



InPayTech
Integrated Payment Technologies Limited

Financial Report
Half-year ended 31 December 2016





Disclaimer

☐ Summary information

This presentation contains summary information about Integrated Payment Technologies Limited (Company) (ASX: IP1) and its activities as at the date of presentation. The information in this presentation is of a general nature and does not purport to be complete or contain all information that a prospective investor should consider when evaluating an investment decision in the Company or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act 2001 (Cth) (Corporations Act). This presentation should be read in conjunction with the Company's other periodic news releases or ASX disclosure documents as available from time to time.

☐ Forward looking statements

This presentation contains forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks that may cause the actual results, performance or achievements of the Company to be materially different from the statements in this presentation. Actual results could differ materially depending on factors such as the availability of resources, regulatory environment, the results of advertising and sales activities and competition.

☐ Not an offer of securities or financial products

This presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities or any financial product nor does it constitute financial product or investment advice nor take into account your investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this presentation but must make its own assessment of the Company and conduct its own investigations and analysis. Before making an investment in the Company, a prospective investor should consider whether such an investment is appropriate to their particular investment objectives and financial situation and seek appropriate advice, including legal, taxation and financial advice appropriate to their jurisdiction and circumstances.



Successful Listing on ASX

- ❑ Listed on ASX on 19 December 2016
- ❑ Subdued listing price due to:
 - ❑ Some selling by Pre IPO clients of a broker that did not participate in the IPO
 - ❑ Minor selling by clients of IPO brokers who placed 78% of the Pre IPO
- ❑ Good after market support from IPO institutions
- ❑ Over 420 investors

Profit/(Loss)

Segmented Consolidated Profit/(Loss) for the 6 Months ending 31 December 2016

31-Dec-16	InPayTech	ClickSuper	Payment Adviser/PayVu	Consolidated
	\$	\$	\$	\$
Revenue	-	1,091,058	18,370	1,109,428
Less transaction costs	-	(280,467)	(4,140)	(284,607)
Gross profit	-	810,591	14,230	824,821
Interest and other income	34,910	2,265	105	37,280
	34,910	812,856	14,335	862,101
Corporate overheads				
Administration expenses	(57,252)	(64,591)	(1,128)	(122,971)
Consulting fees	-	(30,850)	-	(30,850)
Amortisation	(399)	(5,313)	-	(5,712)
Directors fees	(56,250)	-	-	(56,250)
Salary and employee benefits expense	(177,343)	(490,684)	-	(668,027)
Premises Expense	(11,832)	(51,101)	-	(62,933)
	(303,076)	(642,539)	(1,128)	(946,743)
Profit/(Loss) from operations	(268,166)	170,317	13,207	(84,642)
Amortisation of acquired assets				
Client relationships	(150,694)	-	-	(150,694)
Patents	(21,296)	-	-	(21,296)
Computer software	(333,170)	-	-	(333,170)
IPO costs	(627,196)	-	-	(627,196)
Total expenses	(1,435,432)	(642,539)	(1,128)	(2,079,099)
Profit/(loss) before Interest and tax	(1,400,522)	170,317	13,207	(1,216,998)
Finance costs	(70)	(135)	-	(205)
	(1,400,592)	170,182	13,207	(1,217,203)
Tax (expense)/benefit	429,293	(51,373)	(3,962)	373,958
Profit/(Loss) for the period	(971,299)	118,809	9,245	(843,245)
Other comprehensive income	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income for the period	(971,299)	118,809	9,245	(843,245)



Balance Sheet

	31-Dec-16	30-Jun-16
	\$	\$
Assets		
Current		
Cash and cash equivalents	4,806,448	11,323,893
Trade and other receivables	203,315	93,058
Other financial assets	-	113,857
	5,009,763	11,530,808
Non-current		
Property, plant and equipment	33,939	-
Deferred Tax Asset	524,852	-
Intangible Assets	15,502,826	-
	16,061,617	-
Total Assets	21,071,380	11,530,808
Liabilities		
Current		
Trade and other payables	214,148	44,615
Provisions	93,862	-
Subordinated Loan	50,000	-
	358,010	44,615
Non-current		
Deferred Tax Liabilities	1,491,872	-
Provisions	35,007	-
	1,526,879	-
Total Liabilities	1,884,889	44,615
Net Assets	19,186,491	11,486,193
Equity		
Accumulated losses	(892,385)	(36,921)
Share capital	20,072,848	11,523,114
Share Option Reserve	6,028	-
Total Equity	19,186,491	11,486,193



Notes to Profit/(Loss)

- ❑ Consolidated operating net loss before tax \$(84,642)
- ❑ Assets acquired from the Payment Adviser Group being written off are:
 - ❑ Client Relationships amortised in a straight line over 17 years in accordance with an independent valuation
 - ❑ Patents amortised over the remaining life of the patent
 - ❑ Pending Patents capitalised
 - ❑ Computer Software amortised in a straight line over 5 years
- ❑ IPO costs higher than prospectus forecasts due to the ASX requiring the Group audit to be extended to 30 June 2017 and other requirements which increased the audit and legal costs significantly



Business Development

- ClickSuper

- Before tax profit \$170,182

Totals for calendar year	Dec-16	Dec-15	Growth
Transactions processed (in millions)	5.39	1.80	299%
Contributions processed (in billions)	\$3.11	\$1.02	306%

- Growth is expected to be achieved by:

- Single Touch Payroll (STP) post July 2017
- Employers realising the risk of identify fraud in extracting and sending personal employee data for both STP and superannuation



Business Development

- ❑ Payment Adviser new SME product PayVu:
 - ❑ Uses patent + ClickSuper SuperStream messaging service
 - ❑ Leverages the employer's internet banking to remove the need for a clearing house
 - ❑ Anticipated group revenue increase example:
 - ❑ ClickSuper income from an employer with 10 employees paying super contributions quarterly: \$8 p.a.
 - ❑ PayVu income: \$60 p.a. (minimum monthly fee \$5 x 12)



New SME Product Launch

- ☐ Product Overview available at <http://payvu.com.au/>
- ☐ Currently in beta-testing, release in two weeks
- ☐ Accounting Software:
 - ☐ Xero (now)
 - ☐ Quickbooks (next)
- ☐ Banks:
 - ☐ ANZ, CBA, NAB, WBC (now)
 - ☐ Bendigo (next)





PayVu Payments

- ☐ All business payments
 - ☐ Invoices
 - ☐ Goods & Services Tax
 - ☐ Business Activity Statement
 - ☐ Salaries (includes Single Touch Payroll messaging from 2018)
 - ☐ Pay As You Go Tax
 - ☐ Payroll Tax
 - ☐ Superannuation (includes SuperStream messaging)



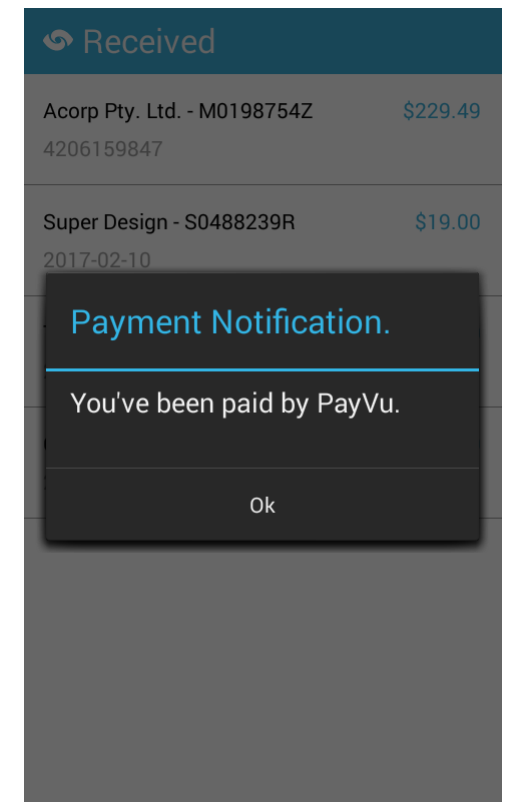
PayVu - Superannuation

- ❑ Disrupter in the SME Clearing House market
 - ❑ Clearing House Model
 - ❑ Contributions held by Clearing House on average 4.2 days
 - ❑ Employer Direct (PayVu) model
 - ❑ Contributions transferred by employer directly to super fund
 - ❑ Unreconciled contributions returned directly to employer
- ❑ SME owners and employees achieve higher retirement savings
- ❑ ATO: 700,000 SME's (businesses with less than 20 employees)



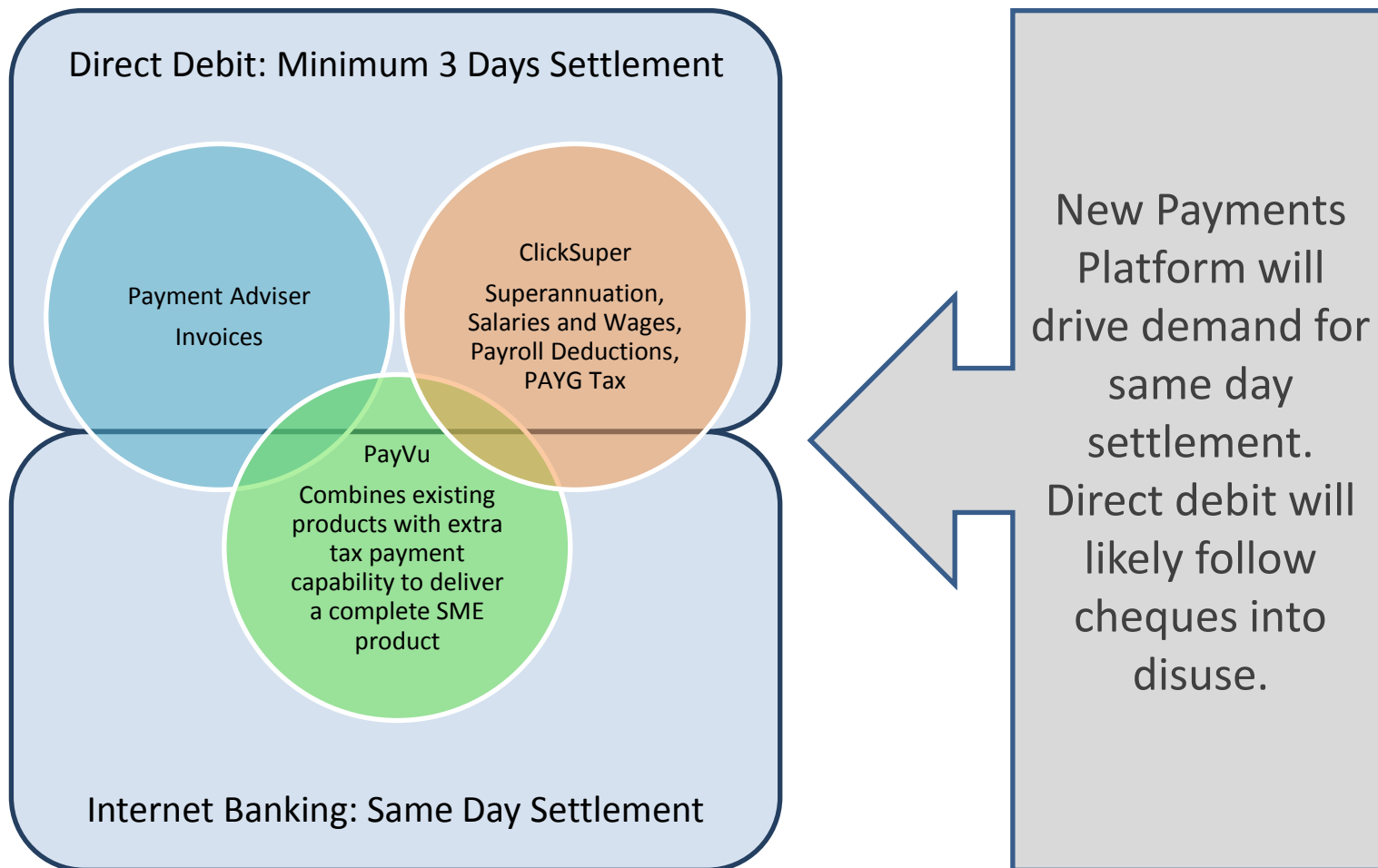
PayVu – Viral Distribution

- ❑ Web application and mobile device support for:
 - ❑ Accountants and Bookkeepers
 - ❑ Business Owners (Payers and Receivers)
- ❑ Payee (Biller) benefits
 - ❑ Inserts and reconciles aggregated payments in accounting software (Xero now)
 - ❑ Displays payment receipt information in internet banking with one click





PayVu Product Positioning





Patents Update

- ☐ Hong Kong and Singapore patents now granted
- ☐ All Asian patents applied for now granted:
 - ☐ China
 - ☐ Japan
 - ☐ Singapore
 - ☐ Hong Kong
- ☐ Western world patents granted in South Africa and New Zealand
- ☐ Patents pending in the USA, Canada and Australia



InPayTech

Integrated Payment Technologies Limited

