



BPS Technology



Acquisition and Capital Raising Investor Presentation August 2016

LEAD MANAGER AND UNDERWRITER

MOELIS & COMPANY

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1. Introduction

- ❖ BPS Technology Limited (“**BPS**” or “**BPS Technology**”) is a fully-integrated **channel enablement and payments platform** connecting customers to a variety of Small and Medium-Sized Enterprises (“**SMEs**” or “**merchants**”)
- ❖ BPS has two inter-related and complementary offerings which provide channel enablement to SMEs:
 - Bartercard – a barter trade exchange network facilitating B2B trade between **24,000 SMEs** throughout Australia and abroad with ~\$600m of transactions annually
 - bucqi – a B2C **portable rewards and loyalty payments platform** for consumers and SMEs, which is seeking to utilise the 24,000 SMEs within the Bartercard network
- ❖ BPS is today announcing the **transformative acquisition** of Entertainment Publications Australia and New Zealand (“**Entertainment**”), which produces the **Entertainment Book** and the **Entertainment Digital Membership**
 - Entertainment is a leading sales channel for the tourism and hospitality industry with approximately 550,000 paying customers (“**Members**”), developed over 21 years
- ❖ Underwritten unconditional and conditional institutional placement to raise \$27.5m and non-underwritten Share Purchase Plan (“**SPP**”) **to fund the acquisition and provide growth / working capital**

Key offer metrics

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Gross proceeds from the Offer (\$m)	27.5
Offer Price per Share (\$)¹	0.94
Indicative market capitalisation at completion of the Offer (\$m)²	85.0
Discount to last close price³ / 10 day VWAP (%)⁴	(8.3%) / (8.8%)
Enterprise Value / FY17E pro forma EBITDA (x)	5.3x
FY17E pro forma earnings per Share (cps)	11.8
Offer Price / FY17E pro forma earnings per Share (x)	8.0x
FY17E dividend per Share (cps)⁵	5.0
Implied FY17E dividend yield (%)	5.3%

1. New investors will rank pari passu and be eligible for the FY16 final dividend of 2.0cps, expected to be paid in October 2016

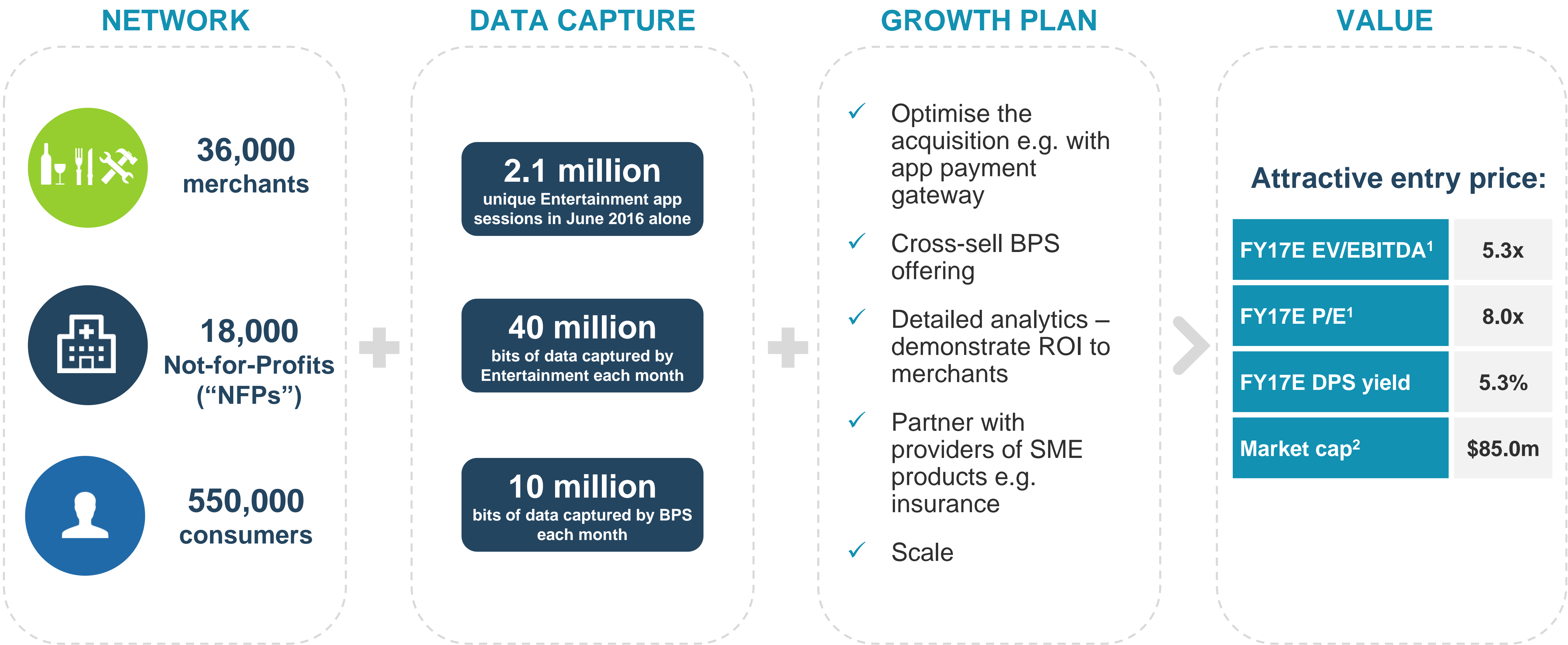
2. Based on the total Shares on issue post completion of the transaction multiplied by the Offer Price

3. Close price on 9 August 2016

4. VWAP is calculated over the period 27 July 2016 to 9 August 2016 as the 10 day total value divided by the 10 day total volume of Shares sold on ASX up to and including that date

5. FY17E dividend to be fully franked

The combination of two proven and profitable businesses with significant future potential



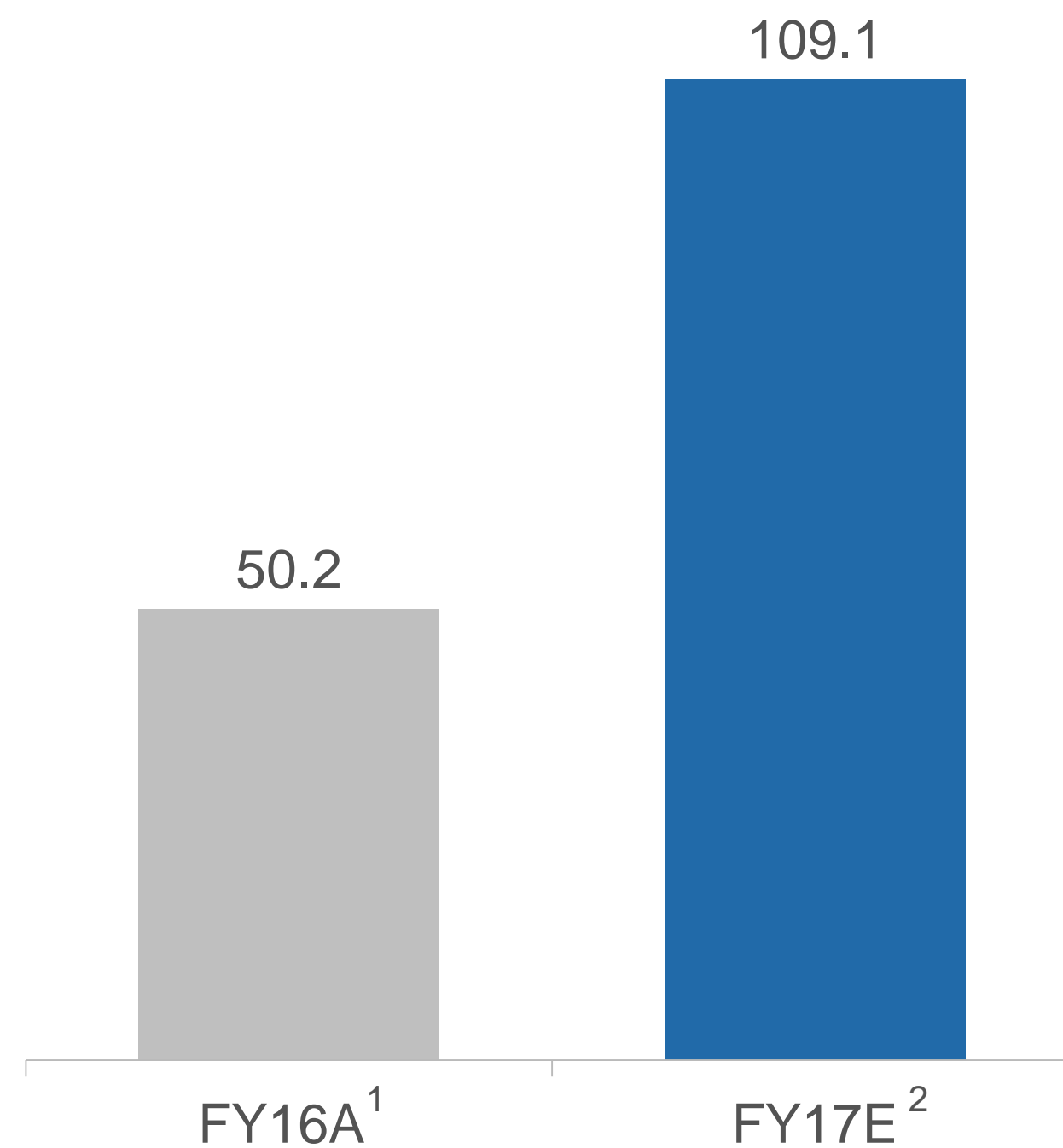
Impact of the acquisition

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- ❖ The acquisition of Entertainment is expected to have a significant impact on the financial profile of BPS
- ❖ BPS will have a network of circa **36,000 SMEs, 18,000 NFPs and 550,000 paying consumers**

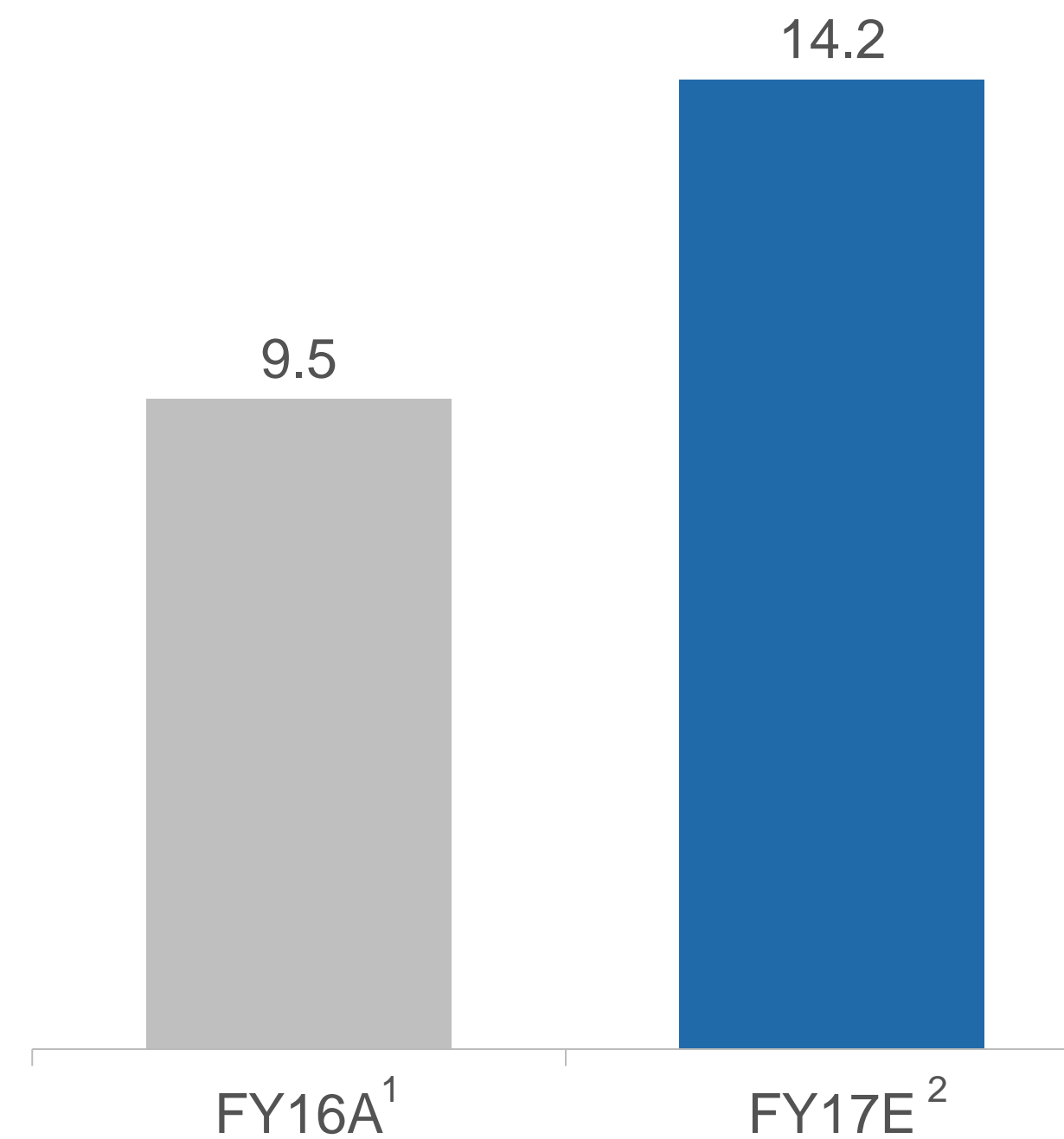
REVENUE (\$m)

Projected 118% increase in revenue



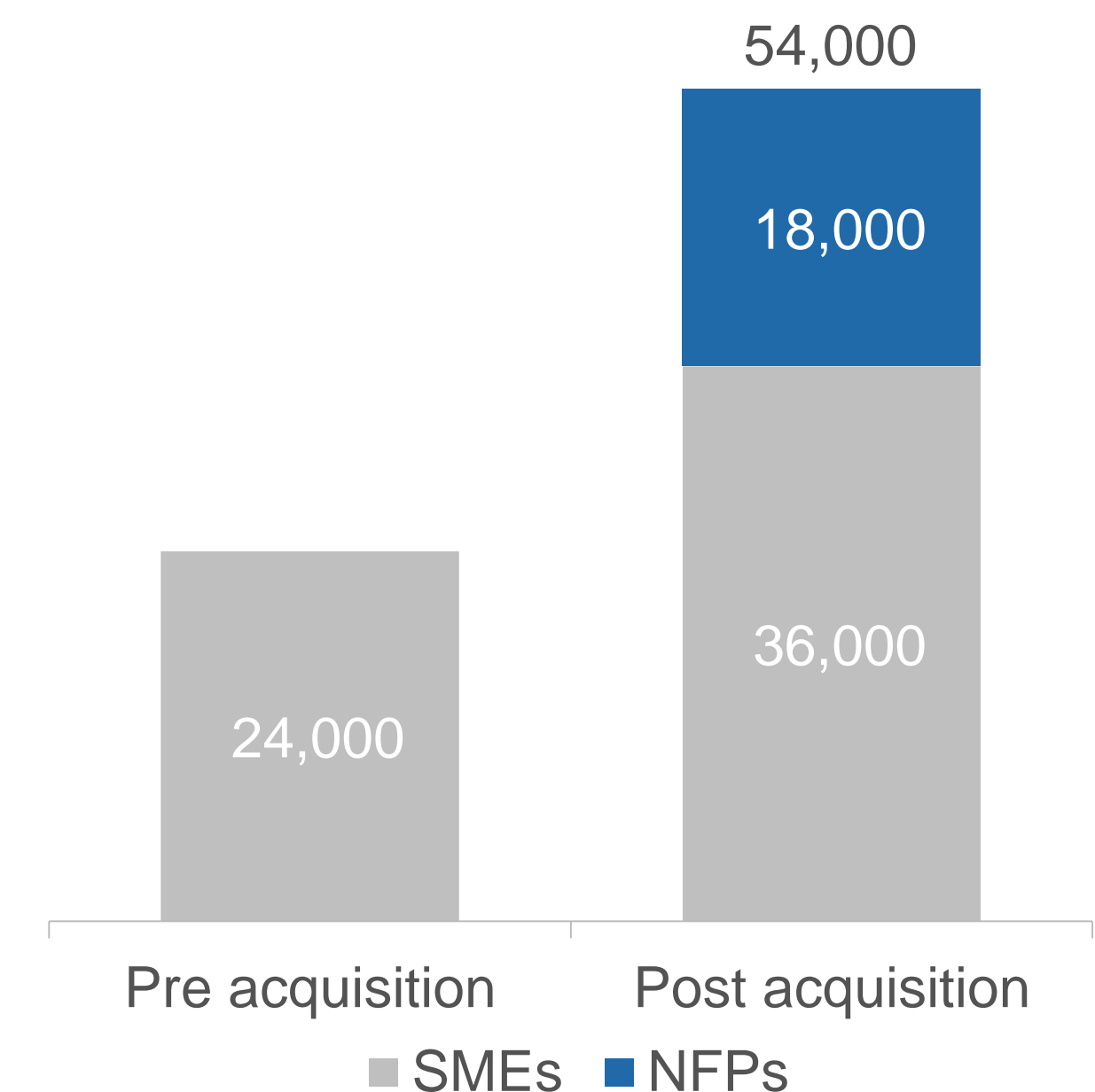
EBITDA (\$m)

Projected 49% increase in EBITDA



MERCHANT / NFP NETWORK

BPS can now access the network of SMEs and NFPs within Entertainment



1. BPS financial results for FY16A are actual and have been audited. Excludes revenue and cost synergies

2. FY17E figures are based on the pro forma income statement on slide 37



2. Overview of BPS and Entertainment

BPS is an integrated channel enablement and payments platform with over 25 years of operations and 70 office locations across 8 countries



- B2B platform with 24,000 SMEs
- ~\$600m annual transaction value
- Proven business model over 25 years

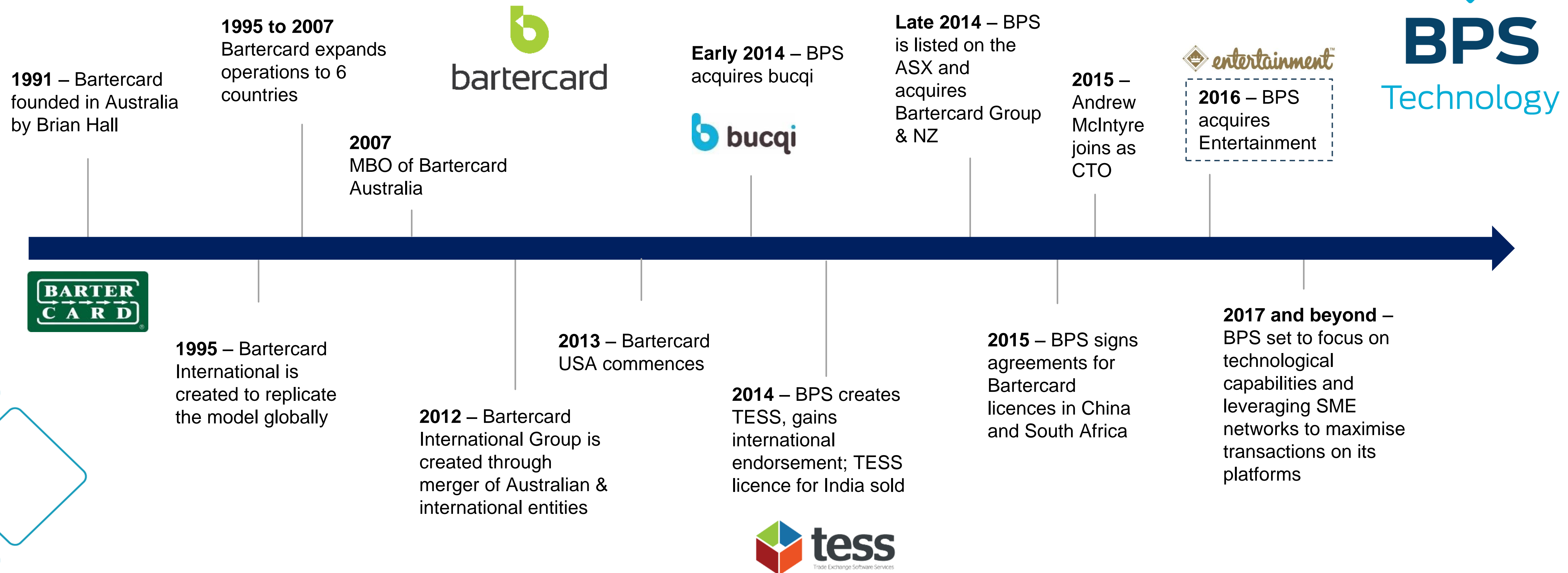


- B2C platform leveraging B2B network
- Loyalty & payments platform for SMEs
- Launched in Australia & NZ



- B2C via NFPs – vital partner for NFPs
- 12,000 SMEs and 18,000 NFPs
- Proven business model over 21 years

BPS is undergoing an exciting development phase as it continues to digitise and roll out bucqi



BPS is all about channel enablement

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BPS seeks to solve real problems faced by SMEs and consumers

 Excess inventory

 Lost or unused rewards

 Heavy discounting to clear stock

 Lack of customer loyalty

 Resource utilisation

 Ineffective advertising

 Cash flow issues

 Reward portability



Bartercard is a B2B barter trade exchange for SMEs

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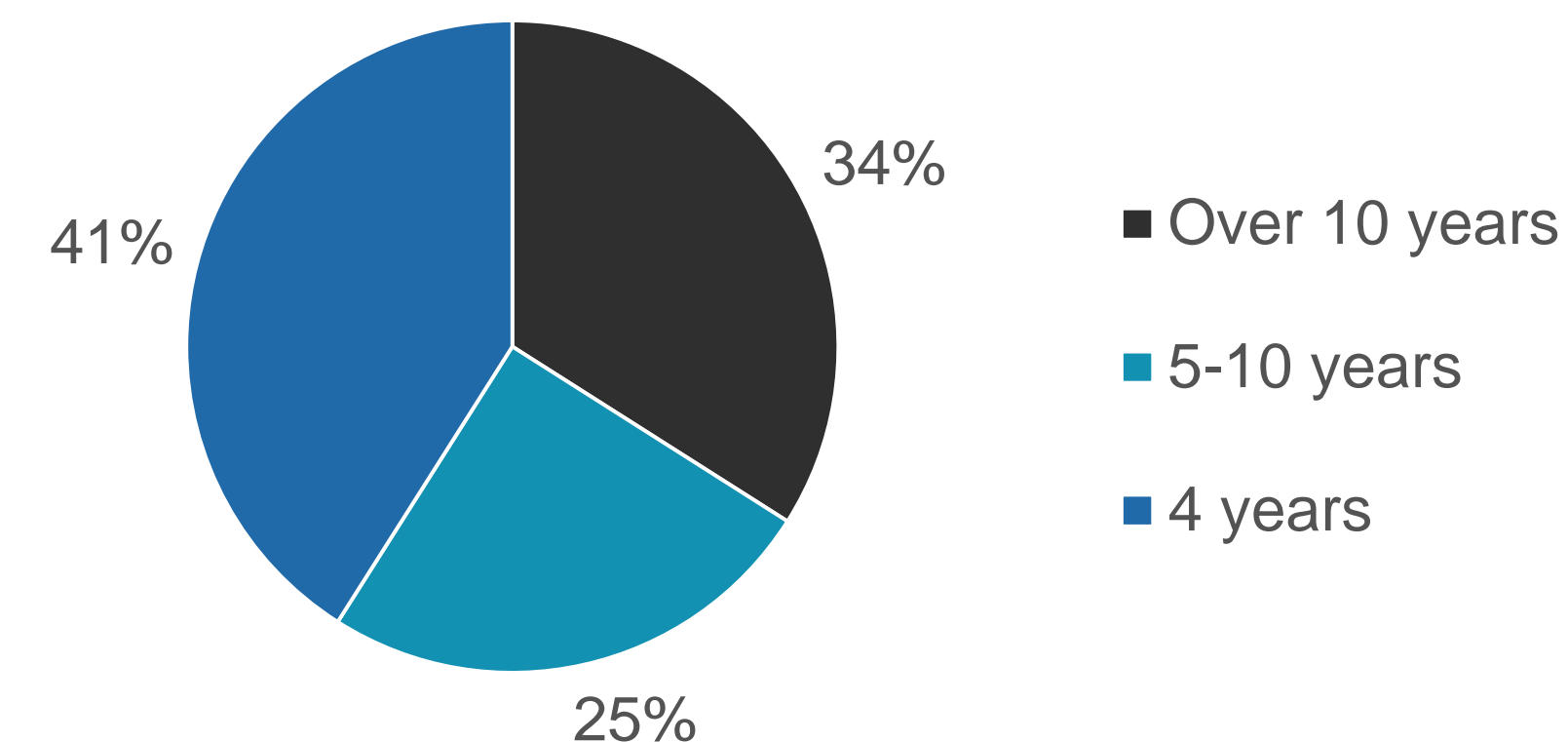
Bartercard is a stable and profitable business with a longstanding network of merchants

- ❖ The world's largest multi-national trade exchange¹, built up over 25 years
- ❖ Key statistics:
 - \$600m annual transaction value
 - 24,000 merchants and 50,000 cardholders
 - 70 offices across 8 countries
 - 500 staff
- ❖ 25% new member growth in Australia in FY16A, following introduction of new business model (no upfront payments / higher recurring monthly fees)
- ❖ Stable and highly cash generative business – future revenue growth driven by new CTO and rolling up domestic franchisee businesses and expanding offshore
- ❖ Expected growth of BPS is underpinned by Bartercard's systems, expertise, merchant base, and execution capabilities
- ❖ FY16A revenue of \$50.2m and FY16A EBITDA of \$9.5m²

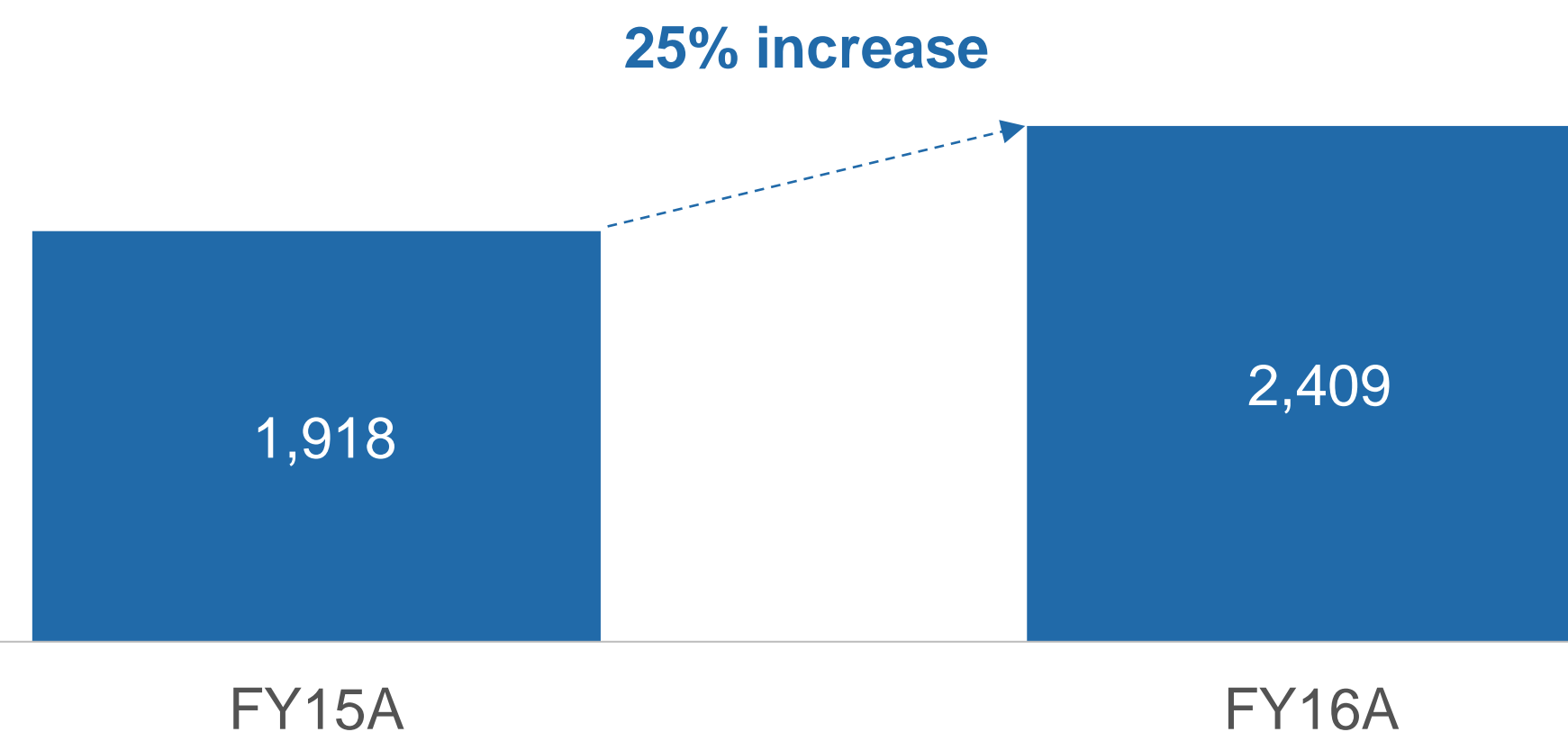
1. Based on transactional value and number of transactions

2. BPS financial results for FY16A are actual and have been audited

Merchants by duration as at 30 June 2016



New members for FY15A and FY16A (Australia)

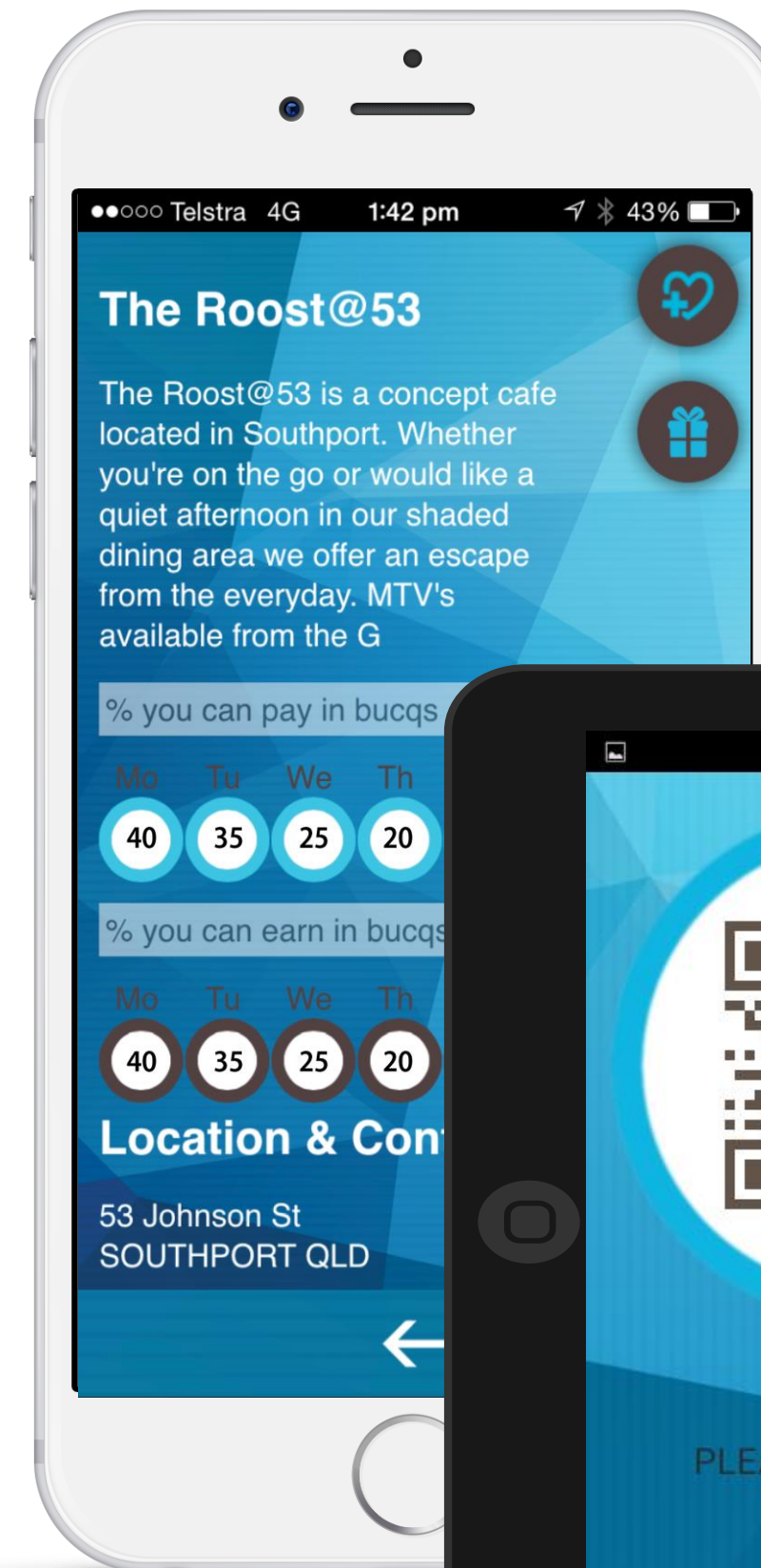


bucqi is a B2C loyalty and rewards platform

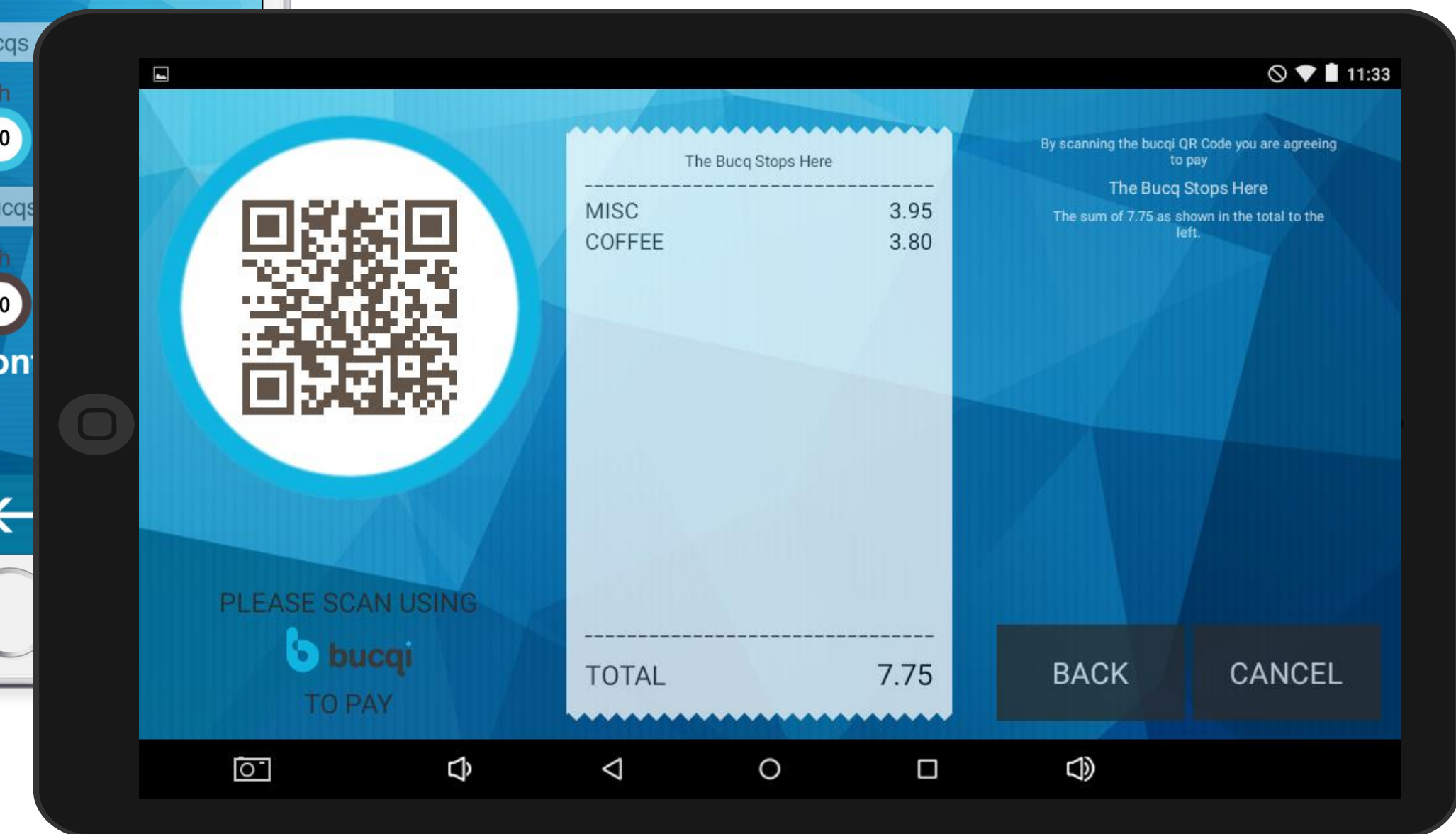
15

bucqi has access to Bartercard's 24,000 merchants and has received expressions of interest from 2,500 merchants throughout Australia

- ❖ Acquired by BPS in 2014; founder Phil Scott joined the BPS management team
- ❖ bucqi is an innovative mobile payments and rewards app for merchants and consumers
 - Merchants reward consumers with portable reward points or "bucqs"
 - Consumers are rewarded a minimum 20% of expenditure, which can be redeemed on future purchases
 - Rewards are portable; consumers can redeem at any bucqi or Bartercard member business
- ❖ Integrates with existing Bartercard system
- ❖ bucqi technology has the capacity to accept and redeem loyalty points associated with other major points-based systems¹



Consumers use their Smartphone to pay



1. Subject to agreements with BPS' loyalty program providers

Entertainment is a B2C deals platform

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Entertainment provides a valuable network of SMEs, NFPs and consumers

- ❖ Entertainment provides restaurant and activity guides that contain special offers from SMEs across Australia and NZ
- ❖ Memberships are available in two formats – the Entertainment Book (in print) and the Entertainment Digital Membership (a smartphone app)
- ❖ Memberships are distributed through NFP organisations and sold to consumers for ~\$65 per annum
- ❖ The Entertainment network consists of:
 - 12,000 SMEs (predominantly in the tourism and hospitality sector) and 18,000 NFPs¹
 - 550,000 Members, giving total consumer reach of circa 1.4 million²
- ❖ Entertainment has over 200 staff split across sales and support
- ❖ Entertainment operates in 21 specific geographical areas throughout Australia and NZ (please see slide 33)
- ❖ Separately, after completion, Entertainment will own 33% of Now Book It, a cloud-based table management system for restaurateurs (please see following slide for an overview of Now Book It)³

1. Includes 4,218 NFPs who distribute 10 or less memberships

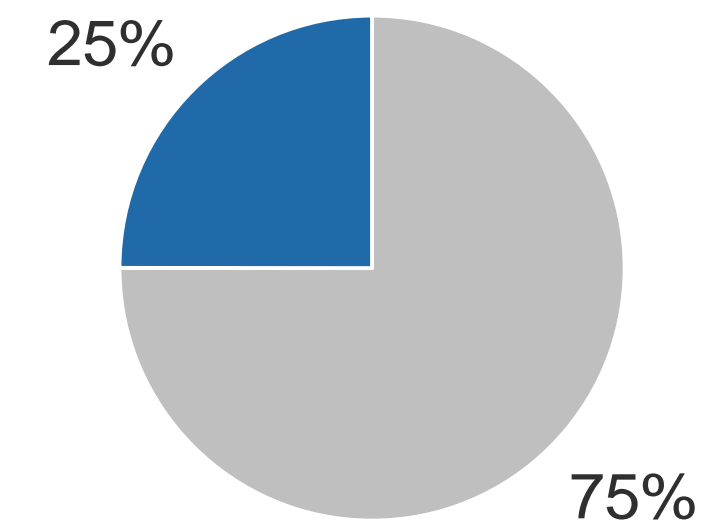
2. Assuming 2.6 people per household

3. Remaining shares in Now Book It are owned by Ben Johnson (42%) and co-founder Craig Joel (25%)



Australia distribution (CY15)

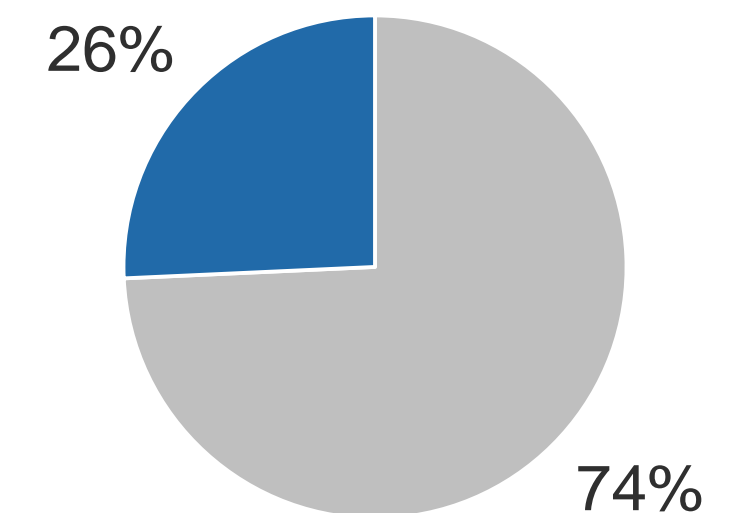
441,036 Members



■ Print membership
■ Digital membership

NZ distribution (CY15)

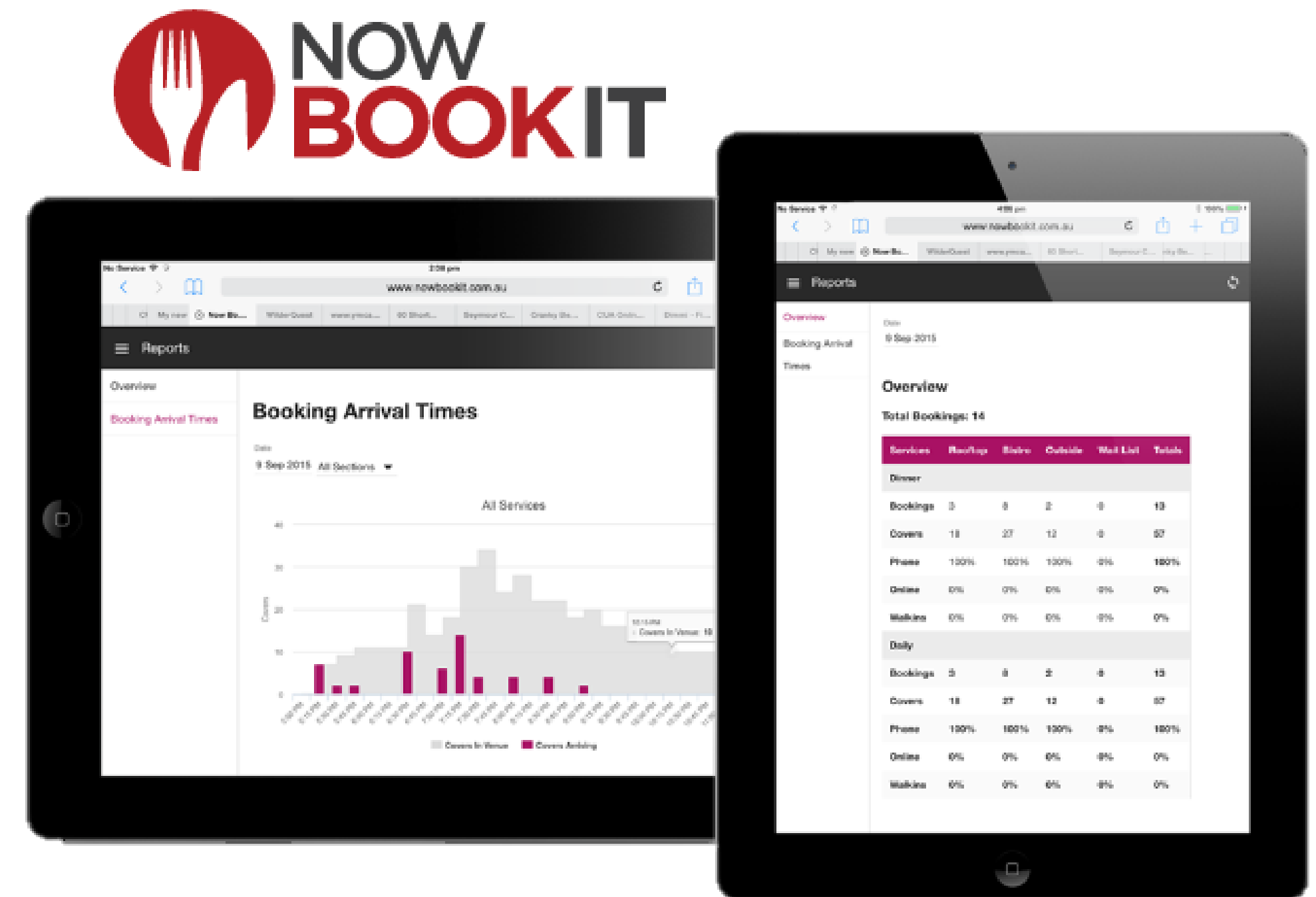
106,812 Members



■ Print membership
■ Digital membership

Entertainment offers a comprehensive suite of solutions merchants and consumers

- ❖ Entertainment also offers direct booking platforms for hotels, restaurants and car hire
- ❖ Now Book It¹ is a cloud-based table management system for restaurateurs, providing:
 - Easy to use console with a clear view of upcoming bookings, waitlists, priority customers and table availability
 - Event management portal
 - Detailed reporting and analytics
 - SMS gateway for booking confirmations
 - Monthly fees rather than commissions or per-booking charges
- ❖ Hotel booking and car hire websites have recently been upgraded/launched
 - Members can access discounts more easily and are guaranteed the best price
 - Expected to help Entertainment track and collect commissions on direct bookings



1. Remaining shares in Now Book It are owned by Ben Johnson (42%) and co-founder Craig Joel (25%)

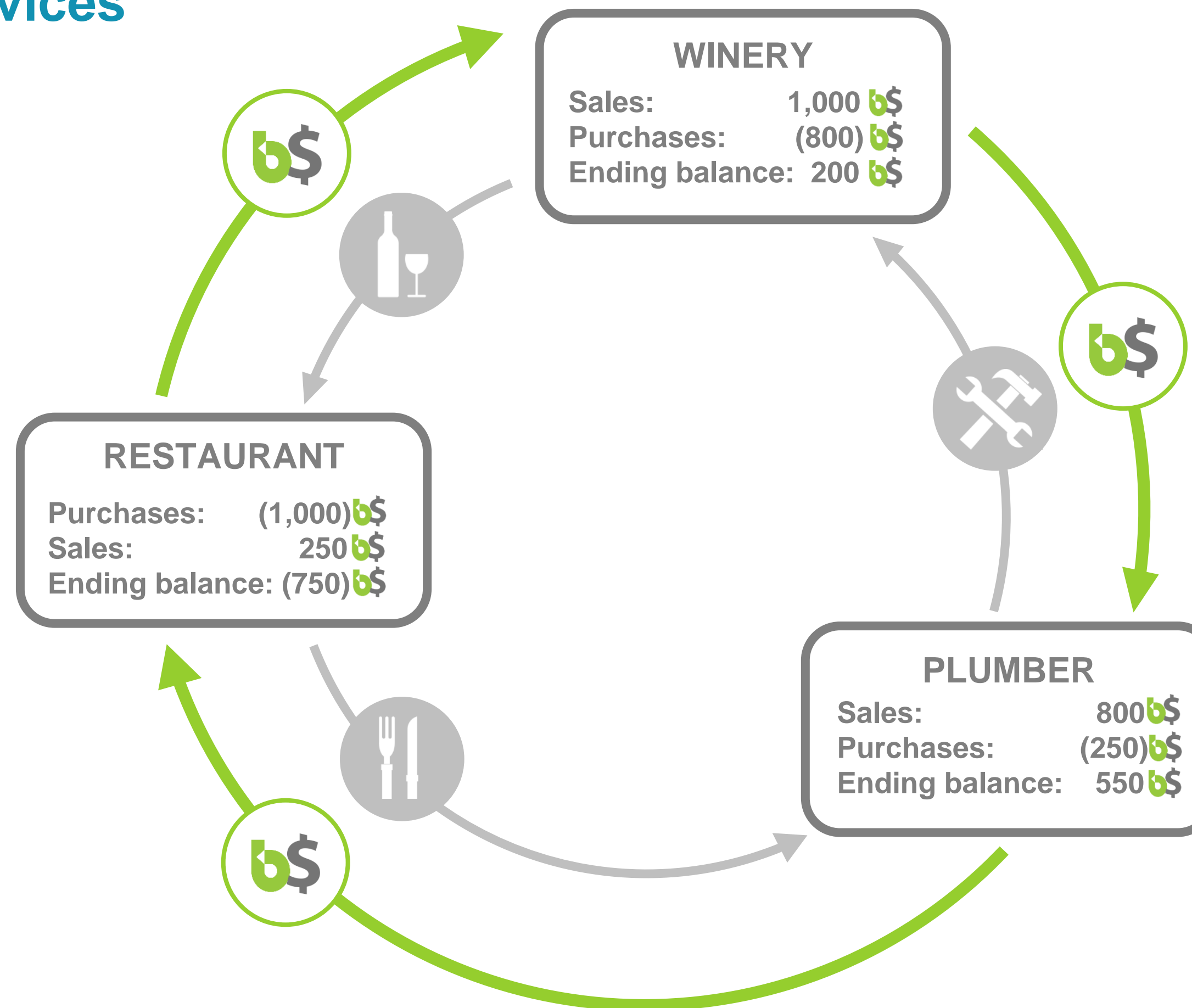
How Bartercard works – B2B channel enablement

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Bartercard enables SMEs to use Trade Dollars, not cash, to pay for the exchange of goods and services

EXAMPLE:

1. Winery has \$1,000 of excess stock
2. Restaurant purchases wine with 1,000 b\$
3. Winery uses 800 b\$ on plumbing services
4. Plumber dines at restaurant and spends 250 b\$

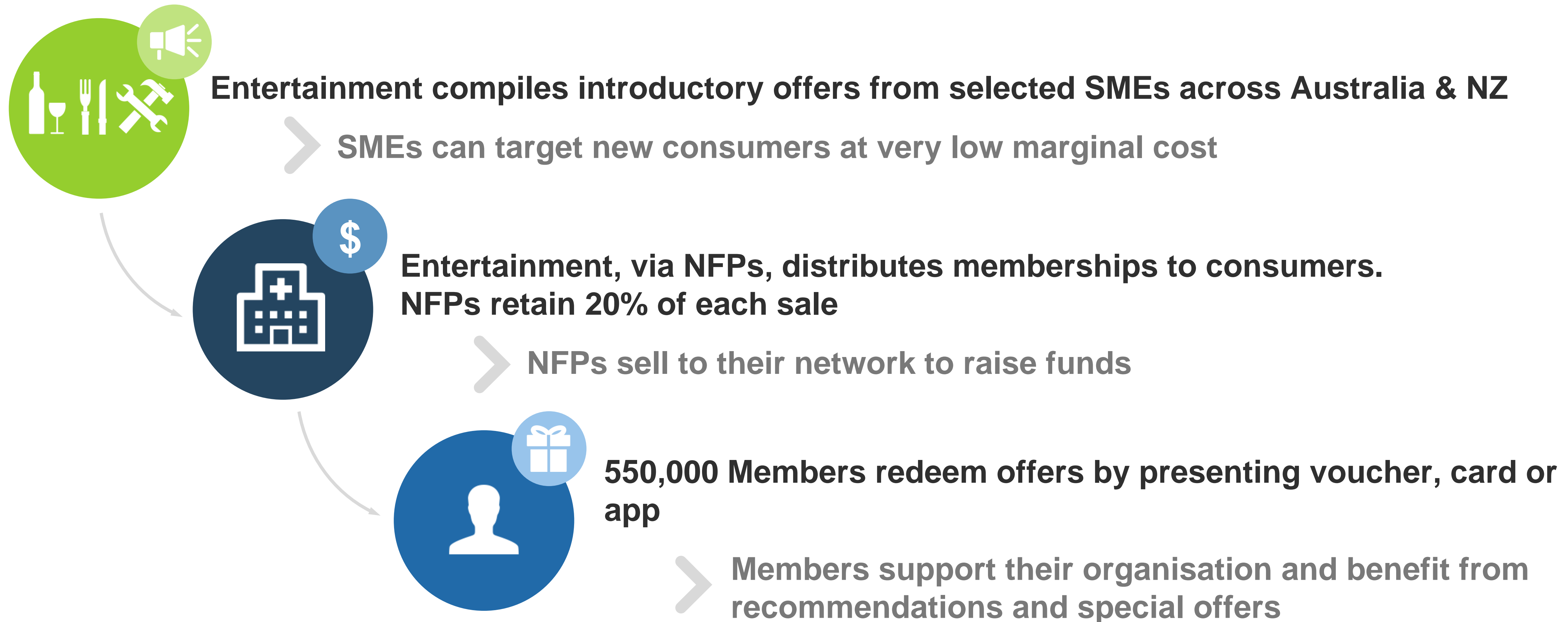


BPS charges all merchants 6.5% on every transaction + \$99 monthly fee paid in cash

Entertainment operates through NFPs

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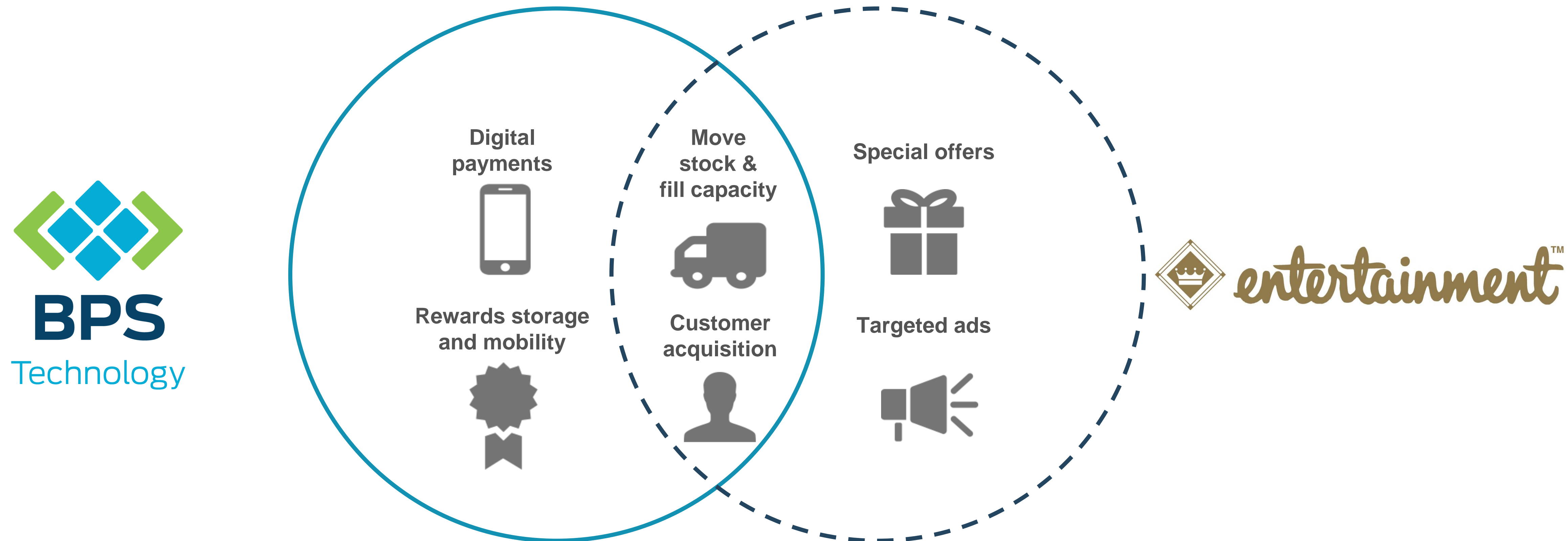
Entertainment connects SMEs with consumers via community groups, charities, schools and other not-for-profit organisations (“NFPs”)



Delivering a compelling value proposition

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BPS delivers benefits to both merchants and consumers, creating powerful two-sided network effects. Entertainment adds another dimension





3. Growth opportunities

Building each core business with an overarching focus on technology

1

Optimise the acquisition

- Integrate Entertainment, realise synergies and drive digital engagement strategies

2

Leverage networks

- Cross-sell Bartercard and Entertainment to the network
- Build bucqi's presence by tapping into Bartercard and Entertainment networks

3

Utilise data

- Continue to build BPS' technology platform to utilise large amounts of consumer data and behaviour
- Digitise processes to enhance consumer engagement, marketing, efficiency and mobility

4

Further monetise the base

- Entrench position by delivering a broader range of relevant white labelled products and services to merchant base from which BPS can earn fees (e.g. SME insurance products and working capital finance)

5

Scale organically and through acquisitions

- Continue to scale the existing businesses and acquire other adjacent businesses

Entertainment is in the early stages of its transition to digital. Since launching the app in April 2014, digital membership sales have been growing rapidly as a proportion of total sales

KEY STATISTICS AND DATA CAPTURE

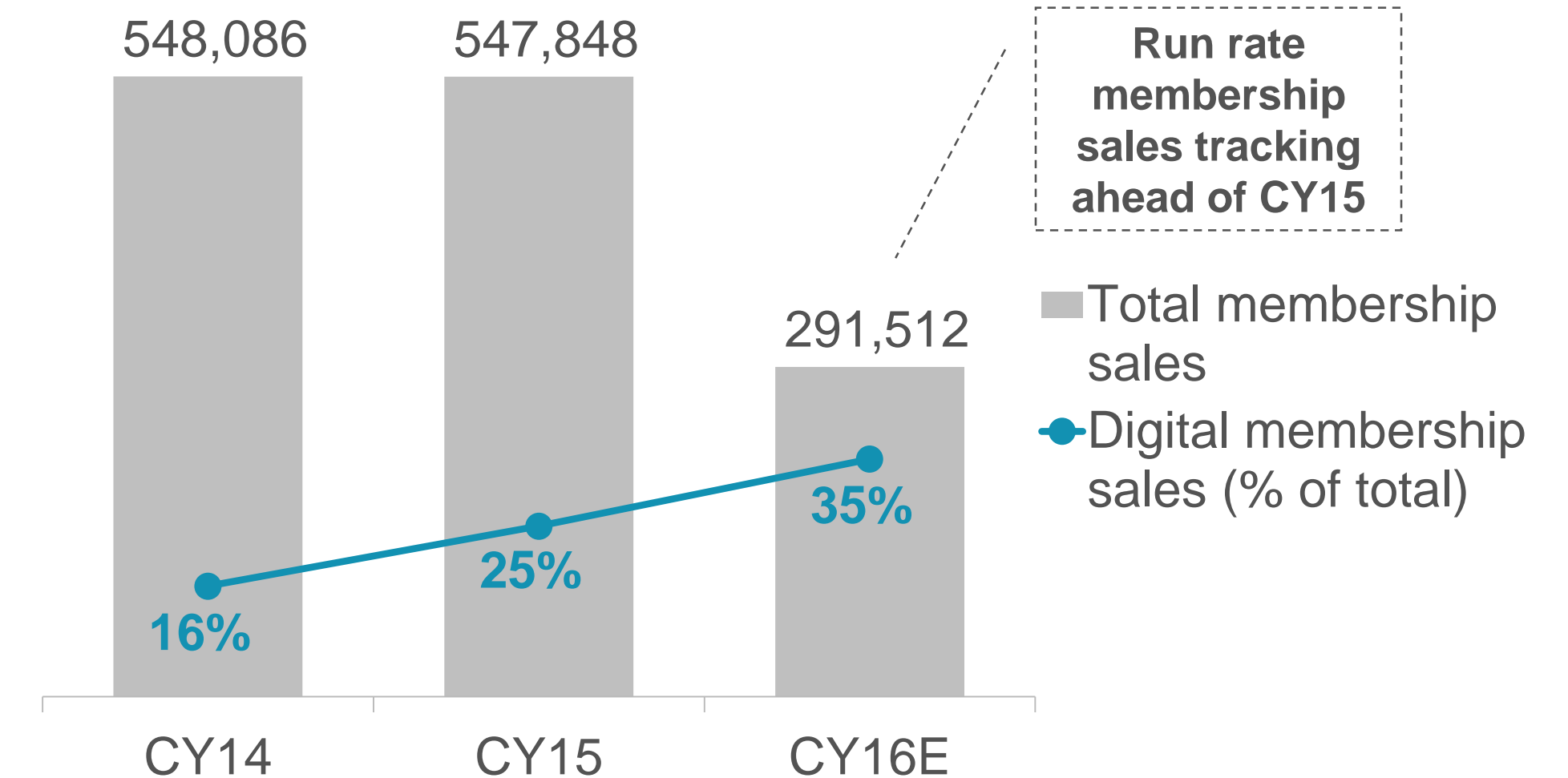


35%
of CY16E membership
sales are digital

2.1 million
unique app sessions in
June 2016 alone

40 million
bits of data captured
each month

140,000
voucher redemptions per
month on average (CY16)



Example of data capture:

- Emails and locations
- Searching and mapping behaviour
- Redemption data and savings
- Use of in-app functions (e.g. bookings, reviews, directions)

BPS can develop the app further to improve the user experience and extract value with the expertise of its CTO and technology team. The addition of an in-app payment function is a key priority



ENHANCED SME PROPOSITION

- ❖ Payment gateway offering transparency, efficiency and clear ROI
- ❖ Detailed reporting and analytics
- ❖ Push marketing capability



entertainment™



MONETISATION & EFFICIENCIES

- ❖ Increased margins through growth in app sales
- ❖ Charging commissions on payments
- ❖ Fees for reporting and analytics
- ❖ Paid advertising



STRONGER CONSUMER ENGAGEMENT

- ❖ Package deals e.g. multiple regions / family packs
- ❖ No physical constraints, meaning more merchants and more deals
- ❖ Notification of special offers
- ❖ 'Near me' location mapping
- ❖ Automatic renewal invitations

- ❖ bucqi is expected to grow and gain market share with access to the merchant networks of Bartercard and Entertainment

- ❖ Case study:

Maries PIZZA

- Joined Bartercard more than 20 years ago
- Active Bartercard trader – +1 million pizzas sold
- Launched a partnership with bucqi in June 2016
- Customers can earn and redeem 'bucqs' at Maries Pizza, and +200 other businesses

\$600m

transacted by Bartercard per year (~5% of average merchant turnover)

\$12bn

estimated total turnover of Bartercard's existing merchants

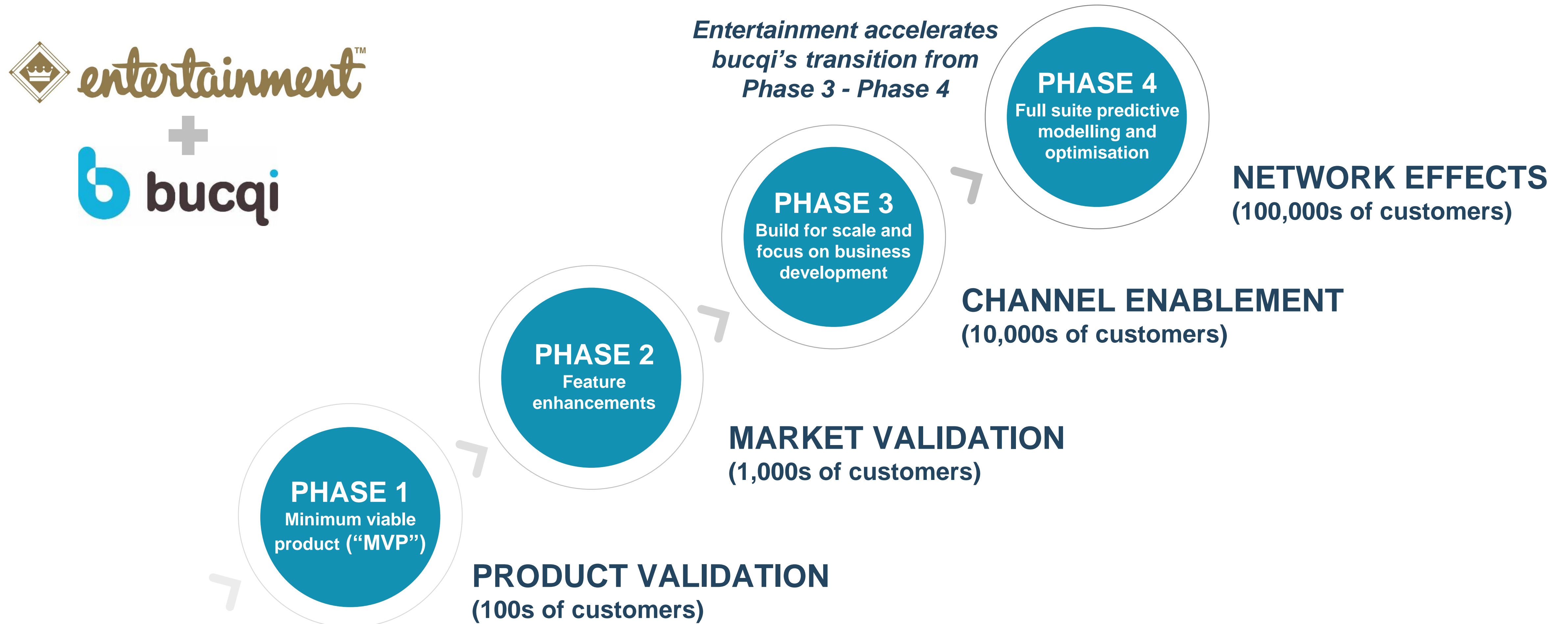
\$37m

additional fee potential if bucqi gains 5% of merchant cash turnover

Leverage consumer networks

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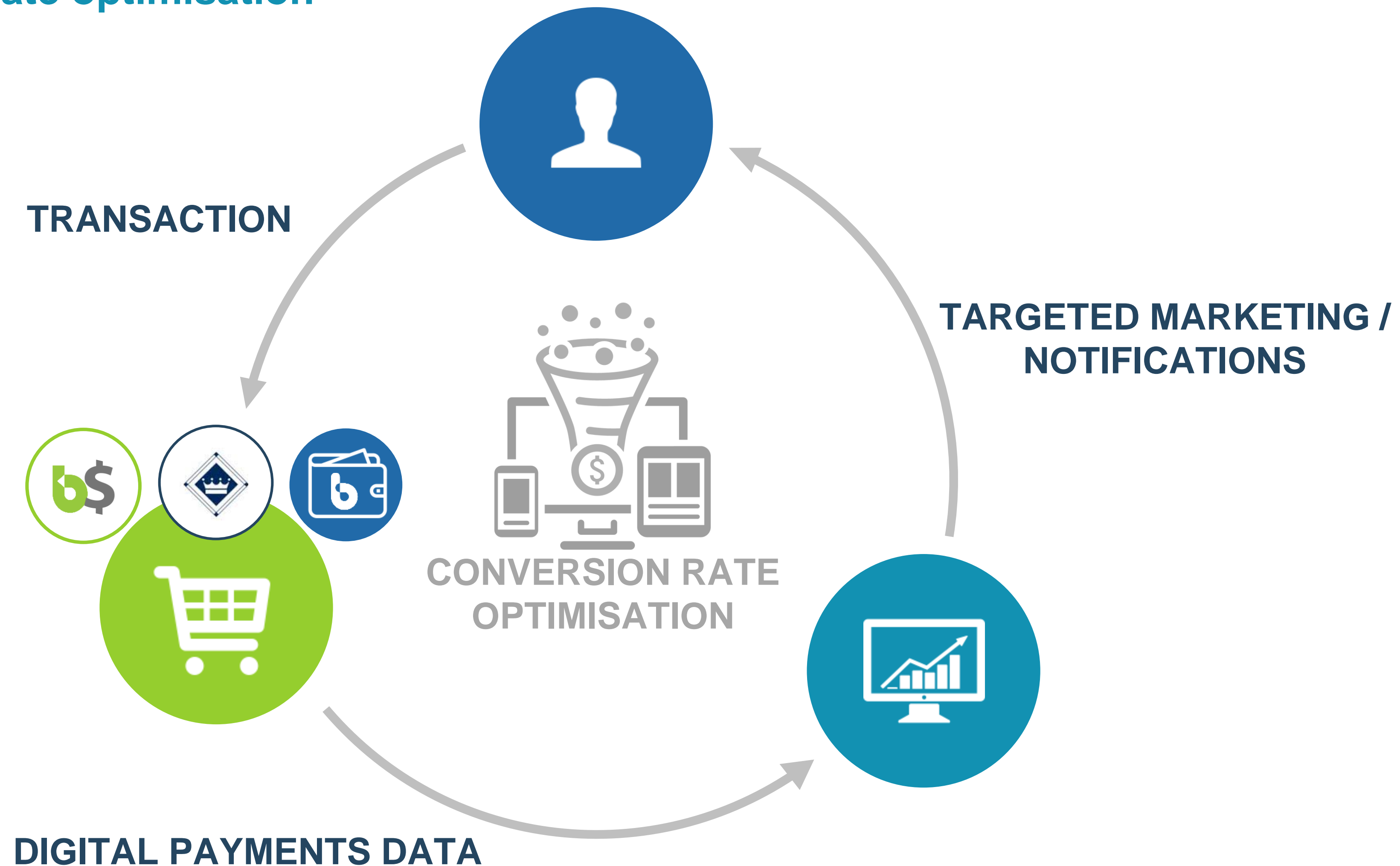
With Entertainment's existing consumer reach, BPS can quickly achieve its near term goal of attracting 100,000 customers to the bucqi platform



Utilising data for conversion rate optimisation

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Analysis of digital payments data can demonstrate ROI to merchants and enhance consumer engagement, leading to conversion rate optimisation



Taking advantage of favourable business and industry fundamentals, BPS can further monetise the merchant base and expand its reach



- ✓ Scalable business producing strong network effects
- ✓ Large addressable market (~A\$1.6 trillion SME turnover)
- ✓ Rapidly growing cashless / smartphone transactions
- ✓ Strong government focus on small business, with tax cuts and increased protections – ‘small business is the engine room of our economy’

1. Source: ABS

Monetise

- ❖ Collaboration with digital marketing and transactional payment specialist, Gruden Group
- ❖ Partnership with Honan Insurance Group to deliver competitively priced and tailored business insurance packages to BPS’ merchant base
- ❖ Agreement with Bartercard merchant, Morlife, to facilitate sales and distribution into China on Alibaba’s 1688.com

Scale

- ❖ Continue to buy back profitable Bartercard franchises in Australia
- ❖ Expand the U.S. franchise footprint – three franchises established recently
- ❖ Acquire other trade exchange / SME based businesses



4. Acquisition of Entertainment

Key terms of the acquisition

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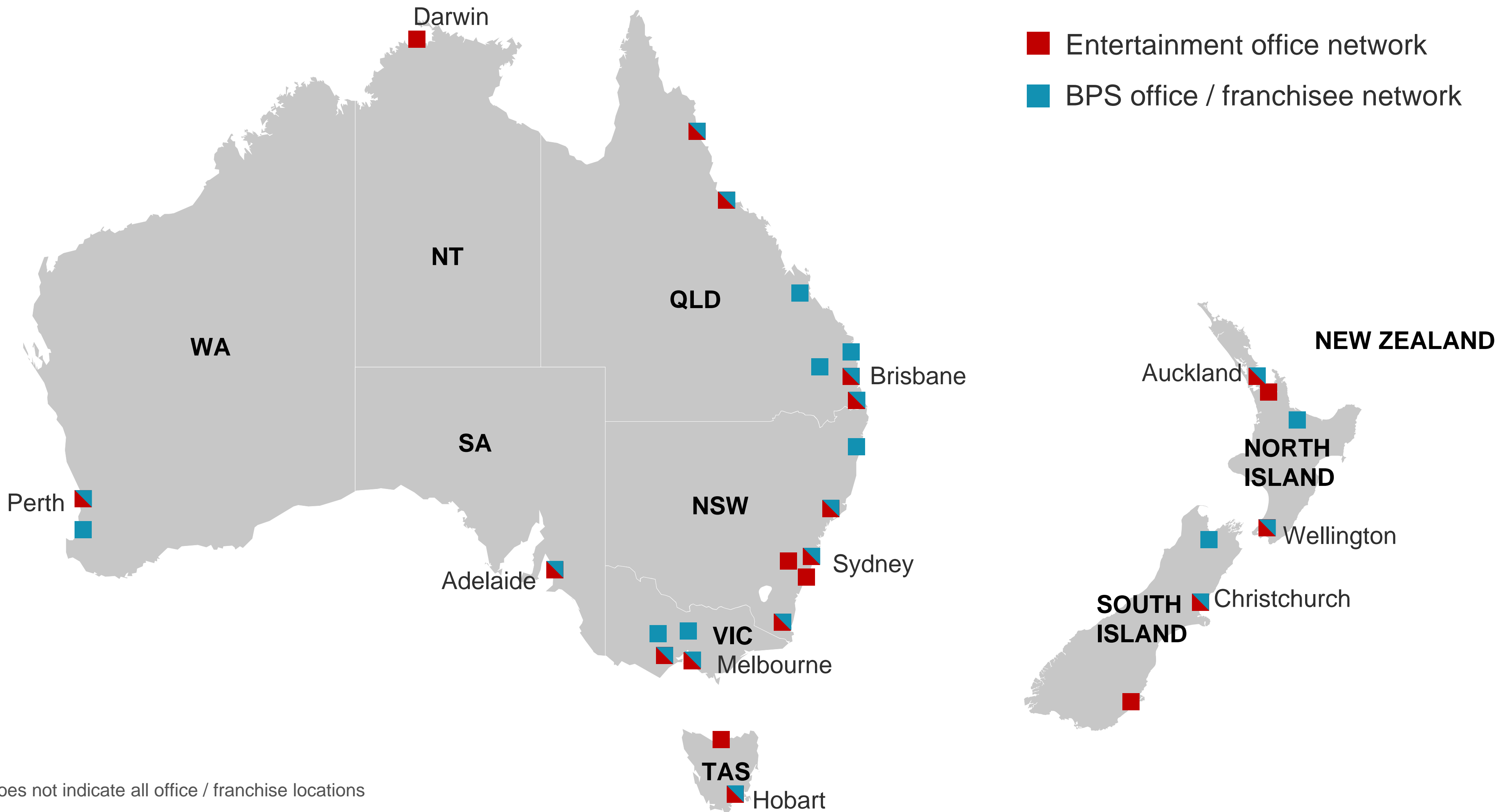
Total consideration	\$25.0m to Ben Johnson, vendor and Managing Director of Entertainment
Cash consideration	\$22.5m
Scrip consideration	2.7m shares at \$0.94 per share (same price as capital raising)
Escrow	BPS scrip issued to vendor as consideration will be escrowed until BPS announces its FY17 results to ASX (i.e. a period of ~12 months)
Management	Entertainment's management team and employees will join BPS and continue to run Entertainment
Vendor service	Ben Johnson holds all the shares in Entertainment and has agreed to remain in the role of Chairman for a period of at least 12 months
Completion	Expected in September 2016, subject to conditions precedent including shareholder approval and capital raising

Benefits of the acquisition

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✓	Valuable asset – captive network with 550,000 paying customers, 12,000 SMEs and 18,000 NFPs built up over 21 years
✓	Synergistic acquisition – significant synergies may be extracted from the combination of BPS and Entertainment
✓	Entertainment acquisition allows BPS to transition into the adjacent tourism and hospitality sector
✓	Existing management and IP / "know-how" in place – no need to inject additional management resources
✓	Entertainment has a proven and cash flow generative business model

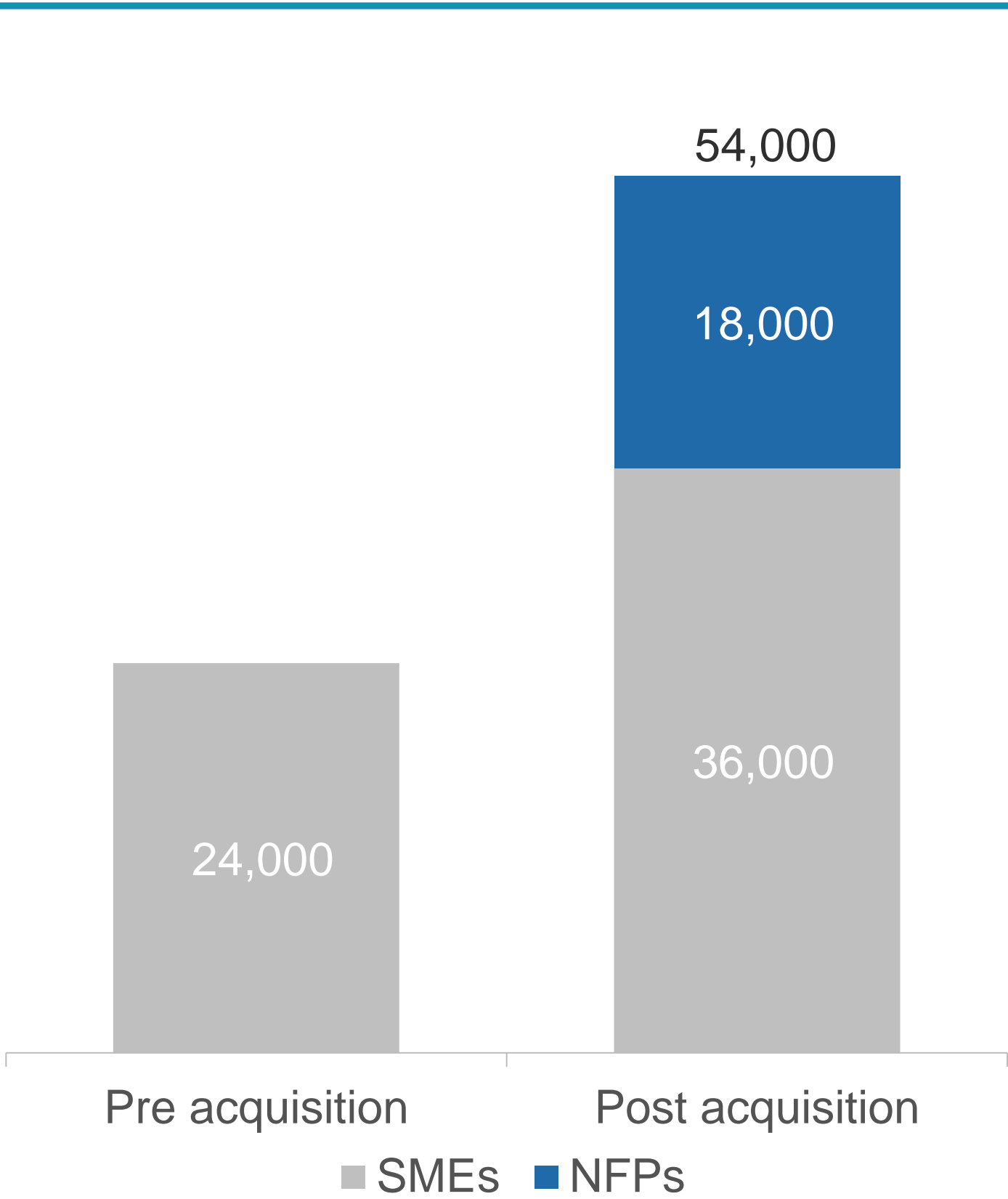
BPS and Entertainment operate in similar geographic localities, allowing for effective consolidation of offices



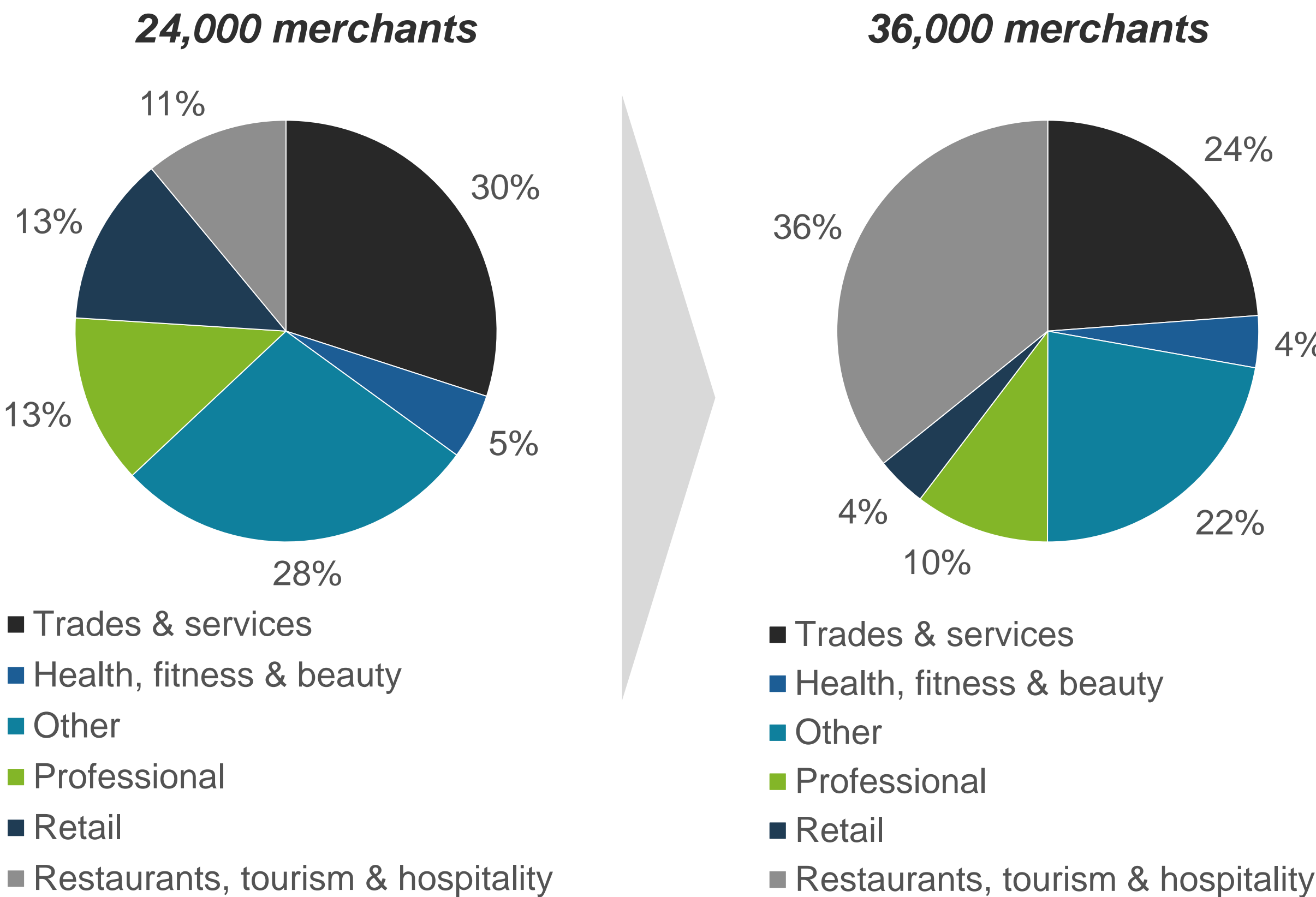
*Note: map does not indicate all office / franchise locations

The acquisition of Entertainment facilitates the transition into an adjacent service sector – the tourism and hospitality sector

MERCHANT / NFP NETWORK



INDICATIVE MERCHANT COMPOSITION (PRE AND POST)





5. Financial information

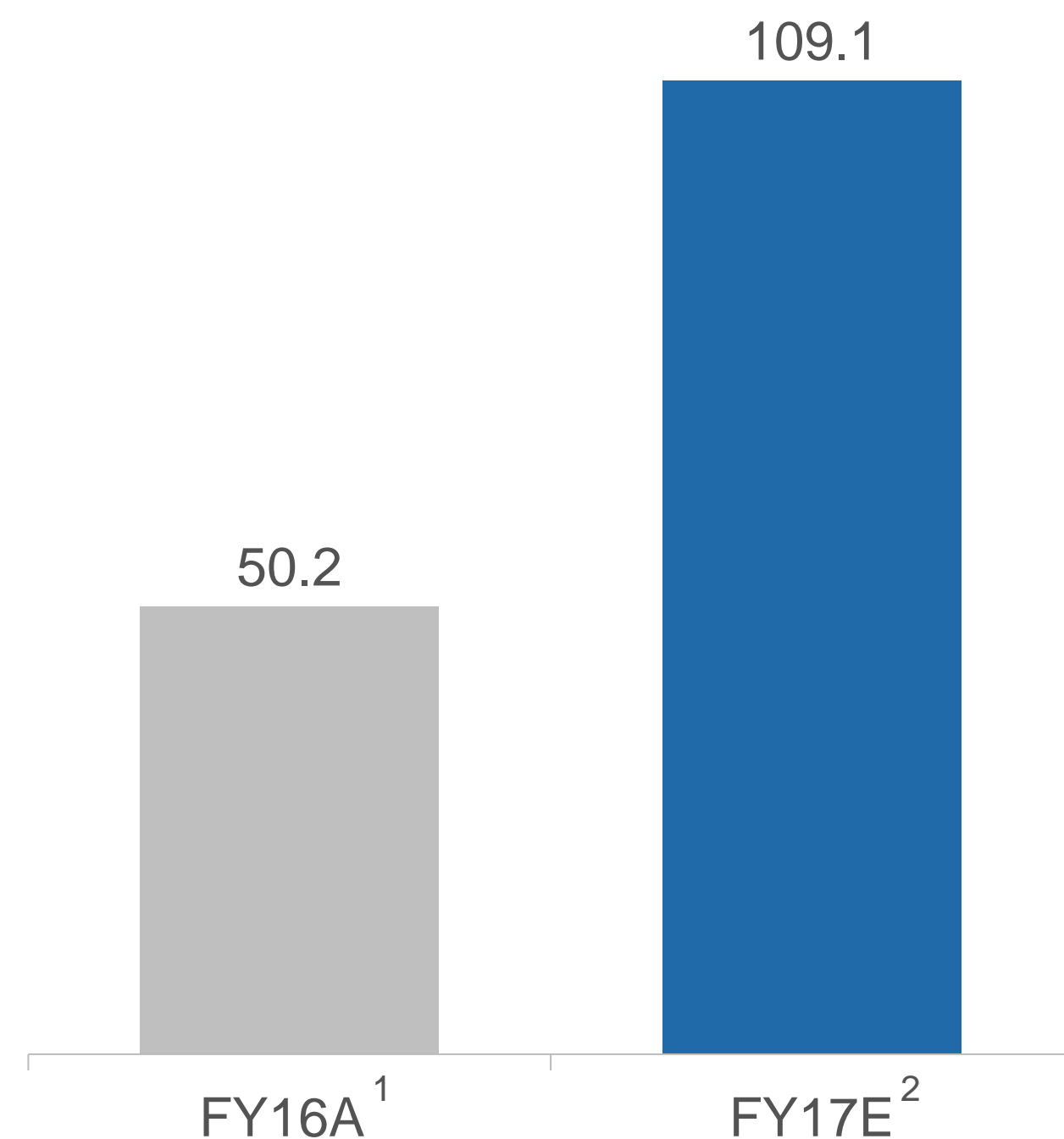
Financial impact of the acquisition

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As a result of the transaction, BPS' revenue and EBITDA are expected to increase by 118% and 49%, respectively from FY16A to FY17E

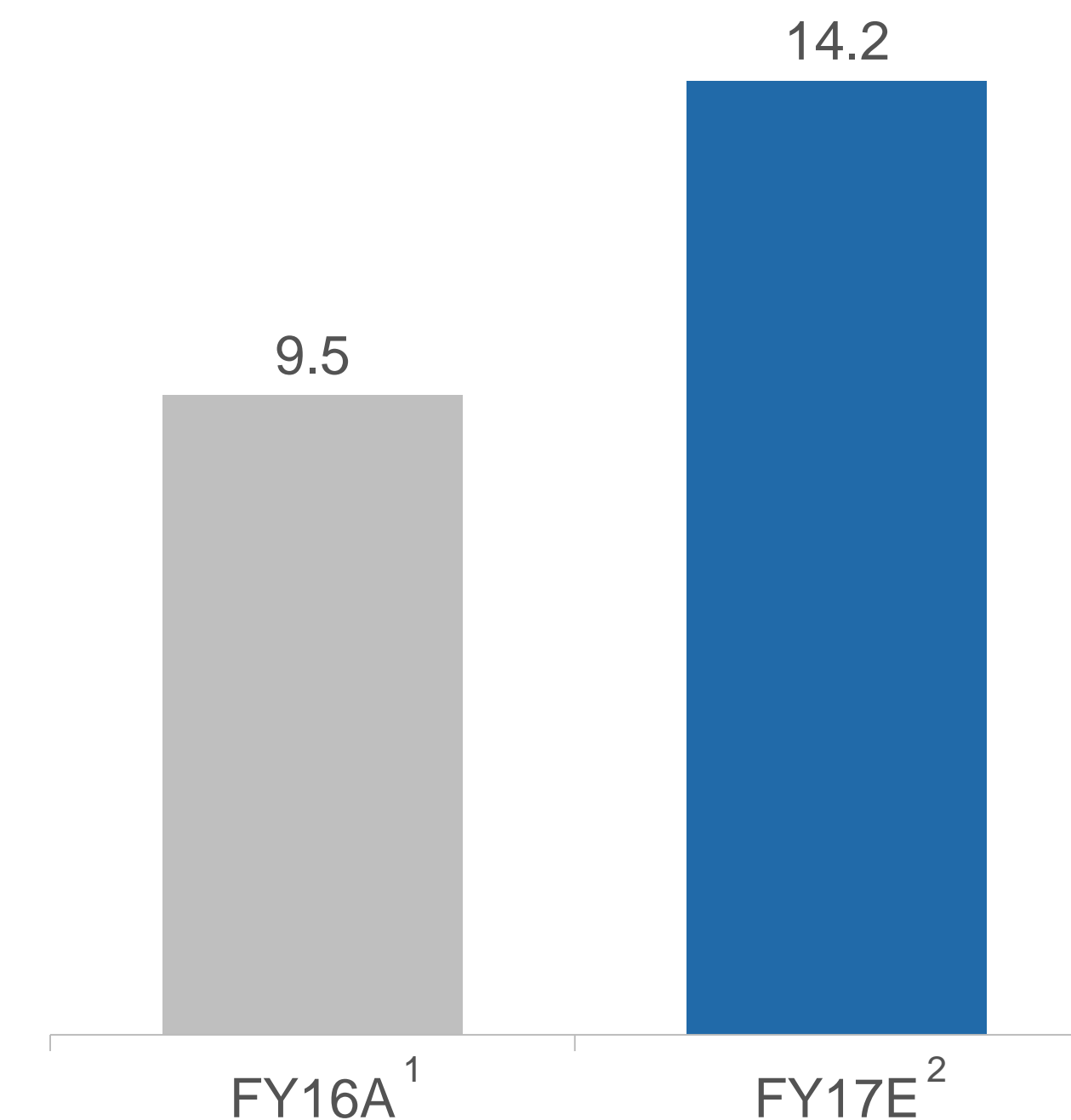
REVENUE (\$m)

Projected 118% increase in revenue



EBITDA (\$m)

Projected 49% increase in EBITDA



1. BPS financial results for FY16A are actual and have been audited. Excludes revenue and cost synergies

2. FY17E figures are based on the pro forma income statement on slide 37

- ❖ Post completion of the acquisition, BPS' key revenue streams will include the following:
 - Fee income: transaction, monthly subscription and franchisee fees
 - Licence fees: sales of Bartercard franchises and software licences
 - Membership subscriptions: sales of membership subscriptions (book and digital)
 - Gift certificates: commission-based sales of gift cards (predominantly major retailers)
- ❖ Entertainment generates the majority of its revenue through the sale of memberships, which occurs between April - July. The membership year runs from 1 June to 31 May (revenue recognised over membership period)
- ❖ Main expenses of BPS post completion of the acquisition include:
 - Direct costs: commissions paid and production (printing) costs
 - Employee expenses
- ❖ Key assumptions underlying FY17E pro forma earnings:
 - Conservative revenue growth for BPS and Entertainment
 - Entertainment gross profit margin of 53%, consistent with historical results
 - No synergies assumed

PRO FORMA INCOME STATEMENT

\$'000	FY17E
Revenue	
Fee income	50,833
Licence fees	3,443
Membership subscriptions	37,229
Gift card sales	16,856
Other	779
Total revenue	109,140
Costs	
Direct costs	37,677
Employee expenses	42,574
Occupancy expenses	4,292
Other	10,435
Total expenses	94,978
<i>Gross profit margin</i>	65%
EBITDA	14,162
<i>EBITDA margin</i>	13%
D&A	1,337
Net interest expense	578
Taxation	1,603
NPAT	10,644
Shares on issue (m)	90.5
EPS (cps)	11.8
DPS (cps)	5.0

- ❖ The assets of BPS post completion of the acquisition will include:
 - Pro forma cash balance of ~\$13.1m
 - Inventories – acquired non-core franchise territories intended to be resold (BPS); gift cards (Entertainment)
 - Intangibles – goodwill from acquisitions of key franchise territories, various brand names/international rights and technology (BPS); brand name and licences (Entertainment)
- ❖ The liabilities of BPS post completion of the acquisition will include:
 - Unearned revenue – revenue received upfront for the Entertainment membership subscriptions
 - Borrowings – overdraft facility (\$3.6m) and convertible note (\$5.0m)
- ❖ Convertible note to be repaid via approved \$10m banking facility from the Commonwealth Bank²

PRO FORMA BALANCE SHEET AS AT 30 JUNE 2016

\$'000	BPS ¹	Entertainment	Adjustments	Pro forma
Assets				
Cash and cash equivalents	906	7,236	5,000	13,142
Trade and other receivables	12,315	948	-	13,263
Inventories	5,793	394	-	6,187
Intangible assets	32,146	33,118	-	65,264
Deferred tax assets	2,576	6,187	450	9,213
Other assets	3,155	3,988	-	7,143
Total assets	56,891	51,871	5,450	114,212
Liabilities				
Trade and other payables	7,072	569	1,500	9,141
Borrowings	8,613	-	-	8,613
Unearned revenue	-	20,625	-	20,625
Other liabilities	4,541	5,677	-	10,218
Total liabilities	20,226	26,871	1,500	48,597
Net assets	36,665	25,000	3,950	65,615
Equities				
Issued capital	26,167	-	28,950	55,117
Reserves	(349)	-	-	(349)
Retained earnings	10,847	-	-	10,847
Total equity	36,665	-	28,950	65,615

1. BPS financial results for FY16A are actual and have been audited

2. Conditional upon a capital raising of a minimum of \$20m

- ❖ Loan proceeds reflects the \$10.0m drawdown of the banking facility from Commonwealth Bank¹
- ❖ Repayment of loans/facilities predominantly comprises the existing overdraft facility of \$3.6m and the \$5.0m convertible note – overdraft facility to remain as extra headroom/capacity
- ❖ Fully franked dividend of 5.0 cents per share to be paid for FY17 (payout ratio of 43%)²
 - In addition, new investors will rank pari passu and be eligible for the FY16 final dividend of 2.0cps, expected to be paid in October 2016

1. Conditional upon a capital raising of a minimum of \$20m
2. Dividend comprises an interim dividend of 2.0cps (expected to be paid in April 2017) and final dividend of 3.0cps (expected to be paid in October 2017)

PRO FORMA CASH FLOW STATEMENT

\$'000	FY17E
Cash flows from operating activities	
Receipts from customers	101,087
Payments to suppliers and employees	(87,851)
Income tax payable	(1,400)
Other operating cash flows	196
Net cash flows from operating activities	12,032
Cash flows from investing activities	
Investment in developing new territories	-
Payment for Entertainment acquisition	(22,500)
Payment for PP&E	-
Payments for acquisition of franchises	(600)
Payments of intangibles	(2,075)
Net cash flows from investing activities	(25,175)
Cash flows from financing activities	
Share issue proceeds	27,500
Costs of offer	(1,500)
New borrowing proceeds	10,000
Repayment of loans/facilities	(11,285)
Dividends paid	(3,540)
Interest	(775)
Net cash flows from financing activities	20,400
Net increase/(decrease) in cash held	7,257
Cash & cash equivalents at beginning of financial year	8,106
Cash & cash equivalents at end of financial year	15,363

The transaction is expected to generate significant cost savings and additional revenues through conversion of Entertainment SMEs to bucqi and Bartercard

REVENUE SYNERGIES

- ❖ Assume conversion of 1,200 Entertainment merchants to Bartercard and 50,000 consumers to bucqi (~10% of network)
- ❖ Standard fees are \$99 per month and 6.5% of each transaction
- ❖ Assume average annual Bartercard transaction value of \$18,000 per merchant and annual bucqi transaction value of \$1,800 per consumer
- ❖ If synergies are realised, BPS may generate approximately \$3m of additional revenue
- ❖ Network of approximately 18,000 NFPs offers an additional distribution channel for BPS

COST SYNERGIES

- ❖ Potential to increase margins by driving growth in mobile app sales (digital membership)
- ❖ Entertainment's IT costs can be brought in-house and administration can be managed centrally – significant cost rationalisation possible
- ❖ Lease savings have been identified when all unnecessary property leases are terminated (likely beyond FY17)



6. Capital raising overview

- ❖ Underwritten institutional placement (“Offer”) of approximately 29.3m of fully paid ordinary shares at \$0.94 per share to raise \$27.5 million, comprising:
 - \$8.7m unconditional placement; and
 - \$18.8m conditional placement, subject to the approval of shareholders at BPS’ EGM expected to be held on 12 September 2016
 - **Senior Management/Director shareholders currently owning / controlling 53% of BPS shares have undertaken to vote in favour of the relevant approvals at the EGM**
- ❖ In addition, BPS intends to offer a non-underwritten SPP to Eligible Shareholders for up to \$15,000 of new Shares per shareholder, capped at \$3.0m (at the same price as the placement) – details will be dispatched to all existing Eligible Shareholders
- ❖ New Shares issued under the placement and SPP will rank equally with existing BPS shares. This includes ranking and eligibility for the FY16 final dividend of 2.0cps expected to be paid in October 2016
- ❖ Proceeds to be used to fund the acquisition of Entertainment and provide growth / working capital
- ❖ Moelis Australia Advisory Pty Ltd is acting as Lead Manager and Underwriter on the Offer

Sources of funds	(\$m)
Cash proceeds from the Offer	27.5
Shares issued to Entertainment vendor ¹	2.5
Total sources	30.0

Uses of funds	(\$m)
Acquisition of Entertainment	25.0
Growth / working capital	3.5
Costs associated with the Offer	1.5
Total uses	30.0

1. Subject to the approval of shareholders at BPS’ EGM expected to be held on 12 September 2016

Key Offer statistics and ownership structure

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Existing securities on issue (m)	58.6
Offer Price (\$)¹	0.94
Discount to last closing price (%)²	(8.3%)
Discount to 10-day VWAP (%)³	(8.8%)
Discount to 30-day VWAP (%)³	(6.3%)
Total proceeds under the Offer (\$m)	27.5
No. of Shares to be issued (m)⁴	31.9
No. of Shares on issue post placement (m)	90.5
Indicative market capitalisation at the Offer Price⁵	85.0

Enterprise Value / FY17E pro forma EBITDA	5.3x
Enterprise Value / FY17E pro forma EBIT	5.9x
Offer Price / FY17E pro forma earnings per Share	8.0x
Implied FY17E dividend yield⁶	5.3%

1. New investors will rank pari passu and be eligible for the FY16 final dividend of 2.0cps, expected to be paid in October 2016
2. Close price on 9 August 2016
3. VWAP is calculated as the total traded value divided by the total traded volume of Shares sold on ASX over the relevant trading period
4. Includes 2.7m Shares to be issued to Entertainment vendor
5. Based on the total Shares on issue post completion of the transaction multiplied by the Offer Price
6. FY17E dividend to be fully franked
7. Post completion of the transaction

	% ownership⁷
Trevor Dietz	11.6%
Brian Hall	11.6%
Tony Wiese	11.1%
Scrip issued to Ben Johnson	2.9%
Investors under the Offer	32.3%
Other existing investors	30.4%
Total	100.0%

SPP record date	Tuesday, 9 August 2016
ASX trading halt	Wednesday, 10 August 2016
Institutional offer opens	Wednesday, 10 August 2016
Institutional offer closes	Thursday, 11 August 2016
ASX announcement and trading halt lifted	Friday, 12 August 2016
Settlement of unconditional placement	Wednesday, 17 August 2016
Allotment and ASX quotation of unconditional placement	Thursday, 18 August 2016
SPP opening date	Thursday, 18 August 2016
SPP closing date	Friday, 9 September 2016
Expected date for EGM to approve securities issued under the conditional placement	Monday, 12 September 2016
Settlement of conditional placement	Wednesday, 14 September 2016
Allotment and ASX quotation of conditional placement (if approved)	Thursday, 15 September 2016
SPP allotment date and dispatch of holding statements	Thursday, 15 September 2016

Note: Dates and times are indicative only and subject to change without notice. BPS reserves the right to alter the dates in this presentation at its discretion and without notice, subject to the ASX Listing Rules and Corporations Act. All dates above are Sydney, Australia time.



7. BPS audited FY16 results

- ❖ Announced +\$100m of real estate on offer through Bartercard websites
- ❖ Appointed Andrew McIntyre as Chief Technology Officer
- ❖ Completed acquisitions of a further two major franchises in Australia
- ❖ Announced contracts with Alibaba partner SmartTrans to gain preferential entry into Chinese markets for its 12,000 Australian members
- ❖ Expanded Bartercard USA operations to ten sites through sale of three new franchises
- ❖ Announced \$2.0m distribution agreement with Morlife into China via SmartTrans / Alibaba
- ❖ Announced partnership with leading digital marketing company Gruden Group
- ❖ Announced insurance products channel with Honan Insurance Group
- ❖ New merchant sales up 25% year on year in Australia following introduction of new sales model
- ❖ bucqi launched in Australia (South East QLD) and NZ (Wellington). As at 30 June 2016, bucqi installed into approximately 340 merchants and ~3,400 consumers have downloaded the app

- ❖ Revenues increased to \$50.2m – breaking the \$50m threshold for the first time
- ❖ EBITDA declined by \$0.5m due to the implementation of a new business model (no upfront payments and higher recurring monthly fees), which involved an increased investment in sales staff and greater sales commissions
- ❖ New business model resulted in additional members joining the Bartercard network, with 25% new member growth in Australia from FY15A to FY16A
- ❖ The tax rate lower in FY16A due to:
 - Investment costs that are deductible for tax purposes but not expensed on the P&L
 - IPO costs of circa \$5m that were capitalised against share capital but deductible for tax purposes over 5 years
 - Technology R&D tax rebates
 - Tax effect of trade dollar transactions

INCOME STATEMENT

\$'000	FY15A	FY16A ¹
Fee income	41,727	43,906
Licence fees	6,397	6,266
Total Revenue	48,124	50,172
Operational costs	38,182	40,702
EBITDA	9,942	9,470
Depreciation and amortisation	619	802
Interest	(33)	534
Profit before income tax	9,356	8,134
Income tax expense	1,467	789
Earnings for the year	7,889	7,345

1. BPS financial results for FY16A are actual and have been audited

- ❖ The increase in receivables primarily relates to licence and franchise sales
- ❖ Inventories primarily represent nine franchise territories which have recently been acquired and are available for sale
- ❖ Intangibles increased due to the acquisition of key franchise territories (to be held as company owned offices) and further investment in technology
- ❖ BPS has existing facilities with Commonwealth Bank of \$4.0m, with \$3.6m drawn down as at 30 June 2016. BPS has received an approved term sheet from Commonwealth Bank for a \$10.0m debt facility²
- ❖ BPS raised \$5.0m via a convertible note in December 2015 to settle acquisitions and accelerate merchant growth
- ❖ Key terms of convertible notes:
 - Term of 24 months (expiring December 2017)
 - Coupon of 12% in the first year and 14% in the second year
 - Strike price calculated as the lower of \$1.175 per share and the price at which any additional shares are issued during the term of the note
 - Can be redeemed after December 2016 with no early redemption penalty

BALANCE SHEET

\$'000	as at 30 June 2015	as at 30 June 2016 ¹
Cash and cash equivalents	2,743	906
Trade and other receivables	6,772	12,315
Inventories	5,762	5,793
Deferred tax assets	2,840	2,576
Intangible assets	26,416	32,146
Other assets	1,543	3,155
Total assets	46,076	56,891
Trade and other payables	9,247	7,072
Borrowings	-	8,613
Other liabilities	4,098	4,541
Total liabilities	13,345	20,226
Equity	32,731	36,665

1. BPS financial results for FY16A are actual and have been audited

2. Conditional upon a capital raising of a minimum of \$20m

- ❖ Key uses of cash in FY16A included:
 - Development of new territories in UK and USA
 - Acquisitions of two major franchises in Australia
 - Investment in technology development
 - Repayment of franchisee vendor loans
 - Dividend of 5.25 cents (unfranked) paid to shareholders
- ❖ Differences between profit before tax and operating cash flow is due to an increase in net working capital and non-cash charges (depreciation and amortisation)

CASH FLOW STATEMENT

\$'000	FY15A	FY16A ¹
Cash flows generated from operating activities	6,086	5,132
Cash flows applied in investment activities:		
Investment in developing new territories	-	(1,375)
Purchase of property, plant and equipment	(165)	(182)
Purchase of investments	(16,110)	(1,500)
Purchase of intangibles	(8,614)	(6,476)
Proceeds from sale of property	338	-
Cash flows from financing activities:		
Repayment of loans	-	(1,972)
Interest paid	-	(534)
Net proceeds from new borrowings		3,543
Net proceeds from issue of convertible notes	-	4,598
Dividends paid	(1,316)	(3,071)
Net proceeds from issue of share capital	22,523	-
Net increase (decrease) in cash held	2,742	(1,837)
Cash at beginning of financial period	1	2,743
Cash at end of financial period	2,743	906

1. BPS financial results for FY16A are actual and have been audited



8. The BPS team



Murray d'Almeida
Non-Executive Chairman

- Murray has over 35 years of diverse national and international business experience. Murray began his career as an accountant in Perth. He founded Retail Food Group Limited (ASX:RFG) and led its global expansion
- Murray's current board roles include: Chairman of Management Resource Solutions Plc; Chairman of Barrack Street Investments Ltd; Director of Pacific Environment Ltd; Member Gold Coast Light Rail Business Advisory Board; Councillor Southern Cross University; Director of Tasmania Magnesite NL; Trustee of Currumbin Wildlife Foundation; Chairman of the Bartercard Charity Foundation



Tony Lally
Independent Non-Executive Director

- Anthony has 30 years senior executive experience in the financial services sector, most recently, as Chief Executive Officer of Sunsuper, the third largest Superannuation fund in Australia
- Anthony has extensive experience in funds management and led Australia's largest retail funds management business at Commonwealth Bank (1993-2000). He was Head of Retail for Asia Pacific at Deutsche Asset Management, based in Tokyo (2000-2002) and later a Partner at Deloitte (2003-2005)
- A key feature of his career has been building successful businesses



Trevor Dietz
Chief Executive Officer

- Trevor has over 30 years' experience in retail, corporate and international banking, finance and human resource management. He was previously Chief Operating Officer for the Bartercard International Group and Managing Director of Bartercard Australia from 2005 until 2009. Before joining Bartercard, Trevor was Chief Executive Officer of the Institute of Public Accountants
- Trevor is a Non Executive Director of the Institute of Business Leaders and Deputy Chair of the Advisory Board to the School of Business at Bond University and the Founding Director of the Bartercard Charity Foundation



Tony Wiese
Chief Financial Officer

- Tony is a Chartered Accountant with 24 years' experience in financial and executive management
- Tony founded and listed Onelogix Group Limited, a logistics and supply chain company in South Africa. Tony held the role of Chief Executive Officer with this company for three years prior to moving to Australia. Prior to this he helped build and became an Executive Director of the publicly listed South African transport group Super Group Limited. Tony was the Chief Executive Officer of the Rental and Logistics Division of Super Group Limited which included twelve subsidiary companies



Brian Hall
CEO Bartercard Group

- Brian is a co-founder and has been the Chief Executive Officer of the Bartercard Division of BPS
- With over 26 years of relevant sales and management experience, Brian is one of the most experienced managers in the trade exchange industry and has a deep understanding of its drivers, participants and key success factors
- Over the past 25 years Brian has been hands-on developing the technology for the sales and trading systems and franchise model of Bartercard both domestically and internationally



Andrew McIntyre
Chief Technology Officer

- Andrew joined BPS in 2015 and has more than 20 years' practical experience in a mixture of hands-on, senior management and board roles
- Andrew has a strong background in strategy, policy implementation, service delivery, and client services, while also having a proven track record as an agent of change and in fostering a confident and capable workforce
- Andrew is a visionary leader on business strategy, risk mitigation and the ability to achieve cost efficiencies through ICT innovation, developing robust software platforms and building high performance scalable infrastructure
- Andrew also serves on the board of Queenslanders Credit Union and is the youngest member of that Board in the Credit Union's 50 year history



Phil Scott
Inventor of bucqi

- Philip is the creator of the bucqi mobile payment system. His background is as a technology developer, both software (desktop and web based) and hardware (custom consumer and industrial electronic designs). He has substantial experience in software and web development using Delphi, jQuery, HTML, CSS and cross platform App development for iPhone/Android/ Windows mobile devices. Philip has over a decade's experience in marketing and technology development in the consumer space
- Philip graduated from the University of Pretoria in 1990 with a Bachelor of Engineering (Electronics), Electronic and Software Engineering



Clive van Deventer
CEO Bartercard Australia

- Clive comes to Bartercard with more than 30 years of business, sales and marketing experience holding positions including Senior Vice President Sales and Marketing for Asia Pacific at Wyndham Worldwide and General Manager of Accor Vacation Club Asia
- He holds a Master of Business Administration (MBA) and has experience in working with both small and large teams of up to 450, building brands, growing memberships and working in complex industries across the USA, South East Asia, South Africa, Australia and New Zealand
- Clive has a deep understanding of sales, marketing and developing sustainable business strategies



John Scott
*CEO Bartercard
New Zealand*

- Appointed the CEO of Bartercard NZ in January 2013, John has been instrumental in revitalising the strategic focus of the organisation, developing its next group of leaders and introducing new technologies and ways of servicing their customer membership
- With over twenty years' experience in New Zealand based senior management roles - previously as General Manager with Dun & Bradstreet and prior to that as the Auckland Manager with Thomson Reuters, John has a strong track record in leadership and change management






Paul Bolte
CEO Bartercard USA

- Paul joined Bartercard in 2007 as the CEO of Bartercard New Zealand until 2012
- In 2013 Paul moved to the United States to launch Bartercard USA and with his US based team has been building the foundations needed for rapid growth through franchising
- Bartercard USA currently operates from ten sites in the USA with more destined to come on line in 2016



Phil Ciniglio
CEO Bartercard Europe

- Philip has over 30 years of business, sales and marketing experience through his employment with large global corporate organisations such as Bridgestone, Century Yuasa Batteries and Retail Food Group, having held senior positions in general management, marketing, sales management and franchising
- Philip has successfully developed over 30 franchise systems for many well known brands, which include Donut King Australia, Century Yuasa Batteries and Bartercard Australia
- Philip's most recent appointment is as Executive Director and CEO of Bartercard Operations Europe Ltd. Philip has successfully sold the Master Franchise rights to Bartercard UK and is currently developing the Master Franchise model to push into and roll out throughout Europe

 <p>Ben Johnson <i>Managing Director</i></p>	<ul style="list-style-type: none">• Ben Johnson started his career in Seattle, Washington USA as the District Manager for Entertainment Publications Inc. The following year he opened the first international office in Vancouver BC. He then became Vice President of the Western Division and responsible for over 30 markets throughout the Western part of the USA. Many of those markets were initially opened by Ben• In 1994 Ben formed a Joint Venture Partnership with Entertainment Publications Inc. to open new markets for the company throughout Australia and New Zealand. In 2003 Ben purchased the US company's shares to become the sole shareholder of the Australia and New Zealand businesses, and his role is now Managing Director of Entertainment Publications of Australia• Ben also serves on the Board of the New South Wales Restaurant Association, where he has served for the last 15 years as the Vice President of Associates• Ben holds a marketing degree from the University of Colorado
 <p>Heidi Halson <i>General Manager (Aus and NZ)</i></p>	<ul style="list-style-type: none">• Heidi Halson started with Entertainment Publications of Australia in 1994 as the District Manager for Melbourne. With Melbourne as a success, Heidi started new offices in Perth and Adelaide. Shortly thereafter she travelled to New Zealand to start Auckland and then Christchurch. She was then instrumental in starting, or helping to start, all other offices. There are now 22 offices between the two countries. As General Manager for both Entertainment Publications Australia and Entertainment Publications New Zealand, Heidi oversees all aspects of the business in both countries• Heidi holds a Bachelor of Arts degree in Hospitality Administration / Management and Economics (1985) from Washington State University and has held positions in restaurant management as well as sales management prior to her role with Entertainment Publications
 <p>Paul Corry <i>Chief Financial Officer</i></p>	<ul style="list-style-type: none">• Starting in the hospitality industry as General Manager of the Irish Times Pub Group in Belgium, Paul has worked in a diverse range of industries, such as coding and printing solutions, travel management, shared service solutions and digital advertising, in Europe and Australia• Since joining Entertainment Publications prior to the launch of the Digital Membership, Paul has played a key role in the organisation's successful move into the digital market place. Paul's direct line responsibilities include the Finance, IT and Customer Service divisions and he is dedicated to driving operational and commercial advancements throughout the organisation• Paul holds a Bachelor of Science (surveying) and a Diploma in Property Economics from Trinity College Dublin



9. Key risks

General / market risks

Share price risk – There are general risks associated with an investment in the share market. As such, the value of Shares may rise above or fall below the Offer Price, depending on the financial position and operating performance of BPS. Further, broader market factors affecting the price of BPS shares are unpredictable and may be unrelated or disproportionate to the financial or operating performance of BPS. 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 rates and foreign exchange rates. Volatility in global credit markets could negatively impact the value of the Shares.

Failure to comply with laws and regulation – BPS is subject to substantial regulatory and legal oversight in Australia. The agencies with regulatory oversight of BPS and its subsidiaries include, among others, ASX and ASIC. Failure to comply with legal and regulatory requirements may have a material adverse effect on BPS and its reputation among customers and regulators and in the market. BPS has compliance frameworks, policies and procedures in place to manage the risk of non-compliance.

Reputation – Reputation risk may arise through the actions of BPS and adversely affect perceptions of BPS held by the public, shareholders, regulators or rating agencies. These issues include appropriately dealing with potential conflicts of interests, legal and regulatory requirements, ethical issues, privacy laws, information security policies and sales and trading practices. Damage to BPS's reputation may have an adverse impact on BPS's financial performance, capacity to source funding and liquidity, cost of sourcing funding and liquidity and by constraining business opportunities.

Trade Exchange Industry – Bartercard has an established history of operation within the trade exchange industry. Despite this, should the prevailing economic conditions in the industry change such that there is a significant reduction in the value or volume of transactions, there is likely to be an adverse impact upon the financial performance and/or financial position of BPS.

Changes in Law and Government Policy – With the rise in digital currencies like bitcoin, there is increasing risk of changes to laws and regulations in relation to digital currencies. While this may work in BPS' favour, there is a risk such changes could impact on BPS' ability to offer its platforms or result in penalties and other liabilities in the event that BPS fails to take account of such laws and regulations. BPS has developed a strategy to ensure it places its concerns in front of any Government body seeking to implement changes which may adversely affect the Company's operations. BPS could also be negatively impacted by any failure to gain approval from the regulatory authorities in foreign countries to allow the buccq mobile payment system to operate in the relevant country.

Competition – New technologies are constantly emerging in each of the areas in which BPS operates and the cost of developing, launching and bringing to market these competing technologies continues to fall. The payments space is particularly competitive with many well-funded international competitors. Failure to compete successfully in other countries against current or future competitors would materially impact BPS' business. An inability to adapt to technological advancement may negatively impact the ability to attract customers and have a material adverse effect on the business of BPS.

Exchange Rate Risk – BPS is forecast to derive substantial income from operations in other countries and this may increase as the Company expands its operations. Strengthening of the Australian dollar may have a material negative impact on the Company's earnings.

Personnel – BPS' success, in part, depends upon the continued performance, efforts, abilities and expertise of its key management personnel, as well as other management and technical personnel including those employed on a contractual basis. The loss of the services of these personnel without replacement could have an adverse impact on the successful operation, management and marketing of BPS' product/service offerings and platforms. Further, a substantial increase in labour costs for employees or contractors may have an adverse impact on the financial performance and/or financial position of BPS.

Third Party Failure – BPS is reliant on a number of third party contractors. These third parties provide essential services on an outsourced basis including software and/or product development activities. Accordingly, BPS is reliant on contractors properly performing their contractual obligations and performance failures may have an adverse effect on BPS. BPS is also an extensive user of third party provided I.T. hardware and software platforms, systems and infrastructure. BPS is reliant on these suppliers properly performing their contractual obligations, performance failures and unreasonable price increases may have a material adverse effect on BPS. A failure by any of these suppliers to provide those services or a failure of their systems may adversely affect BPS' ability to provide services to its customers.

Service Delivery Failure – BPS relies on its intellectual property to provide its customers with its service. There may be a failure to deliver the service as a result of numerous factors including human error, power loss, improper building maintenance of landlords in leased or licenced premises via earthquake, flood and other natural disasters, industrial disruption, sabotage, vandalism and other factors. Any material failure in service delivery will have a material adverse effect on the business of BPS.

Internet/Hosting – BPS is reliant on continued access to the internet and on the parties that host BPS' cloud based platforms. Accordingly should internet or hosting service be disrupted for prolonged periods, then the service that BPS provides to its customers will be compromised which in turn could impact BPS.

Security and Unauthorised Use – Security risks are a factor in all internet-based systems. Any breach of security in BPS' platforms could have several negative impacts including as a result of the nonperformance of the platforms, the loss of confidential information and damage to the reputation of BPS' platforms. The laws relating to trade secrets, copyright and trade marks assist to protect its proprietary rights. Despite these measures there can be no guarantee that unauthorised use or copying of technology owned or developed by BPS will be prevented. Any such claims could impact BPS' ability to licence its platforms in their current forms or require BPS to pay damages and / or licence fees to the party claiming infringement.

Funding – There is no certainty that BPS will remain well funded, especially if existing financial resources are invested in growth or the development of BPS' technology platforms and that investment does not generate a timely return. BPS does not currently generate a profit and the time taken before the platform generates a profit may prove longer and more costly than currently envisaged by senior management.

Insurance – BPS has insurance including Directors' and Officers insurance, which it believes to be commensurate within industry standards and adequate having regard to the business activities of BPS. However, there is a risk that BPS' insurance coverage will be insufficient to meet a very large claim or a number of large claims, that BPS is unable to secure insurance to satisfactorily cover all anticipated risks or that the cost of insurance will increase beyond anticipated levels. Accordingly, BPS could be adversely impacted by increases in the cost of insurance premiums or an inability to access adequate insurance coverage.

Litigation Risk – BPS is not currently involved in any material litigation and the Directors are not aware of any facts or circumstances that may give rise to any material litigation. However, given the scope of BPS' activities and the wide range of parties it deals with, BPS may in the future be exposed to potential litigation from third parties such as customers, regulators, employees and business associates.

Acquisition risks

Completion risk – There is a risk that the acquisition of Entertainment may not complete due to a failure to satisfy a condition precedent in the sale and purchase agreement. The conditions precedent include shareholder approval and a capital raising. If the acquisition does not complete, there is no guarantee that BPS will seek to return that capital, even if it has excess capital as a result.

Key employees – Entertainment has a core management team with key experience in the markets in which the businesses operates and responsibility for some key client relationships. Failure to retain some of the core management team post acquisition may have a material adverse effect on BPS's ability to deliver the expected benefits of the acquisition in the short to medium term.

Reliance on information provided – BPS undertook a due diligence process in respect of Entertainment, which relied in part on the review of financial and other information provided by the vendors of Entertainment. Despite making reasonable efforts, BPS has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, BPS has prepared (and made assumptions in the preparation of) the financial information relating to Entertainment on a stand-alone basis and also the financial information relating to BPS post-acquisition included in this Presentation in reliance on limited financial information and other information provided by Entertainment. BPS is unable to verify the accuracy or completeness of all of that information. If any of the data or information provided to and relied upon by BPS in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of BPS and the enlarged group may be materially different to the financial position and performance expected by BPS and reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition have been identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material adverse effect on BPS.

Acquisition analysis – BPS has undertaken financial and business analysis of Entertainment in order to determine its attractiveness to BPS and whether to pursue the acquisition. To the extent that the actual results achieved by Entertainment are weaker than those indicated by BPS analysis, there is a risk that the profitability and future earnings of the operations of the enlarged group may differ (including in a materially adverse way) from the current performance as reflected in this presentation.

Integration risk – The acquisition of Entertainment involves the integration of the Entertainment business, which has previously operated independently to BPS. There is a risk that the integration of Entertainment may be more complex than currently anticipated, encounter unexpected challenges or issues or take longer than expected, divert management's attention from other areas of the BPS business or not deliver the expected benefits. This may affect BPS's operating and financial performance.

Historical liability – If the acquisition of Entertainment is successfully completed, there is a risk that BPS, as the new owner of Entertainment, may become directly or indirectly liable for any liabilities that the Entertainment businesses have incurred in the past, which were not identified during due diligence or which are greater than expected, and for which there is no protection for BPS (in the form of insurance, representations and warranties and indemnities). Such liability may adversely affect the financial performance or position of BPS post-acquisition.

Acquisition accounting – In accounting for the acquisition, BPS has performed a preliminary fair value assessment of all of the assets, liabilities and contingent liabilities of the Entertainment businesses. BPS will undertake a formal fair value assessment of all of the assets, liabilities and contingent liabilities of Entertainment post-acquisition, which may give rise to a materially different fair value allocation to that used for the purposes of the financial information set out in this Presentation. Such a scenario will result in a reallocation of the fair value of assets and liabilities acquired to or from goodwill and also an increase or decrease in depreciation and amortisation charges in the enlarged group's income statement (and a respective decrease or increase in net profit after tax).

Change of control – The acquisition of Entertainment may trigger change of control clauses in some material contracts to which Entertainment is a party. Where triggered, the change of control clauses will in most cases require counterparty consent. If any of the material contracts containing a change of control clause are terminated or renegotiated on less favourable terms, it may have an adverse impact on BPS's financial performance and prospects.



Appendix A: Foreign jurisdictions

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") in BPS in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO). No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

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 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.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The issuer is not authorised or recognised by the MAS and the New Shares are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Shares may not be circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA. This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.