

A person in a white lab coat is holding a credit card in their right hand and a smartphone in their left hand. The credit card is a dark blue/grey color with 'CCV' and 'CARD' visible. The smartphone is black. The background is a blurred indoor setting. The entire image is overlaid with a semi-transparent blue filter. The logo 'incentia pay' is centered over the image, with 'incentia' in white and 'pay' in yellow. The 'i' in 'incentia' has a yellow arrow pointing to the right.

incentia pay

Investor Presentation

November 2021

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About Us



incentiapay

is Australia and NZ's Premier Entertainment, Lifestyle and Rewards Platform.

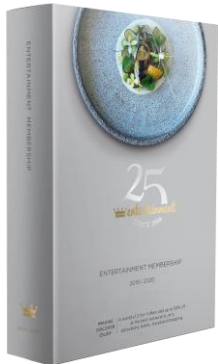
Founded in 1994, as The Entertainment Book, our company has evolved to become Australia and New Zealand's premier offers and rewards marketplace.

Our technology-enabled marketing programs connect merchants looking to generate incremental revenue with consumers seeking great offers on dining, entertainment, lifestyle and leisure experiences.

Our Evolution from The Entertainment Book



1994
Entertainment Publications established – eventually becomes known as “The Entertainment Book”



2016

Entertainment Publications acquired by ASX-Listed BPS Technology Limited which owns loyalty businesses Bartercard, Bucqi and a stake in Now Book It

May 2018

Acquisition of ASX-listed digital & enterprise software development company Gruden Group to grow technology function, purchasing capability and revenue

Dec 2018

Sale of Gruden Group’s Government division

Apr 2018

BPS changes its name to IncentiaPay

Sept-Nov 2018

Corporate restructure sees divestment of Now Book It Pty Ltd and sale of Bartercard and Bucqi

2H 2019

Company is recapitalised. New Board, CEO, and Executive Team

Apr 2019

Divestment of Gruden Group’s Performance Marketing division



June 2020

Incentiapay’s B2C Channel moves online: Entertainment Memberships are now exclusively available as an App

TODAY

Incentiapay is Australia’s premier rewards marketplace offering both B2C and B2B offerings

Since its inception in 1994, The Entertainment Book has: delivered over \$500m in revenue and raised over \$100m for Not For Profits (NFPs).

The IncentiaPay Platform

Connecting merchants who want growth with consumers looking for great offers and experience



Benefit for Merchants

Trusted brand

No fee payable and success based

Closed-end user group allows merchants to provide offers not generally available via the free models



Benefit for Consumers

Wide product offering across dining, entertainment, lifestyle and leisure experiences

"Always on" and high-value "one-time incentive" offers

Up to 50% savings value

Key industry drivers

Shift to consumer personalisation is lifting the relevance of rewards platforms:

- Global loyalty management market projected to grow from US\$2.47bn in 2019 to \$US10.02bn in 2027¹
- More than 90 percent of companies currently employ some form of customer engagement or loyalty program²

Enterprise clients looking for:

- Increased engagement with customer and associated data insights
- Increase retention & reduce lapse
- Additional channel to communicate with members, keeping client front of mind
- Increase perceived value of related client service
- Greater customer satisfaction and loyalty
- Increased sales and revenues

Consumers looking for:

- "Feel Good" purchases post Covid
- Value - Product discounts and offers
- Sense of "exclusivity"

1. Source: Fortune Business Insights: <https://www.fortunebusinessinsights.com/industry-reports/loyalty-management-market-101166>
 2. Accenture: "Seeing Beyond the Loyalty Illusion: It's Time You Invest More Wisely" report.

Our Consumer Channels

Two main Channels to market: B2C and B2B

B2C Channel

 Entertainment

150,000+
Members

- The B2C Channel is a Membership program providing consumers with entertainment offers on an App, for an annual membership fee.
- Not for Profits (NFPs) have been core to the B2C Channel as a fundraising activity for 27 years.
- INP currently supports more than 13,000 NFPs who retain up to 20% of the subscription revenues raised by memberships sold to their networks.
- Revenues: One-time purchase model.

B2B Channel

 **Frequent Values™**
by Entertainment™

30+
Enterprise
Clients

250,000+
Customers Of
Enterprise Clients

- INP's current B2B channel provides tailored custom and white-label entertainment-based incentives, loyalty and rewards programs for large enterprises to offer to their employees and customers.
- Revenues: Fee and member usage model.



Our Merchant Numbers are a Key Differentiator

Our Merchant Channel

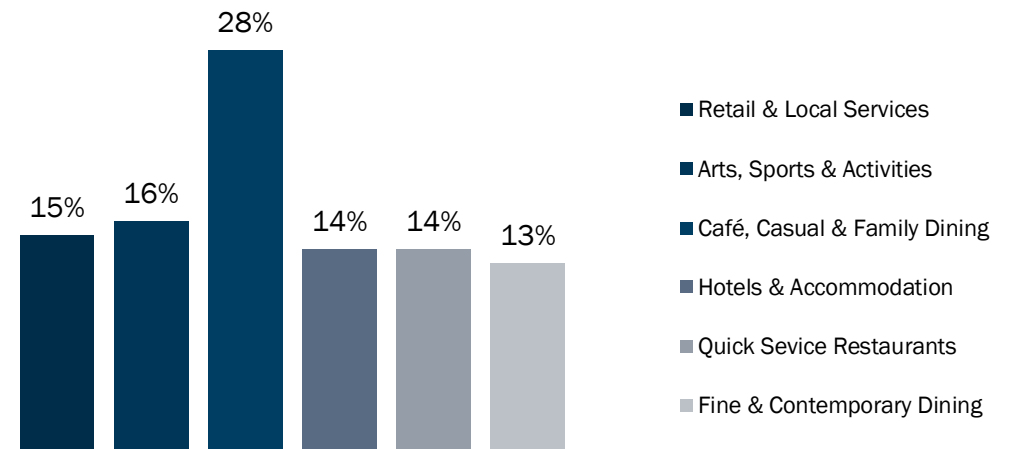
Current key metrics	
Merchants (merchant contracts)	6,500+
Offers	9,500+
Locations (merchant outlets)	14,500+
Fundraisers (NFPs supported)	13,000+

Merchant numbers vs competitors ¹	
INP	6,500+
MyRewards	4,000*
Cashrewards	1,700+
PocketPal	1,000
Gratiii	250+

¹Source: Published figures from competitors and media sources.

<p>DINING 2 for 1, 25% & 50% off Fine, Casual & Family Dining</p>	<p>TAKEAWAY 2 for 1, 25% & 50% off QSR Takeaway offers</p>	<p>ACTIVITIES 2 for 1, 25% & 50% off Family Activities & Attractions</p>	<p>GIFT CARDS Up to 10% off Groceries, Retail & Petrol</p>
<p>HOLIDAYS Up to 50% off</p>	<p>MOVIES Up to 40% off Cinema Tickets</p>	<p>TRAVEL Up to 35% off Domestic, International Flights & Car Rentals</p>	<p>BEAUTY, HEALTH & WELLBEING Up to 50% off</p>

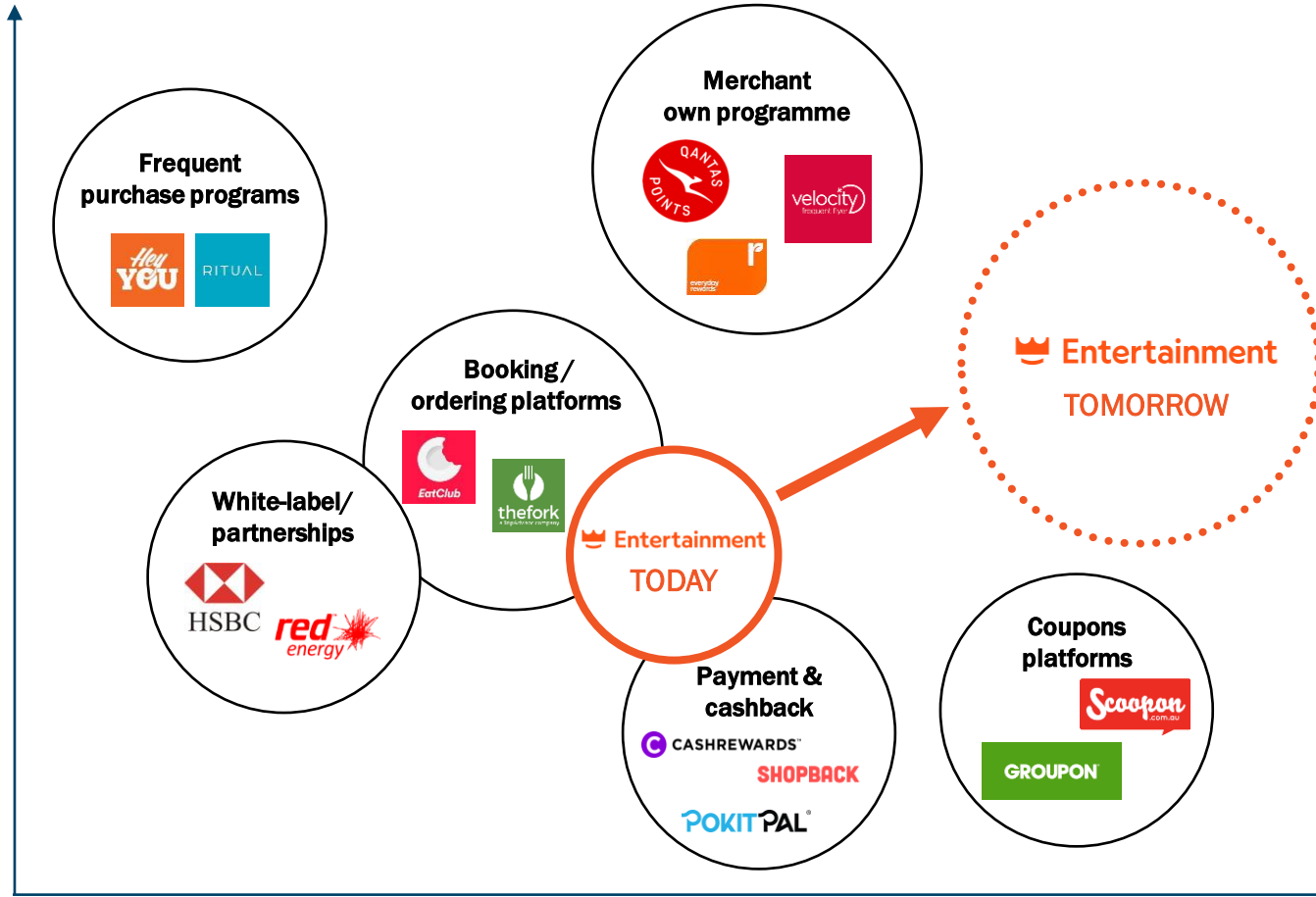
Number of Offers across Merchant categories, June 30 2021



Market Positioning

Member stickiness

- Reach of member base
- Propensity to drive loyal behaviour (vs deal hunter)
- Emotional connection to brand
- Increased stickiness will ensure member levels remain high, lifting revenue



Product & network breadth

- Diversity of categories where to earn / redeem points
- Depth of partnerships across categories
- Variety of deal

Increasing product and breadth of offering will attract greater B2B clients, while providing a more flexible platform tailored to clients' particular needs and better aligned with business strategy e.g., custom client tailored offers

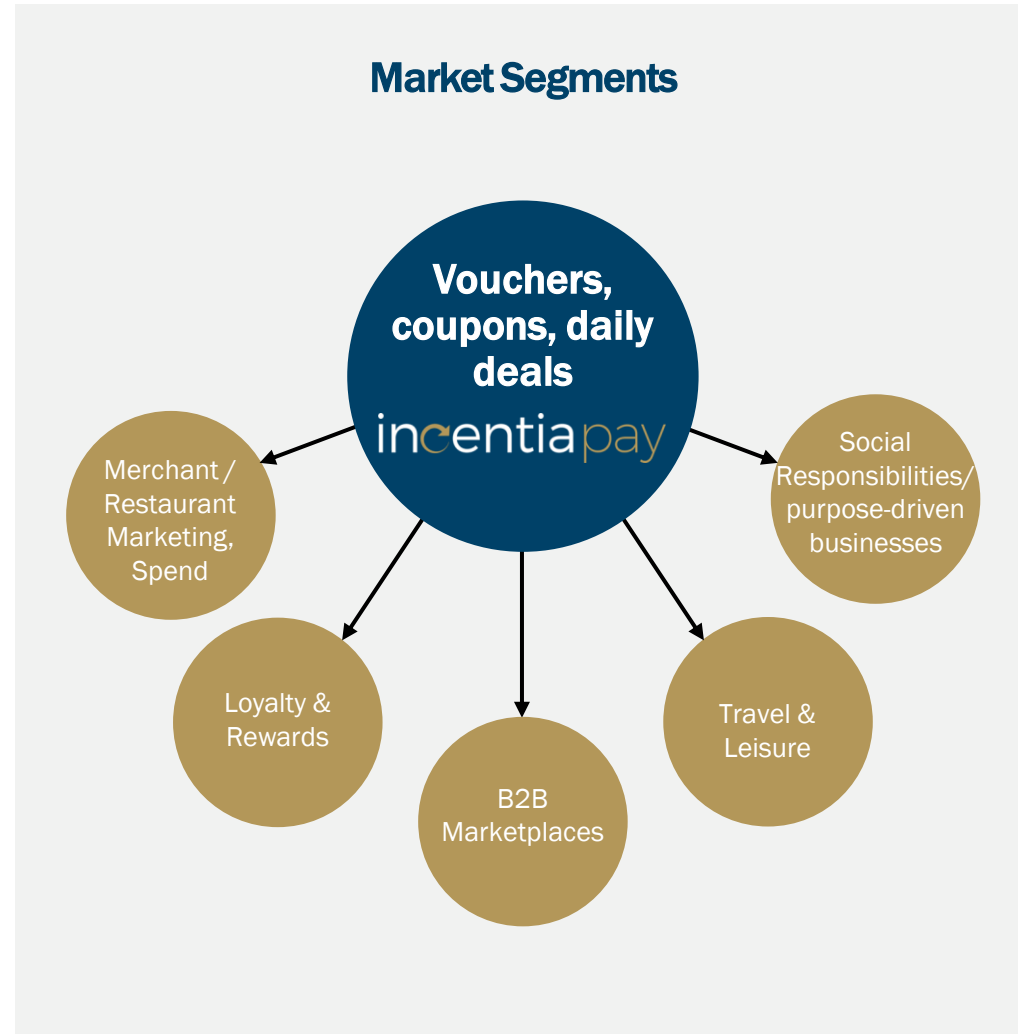
More products and opportunities will increase member interaction and lift ARPU

Increased stickiness will ensure member levels remain high, lifting revenue

Strong member stickiness will also drive member referrals, further lifting penetration levels

Market Opportunity and Growth Strategy

Expand merchant offering to deliver increased loyalty, customer numbers and revenue opportunities



Our Growth Drivers

Normalise B2C Revenue

01 Normalise revenues post COVID-19 through better management of renewals and reactivations, improved marketing campaigns and new payment options

Grow Enterprise Sales Channel

02 Complete Frequent Values product re-platforming, improve Enterprise Member engagement and activations

New Card Linked Offer-based Business (Seamless Rewards)

03 Build CLO content services business that provides end customers with Seamless Rewards experience, conduct trials with select CLO partners

Invest In Our Merchants

04 Stabilisation and diversification of our Merchant and Location base across all our channels; greater capability and training to our Merchants to improve their sales through our channels

B2C Stabilisation and Growth Strategy



Objective

Stabilise and grow membership numbers through better management of renewals and reactivations, improved marketing campaigns and new payment options

How

Digital Only

v.1 of new App and website in Feb 2021 sets the platform for new value propositions for members, merchants and fundraisers

New Content

Nearly 800 new merchants added in last 12 months

New Sales Channels

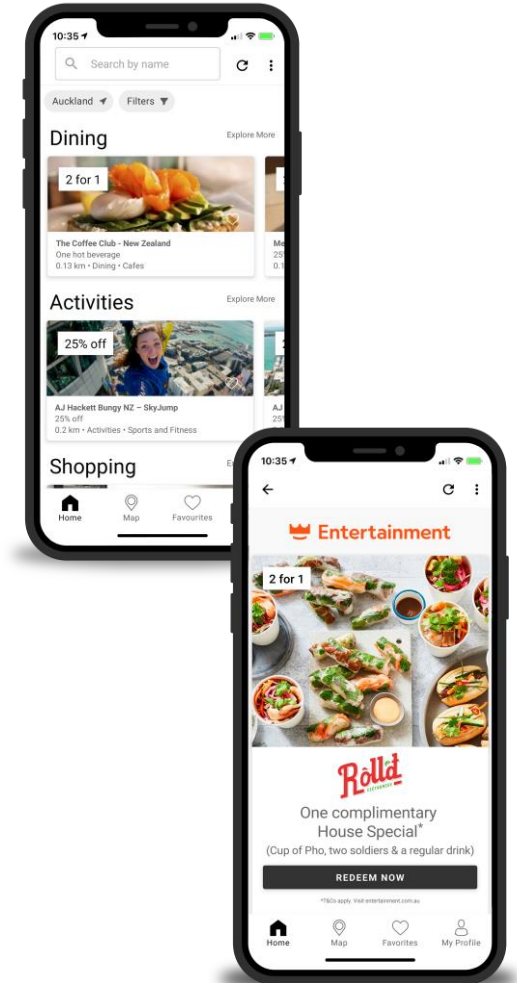
Supplement access to members beyond core NFP channel – introduce digital marketing and new corporate channels

Brand + Marketing

New strategic relationship with M&C Saatchi to develop the marketing and brand strategy for the Company

Outcome – significant growth potential

Every 100K members delivers: \$7.8m of revenue, and \$5m in gross margin



B2B Growth Strategy

Objective

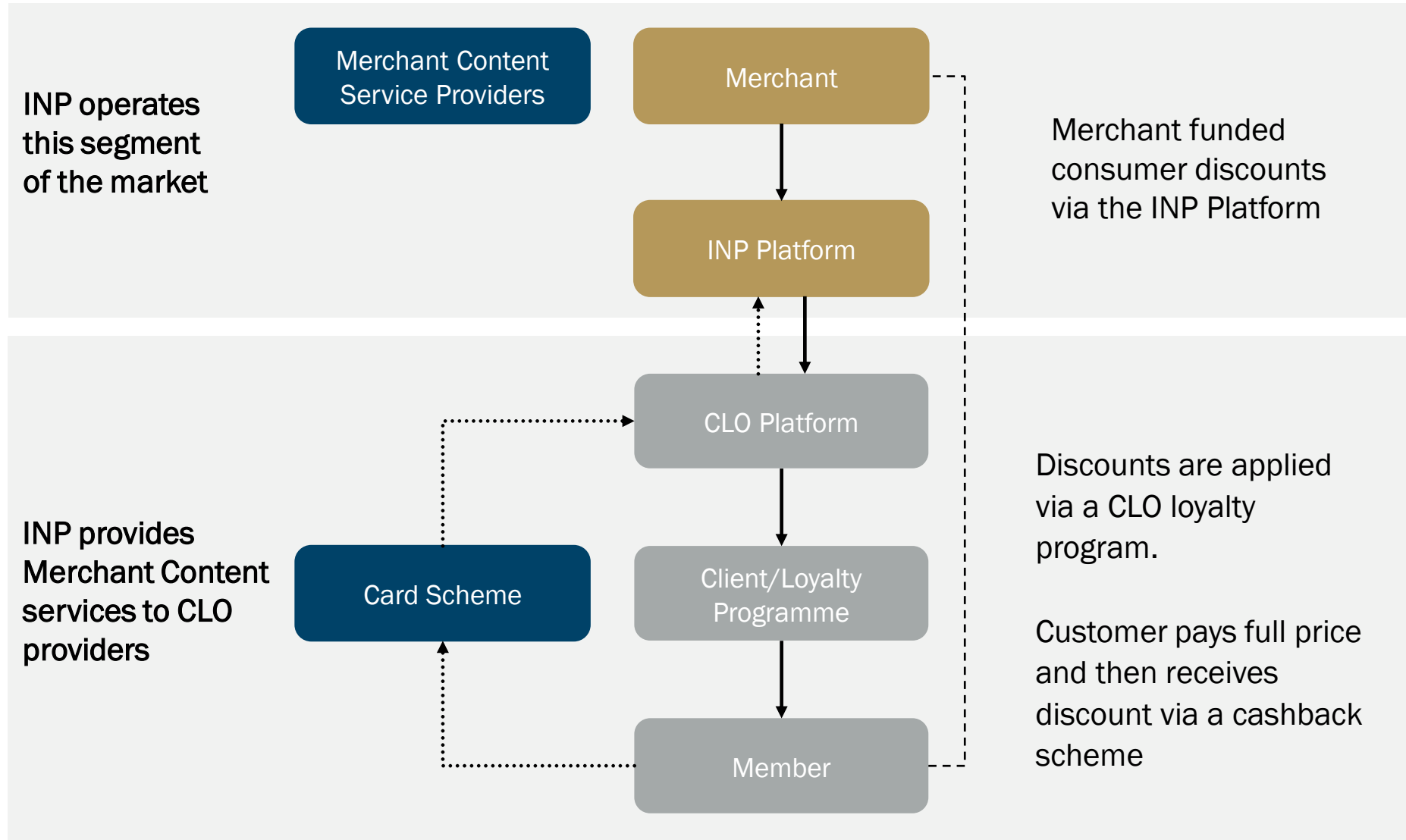
- Significantly grow the number of consumers via enterprise clients using our white label loyalty and rewards programs
- Reduced cost to service
- Growing revenues based on adopting a transactional pricing model

How

- **Key Trends:** Personalisation and privacy driving the need for zero / first party data
- **Key Growth Focus:** The large and growing loyalty and rewards marketplace
- **Leverage our competitive position**
 - Exceptional entertainment, lifestyle and community content
 - Extensive relationships and contracts, built over 20+ years
 - Investments in new technology platform
- **New business model:** Seamless rewards and transactional pricing model
- **Card Linked Offer:** Provide tailored, entertainment-based incentives, loyalty and rewards

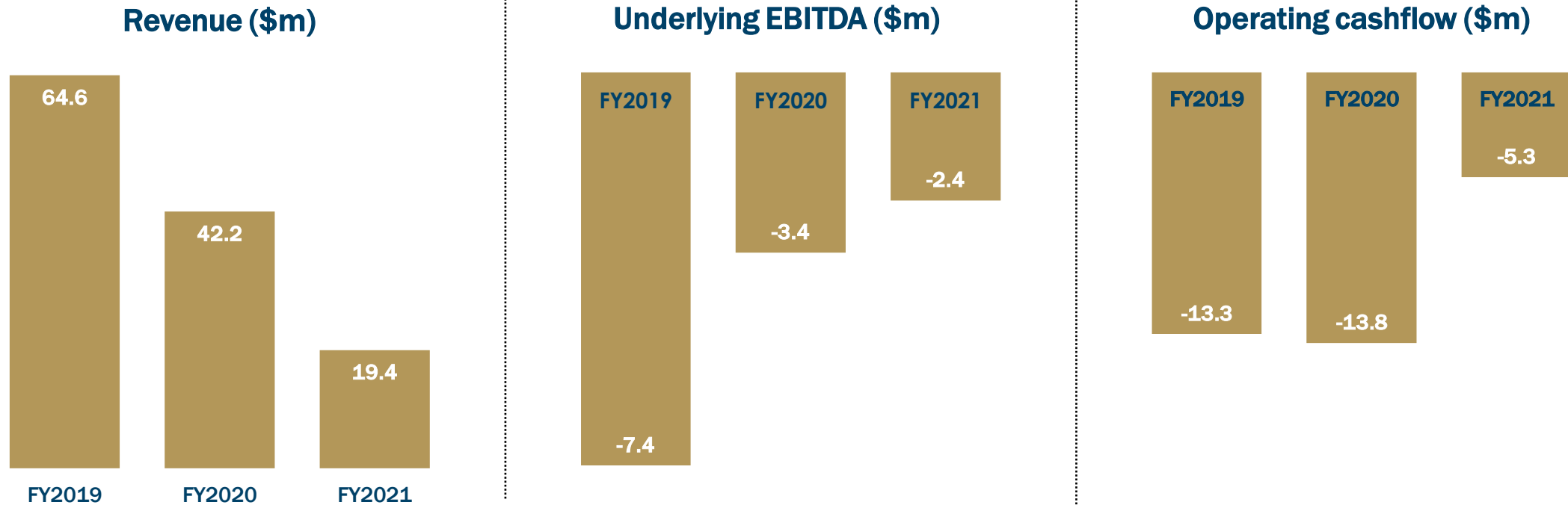


New B2B Business: Card Linked Offer



- Proposed new channel to provide tailored, entertainment-based incentives, loyalty and rewards programs via a card-linked offer (CLO)/card scheme and an existing loyalty program
- Target market: Large enterprise customers
- Revenues: Transaction-based

Financial Update



- Revenues impacted by pivot from book to digital; heavily impacted by COVID-19
- INP has been able to continue its transformation program
- Company has been focused on lowering costs which has:
 - Lowered the cash burn rate
 - Improved EBITDA to better position the company for future growth

Investment Summary



Well-known Platform

Australia and NZ's premier entertainment + lifestyle offers and rewards platform



Positive Macro Trends Towards Loyalty

Corporates increasingly want everyday purchases and experiences to drive customer engagement and are looking for seamless solutions such as "card-linked" content and a variety of ways to engage and redeem with merchants, such as dynamic offers.



Marketing and Technology Investment

Investing in customer experience, product and technology

B2C: new platform, app, website and lifecycle management

B2B: new marketplace platform, app and model for customer value and revenue



Accelerate Growth via B2B

A clear and focussed B2B-led growth strategy to reinvigorate and unlock value in business assets and position



Strong, Established NFP Support

Over the past 27 years, INP has been providing over 15,000 NFPs across Australia and New Zealand with a significant revenue stream, totalling \$100m



Appendix

Board

A diverse, experienced and committed team



Stephen Harrison
Chairman

Stephen Harrison has over 35 years of experience in the financial services, funds management, private equity, and accounting fields. He has held director positions with Investec Funds Management and the Australian subsidiary of US based fund manager Sanford C. Bernstein. He has been a founder and held Directorships in a number of listed companies both in Australia and overseas. He is currently Chairman of NobleOak Life Limited.



Jeremy Thorpe
Non-Executive Director

Jeremy Thorpe holds BA and LLB degrees, is a qualified attorney in South Africa, and the Managing Director and Chief Executive Officer of Skybound Capital Australia. He serves on the boards of all subsidiary and associate companies within Skybound Australia's diverse range of investments and is directly responsible for their performance and investment returns. He has over 30 years of experience in corporate finance, private equity, consumer and business credit, and structured finance. In the recent past he has served on the Board of the National Credit Providers Association in Australia.



Charles Romito
Non-Executive Director

Charles Romito is an experienced management consultant and investment professional. He was previously in the London office of the global strategy consultancy McKinsey & Company and a co-founder of their Innovation & Growth Strategy practice. As a PE professional, Charles has held senior roles including as a COO and General Operating Partner in a Venture and Growth Equity fund. He has 15+ years track record and held Board positions in 5 countries. Charles is also an accomplished management-academic with expertise in Business- Model Innovation, Growth Strategy and Business Transformation.



Dean Palmer
Non-Executive Director

Dean Palmer is a chartered accountant with more than 20 years of experience. He is the founder and CEO of Skybound Fidelis Investment Limited - a specialist structured finance, commercial credit, and property fund manager. He has held numerous senior executive roles both in Australia and the UK. He has a Bachelor of Commerce, Bachelor of Laws and is a member of Chartered Accountants Australia and New Zealand.

Management Team

A diverse, experienced and committed team



Henry Jones
CEO

Henry Jones has more than 25 years of executive experience, predominantly in the technology sector, having held senior positions at IBM across Australia, New Zealand, and North America. He is considered an entrepreneur, having been involved in a number of small disruptive ventures. His role as CEO is key to leading and accelerating the Company's turnaround and building on our existing and solid foundation. Henry has an MBA from Harvard Business School, and an LLB (Law) and BA (Economics and Politics) from the University of Melbourne.



Ben Newling
COO

Ben Newling has more than 15 years of experience across general management and corporate advisory within investment banking, retail banking and technology. His executive experience spans equities, capital markets, M&A's, and people management. His role as COO spans finance, operations, human resources and commercial and legal compliance. Ben has a Master of Business Administration (MBA) focused in Finance and Financial Management Services from MGSM.



Ani Chakraborty
CTO

Ani has over 20 years' experience working in challenging situations in Australia, India, and Southeast Asia, with deep experience in strategy and transformation in Digital, Service Operations, and capital-intensive industries. A well-rounded, highly motivated and impact-driven executive skilled in strategy, program design and technology and operations implementation. Highly regarded for his proven capacity to bring superior thinking to solve problems related to complex, large-scale business and technology transformations.



Linda McDonald
CCXO

Linda McDonald has more than 20 years of experience in delivering exceptional results in the retail, FMCG and consumer healthcare industries, having held several senior executive leadership roles. Her role as CCXO is key to driving significant revenue, the creation of a transformation digital program and a clear focus on customer acquisition, retention, and value growth. Linda has a Bachelor Commerce (Marketing) from the University of Wollongong



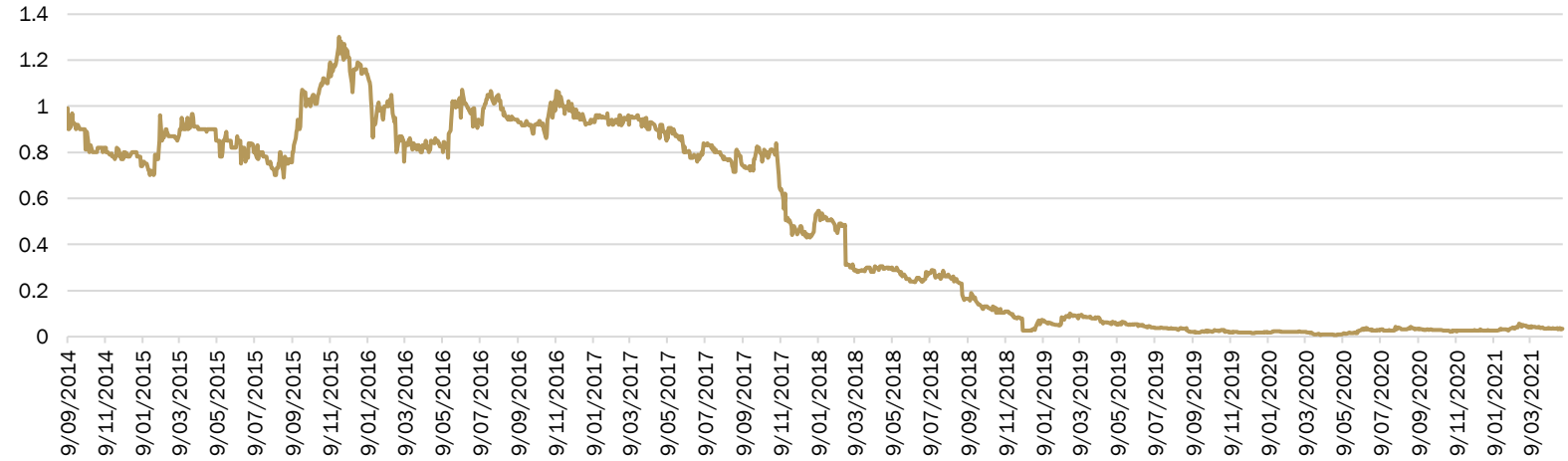
Stacey Hampton
GM People

Stacey Hampton has over 18 years of experience managing people and culture across finance and technology companies, with previous roles focused on building a culture of engagement, diversity, and inclusion. Her role as GM of People is key to leading the Company through transformational change, focusing on employee lifecycle and workforce planning, attraction and selection performance management, talent identification, leadership, learning and development, and reward and recognition. Stacey has a Bachelor of Business (Human Resources) and a Graduate Diploma of Human Resources and Industrial Relations.

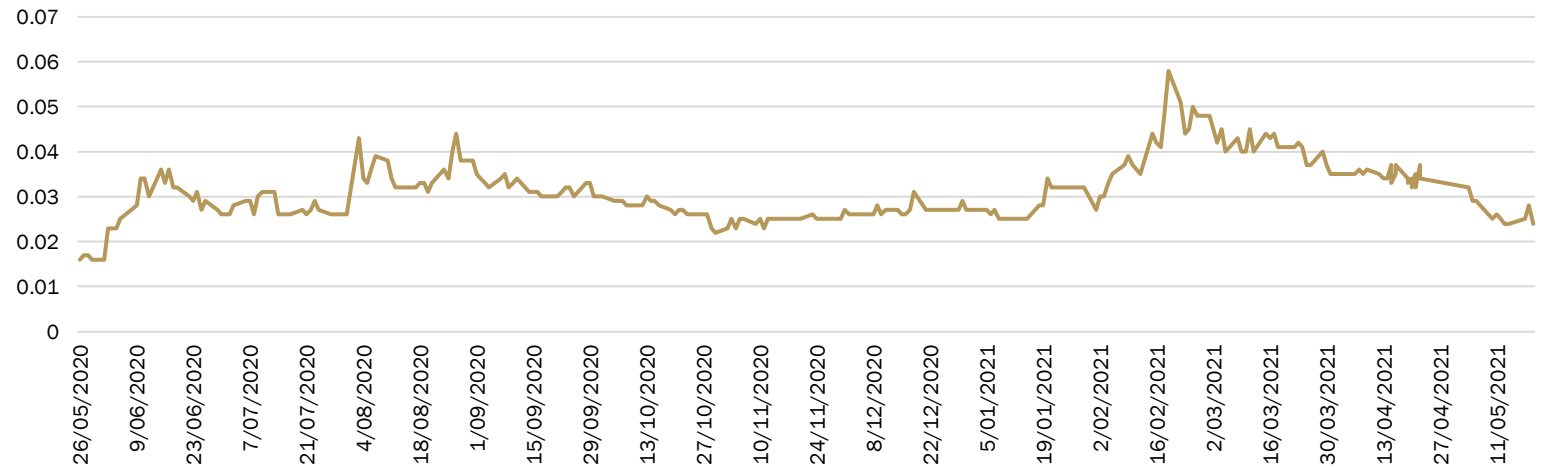
Market Snapshot

ASX Code	INP
Total Issued Shares	1,011m
12 months High/Low	6.8c/0.02c
Share price (3 November 21)	2.7c
Market capitalisation	\$27.3m
Substantial shareholders	Suzerain Investment Holdings Limited and its associates

INP Share Price Since Listing



INP Share Price – 12 Months Closing



Offer Overview



17.2% discount to 5-day VWAP as at 3 November 2021

Theoretical Ex-Rights Price (TERP) of **\$0.027**



At current price, a fully underwritten **1 for 4.3** renounceable entitlement offer to issue **235m** fully paid ordinary shares (Shares) at an issue price of **\$0.022** per Share to raise **\$5.1m**. Shares issued will rank pari passu with the Company's existing quoted fully paid ordinary shares (ASX:INP)



Panthea Capital has been appointed as the manager. Suzerain Investments Holdings Limited, the Company's largest shareholder intends to take up its rights

Sources of funds	Amount
Cash proceeds from the offer	\$5.1m
Total	\$5.1m

Use of funds	Amount
Sales and Marketing	\$0.5m
New Business Model (Seamless rewards)	\$1m
Capital investment (tech - existing business model)	\$2.5m
Merchant	\$0.9m
Transaction costs and underwriting fees	\$0.2m
Total	\$5.1m

Summary Financials – Proforma Balance Sheet



The Proforma Consolidated Statement of Financial Position (Balance Sheet) is based upon the audited financial statements as at 30 June 2021 and adjusted for the effect of the capital raising.

	As at 30 June 2021	Adjustments	30 June 2021 Proforma
Current Assets			
Cash and cash equivalents	3,228	5,000	8,228
Trade receivables	1,000		1,000
Inventories	155		155
Other Assets	1,968		1,968
Total Current Assets	6,351		11,351
Non-Current Assets			
Trade receivables	523		523
Right of use asset	158		158
Property Plant and Equipment	811		811
Intangibles	15,813		15,813
Total Non-Current Assets	17,305		17,305
Total Assets	23,656		28,656
Current Liabilities			
Trade and other payables	5,981		5,981
Lease liabilities	1,055		1,055
Borrowings	4,579		4,579
Current tax liabilities	0		0
Deferred Revenue	4,526		4,526
Provisions	1,042		1,042
Total Current Liabilities	17,183		17,183
Non-Current Liabilities			
Lease liabilities	1,123		1,123
Borrowings	28		28
Deferred revenue	32		32
Provisions	132		132
Total Non-Current Liabilities	1,315		1,315
Total Liabilities	18,498		18,498
Net Assets	5,158		10,158
Equity			
Issued capital	122,984	5,000	127,984
Reserves	733		733
Accumulated losses	-118,559		-118,559
Total Equity	5,158		10,158

Notes:

1. As at 20 October 2021, there has been \$2.2m of additional debt drawn from Suzerain
2. \$3.448m of Suzerain debt has been converted to equity

Business – Key Risks

Risk



- **COVID-19** – The travel and leisure industry has been heavily impacted by COVID-19.
- **Membership Subscription Revenue** – INP's revenues are highly seasonal. Short term decline in revenues will impact the profitability and cash runway of the Company
- **Non-Fundraiser channels** – The Company has been reliant on the fundraiser channel for its membership subscription revenue, which has been in decline.
- **Technology/Vendor Risk** – INP is reliant on its key technology vendors to deliver and maintain its key products
- **Merchant re-contracting** – Seamless rewards is dependent on being able to re-contract a critical mass of existing merchants

Mitigant



- A \$5m contingent unsecured working capital debt facility has been secured from the Company's largest shareholder (Suzerain)
- This facility is to be used as an overdraft to manage seasonality and timings of cashflows
- Investment in direct and other non-fundraiser channels (i.e. schools and corporates)
- Team is resourced to test effectiveness of physical and digital contracting processes

Business – Key Risks

Risk	Mitigant
Share Price Risk	There are general risks associated with an investment in the share market. As such, the value of the shares may rise above or below the offer price, depending on the financial position and operating performance of IncentiaPay. Further, broader market factors affecting the price of IncentiaPay shares are unpredictable and may be unrelated or disproportionate to the financial or operating performance of IncentiaPay. Such factors may include the economic conditions in Australia and overseas, investor sentiment in the local and international stock markets, consumer sentiment, changes in fiscal, monetary, regulatory and other government policies, national and international political and economic instability or the instability of national and international financial markets, interest and inflation and foreign exchange rates. Volatility in global credit markets could negatively impact the value of the shares.
Failure to comply with laws and regulation	IncentiaPay is subject to substantial regulatory and legal oversight in Australia. The agencies with regulatory oversight of IncentiaPay and its subsidiaries include, among others, ASX and ASIC. Failure to comply with legal and regulatory requirements may have a material adverse affect on IncentiaPay.
Reputation	Reputation risk may arise through the action of IncentiaPay and adversely affect perceptions held by the public, shareholders, regulators or funders. These issues include appropriately dealing with potential conflicts of interest, legal and regulatory requirements, ethical issues, privacy laws, information security policies and sales and trading practices. Damage to IncentiaPay's reputation may have an adverse impact on IncentiaPay's financial performance, capacity to source funding, liquidity and by constraining business operations.
Competition / disruption	New technologies are constantly emerging in the incentive/ loyalty market, the price of developing these technologies continues to fall. Inability to adapt the business to a technical development could impact IncentiaPay's ability to attract and obtain customers and have a material impact on IncentiaPay's business.
Litigation	IncentiaPay is not currently involved in any material litigation and the Directors are not aware of any facts or circumstances that could give rise to any material litigation. However, given the scope of IncentiaPay's business and the wide range of parties it deals with, IncentiaPay may in the future be exposed to potential litigation from suppliers, customers or employees.
Funding	There is no certainty that IncentiaPay will remain well-funded, especially if existing financial resources are invested in growth or the development of IncentiaPay's technology platforms and that investment does not generate a timely return.
Personnel	IncentiaPay's success, in part depends on the continued performance, efforts, abilities and expertise of its key management personnel, as well as other technical personnel including those employed on a contract basis. The loss of these personnel, without replacement could have an adverse impact on the successful operation, management and marketing of IncentiaPay's product/service offerings.

International Offer Restrictions

This Document does not constitute an offer of new ordinary shares (New Shares) of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below. Does not include British Virgin Islands or Jersey.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the entitlements or the New Shares may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly this offer is being made on a private placement basis only and does not constitute a public offering. As such, this document has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. The document is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

United Arab Emirates

Neither this document nor the New Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates, nor has the Company received authorisation or licensing from the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates to market or sell the New Shares within the United Arab Emirates. No marketing of any financial products or services may be made from within the United Arab Emirates and no subscription to any financial products or services may be consummated within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the New Shares, including the receipt of applications and/or the allotment or redemption of New Shares, may be rendered within the United Arab Emirates by the Company.

No offer or invitation to subscribe for New Shares is valid in, or permitted from any person in, the Dubai International Financial Centre.

Contact

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