

Disruptive Business Payment Systems linking SMBs Globally



BPS
Technology




**‘Business Payment Systems
- The Way Forward’**



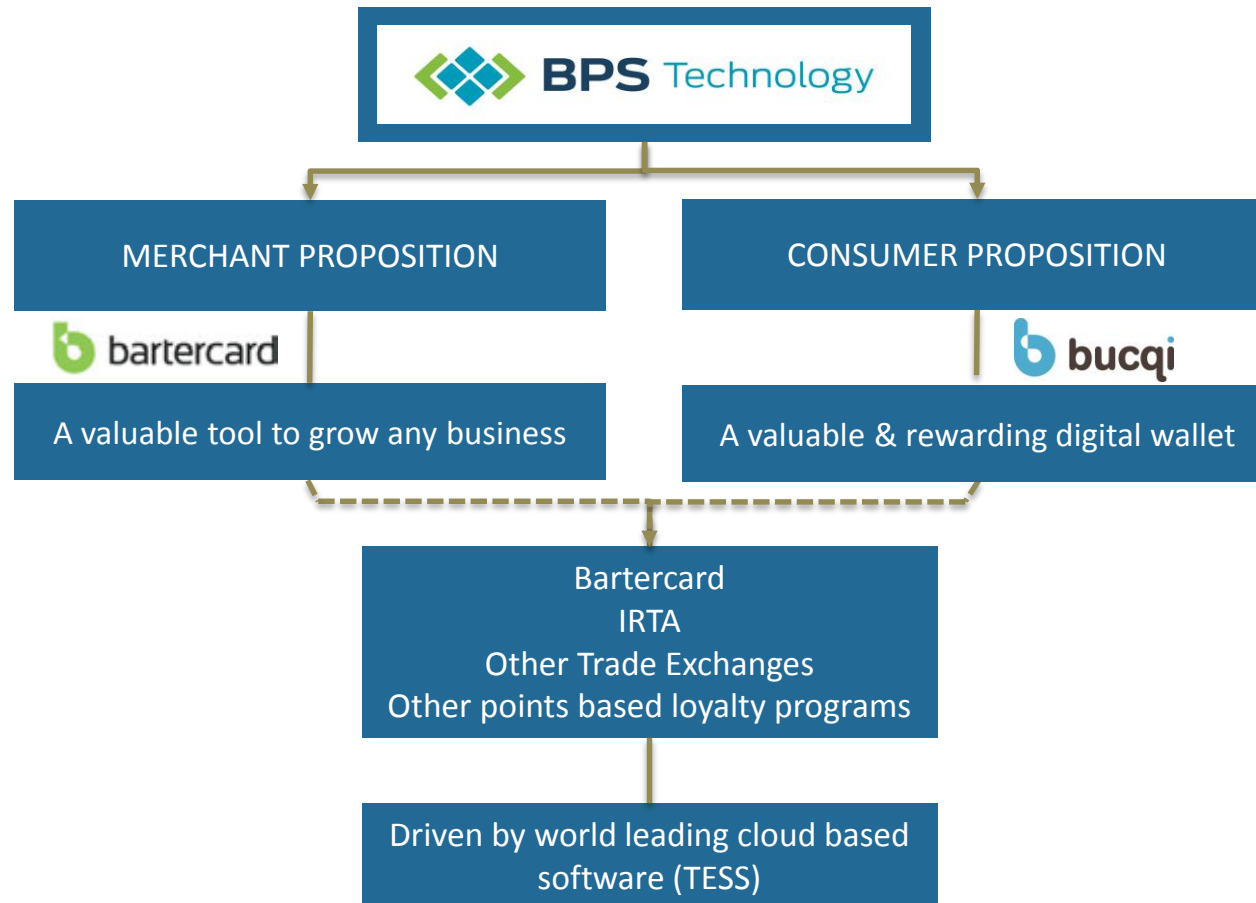
18 November 2015
Annual General Meeting

BPS Technology at a glance

Three highly complementary and scalable businesses

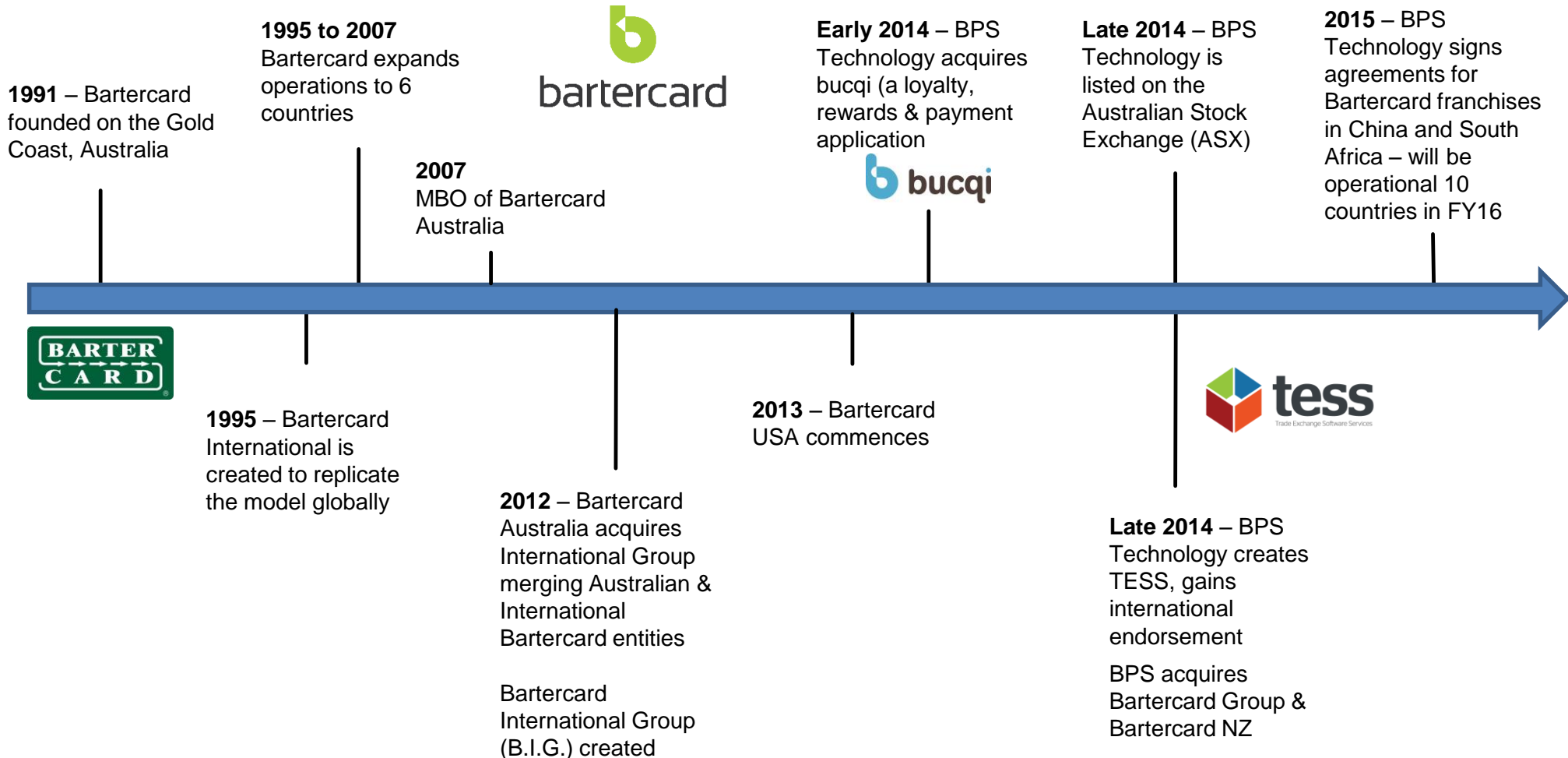
 bartercard (core business – profitable)	<ul style="list-style-type: none">• Bartercard operates the world's largest trade exchange by Transactional Value and Fees Generated. It allows small to medium business to conduct \$600m of additional business without the use of cash• 54,000 card holders in 8 countries but expanding to 10 countries in FY16• Bartercard transactions can be conducted across more than 7,000 bank EFTPOS terminals
 bucqi (growth business)	<ul style="list-style-type: none">• 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 testing phase in Australia; New Zealand and other countries to follow• Expected to increase the revenues to both BPS and Bartercard
 tess (growth business)	<ul style="list-style-type: none">• 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 addressing both B2B and B2C markets with a special focus on SMBs



BPS Technology history

Operating trade exchanges platforms and software for over 24 years



Corporate Overview

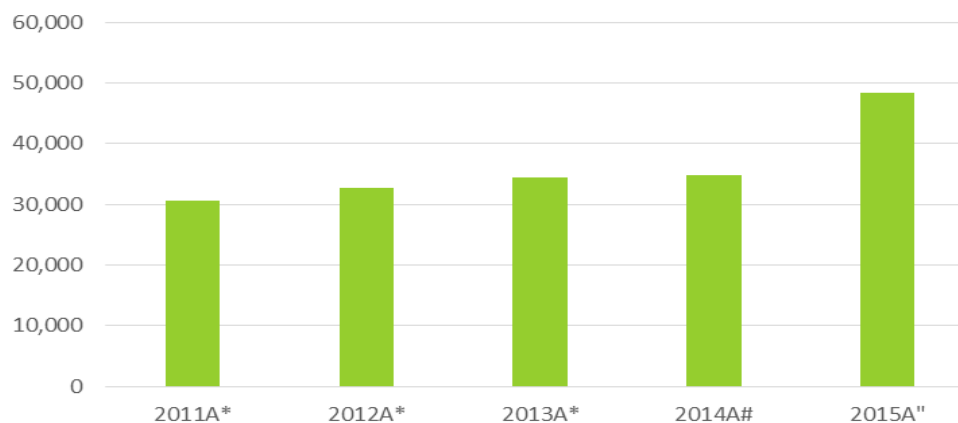
A history of growth

Share information

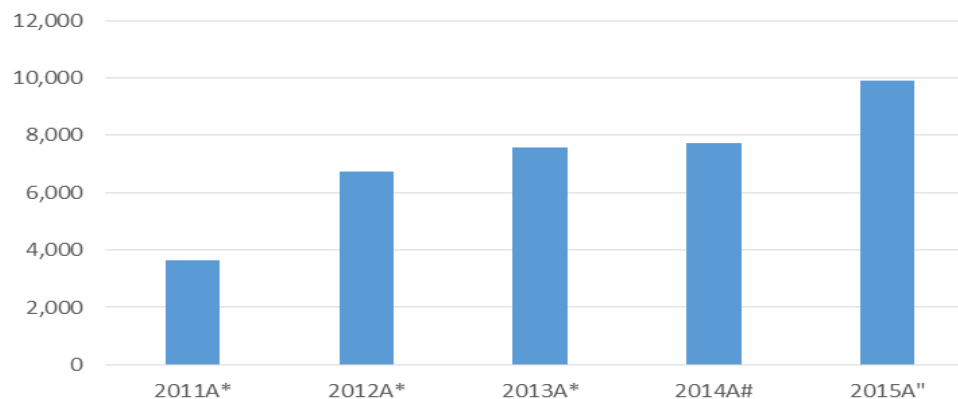
Issuer	BPS Technology Limited
ASX Ticker	BPS
Share Price	\$1.17 ¹
Dividend Yield	4.7% ¹
Market Cap	\$68.45m ¹
Shares on Issue	58.5m
Directors*	Mr Murray d'Almeida Mr Trevor Dietz Mr Brian Hall Mr Tony Wiese
*Directors & Management hold 58+% of issued stock	Mr Tony Lally Mr Andrew Pipolo
IPO Date	9 September 2014

¹ As at close of trading 17 November 2015

REVENUES in \$'000



EBITDA in \$'000



*Bartercard Actual

#Bartercard Normalised

"BPS Group Actual

Highlights

Scalable business with strong revenue and earnings growth

- ❖ Solid achievements across all metrics in FY15
 - Revenue of \$48.1 million
 - EBITDA of \$10.1 million – exceeding prospectus forecast of \$9.9 million
 - NPAT of \$7.9 million – exceeding prospectus forecast of \$6.5 million
 - EPS of 13.5 cents – exceeding prospectus forecast of 11.11 cps
 - Final dividend of 3.25 cps declared (unfranked); total FY15 dividend of 5.5 cps
- ❖ Bartercard Group controls 26 franchise areas giving it a secure strategic footprint for growth and lays the foundation for roll out of bucqi in major population areas
- ❖ Recently launched Bartercard in South Africa; China and India Licenses sold and will open in FY16
- ❖ Trade Exchange Software Services (TESS) platform delivered for testing and use by IRTA*, the global trade exchange governing body
- ❖ bucqi launched in June – now trialing in Southport, Toowoomba and Cairns
- ❖ Highly experienced board and management team in place – own 58% of issued shares

The Bartercard platform

Existing Bartercard footprint



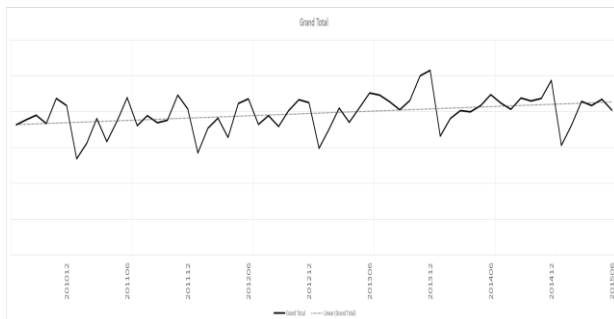
Worlds largest by Transactional Value and Fees generated..

- Operating for 24 years, highly sophisticated operations
- Mix of franchise and directly owned operated
- Currently operating in 8 countries through 75 offices with 600 staff ~24,000 merchants (SMBs) including ~54,000 cardholders
- Alternate multi currency, multi lingual high volume transactional platform
- Bartercard transactions can be conducted across more than 7,000 Bank EFTPOS terminals

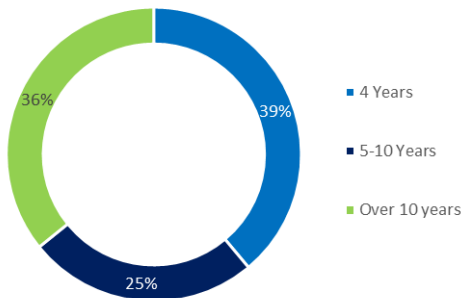
Deep relationships with merchants..

- Consistent usage over many years
- Becomes an integral part of SMBs business
- 61% of merchants have been trading with Bartercard for more than 5 years
- Trusted relationship and strong loyalty to the Trade Exchange channel and the Bartercard Brand

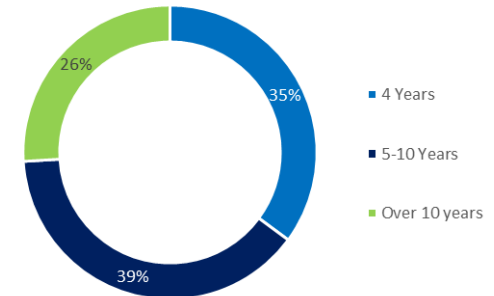
5 Year Transactional Trend*



Merchants by Duration*



12mth Trade Volume by Merchants Duration*



The expansion continues

Enables SMBs to trade goods & services

Major Developments for FY15

- 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 26 franchise areas giving it a secure strategic footprint for growth of Bartercard and bucqi in major population areas








Major Focus for FY16

- 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

The bucqi platform

Attracting more cash-paying consumers to merchants

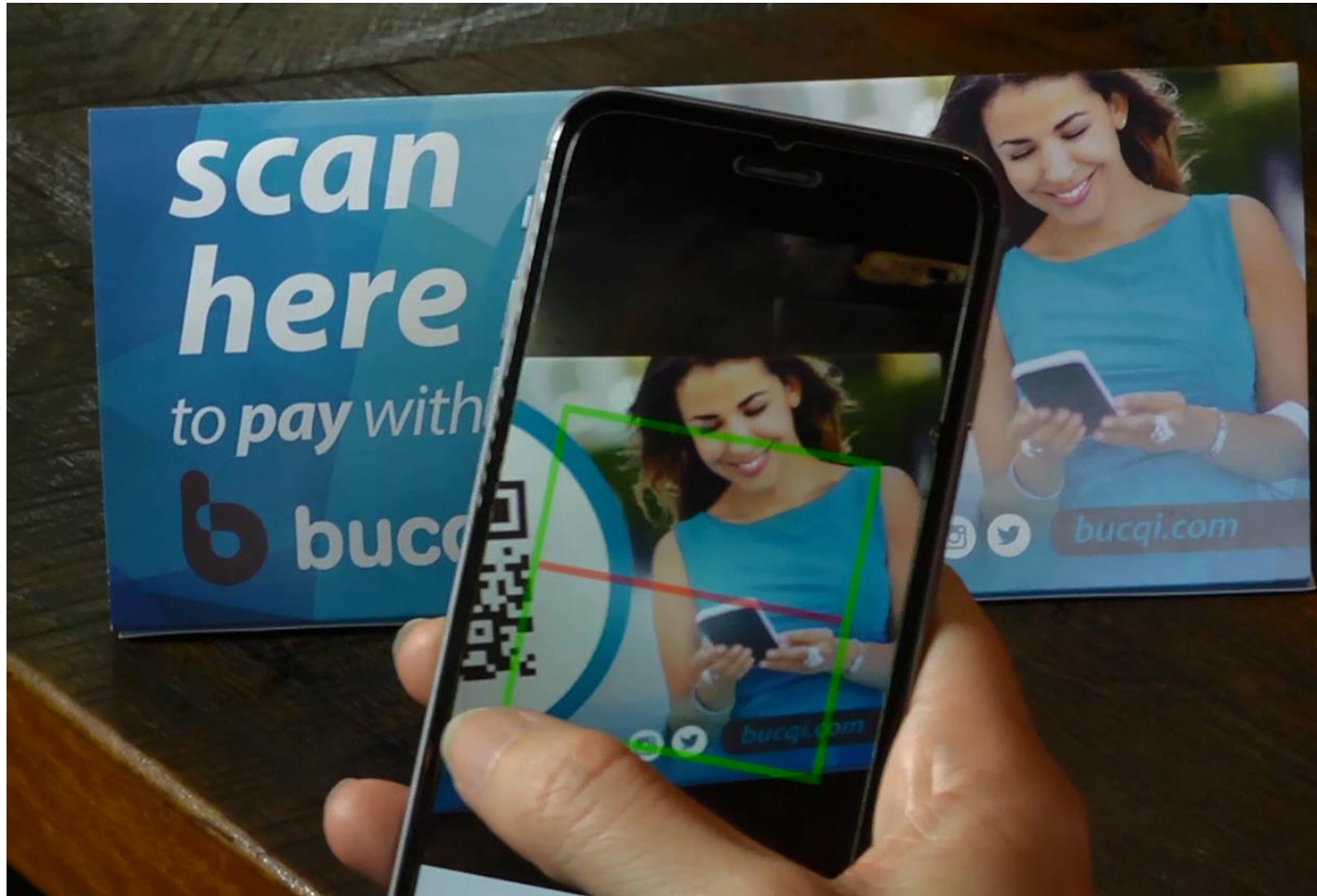
-  A loyalty platform for SMBs – robust and innovative mobile payment app for both merchants and consumers
-  Consumers pay by scanning a QR code using a mobile device – low cost to merchants – integrates into Point of Sale (POS)
-  Bartercard members able to pay rewards to consumers using Trade Dollars – consumers receive “bucqs” in their bucqi digital wallet
-  Consumers can redeem “rewards” across a broad range of businesses and locations globally
-  bucqi platform has been enhanced so that it can accept and redeem the loyalty points associated with other major points based loyalty system such as airline points or credit card points*



Consumers want portability of points – bucqi delivers

bucqi - a merchant centric loyalty program

Attracting more cash-paying consumers to merchants



bucqi addressing consumers & merchants

For Consumers

Free & Easy to Use

- Simply download the bucqi App

Versatile

- Ideal for micro payments

Convenient

- One place to store all your rewards

Management & Rewards

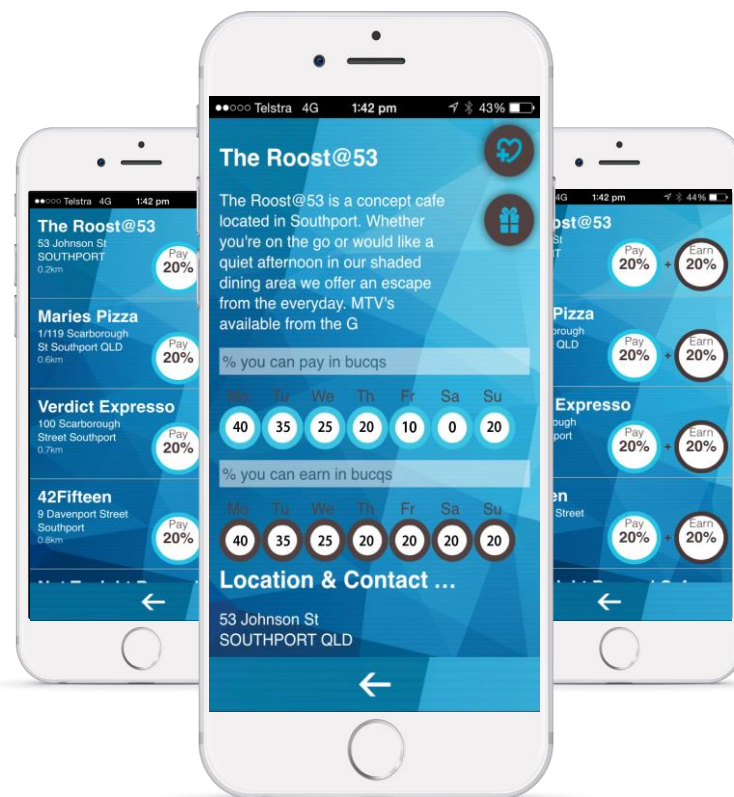
- Easy to use merchant directory and directional mapping

Special Offers From Merchant

- Rewards in various forms

Better Security

- No sensitive information transmitted



'No terminal or card needed'

For Merchants

Real Time Payments

- Cash currency

New Consumers

- Take part in promotions

Powerful Marketing Tool

- M-commerce platform

Own Loyalty Program

- Automatically builds the program

Consumers Metrics

- Smart campaign tracking

Improved Security

- No cash handling
- Reduced possibility of fraud

For Clubs & Not For Profit

Additional Income

- A cash donation is paid by bucqi based on 1% of the value of Transactions undertaken by club Supporters who download and use the bucqi app

Bringing bucqi to scale

Merchants: bucqi has gained firm expressions of interest from **2,500 merchants already**. Initial Deployment in Southport, Toowoomba and Cairns

bucqi has exclusive access to **more than 24,000 merchants across 8 countries**

Consumers: bucqi will **target closed user groups** e.g. sporting clubs, non for profit groups
bucqi has access to more than **300 such groups**
these groups will receive a **share of revenues** paid by Merchants
bucqi will **target large “loyalty points” based systems** like airlines, franchise chains, credit card companies



tess platform - an industry step change

White labelled cloud-based software platform

-  TESS is a multi-site, multi-national, multi-currency Trade Exchange platform
-  Enables participants to securely trade their goods and services globally 24/7 using mobile, desktop or other internet-enabled devices
-  TESS the only software recommended by IRTA, the largest governing body for Trade Exchanges globally
-  The TESS Platform currently settles ~1.8m transactions worth ~\$600m annually on behalf of Bartercard's ~54,000 card holders
-  Seek to capture a share of the US\$19.4 billion* not currently being traded through Bartercard
-  Recognised as the world's leading software platform by International Reciprocal Trade Association (IRTA) supporting more SMBs, settling more transactions and used by more people than any other provider

* Based on \$20 billion market size less Bartercard existing \$600 million,
source IRTA (*International Reciprocal Trade Association*)



tess platform - an industry step change

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

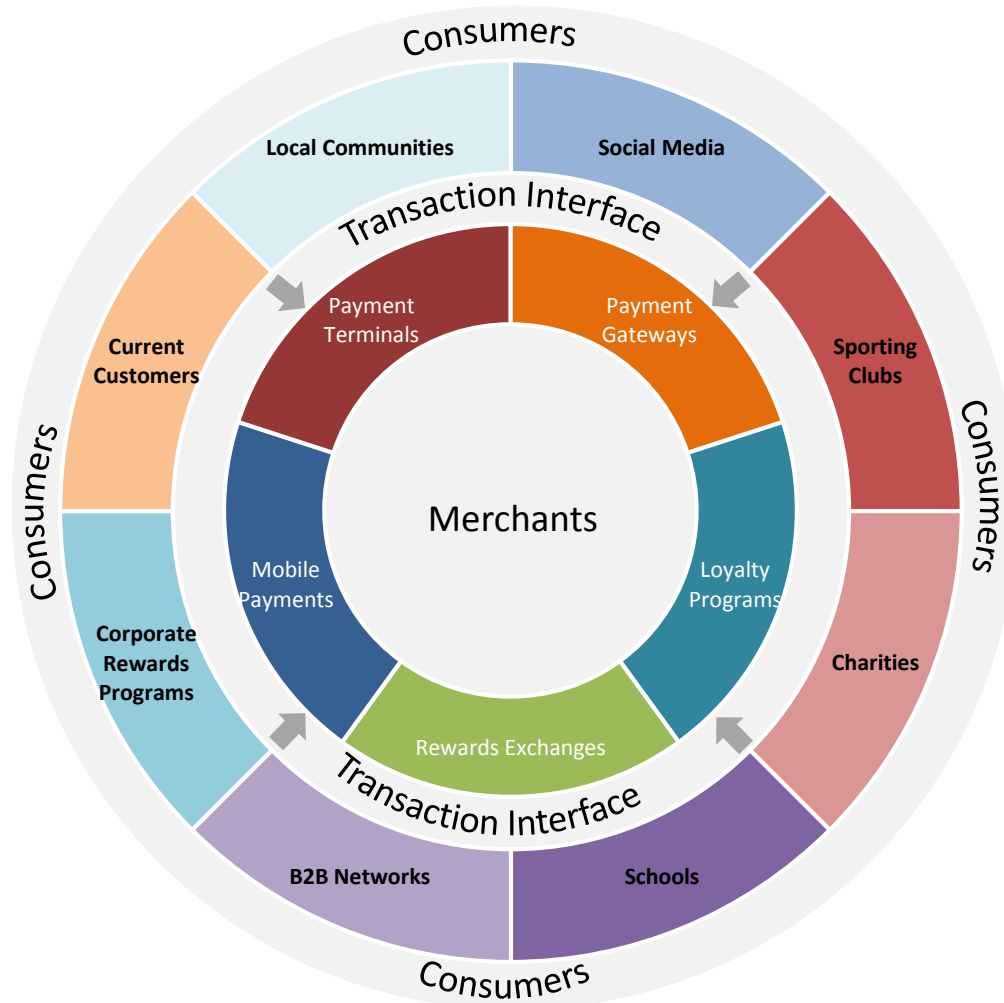
Major Developments for FY15

- Launch of white label software to Industry
- Delivery and Installation of IRTA's UC Interchange Platform

Major Focus for FY16

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

The BPS Merchant and Consumer Ecosystem



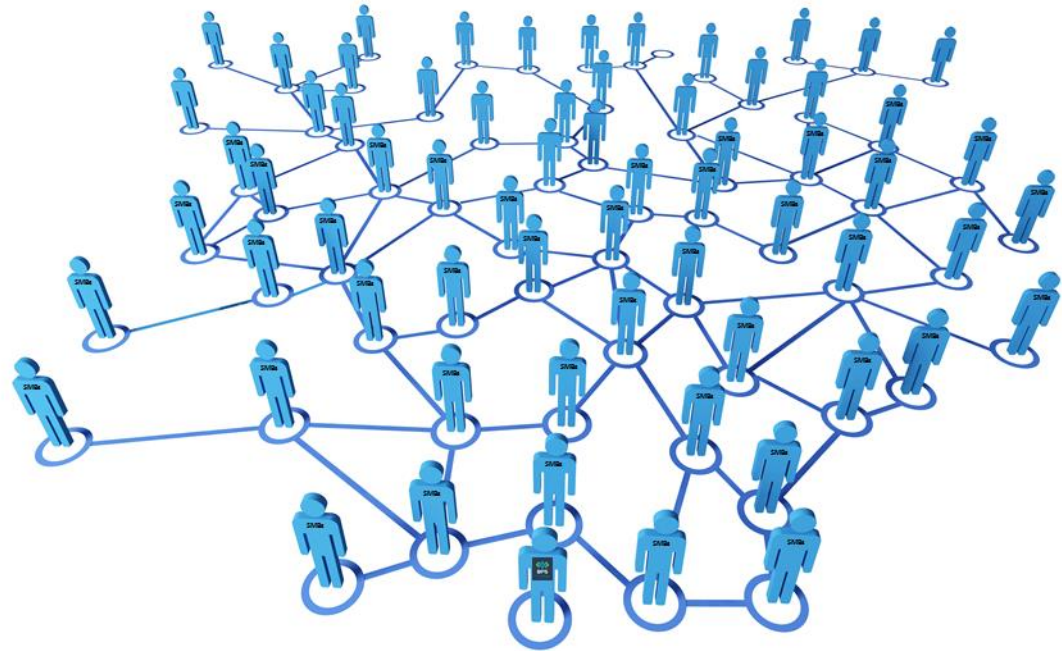
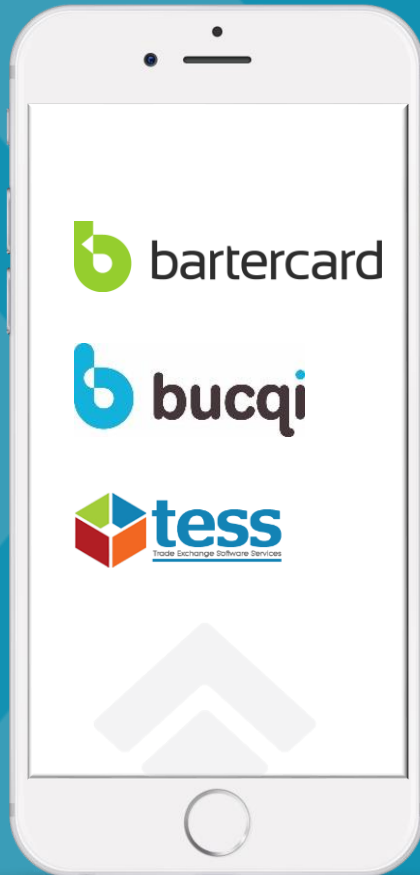
BPS Technology – FY16 Outlook

- ❖ 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
- ❖ 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
- ❖ Following testing, roll out of bucqi in Australia and New Zealand with foundations laid for entry into UK and USA in FY17
- ❖ 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 (12 offices) plus have acquired 26 Bartercard franchise areas
 - Total value of acquisitions in FY15 was \$27.2m
 - Launched bucqi with improved business model
 - Delivered IRTA software as promised
 - Cash on hand of \$2.7m
 - Initial funding line of \$4m put in place with CBA to assist with M & A activities
 - Exceeded EBITDA forecast
 - Exceeded NPAT forecast
 - Exceeded EPS forecast
- ❖ Strong growth achieved across all metrics - laid the foundation for growth in FY16 and FY17
- ❖ Full year dividend of 5.5 cents per share declared
- ❖ Highly experienced board and management team in place – own 58% of issued shares
- ❖ Very well positioned to capitalise on various significant growth opportunities

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FORWARD LOOKING STATEMENTS

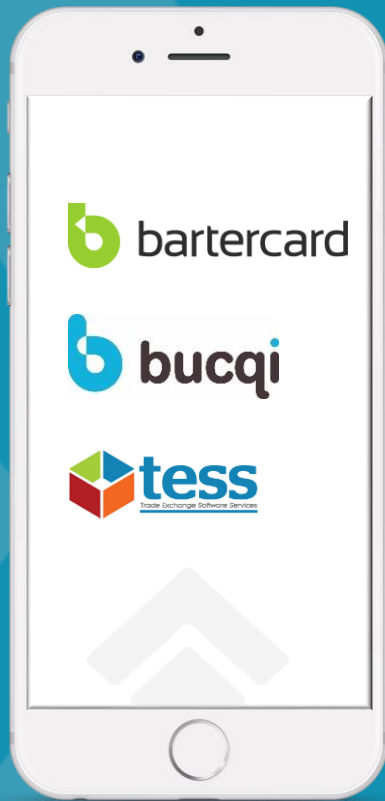
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