

21 June 2016

BPS PRESENTS AT GOLD COAST INVESTMENT SHOWCASE

BPS Technology Limited (ASX: BPS) is presenting the attached investor update at the Gold Coast Investment Showcase at the Marriott in Surfers Paradise, tomorrow, 22 June, 10am.

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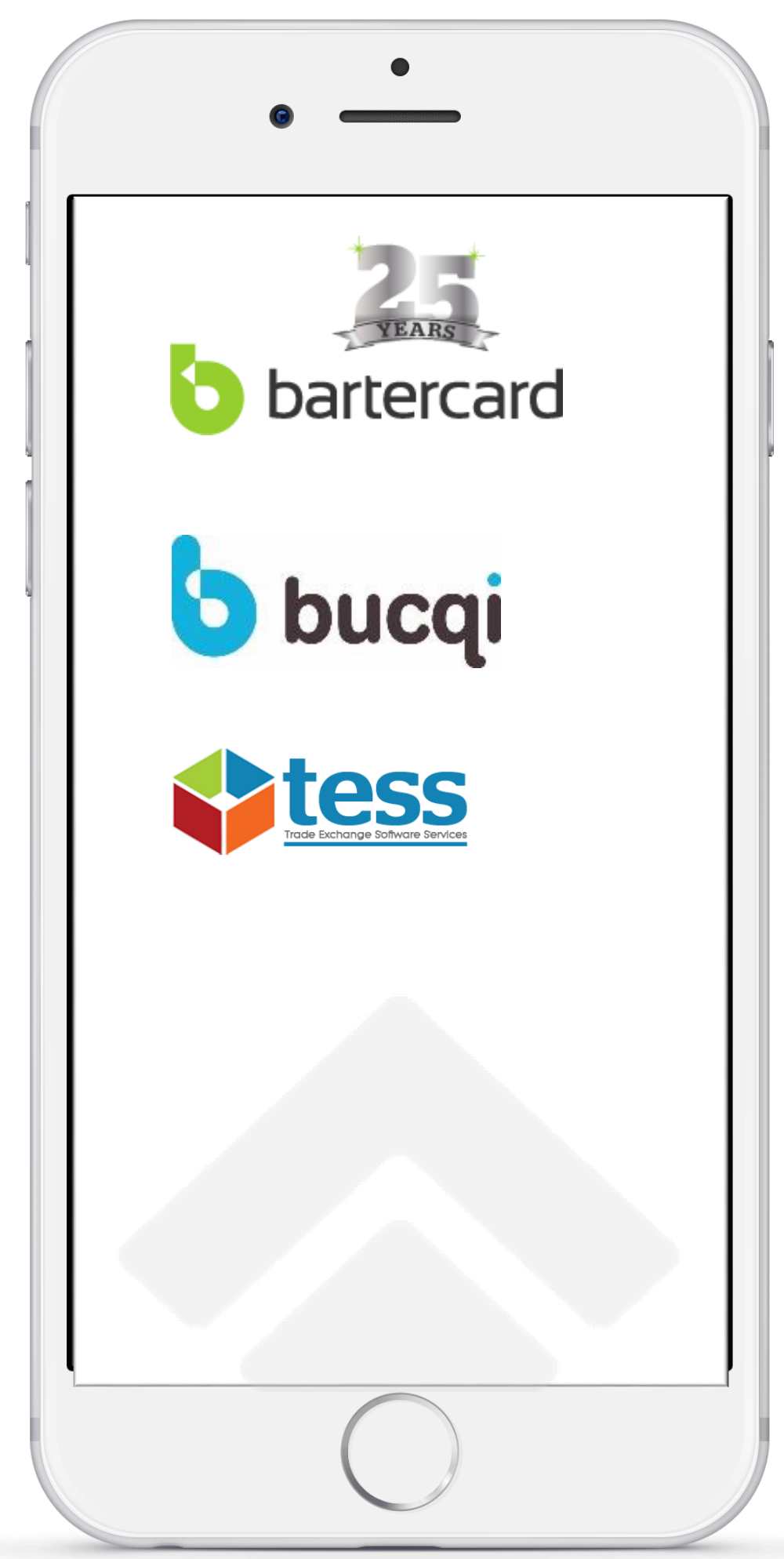
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About BPS Technology Limited (ASX:BPS): BPS Technology Limited is a leading provider of technology platforms and management systems in the Digital Payments space for Small to Medium Enterprises (SMEs) in 8 countries. Its technology platforms and systems help to drive customers to its SME merchants. More than 24,000 SMEs transact in excess of 1.8m transactions worth \$600m+ per annum using its various technology platforms. BPS earns fees on all transactions over the platforms via its subsidiaries Bartercard, TESS and buqji.



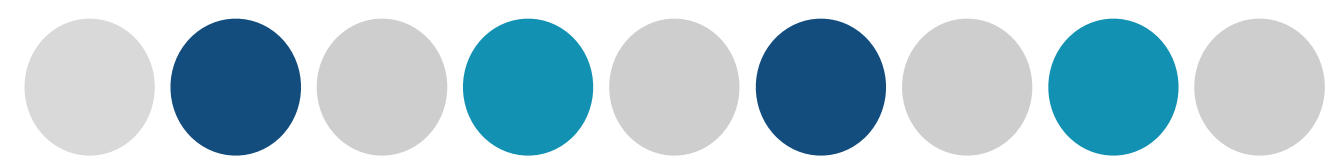
‘Business Payment Systems’



“It is impossible to produce a superior performance unless you do something different from the majority”

- John Templeton
(renowned US Investor)

June 2016

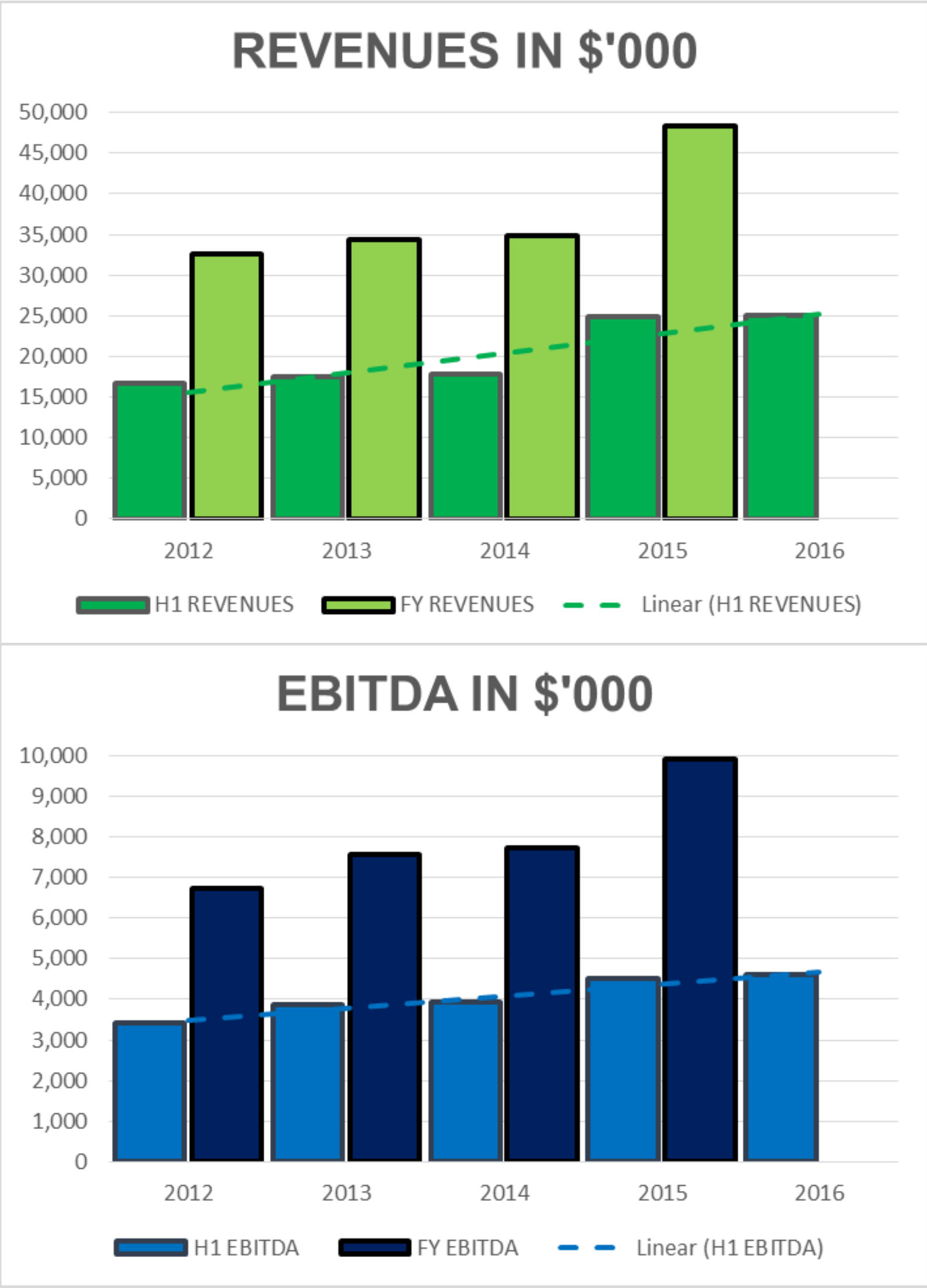


Share Information

Issuer	BPS Technology Limited
ASX Ticker	BPS
Share Price	\$1.01 ¹
Dividend Yield	5.2% ¹
P/E	6.6 ¹
Market Cap	\$59.15m ¹
Shares on Issue	58.56m
Directors*	Mr Murray d'Almeida Mr Trevor Dietz Mr Tony Wiese Mr Tony Lally
*Directors & Management hold 55+% of issued stock	
IPO Date	9 September 2014

¹ As on 20 June 2016

A History of Profit and Growth







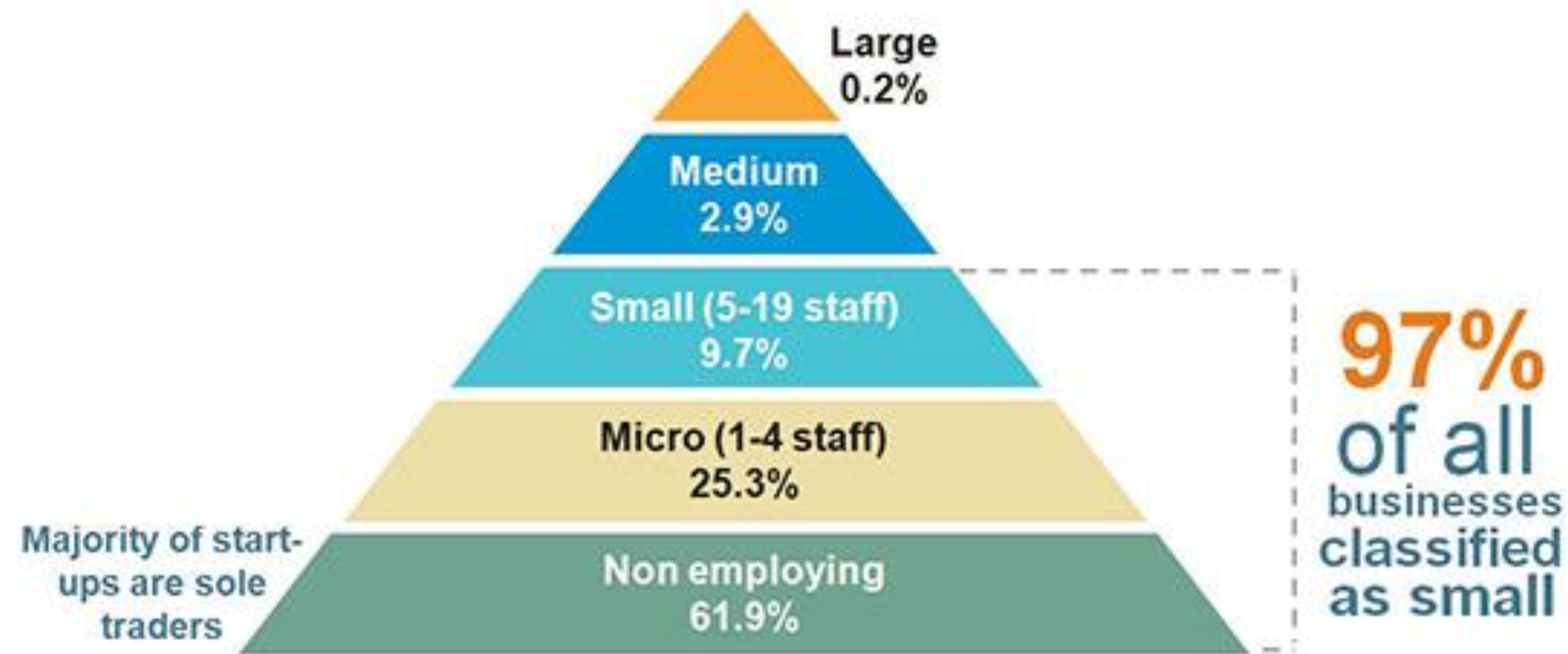
- ✓ Revenue of \$25.1 million, exceeding prior corresponding period (H1FY15: \$24.9 million)
- ✓ EBITDA of \$4.7 million, up 4% (H1FY15: \$4.5 million)
- ✓ Earnings per share of 6.0c, up 7.2% (HY15: 5.6c)
- ✓ Interim dividend of 2.0 cents per share unfranked declared
- ✓ New Sales Model resulted in 39% growth in new Merchants
- ✓ Bartercard USA operations revenues up 124%
- ✓ Acquisition of further 2 large franchises in Australia – over 70% of Members now managed by company owned sites
- ✓ bucqi launched in 3 Queensland regional centres with more than 200+ Merchants and 2,000+ Consumers participating
- ✓ TESS delivered software to IRTA that saw record levels of trading recorded – highest ever achieved
- ✓ Laid the foundation for growth in FY17
- ✓ Executive directors and management team own 55% of issued shares
- ✓ Well positioned to capitalise on various growth opportunities on our platforms



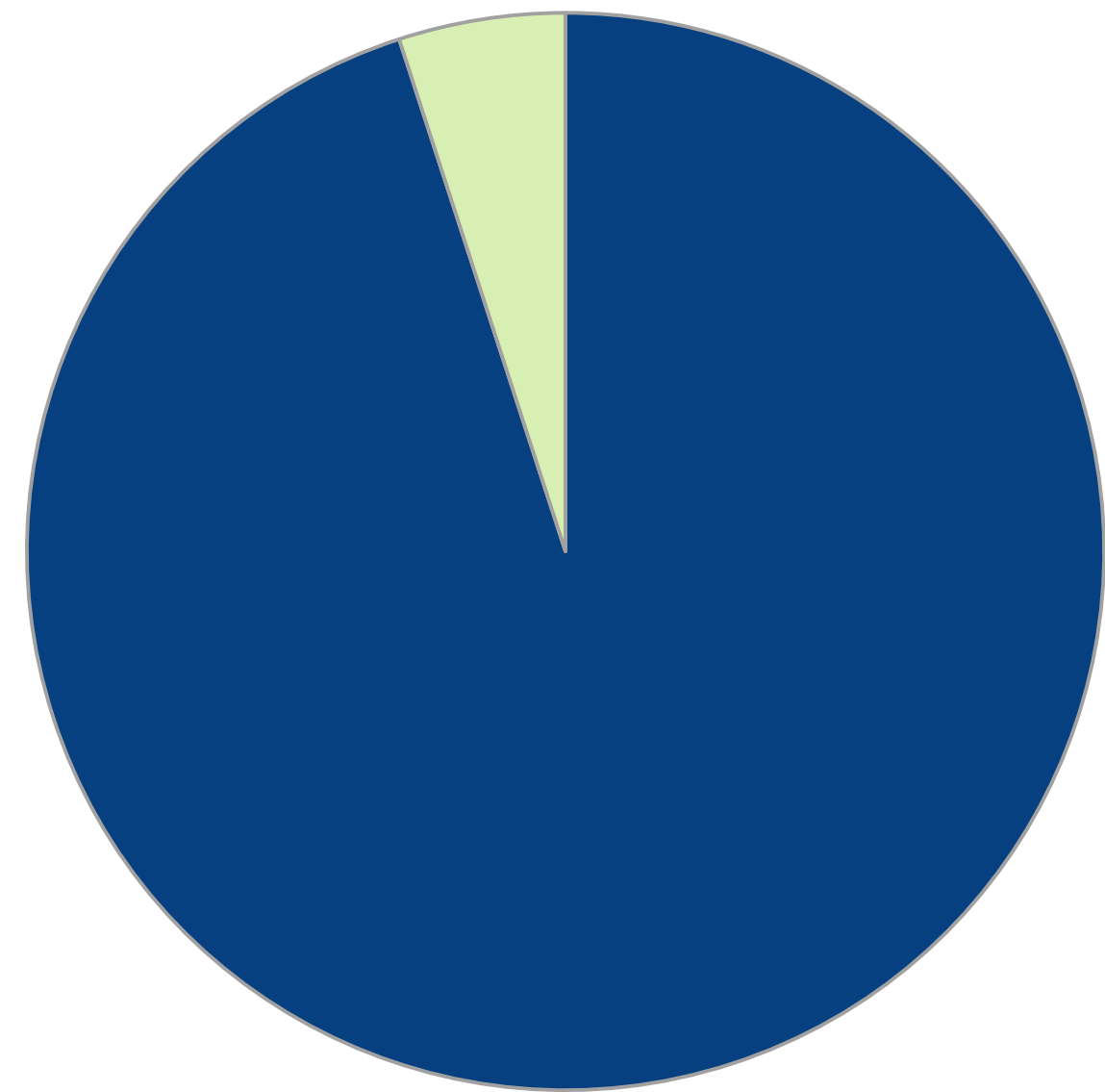


ASX ANNOUNCEMENTS

2016	2015	2014		
Title				Date
	BPS extends into China with \$2m distribution agreement			06/06/2016
	BPS Update on USA expansion			27/05/2016
	BPS contracts with Alibaba partner SmartTrans			18/05/2016
	SMA: SmartTrans Partners with BPS Technology			18/05/2016



There are over 2m SMEs in Australia*

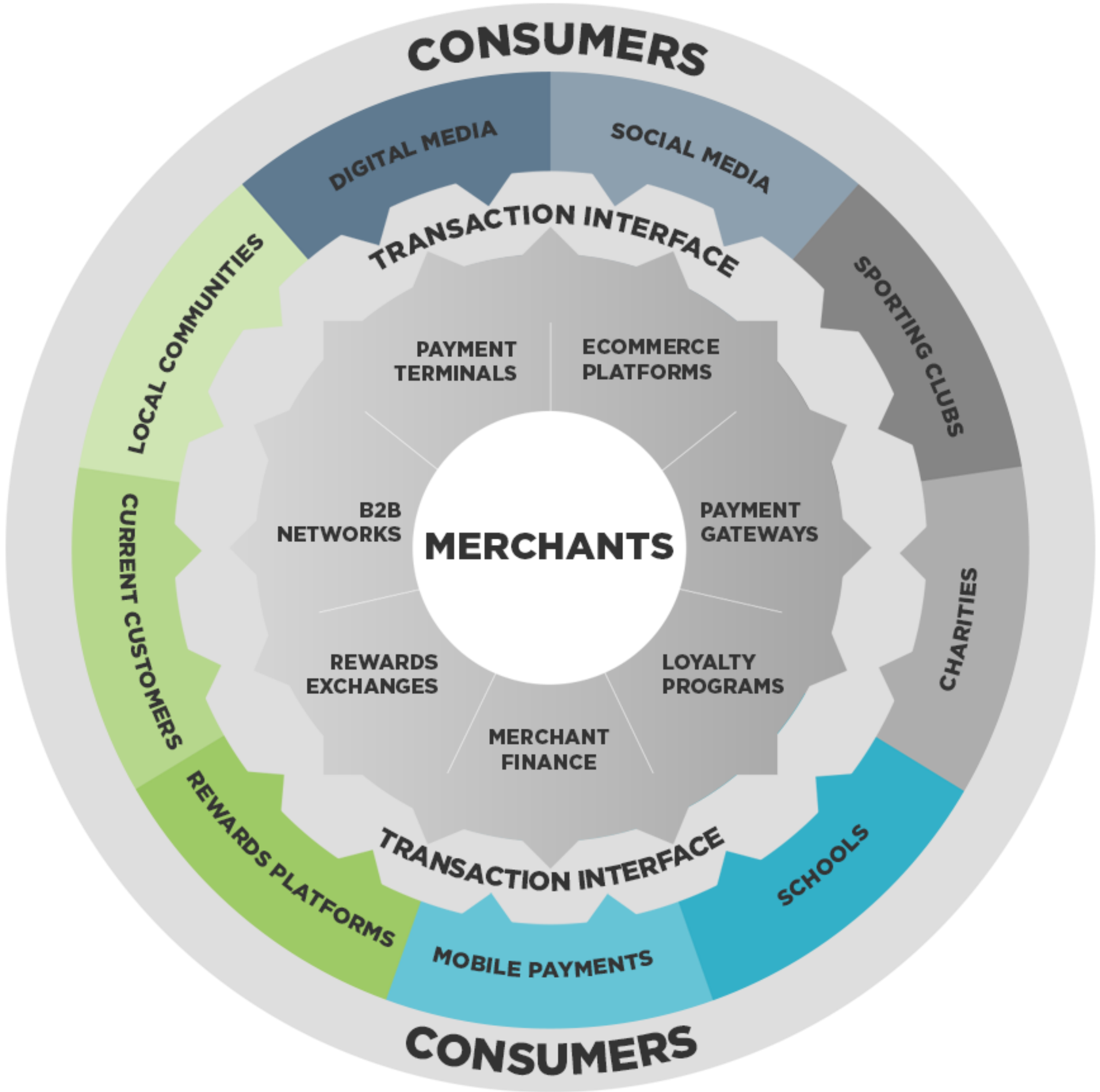


**SMEs represent
95% of Businesses
in the World***

**SMEs constitute the overwhelming majority of businesses.
Globally, SMEs make up over 95% of all businesses, account for
approximately 50% of GDP and 60-70% of total employment***

The BPS Global Merchant and Consumer Ecosystem

Channel Enablement
Focus

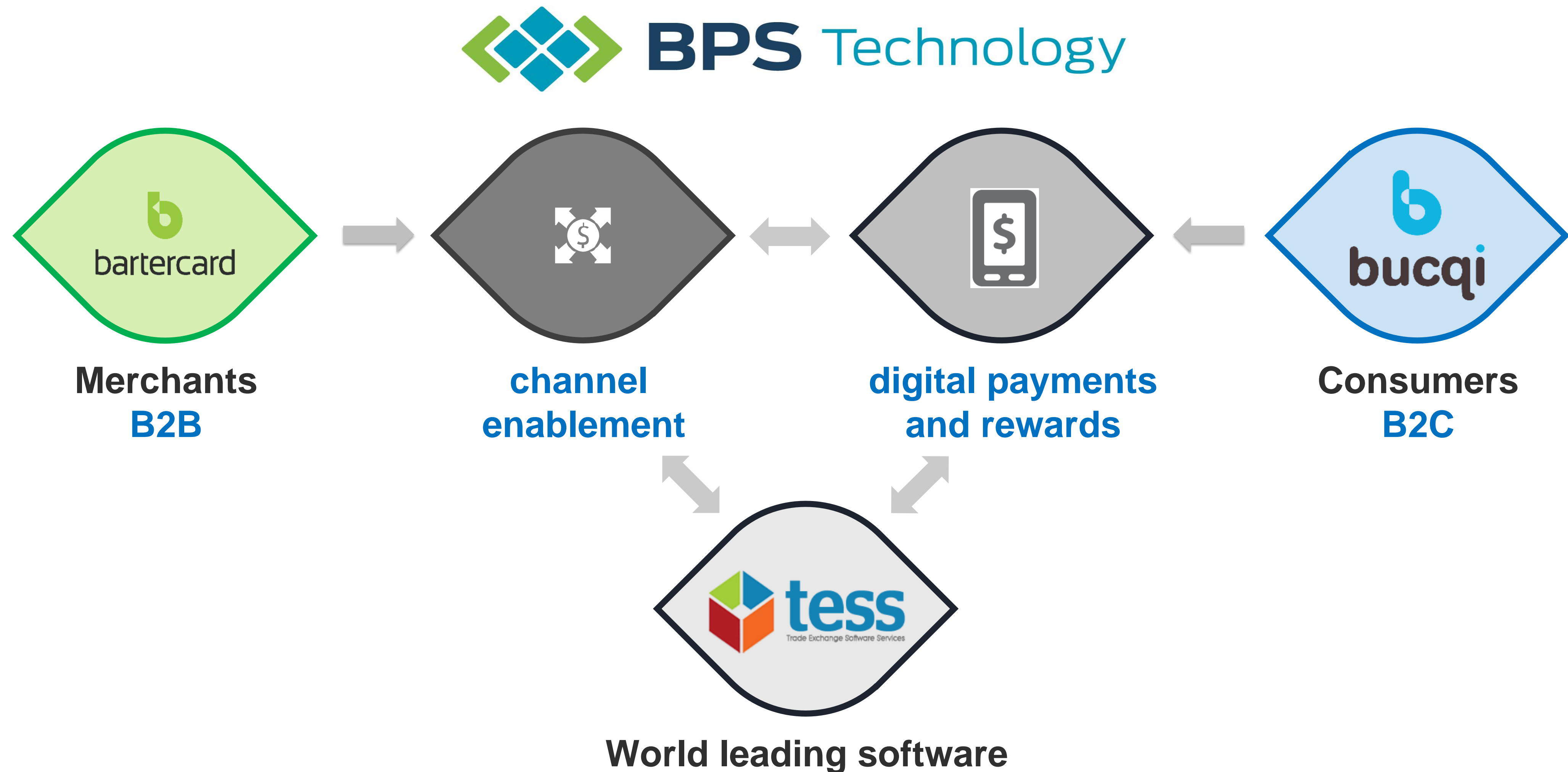


Revenue generated at
every interface

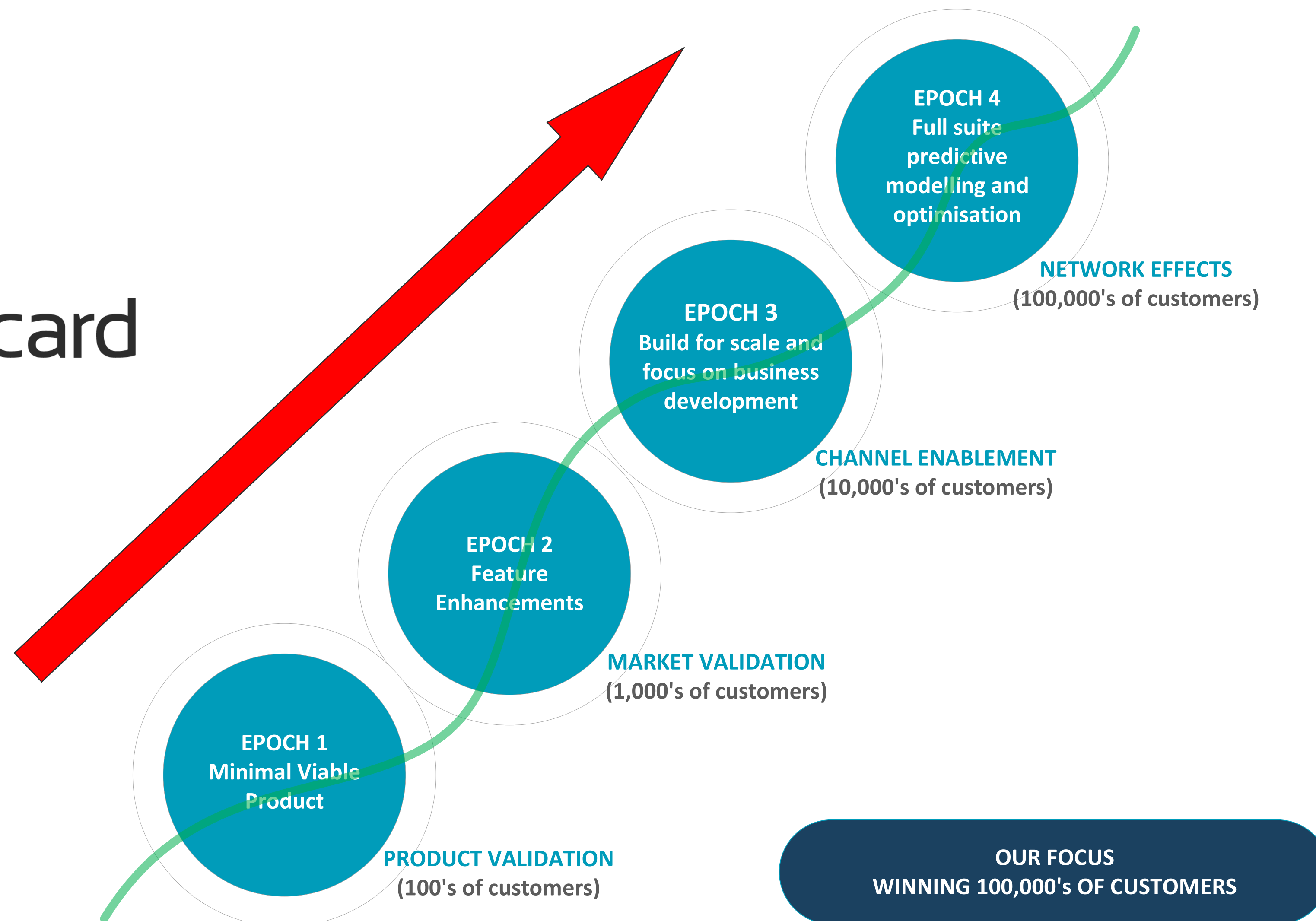
Our current Business Channels

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Addressing both B2B and B2C with special focus on SMEs



The BPS Merchant – Channel Enablement across all Platforms ⁹



OUR VISION AND MISSION – BPS is gaining recognition



- ▶ To make businesses successful
- ▶ Via our channel programs provide a captive market of motivated buyers and sellers who will use our leading digital payment and rewards platforms
- ▶ Using our channel enablement programs and business payment platforms to link SMEs globally



SKAFFOLD'S TOP 50 STOCKS FOR 2016									
RANKINGS (3-JAN-16)			ASX CODE	COMPANY	SKAFFOLD SCORE	FORECASTS		MARKET PRICE	DISCOUNT ¹
GROWTH	INCOME	DISCOUNT				3YR GROWTH (%PA)	DIVIDEND YIELD		
35	35	1	NST	Northern Star Resources	A1	8.1%	2.6%	\$2.78	45.9%
37	3	2	CCV	Cash Converters International	A2	7.8%	8.9%	\$0.53	37.2%
43	1	3	GFY	Godfreys Group	B2	6.3%	14.2%	\$1.72	34.7%
41	38	4	SHJ	Shine Corporate	A2	6.7%	2.4%	\$1.98	32.1%
7	49	5	BPS	BPS Technology	A2	25.1%	0.0%	\$1.14	27.8%
49	20	6	FLT	Flight Centre Travel Group	A2	3.5%	4.0%	\$39.89	15.9%
24	45	7	3PL	3P Learning	A1	11.9%	1.7%	\$2.01	8.9%
32	16	8	NCK	Nick Scali	A1	9.1%	4.3%	\$4.27	8.6%

#5 in Money Magazine Top 50 Share Buys, February 2016

BPS Technology at a glance

Three highly complementary and scalable business channels with further offerings to come



- ❖ Disruptive technology based around a loyalty platform designed for SMEs combined with a robust and innovative mobile payment app for both Merchants and Consumers
- ❖ Bartercard transactions now able to be done using bucqi terminals and App
- ❖ Launched in Australia and New Zealand



- ❖ 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.
- ❖ 50,000 card holders in 8 countries but expanding to 10 countries in CY16.
- ❖ Bartercard transactions can be conducted across more than 7,000 bank EFTPOS terminals and now bucqi terminals



- ❖ TESS (Trade Exchange Software Services) is the software platform 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
- ❖ IRTA now using TESS software – record trading levels achieved
- ❖ Addresses the needs of a fractured market

THE BPS BOARD

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Executive and Non-Executive Directors

Tony Lally – CEO
Sunsuper, Senior roles
Deutsche Asset Management
(Japan & India), Deloitte and
CBA



Tony Lally

Murray d'Almeida –
Founded Retail Food Group
(ASX:RFG); Director Pacific
Environment, Chair
Management Resources
Solution, Chair Barrack Street
Investment



Murray d'Almeida
Chairman

Tony Wiese – 25yrs
financial management, listed
two companies, completed
over 20 acquisitions



Tony Wiese
Chief Financial Officer

Trevor Dietz – 30yrs
banking and digital payments,
has delivered technology and
business systems and run
global operations



Trevor Dietz
Chief Executive Officer

Management has track record of delivery

- Proven: Trade Exchange industry, digital payment platforms, software design, implementation and international rollout
- Proven: Systems to drive Merchant activity beyond initial adoption
- Extensive experience in Corporate Governance & Strategy, the Payments Industry and Public Capital Markets

MEET SOME OF THE GLOBAL LEADERSHIP TEAM

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Brian Hall

**Co-Founder and CEO
Bartercard Group**
Sales Management, Franchising Specialist



**Andrew
McIntyre**

Chief Technology Officer
Big Data, Mobile App, Fin Tech Specialist



**Clive van
Deventer**

CEO Bartercard Australia
Tourism & Hospitality, Sales & Marketing
Specialist



John Scott

**CEO Bartercard
New Zealand**
Sales, Marketing, Financial, Multi Site
Specialist



Paul Bolte

CEO Bartercard USA
Sales Management, Franchising Specialist



Phil Scott

Inventor of bucqi
Computer Engineer, Mobility Specialist



Phil Ciniglio

CEO Bartercard Europe
Franchising, Sales, Marketing Specialist

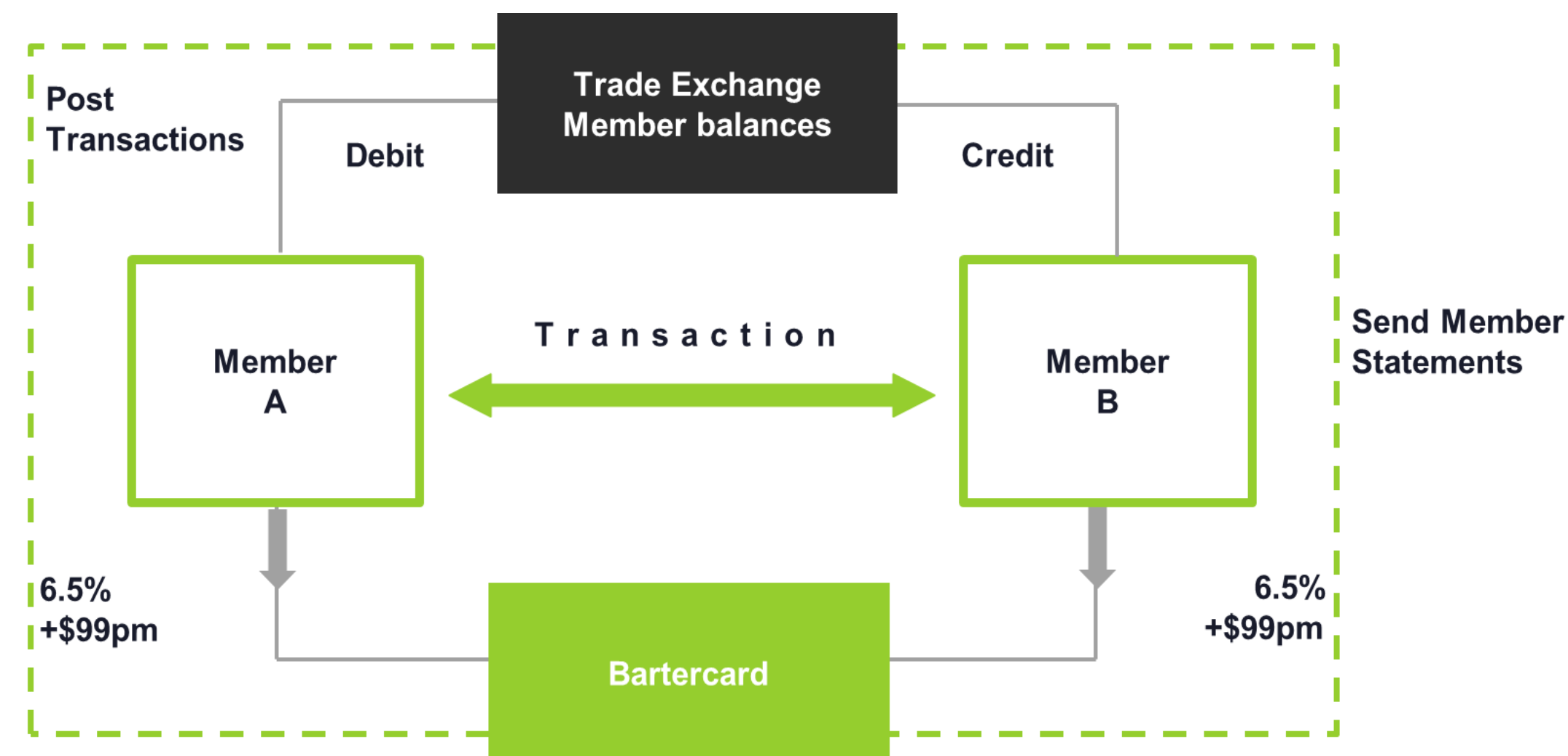
Economics...

- ❖ Bartercard charges both buyer and seller 6.5% of the value of all their transactions (i.e. both sides of the transaction)
- ❖ Bartercard charges ongoing monthly support fees of \$99.00
- ❖ The more trading occurs the more money Bartercard makes
- ❖ Bartercard has operated through several up and down economic cycles over many years
- ❖ Bartercard (BPS) never has any liability for any Merchant credit or debit balance

How it works...

- ❖ Merchants sign a membership contract/agreement; based on the business's financial strength, they can qualify for a small initial, interest free line of credit in Trade Dollars – their first transaction can be a purchase
- ❖ When a Merchant buys goods or services its trade account is debited and the seller's trade account is credited
- ❖ Trade Transactions priced same value as cash
- ❖ Merchants in debit owe that value (in their goods & services) to all other members of the Exchange and Merchants in credit are owed that value in goods/services by the other Merchants
- ❖ Bartercard sends each Merchant monthly Statements/Invoices detailing every transaction including Bartercard's cash fees
- ❖ Bartercard's cash fees can be debited directly from Merchants' bank accounts (via DDR) or paid by normal means
- ❖ Bartercard provides Account Managers to service Merchants' requests and promote trading between Merchants

Transaction Flow Chart



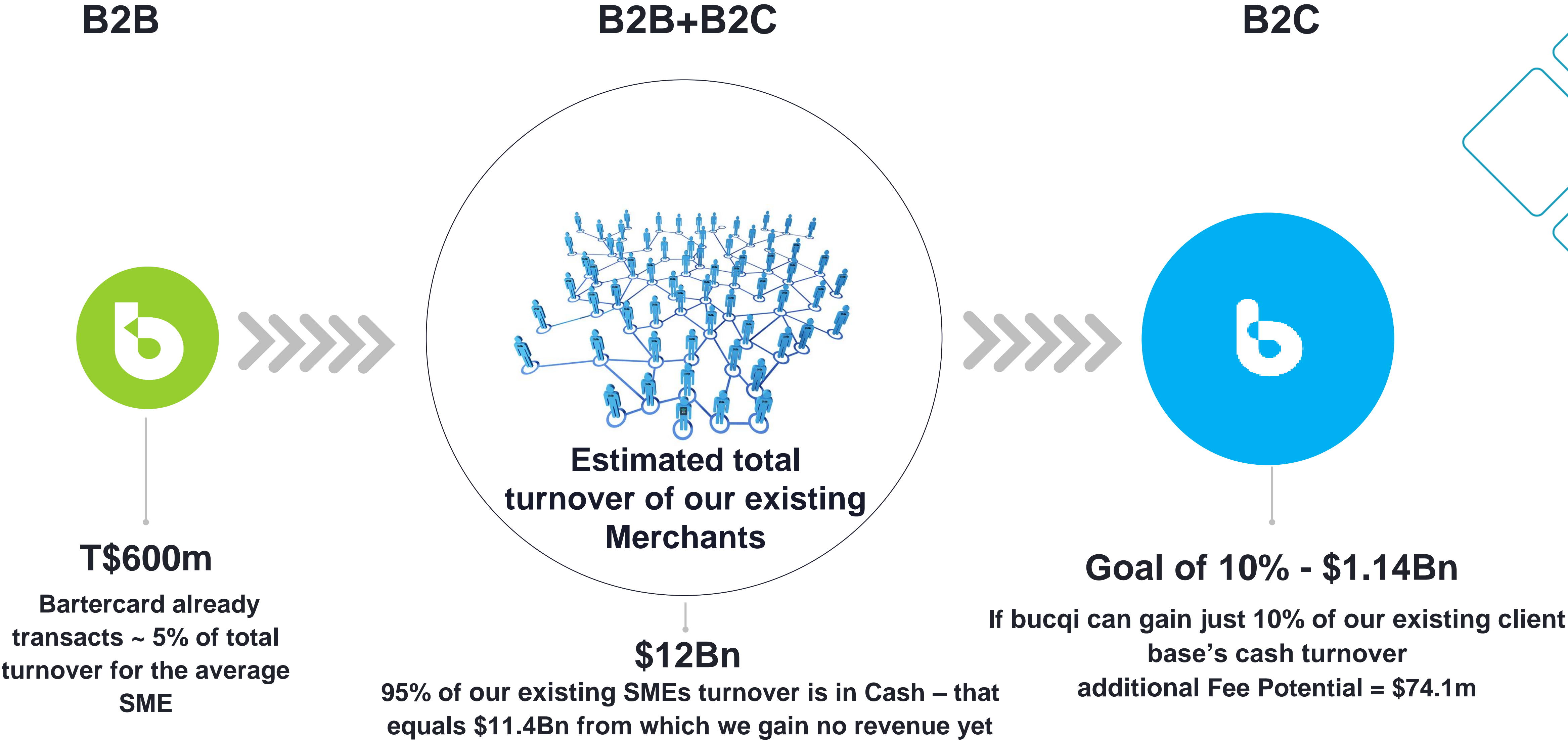


- ❖ New sales model has been a success with new member acquisition up by 39% half year on half year
- ❖ India and China to commence operations this year
- ❖ Bartercard Group now controls 70% of members giving it a secure strategic footprint for growth of Bartercard and bucqi in major population areas

Focus for 2016 and beyond.....

Further International Expansion with a focus on North America, Europe and Asia

How BPS will gain a bigger share of the addressable market of its existing SME base to drive additional revenues



Disruptive payments platform with best value Consumer loyalty program

- ❖ New platform developed allowing Bartercard Merchants to pay Consumers digital reward – one “bucq” equal in value to one Trade Dollar
- ❖ Consumers able to save 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 bucqi across Australia commenced
- ❖ bucqi also able to handle other points based rewards programs
- ❖ Bucqi Merchant tablet and software able to undertake a Bartercard transaction

Launched in New Zealand April 2016

Introducing a C2C model in later part of 2016

Goal is to have 3,750 Bartercard Merchants accepting bucqi by end of 2017

For Consumers

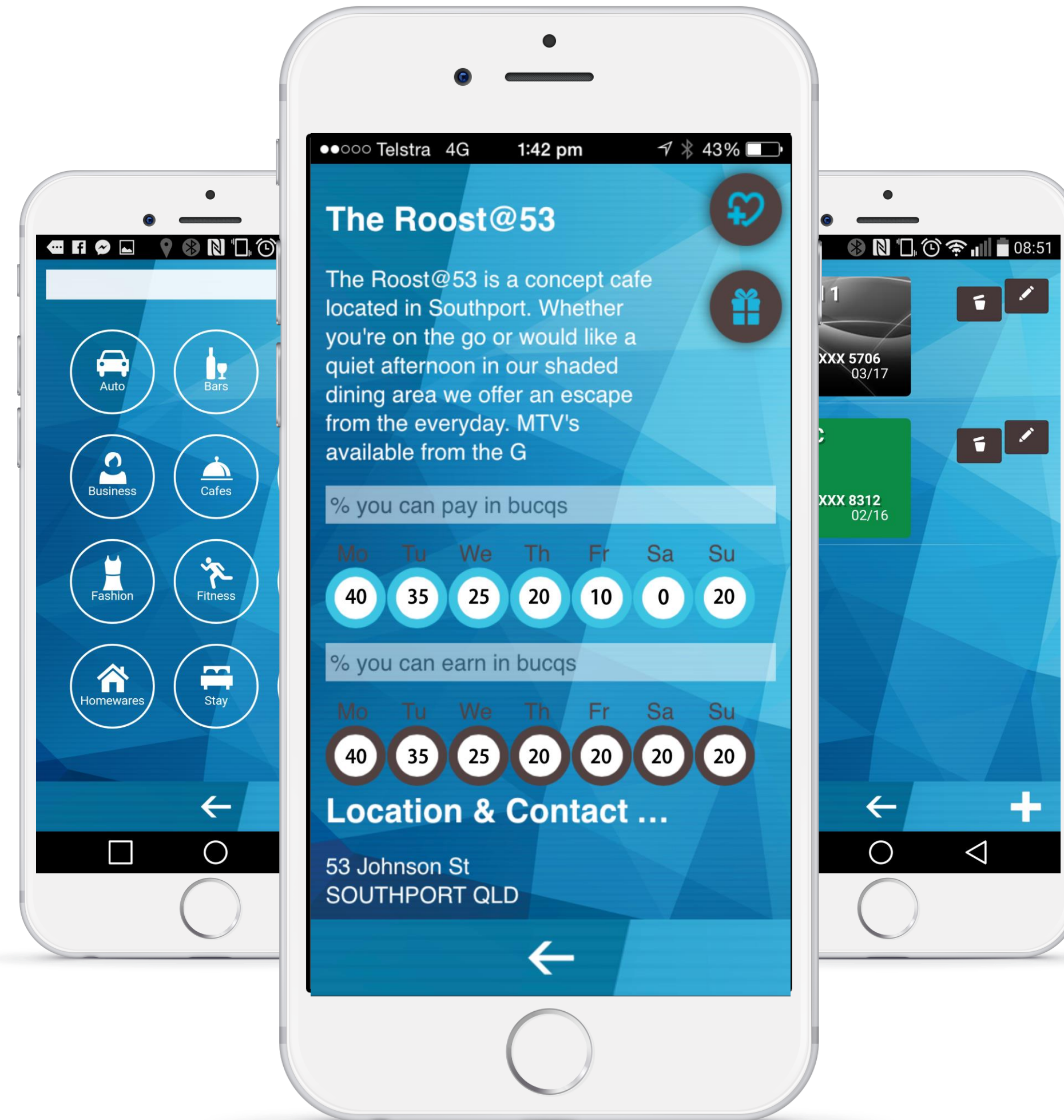
FREE & EASY TO USE
Simply download the bucqi App



VERSATILE AND CONVENIENT
Ideal for micro payments and
one place to store all your
rewards



MANAGEMENT & REWARDS
Easy to use Merchant
directory and directional
mapping; special offers



For Merchants



REAL TIME PAYMENTS & IMPROVED SECURITY
Cash currency without
handling cash and with
reduced possibility of fraud



POWERFUL MARKETING TOOL
Attracting new customers with
smart campaign tracking

**Consumers want
portability of points –
bucqi delivers**

bucqi – delivers a simple Merchant centric loyalty & payments platform

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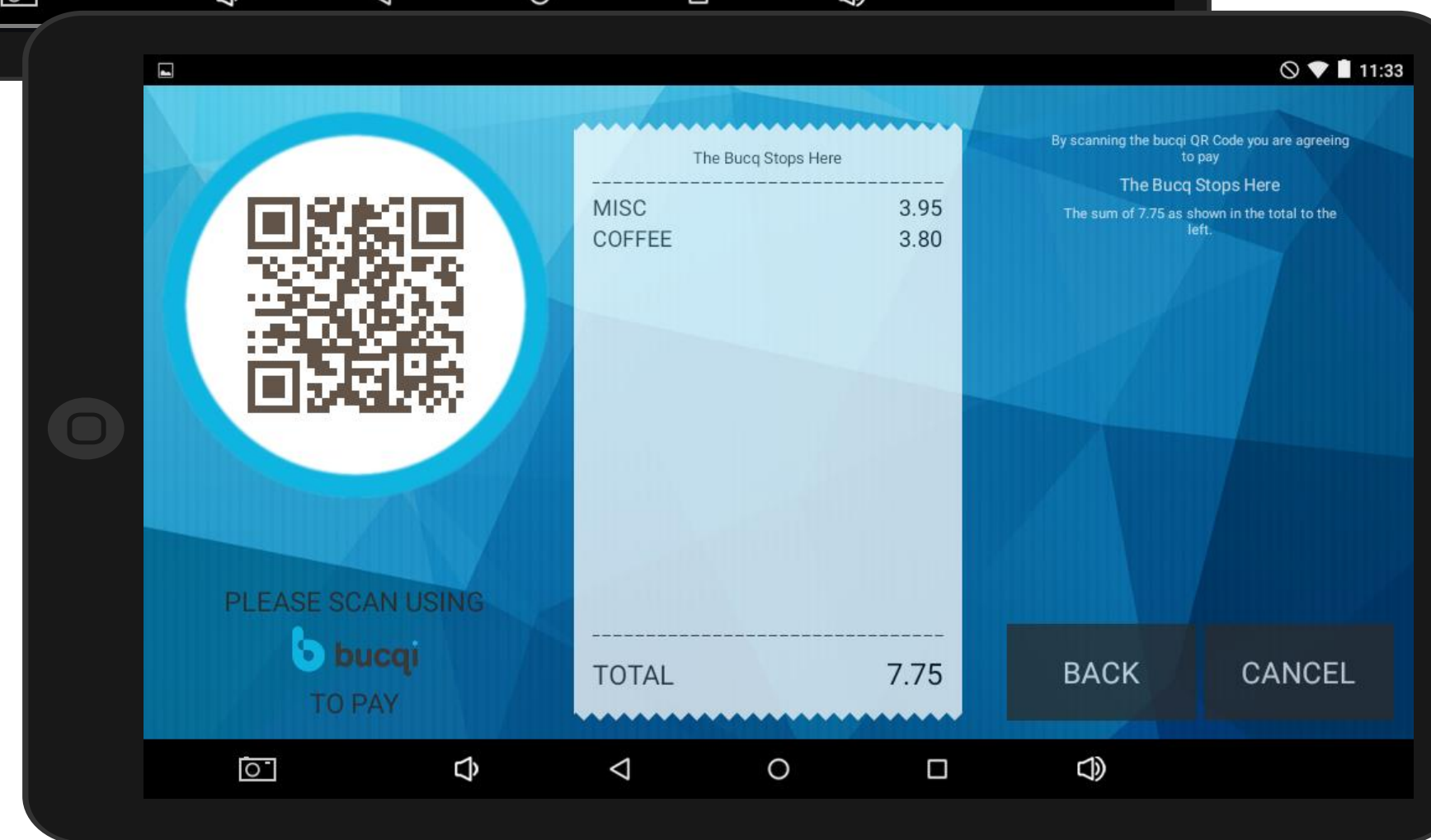
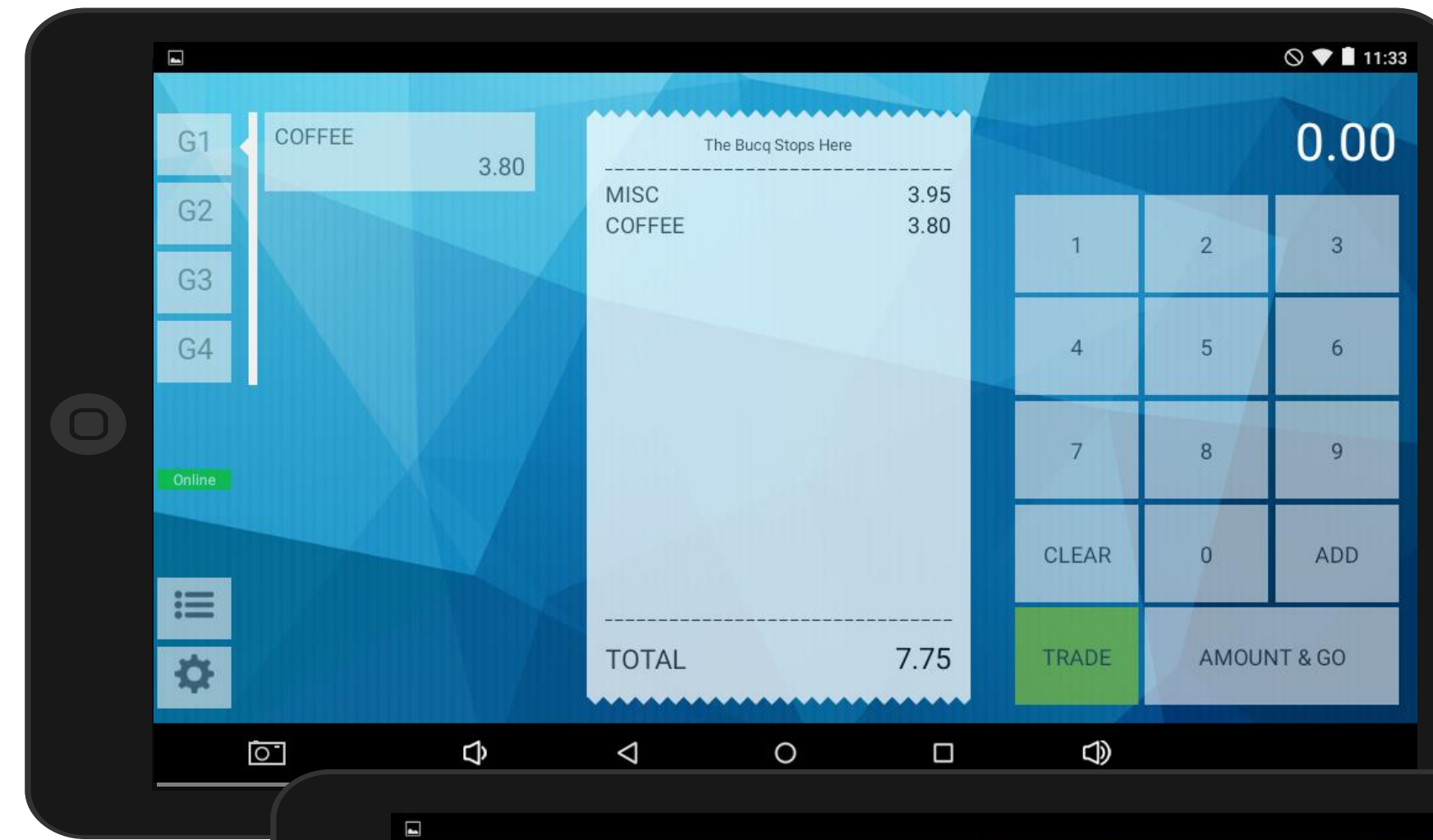
A loyalty platform for SMEs
– robust and innovative
mobile payment app for
both Merchants and
Consumers



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

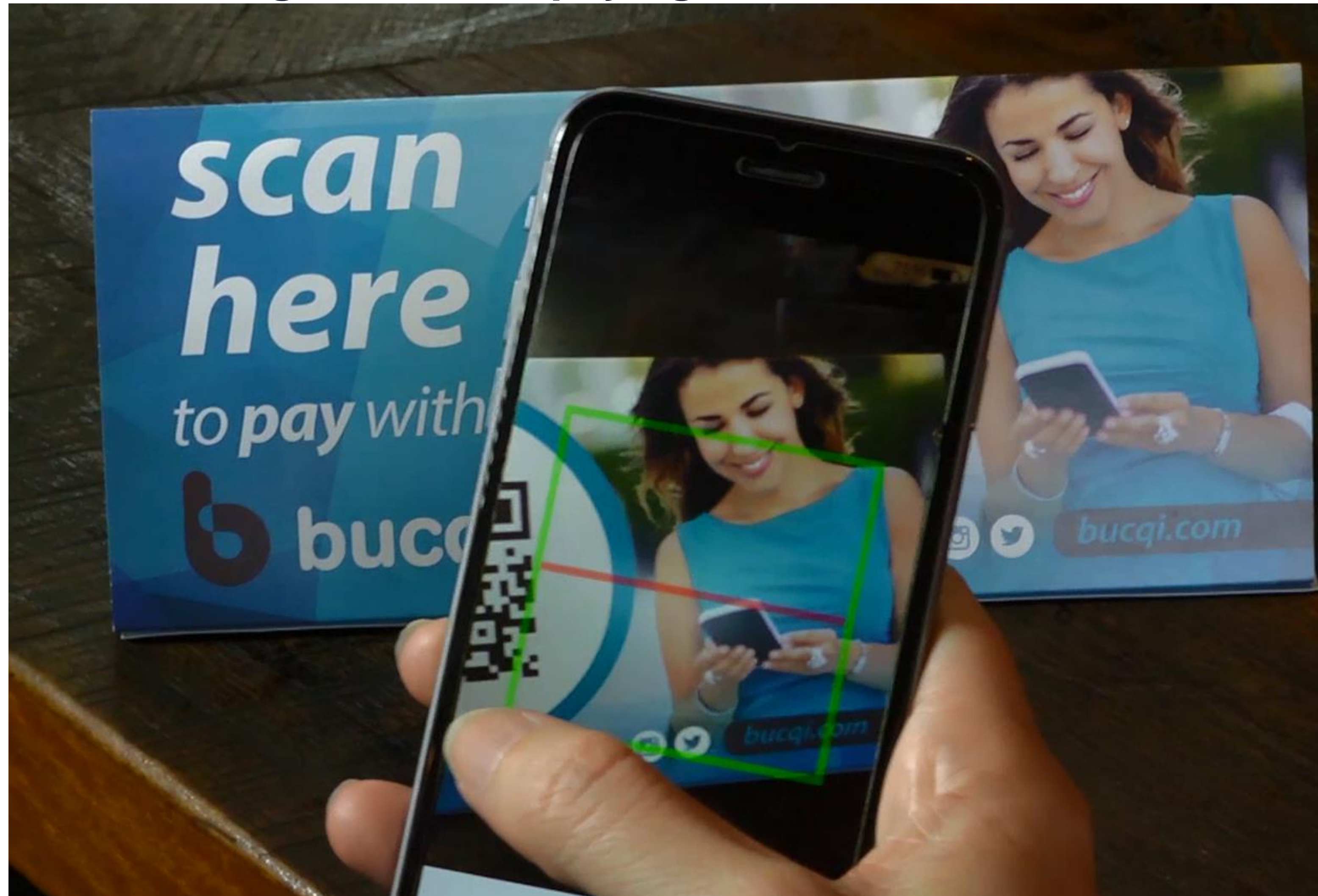


bucqi platform has been
enhanced so that it can
accept and redeem the
loyalty points associated
with other major points
based loyalty system such
as airline points or credit
card points*



Consumers use their
Smartphone to pay

Attracting more cash-paying Consumers to Merchants



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JUN
2016

BUCQI / CONSUMER, MERCHANT, NEWS

Pizza app has a supreme database



Maries Pizza has launched a partnership with **bucqi**, a mobile payment app, as a strategy to reach out to a wider database of pizza lovers.

It lets Gold Coasters ditch the cash and cards and instead use the app to buy from any of the company's seven outlets.

Maries Pizza chief executive Kate Biglands, whose family opened the original Palm Beach store 34 years ago, said bigger rewards and the trend of flashing a smart phone to pay will attract more customers.

"The Gold Coast has a fast-moving food scene that is giving locals and tourists more options, and new dining experiences are competing against the takeaway market," she said.

Ms Biglands said bucqi, billed as the "app that gives you more bang for your bucq", would put the humble takeaway pizza back in front of consumers.

bucqi, created on the Gold Coast, was acquired in February 2014 by ASX-listed BPS Technology, which owns Bartercard and trade exchange software company TESS.

How does bucqi compare (AUS)?

22

	bucqi	flybuys	MYER one	AmEx	Velocity
Ability to spend at multiple businesses	✓	✓	✓	✓	✗
Dollar-for-dollar rewards	✓	✗	✗	✗	✗
Rewards for everyday purchases	✓	✓	✗	✓	✓
Value of reward	Minimum 20% reward on EVERY purchase	redemption rate \$200 per \$1 value	redemption rate \$50 per \$1 value	redemption rate \$46 per \$1 value	redemption rate \$92 per \$1 value
Reward expiry	No	Yes	Yes	Yes	Yes

89% of Australians own a smartphone* – 82% would change their spending habit for a 20% reward# – 76% preferred spending and earning \$ for \$ at multiple places #

How does bucqi compare (NZ)?

23

	bucqi	One Card	FlyBuys	AA Smart Card
Ability to spend at multiple businesses	✓	✓	✓	✓
Dollar-for-dollar rewards	✓	✗	✗	✗
Rewards for everyday purchases	✓	✗	✗	✗
Value of reward	Minimum 20% reward on EVERY purchase	\$15 for every \$2000 spent over a three month period	Spend \$10 - \$50 to earn 1 point	Earn fuel discounts per litre based on \$ spent
Reward expiry	No	Yes	Yes	Yes

76% of New Zealanders 18+ own a smartphone – 82% would change their spending habit for a 20% reward – 76% preferred spending and earning \$ for \$ at multiple places[#]

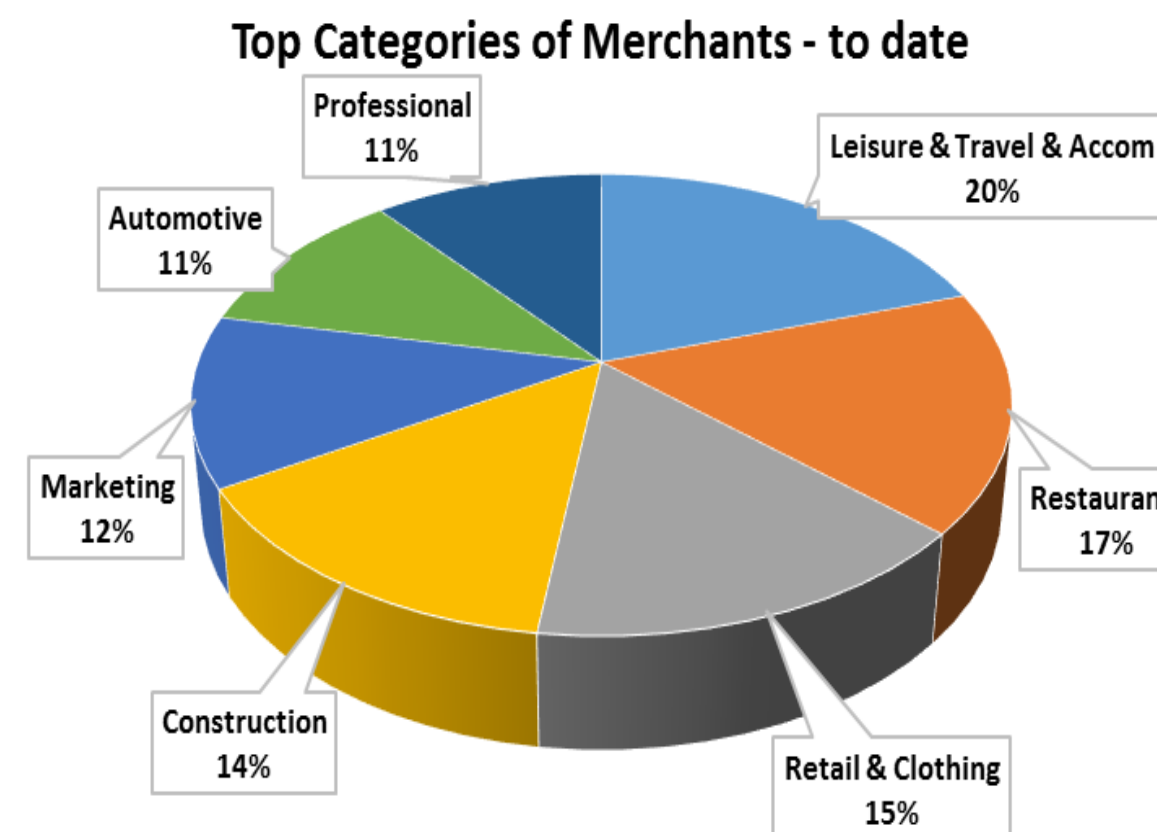


Additional Income for Clubs/Charities

One percent (1.0%) of every transaction will be paid to clubs/charities etc. sponsoring bucqi to their supporter base – supporters simply download the bucqi app and transact with their club/charity benefiting automatically – so simple



- ❖ bucqi has gained firm expressions of interest from 2,500 Merchants already
- ❖ bucqi has exclusive access to more than 24,000 Merchants across 8 countries



- ❖ bucqi targets closed user groups e.g. sporting or non for profit clubs
- ❖ bucqi has access to more than 300 such groups
- ❖ bucqi targets large “loyalty points” based systems like airlines, franchise chains, credit card companies

TESS Channel - white labelled, cloud-based software platform

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TESS is a multi-site, multi-national, multi-currency Trade Exchange platform

Participants 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 settles ~1.8m+ transactions worth ~\$600m+ annually on behalf of Bartercard's ~50,000+ card holders

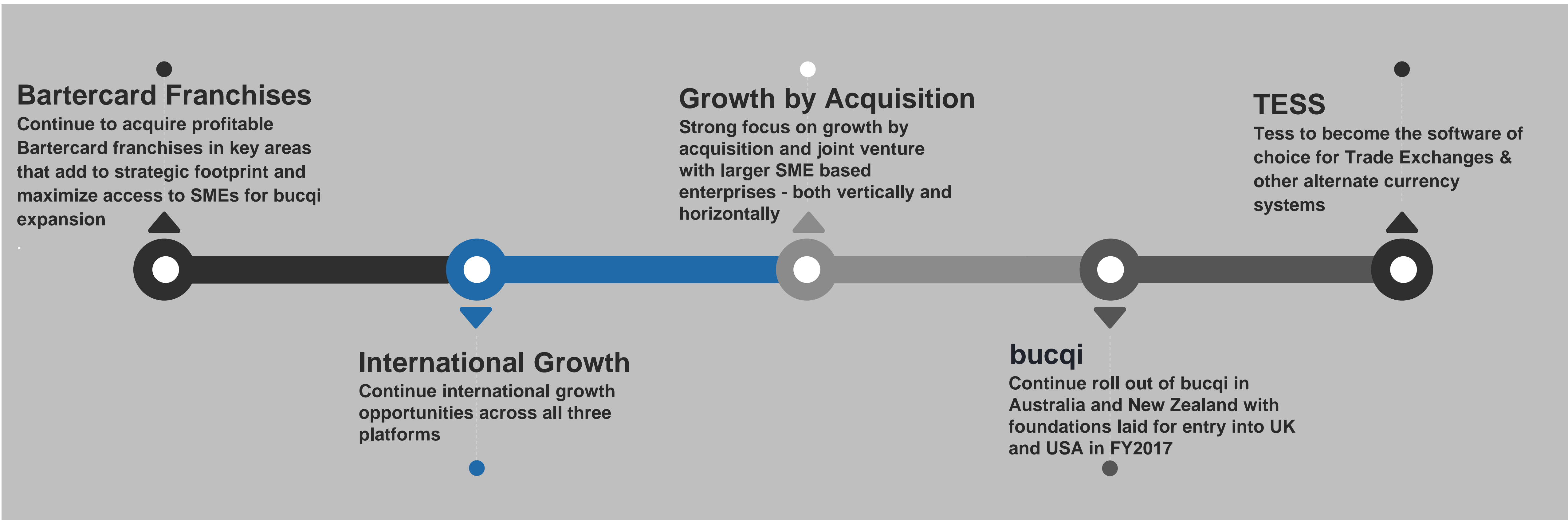
Seeking to capture a major share of the US\$19.4 billion* not currently being traded through Bartercard

Recognised as the world's leading software platform by IRTA supporting more SMEs, settling more transactions and used by more people than any other provider

FY2017 Outlook

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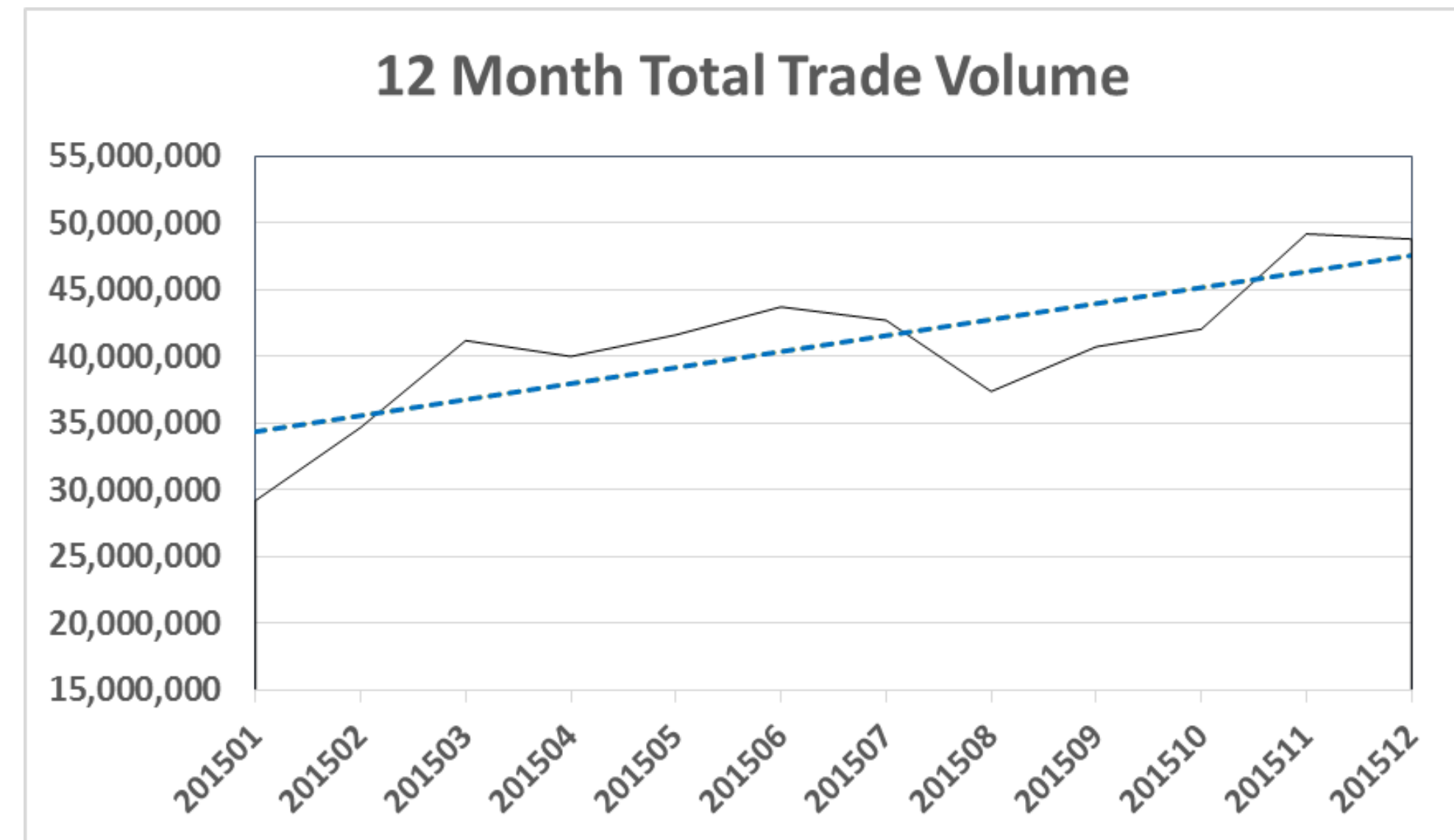
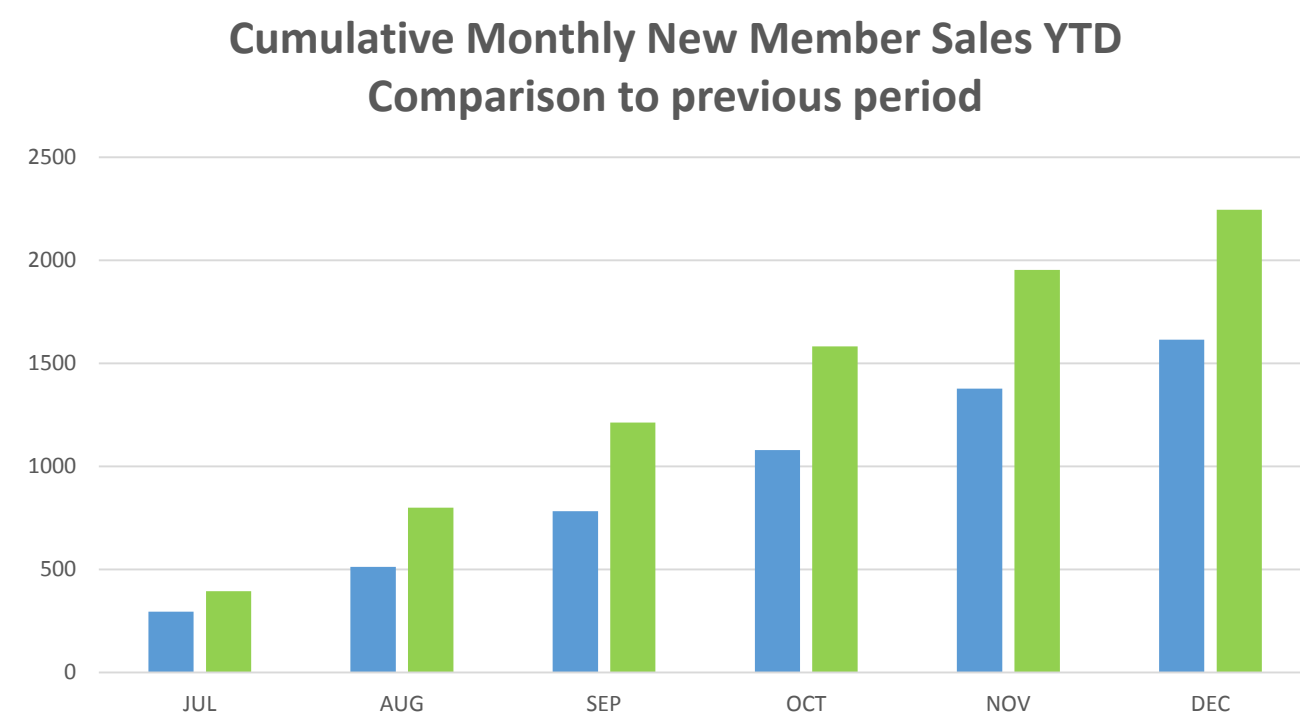
Channel enablement and business expansion across all three existing platforms



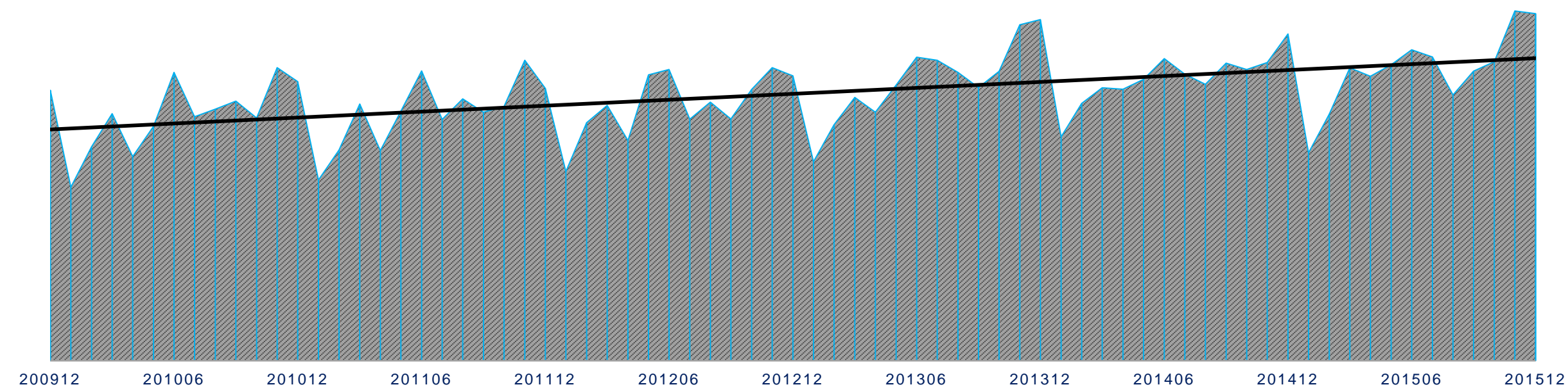
Notes and Appendix



1HY2016



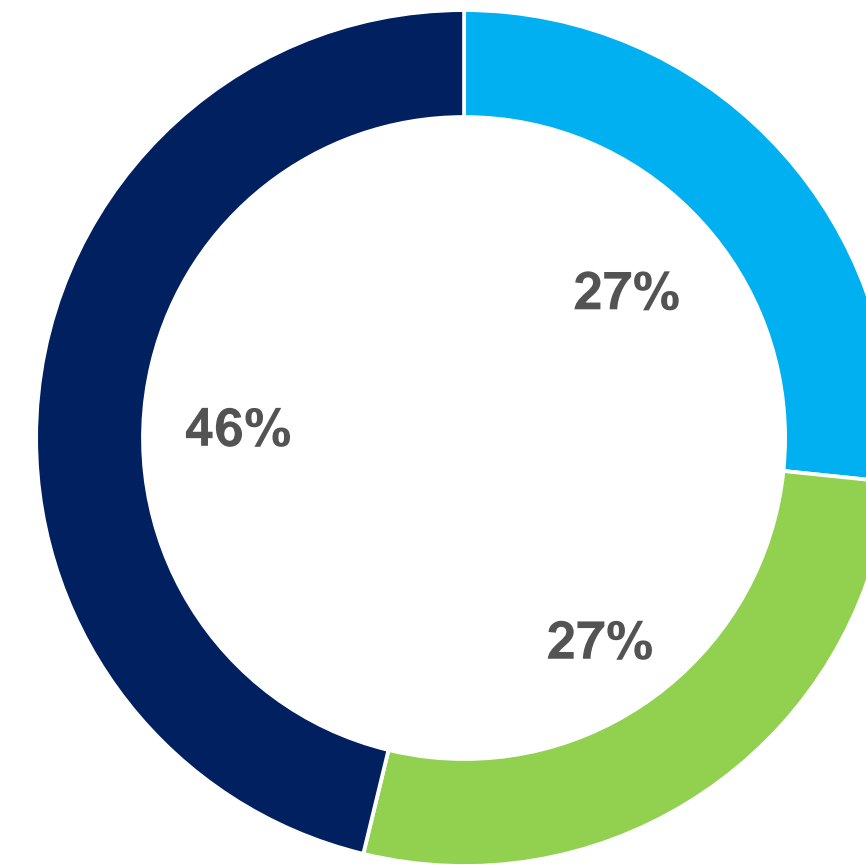
6 Year Transactional Trend



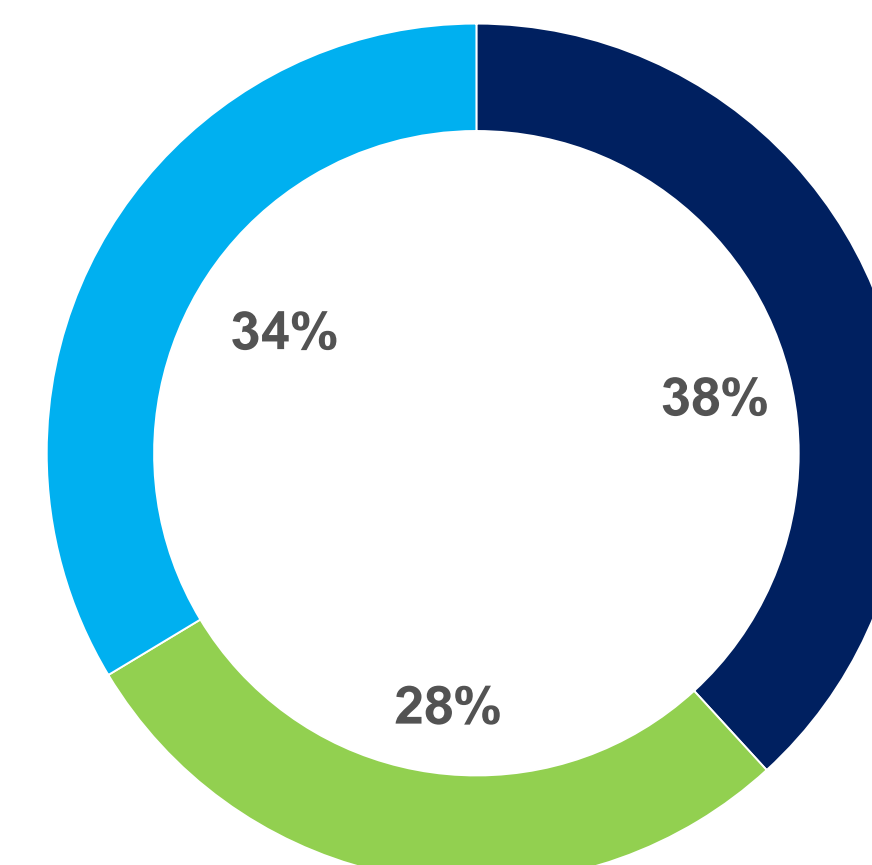
8 Countries – 70 Offices – 600+ Staff – 24,000+ Merchants (SMEs) – 50,000+ Card Holders

**Key Transactional Data for
the 12 months to 31
December 2015**

Merchants by Duration*

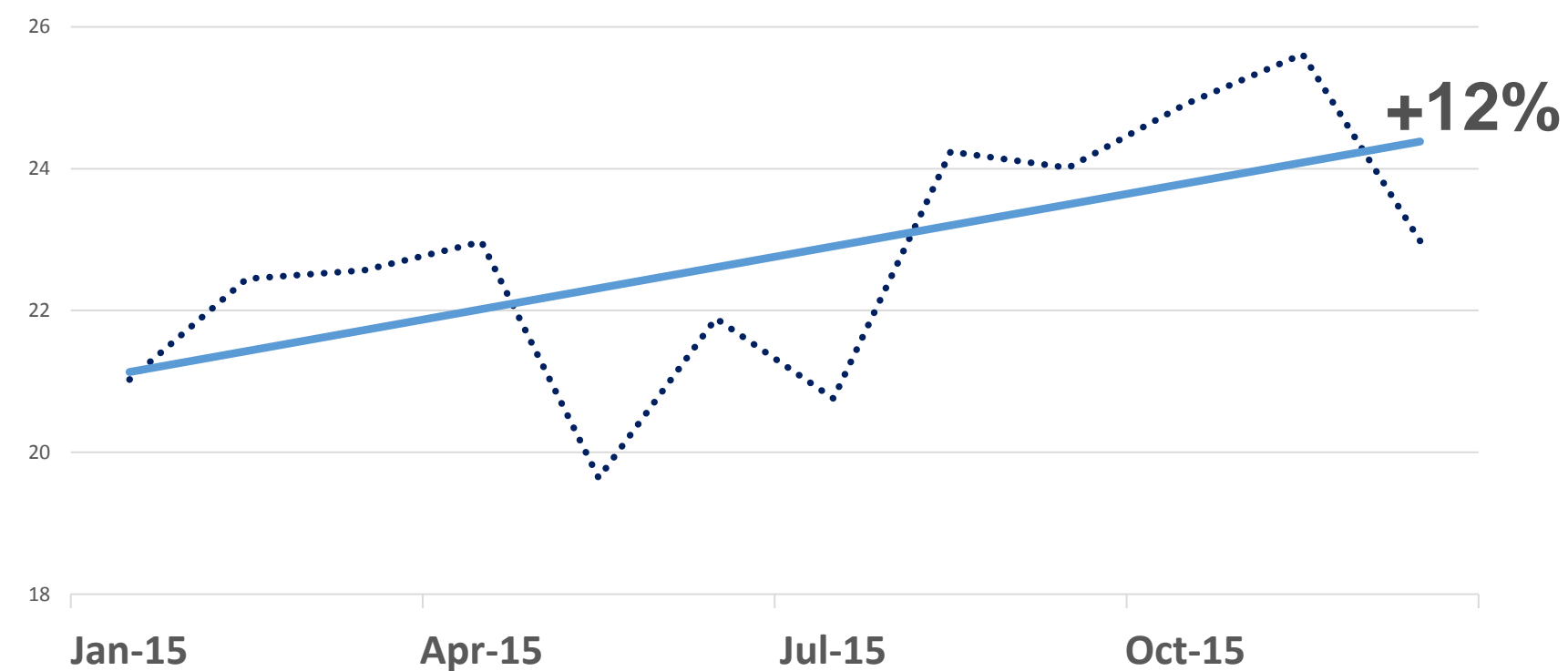


**12mth Trade Volume
by Merchants Duration***

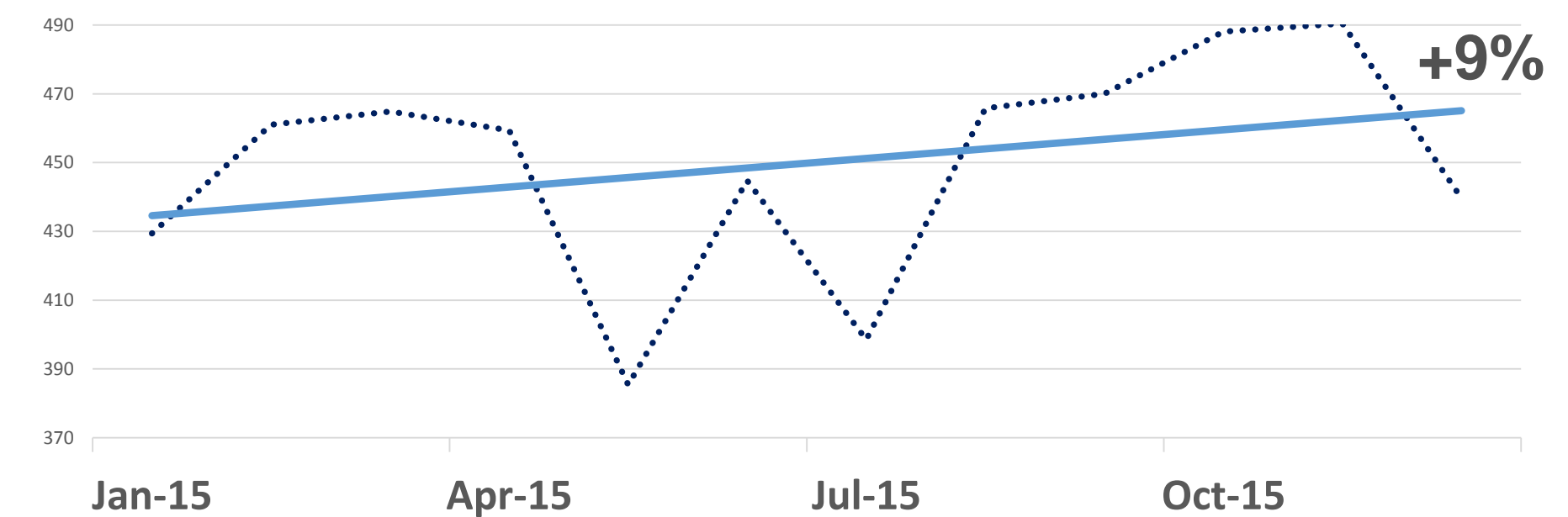


■ Over 10 years ■ 5-10 Years ■ 4 Years

Average Cash Fees / Transaction

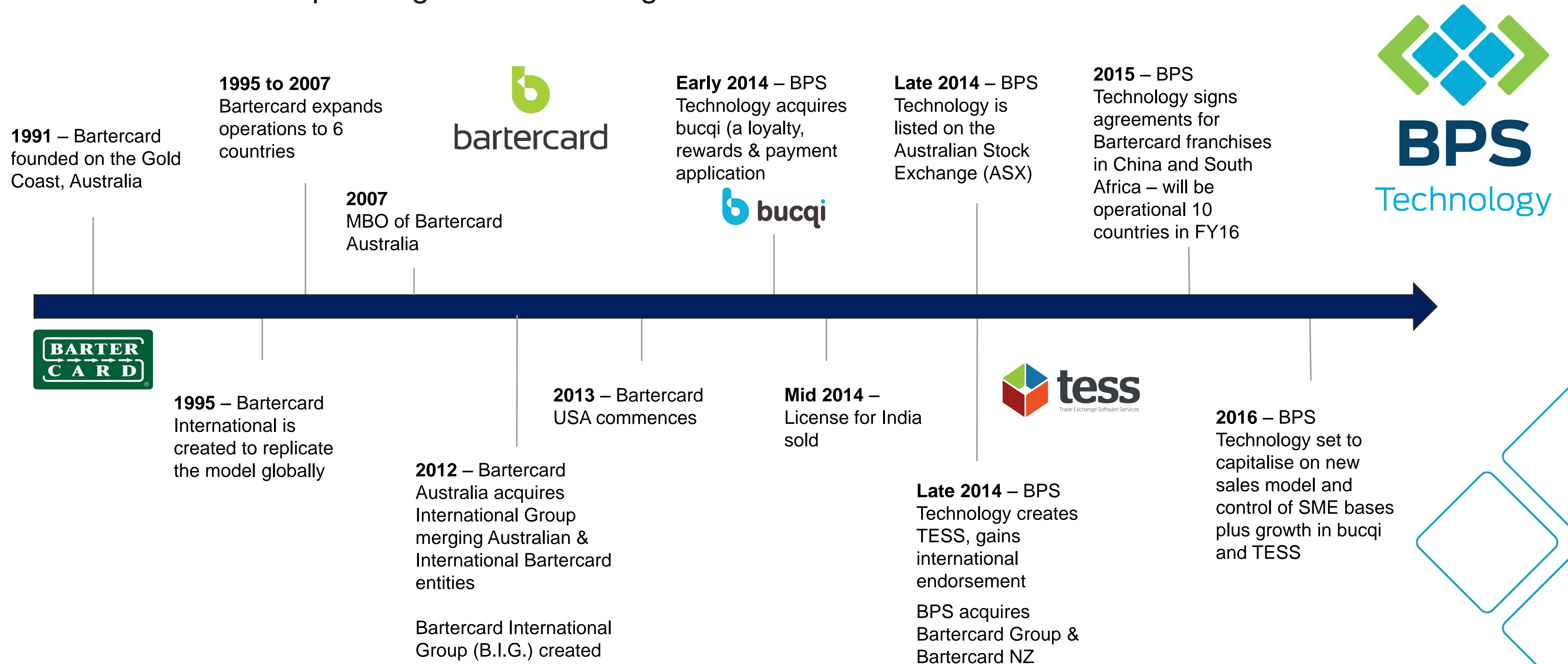


**Average Billable Trade Volume /
Transaction**



Consistent Usage over many years – integral to SMEs business – 54% of Merchants >5yrs

Operating Trade Exchanges Platforms and Software for 25 Years



Disclaimer

LIMITED PURPOSE

This presentation is issued by BPS and has been provided on an information basis solely and is not an offer or invitation to invest.

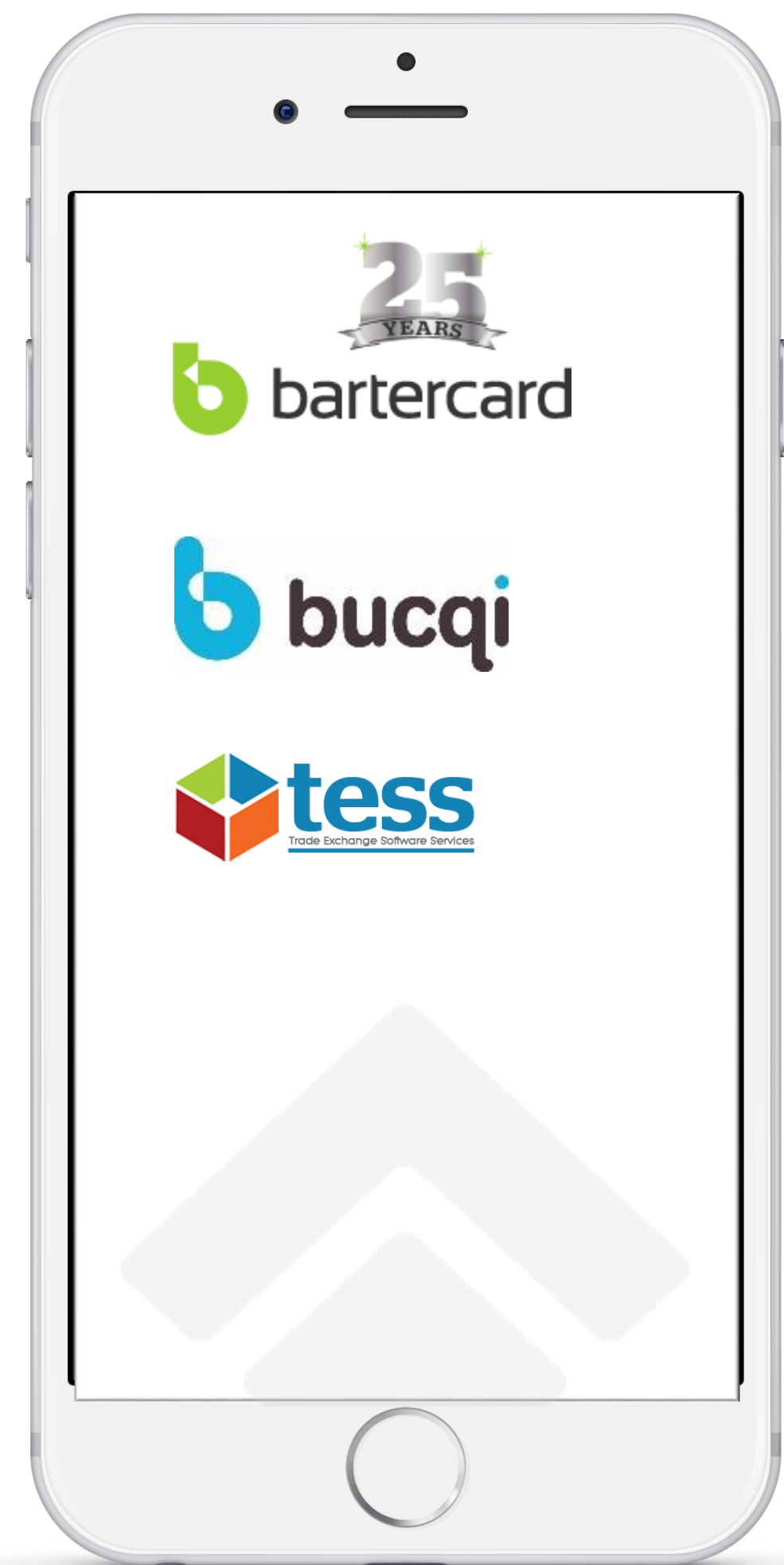
FORWARD LOOKING STATEMENTS

This presentation may include forecast financial information based on the best estimate assumptions of BPS. The basis of preparation and presentation of the forecast financial information, to the extent relevant, is consistent with the basis of preparation and presentation for the historical financial information. The forecast financial information presented in this presentation is unaudited. This presentation also contains forward looking statements which are identified by words such as 'may', "could", 'believes', 'estimates', 'expects', 'intends' and other similar words that involve risks and uncertainties. The forward looking statements in this presentation are based on BPS's current expectations about future events. The forecast financial information and forward looking statements are subject to various risk factors, uncertainties and assumptions that could cause BPS's actual results, performance or achievements to differ materially from those expressed in any forward looking statement made by, or on behalf of, BPS and the forecast financial information.





‘Business Payment Systems’



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