

BPS TECHNOLOGY EXCEEDS PROSPECTUS FORECAST FOR HALF YEAR

BPS Technology Limited (ASX:BPS) is pleased to announce its inaugural financial results as an ASX listed company for the half-year to 31 December 2014 (H1 FY15). Following the company's listing on ASX in September 2014, BPS has exceeded the Prospectus forecast for the half year and is fully focused on meeting its full year Prospectus forecast.

Key H1 FY15 highlights

- Revenue of AU\$24.9 million, ahead of Prospectus forecast of AU\$24.7 million
- EBITDA of AU\$4.45 million, ahead of Prospectus forecast of AU\$4.39 million
- Net Profit after Tax of AU\$3.3 million, 14.3% ahead of Prospectus forecast of AU\$2.9 million
- Earnings per share of 5.6 cents, 14.3% ahead of Prospectus forecast of 4.9c
- Interim unfranked dividend for FY15 of 2.25 cents
- Strong balance sheet with zero borrowings and cash position as at 31 December 2014 of AU\$3 million
- Key agreement signed for expansion into China, no profits from the China transaction were recognized in the first half-year
- Additional operations set to open in India and South Africa in H2 FY15
- Expectation of being operational in 10 countries by the end of CY15

Strong performance driven by growth in Bartercard business

Commenting on the results, BPS Technology CEO, Trevor Dietz, said: "While it is pleasing that our inaugural half-year result is ahead of Prospectus forecast, our key focus remains on ensuring that we meet the forecast for the full year that was set at the time of the company's IPO."

"Since listing, we have entered into a number of strategic agreements that are set to further fuel the growth of the Group's business, and we expect this growth to help BPS reach its forecasts", said Mr. Dietz.

BPS operates the world's largest barter trade exchange, Bartercard, which processes more than AU\$600 million in transactions annually in a AU\$20 billion a year sector. With over 54,000 current Bartercard cardholders globally, BPS Technology is targeting 100,000 cardholders by the end of CY16.

Mr. Dietz said the agreement in late December of an exclusive license of the Bartercard system in the People's Republic of China would begin to generate transactional revenue for BPS Technology in the second half of FY15, and accelerate in the following year.

The license will see the progressive roll out of Bartercard across twenty-one identified provinces in China for a total license fee of US\$2.6 million (AU\$3.25 million). BPS will also receive service fees of 6

percent of revenues generated from fees paid by its Chinese based members. This agreement closely followed a similar license deal for South Africa that the Group announced in November 2014, worth US\$500,000.

"In markets such as China and India, two of the world's most populous nations, the market for the BPS platforms for barter and trade exchanges amongst businesses is just beginning to open up. We believe we have the right proprietary technology and platforms, and combined with the right relationships in these three new countries BPS Technology can grow in a considered and consistent manner that will protect and enhance the wider BPS and Bartercard brands," said Mr. Dietz.

TESS and Bucqi gaining traction

BPS Technology made headway with its white labelled trade exchange technology TESS during H1 FY15, with the first major sale of the product. The agreement with an existing Indian Corporate barter-trade Company will see a Retail Trade Exchange commence operations in India using the TESS technology platform in April 2015. In addition, BPS Technology has had inquiries from, and discussions with, a number of exchanges globally to adopt the Tess trade exchange software.

"In more mature markets, such as the United States, we are seeing enormous opportunities for consolidation across heavily fragmented trade exchange software systems. We are ideally positioned to capitalize on this with the Company having been endorsed by the global trade exchange industry body, IRTA, as the preferred provider of software to implement a set software standard, which is a significant vote of confidence for our technology," said Mr. Dietz.

BPS Technology also acquired Bucqi, a mobile loyalty, rewards and payments application for SMEs during H1 FY14. The company is now moving to further develop Bucqi's business to the consumer model, allowing people to access and use a range of different loyalty points with a wide number of businesses via their mobile phone. Following the signing of a heads of agreement in late 2014 the Bucqi technology is being adopted by one of Australia's largest Travel Reward Companies, RewardsCorp Holdings, who have over 200,000 consumers linked to their platform.

Dividend and outlook

Reflecting the company's strong balance sheet and attractive growth outlook, the Directors have declared an interim FY15 unfranked dividend of 2.25 cents per share. The ex – dividend date will be 31 March 2015 with a record and payment date of 2nd April 2015 and 22nd April 2015 respectively. Going forward dividends are expected to be franked to the fullest extent possible.

Commenting on the outlook for BPS Technology for H2 FY15, Mr. Dietz said: "The Company remains focused on delivering on its Prospectus forecast earnings per share of 11.1 cents for the full year. The first half of the financial year has seen a number of major milestones for the Company that have created solid foundations for future growth.

“The continued geographic expansion of the Bartercard business and the further take-up of both the TESS and Bucqi technology should drive continued growth. This will be aided by the increasing importance in loyalty programs in generating new business for merchants, digital currencies, and the structural shift to cloud-based systems and mobile devices.

“Having put in place significant agreements in the last five months, we are now looking forward to continuing the momentum and growth for BPS Technology in order to become the world’s leading provider of software and management systems supporting digital currency alternatives” said Mr. Dietz.

For more information please contact:

Trevor Dietz

Mobile: +61 419 707 908

Email: trevor.dietz@bpstechnology.com

Investor contact:

Eric Kuret

Market Eye Pty Ltd

D: +61 3 9591 8902

Email: eric.kuret@marketeye.com.au

About BPS Technology Limited (ASX:BPS)

BPS Technology Limited is a leading provider of technology platforms and management systems in the Currency Alternative space for Small to Medium Enterprises (SME’s). Its technology platforms and systems help to drive customers to its SME merchants. This enables BPS to generate revenues from its SME merchant base.

Bartercard is recognized as the largest Barter Trade Exchange in the world; Tess offers a cloud based software service to other Barter Trade Exchange operators; and Bucqi is a merchant centric mobile loyalty, rewards and payments application. The Group will during FY15 operate in ten countries, has seventy five offices and employs almost 400 staff to support its 54,000 card holder base who currently generate more than AU\$600m in turnover annually.

The Company listed on the ASX on 9 September 2014. Its Board of Directors and Senior Management have extensive experience of the Trade Exchange, loyalty, transaction and payment industries, financial management and corporate governance.

