

Disruptive Business Payment Systems linking SMBs Globally



BPS
Technology

‘Business Payment Systems’



2 September 2015

FY2015 Overview

Strong revenue and earnings growth; final dividend of 3.25 cps declared

- ❖ Revenue \$48.1m – slightly below prospectus forecasts due to the delay in the launch of bucqi
- ❖ EBITDA of \$10.1m - exceeding prospectus forecast of \$9.9m driven by strong performance of Bartercard
- ❖ NPAT \$7.9m – exceeding prospectus forecast of \$6.5m, driven by growth in Bartercard and a more favorable tax rate
- ❖ EPS 13.5 cents exceeding prospectus forecast of 11.11 cps
- ❖ Bartercard Group now controls an additional 26 franchise areas giving it a secure strategic footprint for growth and lay the foundation for roll out of bucqi in major population areas
- ❖ Total value of these acquisitions was \$7.2m
- ❖ Opened in South Africa - China and India Licenses sold and will open in FY 16
- ❖ Trade Exchange Software Services (TESS) platform delivered for testing and use by IRTA*, the global trade exchange body
- ❖ bucqi launched in June
- ❖ Final dividend of 3.25 cps declared (unfranked); total FY15 dividend of 5.5 cps

BPS Technology at a glance

Three highly complementary and scalable businesses



bartercard

(core business – profitable)

- Bartercard is the world's largest trade exchange by Transactional Value and Fees Generated. It allows small to medium business to conduct \$600m of additional business without the use of cash
- 54,000 card holders in 8 countries but expanding to 10 countries in FY16
- Bartercard transactions can be conducted across more than 7,000 bank EFTPOS terminals



bucqi

(growth business)

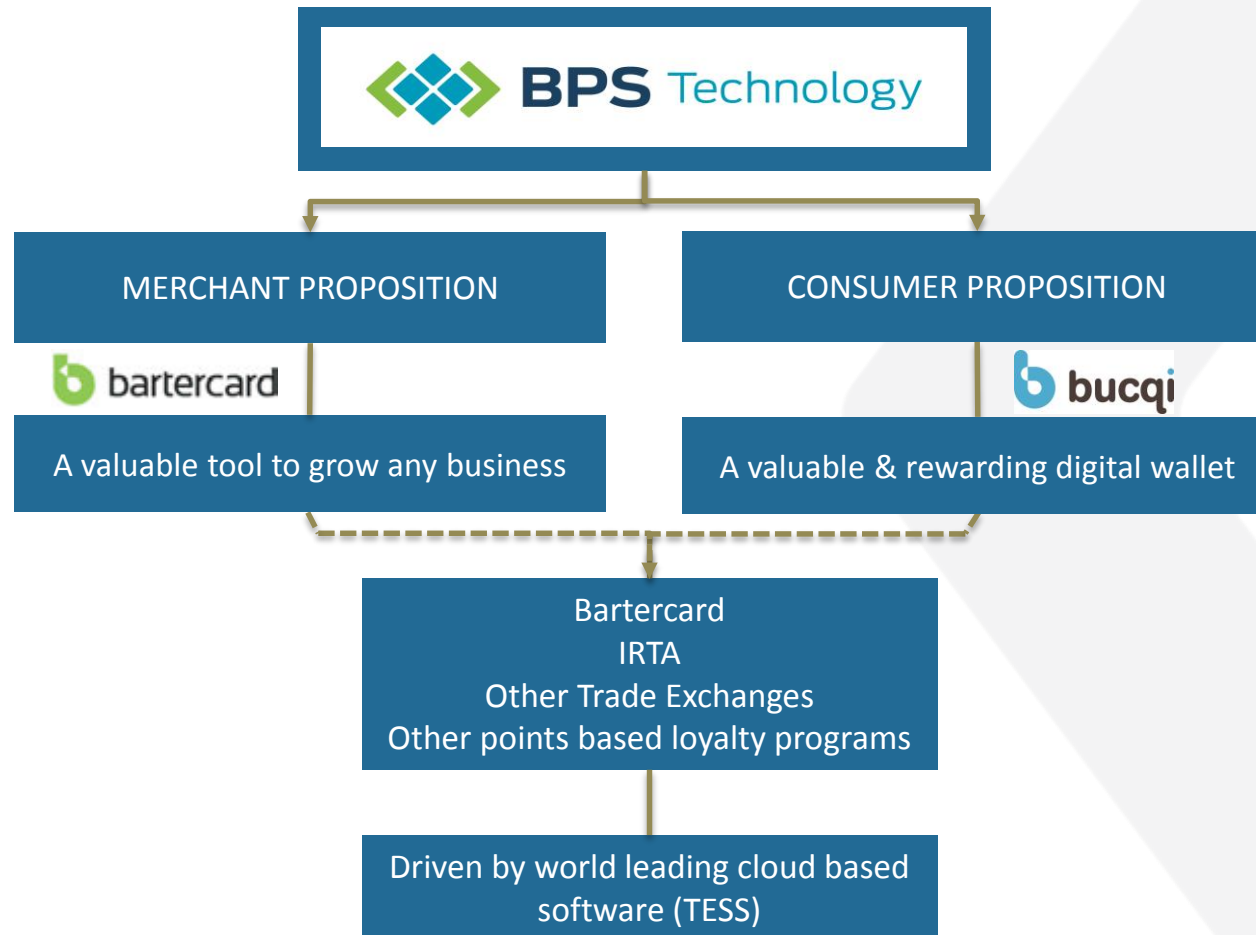
- Disruptive technology based around a loyalty platform designed for SMBs combined with a robust and innovative mobile payment app for both merchants and consumers.
- Now in roll out phase in Australia and New Zealand, other countries to follow FY17
- Expected to increase the revenues to both BPS and Bartercard



(growth business)

- TESS (Trade Exchange Software Services) is a software platform which was developed to service Bartercard's trade exchange
- Its the only software recognised and recommended as preferred software by IRTA* - the largest governing body of the industry globally
- Addresses the needs of a fractured market
- Future growth market for bucqi

BPS Technology addresses both **B2B** and **B2C** markets with a special focus on SMBs



bartercard - the expansion continues

Enables SMBs to trade goods & services

Major Developments for FY2015

- Strong focus on member growth with new sales model
- Bartercard New Zealand acquired
- South Africa commences operations
- Licenses for India and China sold
- Bartercard Group now controls an additional 26 franchise areas giving it a secure strategic footprint for growth of Bartercard and bucqi in major population areas

Major Focus for FY2016

- Further acquisitions of targeted profitable franchises in Australia
- Strong focus on acquisitions of profitable Trade Exchanges especially in Nth America and Europe to expand global footprint and guarantee access to large body of SMBs for bucqi
- Further International Expansion with a focus on Nth America, Europe and Asia

bucqi- new platform deployed

Disruptive payments platform with best value consumer loyalty program

Major Developments for FY2015

- New platform developed - allows Bartercard Merchants to pay consumers digital rewards – “bucqs” – one “bucq” equal in value to one Trade Dollar
- Consumers able to save “bucqs” and redeem “bucqs” at a wide variety of merchants
- Most valuable reward program – consumers get a minimum 20% reward or redemption on every transaction
- Merchants can accept “bucqs” and credit back to their Bartercard Account for reissue
- Roll-out of bucqi across Australia commences
- RSPCA Qld signs with bucqi – will receive 1% donation in cash based on transactions of their 30,000 supporters who use bucqi
- bucqi also able to handle other points based rewards programs – agreement signed with Rewards Corp & their 200,000 clients will have access to bucqi merchant based in FY16

Major Focus for FY2016

- September launch in New Zealand
- Will be available across Australian and New Zealand by early 2016
- Use existing relationships with 300+ Not For Profits and Sporting Clubs to rapidly expand consumer base
- Introduce C2C model in later part of FY 16
- Have 3,750 Bartercard Merchants accepting bucqi by end of FY16



- an industry step change

**Cutting edge, hosted, stable, scalable software for Trade Exchanges
& other alternate currency systems**

Major Developments for FY2015

- Launch of white label software to Industry
- Further enhancement of IRTA's UC Interchange Platform

Major Focus for FY2016

- Working closely with IRTA to expand TESS Software footprint
- Supply of Enterprise level software to major Trade Exchanges

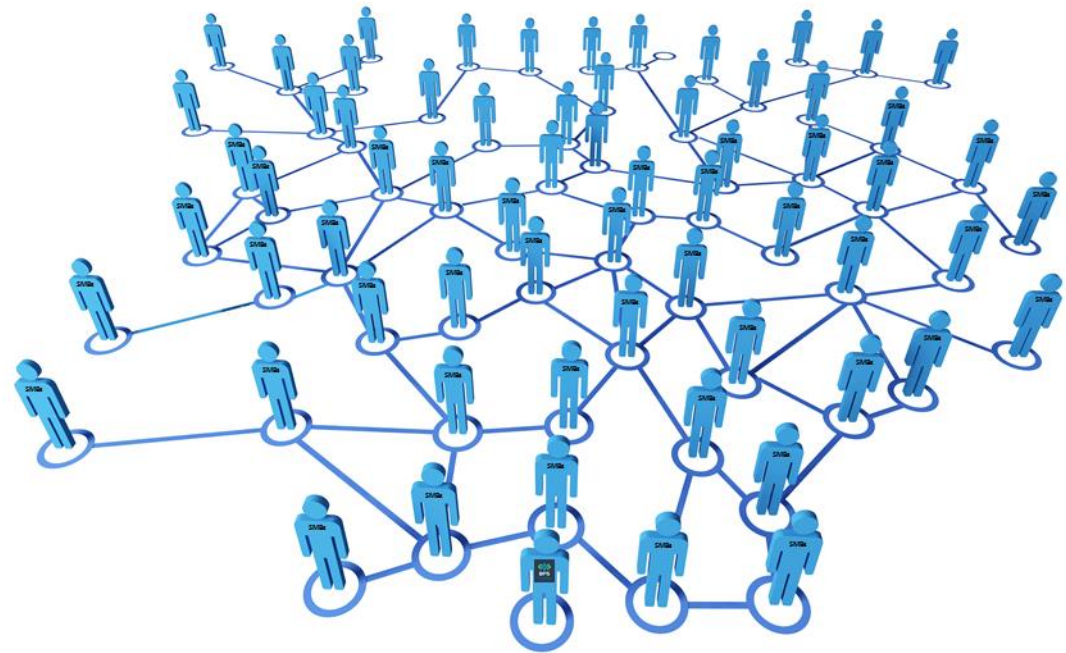
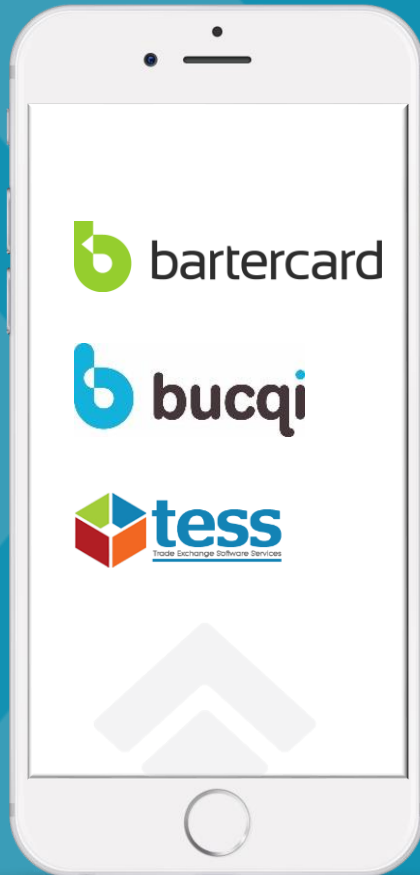
FY2016 Outlook

- ❖ Continue to acquire profitable Bartercard franchises in key areas that add to strategic footprint and maximize access to SMBs for bucqi expansion
- ❖ Continue international growth opportunities across all three platforms
- ❖ Major focus on growth of Bartercard under new sales model – much higher profitability in medium to long term
- ❖ Strong focus on growth by acquisition and joint venture both vertically and horizontally
- ❖ Continue roll out of bucqi in Australia and New Zealand with foundations laid for entry into UK and USA in FY 2017
- ❖ Tess to become the software of choice for Trade Exchanges & other alternate currency systems

In Summary

- ❖ FY15 was a momentous year for BPS Technologies
 - Listed on the ASX
 - Expanded Bartercard to eight countries with licenses for India and China sold
 - Acquired Bartercard New Zealand plus have acquired additional 26 franchise areas
 - Launched bucqi with improved business model
 - Delivered IRTA software
 - Initial funding line of \$4m put in place with CBA for investment and M & A activities
 - Exceeded EBITDA forecast
 - Exceeded NPAT forecast
 - Exceeded EPS forecast
- ❖ Strong growth achieved and laid the foundations for expansion in FY 16 and FY17
- ❖ Final dividend of 3.25 cents per share declared taking full year to 5.5 cents per share
- ❖ Highly experienced board and management team in place – own 58% of issued shares
- ❖ Very well positioned to capitalise on various growth opportunities

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Technology



bartercard



bucqi



tess
Trade Exchange Software Services