marketing, provides the opportunity for Identitii to sell its proprietary Overlay+ platform into new markets.

Highlights:

- SWIFT has mandated its 11,000 member banks and institutions in over 200 countries to adopt ISO 2022, a new financial message standard, with migration from existing messaging formats to be completed between 2021 and 2026;
- Identitii and Trace Financial have created an industry partnership to target SWIFT member banks undertaking this complex migration;
- The product partnership:
 - Combines an innovative overlay approach with established message translation software to simplify and reduce the risk of the migration to new financial message standards;
 - Provides an easier, more secure and cost-effective solution without banks having to undertake time-consuming technology upgrades, estimated to cost approximately £10.2 billion¹ in the Single Euro Payments Area alone;
 - Enables the translation of financial messages without the risk of truncation or loss of data providing a secure, trusted and auditable way for banks to collect, index and retrieve data;
 - Leverages Trace Financial's customers, partners and prospects and its 30 years' experience in bank grade software sales, to increase the potential for adoption of Overlay+; and
 - Represents a new channel to market for Identitii, extending reach into new revenue opportunities in line with Identitii's partnership model.

[Identitii Limited](#) (**Identitii, Company**) (ASX:ID8), an Australian FinTech enabling the secure overlay of transaction level detail on top of financial messages using a private blockchain, has partnered with leading message transformation software provider Trace Financial Limited (**Trace Financial**).

The product partnership involves the integration of Trace Financial's established message translation software, Transformer, with Identitii's innovative overlay platform, Overlay+, to simplify the migration to new ISO 2022 financial message standards for financial business transactions.

¹ Source: <https://www.psr.org.uk/sites/default/files/media/PDF/ISO-20022-in-SEPA-FINAL-report.pdf>

Headquartered in London, Trace Financial has technical expertise in SWIFT messaging, and has been providing software solutions to bank grade clients for over 30 years. Identitii will leverage Trace Financial's sales network and conduct joint marketing activities for the adoption of both Overlay+ and Transformer in the global banking market.

A go to market strategy will target SWIFT member banks looking to reduce the significant cost of converting their existing payments technology systems to comply with ISO 20022 standards.

Overlay+ offers an easier, more secure and cost effective migration solution for banks. It enables the translation of financial messages without truncation and loss of data and provides a secure, trusted and auditable way for banks to collect, index and retrieve data related to the purpose, origin and beneficiary of the original payment message.

The demand for the joint product offering will be driven by banks seeking more effective ISO 20022 migration solutions to support payment processes and facilitate interoperability with other existing protocols.

In turn, bank customers receive an enhanced service with improved processing times and standardised interfaces. The result is a streamlined, data rich ecosystem secured by tokenisation and blockchain technology.

Work will commence on the product integration immediately.

Identitii looks forward to providing updates as the partnership develops and provides access to new markets.

Commenting on the product partnership, Identitii CEO, Nick Armstrong, said:

"The partnership with Trace Financial is a key milestone for Identitii and aligns with our stated partnership model for accessing new customer and revenue opportunities in a quick and effective manner.

"Identitii will leverage Trace Financial's already established networks and customer base. We believe this will result in new licence sales and increased volumes of transactions processed through our Overlay+ platform.

"This is the first of many partnerships Identitii is looking to establish with successful software companies that are servicing banking grade clients.

"We are excited to work with Trace Financial to pioneer simple, cost effective, low-risk banking solutions powered by Identitii's Overlay+ platform. We look forward to extending these benefits to the banking community migrating to ISO 20022.

"It is the combination of Trace Financial's best-of-breed translation service and the additional data integrity delivered by Overlay+, that enables banks to make the move to ISO with more confidence," Mr Armstrong said.

Trace Financial Managing Director, Keith Donovan, said:

"The adoption of ISO 20022 is an important step in reducing the number of formats currently being used by financial institutions globally.

"Migration isn't a choice for SWIFT members as SWIFT announced it will turn off the old message formats in 2026. But banks do have a choice between a lengthy and high cost rebuild of existing

systems or adopting an approach that enables them to quickly translate any message format into ISO 20022.

“Overlay+ and Transformer are the perfect partners for banks looking to make the move to ISO today. It’s a win, win for banks,” Dr Donovan said.

ISO 20022, a new financial message standard

ISO 20022, or MX, is a financial messaging technology standard for international payments. Currently, multiple messaging formats are used globally including SWIFT’s MT messages. The existing message formats are up to 40 years old and are limited in the functionality and security they can provide to banks using them.

Many proposed migration solutions can give rise to loss of supplementary information during the translation from the original message formats to the new ISO 20022 format. SWIFT has stated that any data loss is the responsibility of the bank undertaking the migration.

Under the agreement, Identitii will integrate Trace Financial’s Transformer into its Overlay+ platform. The combined solution will enable the translation of payment messages from the existing MT format to ISO 20022, and will provide enhanced data security and integrity, ensuring no information is lost in the process due to the Overlay+ information exchange layer.

Overlay+ enables the secure sharing of data and documents related to a payment to travel over the SWIFT network, regardless of message type. It enhances financial messages with information related to the purpose, origin and beneficiary of a payment at the time a payment is made.

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About Identitii

Identitii Limited (ASX:ID8) enables financial institutions and corporates to securely verify and share transaction level detail between counterparties. Its flagship platform, Overlay+, uses blockchain technology to create an unalterable audit trail of activity simplifying KYC and financial crime compliance, payments, cash management, document management and standards adoption for financial institutions and corporates, and their counterparties. Founded in 2014, Identitii is a publicly traded company, having undertaken an IPO on the ASX in October 2018, raising A\$11 million. Identitii Limited is headquartered in Sydney, Australia.

About Trace Financial

Trace Financial Limited are leading specialists in financial message transformation and have been designing, implementing and supporting mission critical solutions to the financial industry for over 30 years. Trace Financial is part of the privately-owned Trace Group, based in the UK.

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