

FY 2021 Results Presentation

InPayTech

Integrated Payment Technologies Limited

Date: 30 August 2021

Authorised by: Trent Lund
InPayTech CEO

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ASX code IP1



Our Purpose:

InPayTech

Simplify compliance and unlock value for workers and their employers throughout the hire to retire lifecycle.



Our strategy is to deliver

InPayTech



A single platform

Best in class technology through a single platform



A single compliance connection point

Deeper integrations with Payrolls, Funds, Regulated bodies and Banks



More compliance moments

A simplified compliance experience for the worker that is comprehensive and meets the rising employer obligations



More value for customers and partners

Connect workers to new services and value

Today's presenters and agenda



Emma Dobson

Non-Executive Chair



Trent Lund

CEO and Executive Director



Karen Gilmour

CFO

1. Word from our Chair
 2. FY 2021 Financial performance
 3. FY 2021 Business performance and outlook
 4. Questions
- Appendix and additional information

Section 1

Financials

- FY21 net operating loss of (\$3,788,972); FY20 (\$3,666,012); EBITDA FY21 (\$1,930,610); FY20 (\$1,804,639)
 - Complexity of converging regulatory regime has required refresh of core solutions.
 - Investment in transition to bond platform necessitated delays, including Q3 reduction in revenues
 - Company is positioned well post Comply Path merger to bring superior digital platform to market.
- Revenue for FY21 period has increased to \$2.1M, or 40% on FY20 \$1.5m revenues
- Required additional capital for continual investment in growth.
 - Resolved by raising capital of \$5m in the year and merging with Comply Path on 28 Jan-2021.
 - Working capital of \$2.5m and cash held position of \$2.7m at the year end.
 - Sufficient to support investment in growth of business in line with strategy.

Financial Results - Executive Summary, continued

- Cost synergies expected to be created through merger (\$500k) not realised
 - Staffing efficiencies were not achieved due to a decision develop one platform and requirement to maintain technical staff.
 - Costs invested in one platform expected to be recovered by the future revenues generated
 - Supplier licence agreement held by IP1 originally deemed not required post merger that is now being re-assessed as for value of redeploying in new architecture.
 - Head of Growth and CFO recruited as deemed necessary for successful execution of strategy. These roles were covered by CEO and Executive Chair previously.

FY 2021 Financial results

Integrated Payment Technologies	FY21 (\$)	FY20 (\$)	% Change
Revenue	2,099,224	1,494,154	40%
Transaction Costs	-447,969	-495,361	10%
Gross Margin	1,651,255	998,793	65%
Other Income	100,000	100,000	0%
Interest Revenue	3,979	5,292	-25%
Expenses	-5,544,206	-4,775,942	-16%
Net Loss before income tax	-3,788,972	-3,671,857	-3%
Income Tax	-	5,845	--
Net Loss after Income tax	-3,788,972	-3,666,012	-3%
EBITDA	-1,930,610	-1,804,639	-7%
EBIT	-3,790,697	-3,642,382	-4%
Basic Earnings per share (cents)	-0.458	-1.180	61%
Net Assets	19,964,949	2,131,420	837%
Cash held at 30 June	2,731,435	990,954	176%

- 40% increase in revenue year on year predominantly due to contribution of Comply Path revenues from merger date
- Increase in expenses of 16%, however sales to administration expense ratio improved by 7%
- Other Income - Government grants
- Net assets includes intangible assets of \$15.2m attained on merger with Comply Path

FY 2021 key performance metrics



- Revenues increased by 40% (FY21 \$2.10m; FY20 \$1.49m)
- Gross Margin Improved by 12% (FY21 79%; FY20 67%)



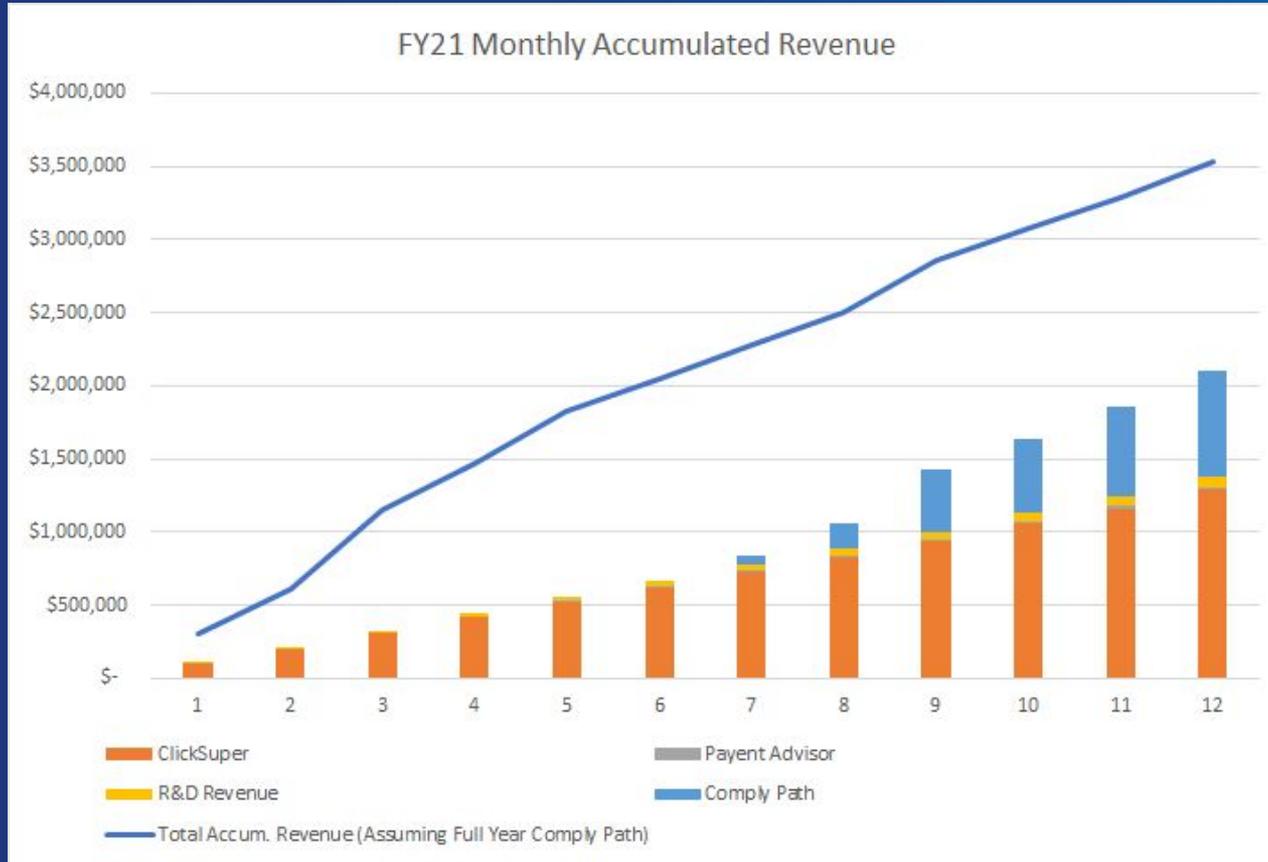
- Sales to administrative Expense Ratio improved by 7%



- Working Capital increased by \$2.89m (FY21 \$2.46m; FY20 -\$0.44m)
- Current Ratio improved by 3.04 (FY21 3.78; FY20 0.74)
- Debt to Equity: improved by 0.77 from 0.8 (FY20) to 0.05 (FY21)



- Net tangible assets per ordinary security up (FY21 0.20c; FY20 (0.12c) (up 267%)



- Comply Path contributed revenues of \$721k to total revenues in FY21 (34%).
- Comply Path earned \$2.2m in total from 1-Jul-20 to 30-Jun-21. Blue line demonstrates the effect on accumulated revenues assuming Comply Path's full year revenues were included.

Revenue Composition

Increased diversification of our revenue lines, through investment in technology, to include Software as a Service, Transaction fees and Platform as a Service. Overall this change in revenue composition has improved in year and provided more certainty of forward year income.

	FY20	FY21	FY22 Target
Software as a Service <i>pay per user in advance</i>			
Transactions and Interest <i>pay per compliance moment in arrears</i>			
Platform as a Service <i>licence fees in advance and support in arrears</i>			

FY21 Investment:

- IP1/Comply Path merger to develop one team and one platform
- Management appointment of CFO and CGO
- TipsGo/ClickVu to improve data reuse opportunities for Employers/Funds
- Sales and Marketing aligned with H2R
- H2R Integrations to 3 payrolls in Pilot

FY22 Investment Priorities:

- Digital marketing, PR and new brand awareness
- Technology efficiencies to underpin our price position
- Sales and Marketing aligned with H2R
- Increasing H2R Integrations

Our forward investment is heavily weighted toward revenue growth

COVID-19 update

The impact of the coronavirus (COVID-19) pandemic has **remained neutral** for the InPayTech group. The technology and compliance nature of InPayTech has not hindered integration, product development or marketing activities. We will continue to monitor the impact with particular focus on staff mental health and collaboration productivity.

Our office footprint is small and we have flexible leasing contracts with no exit period so will monitor these as it relates to future ways of working.

Corporate Sustainability framework

InPayTech has continued focus on Diversity, Ethical practices (modern slavery) and Data protection & information security.

Technology and operating standards

Our platforms & supporting policies continue to meet all of the critical standards and licenses to operate and provide services including, GNGB Gateway member, Australian Tax Office Digital Service Provider, ISO 27001 accredited, SOC2 accredited, AFSL (non cash payments).

- With the merger of Comply Path, FY21 has been a period of change for IP1. With a refreshed strategy, and investment in creating a next generation platform, we have changed and improved the trajectory of the business.
- Healthy pipeline and targeted revenue growth that requires careful management and investment
- Management is focused on:
 - ensuring the balance between short-term working capital requirements, capital adequacy and long-term growth
 - carefully assessing current commercial opportunities that are aligned with our strategy
 - driving revenue with the goal to generate improved profit margins
 - deploying resources in the most efficient way

Section 2

Business Performance and Outlook

FY 2021 Business and Financial highlights



Acquisition of TipsGo

Transitioned IP into ClickVu to deliver analytics and business integrations

Merger with Comply Path

Acquired key management talent, award winning platform, customers and pipeline



Delivering next generation compliance solutions

Delivered new solutions - Rollovers 3.0, STP 2.0, Worker Onboarding, Data sharing and consent



Renewed culture & talent

Renewed Board and new Executive team



Revenue Growth of 40% (137% on a full year basis of Comply Path)

Secured contracts with 3 APRA funds and major tier 1 tax adviser

Capital Adequacy

2.7m cash at bank and sufficient working capital to underpin growth plan
Sufficient capital to support AFSL

Integration highlights



Move to one platform is on schedule to be completed by December 2021
Final move to Payments 2.0 and ClickVu integrations



All Comply Path customers recontracted and pipeline strengthened
3 APRA Funds and one big 4 Advisory all recontracted on better terms
Reaffirmed pipeline along with strong prospect engagement
Up-sell to existing clients
Joint go to market with payrolls for H2R
New Funds through stapling solution



Integration of talent under a new leadership team
One technology team working on a common platform and new features
A new CFO and Head of Growth



New product launched
Launch of Hire to Retire onboarding product with early market success

Our customer footprint post merger is significant

July 2020

~600K working Australians

~10,000 employers (via 20 payrolls across all industry sectors)

Provide compliance solutions for leading Advisors and Accounting Firms

~15,000 SMSFs

1 APRA Fund

6 super and pay compliance moments

June 2021 (Post Merger)

~2.8 million Australian workers and members

~70,000 employers (via 28 payrolls across all industry sectors)

Doubled our compliance solutions for leading Advisors and Accounting Firms

~16,000 SMSFs

4 APRA Funds

12 super and pay compliance moments
12 Worker checks
12 SBR connections (Tax & Super)

Integrating into a single platform for worker compliance, represented by a single brand



Market disruption brings opportunity

Super fund mergers - over past 5 years 58 funds have consolidated* (APRA) 8 this year

New Super fund entrants driving lower cost to serve and targeting the underserved (ESG, GIG workers)

Payroll consolidation - Existing and new market aggregators acquiring payroll managed services and technology businesses

There is significant pressure for a) **data quality**, b) **insights** and importantly c) **reduced cost to serve** across all funds and administrators (with transparent APRA benchmarking)

Our value proposition is resonating with Funds and Payrolls

- We have a compelling answer to stapling
- We have a low cost to serve
- We have award winning technology
- We have a focus on systemic improvement of data quality and error removal

our offering is compelling

Changing regulations are increasing compliance requirements

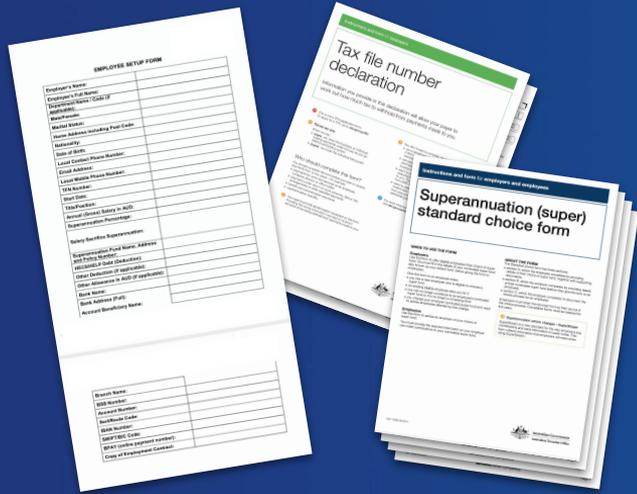
Employers face a multitude of compliance requirements, particularly related to their workforce. These moments are not well served by the current ecosystem of technology providers. There are 8 substantive changes being navigated right now.



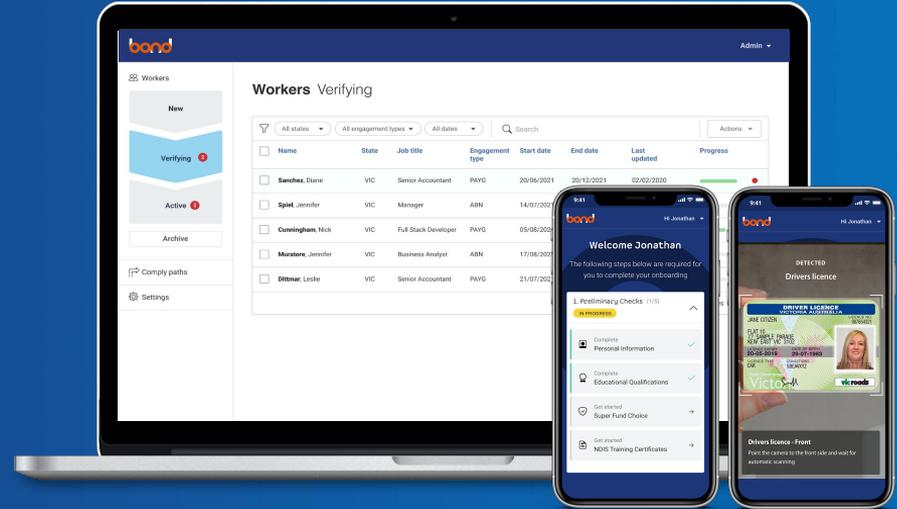
compliance solutions will need to interact with workers.

Introducing our “worker compliance” solution

InPayTech



VS.



The typical onboarding experience

- Lots of emails, 000's hours wasted
- Manual checklists and data capture
- Unsecure data handling
- Dual entry, errors and cycle times
- No integration with enterprise systems

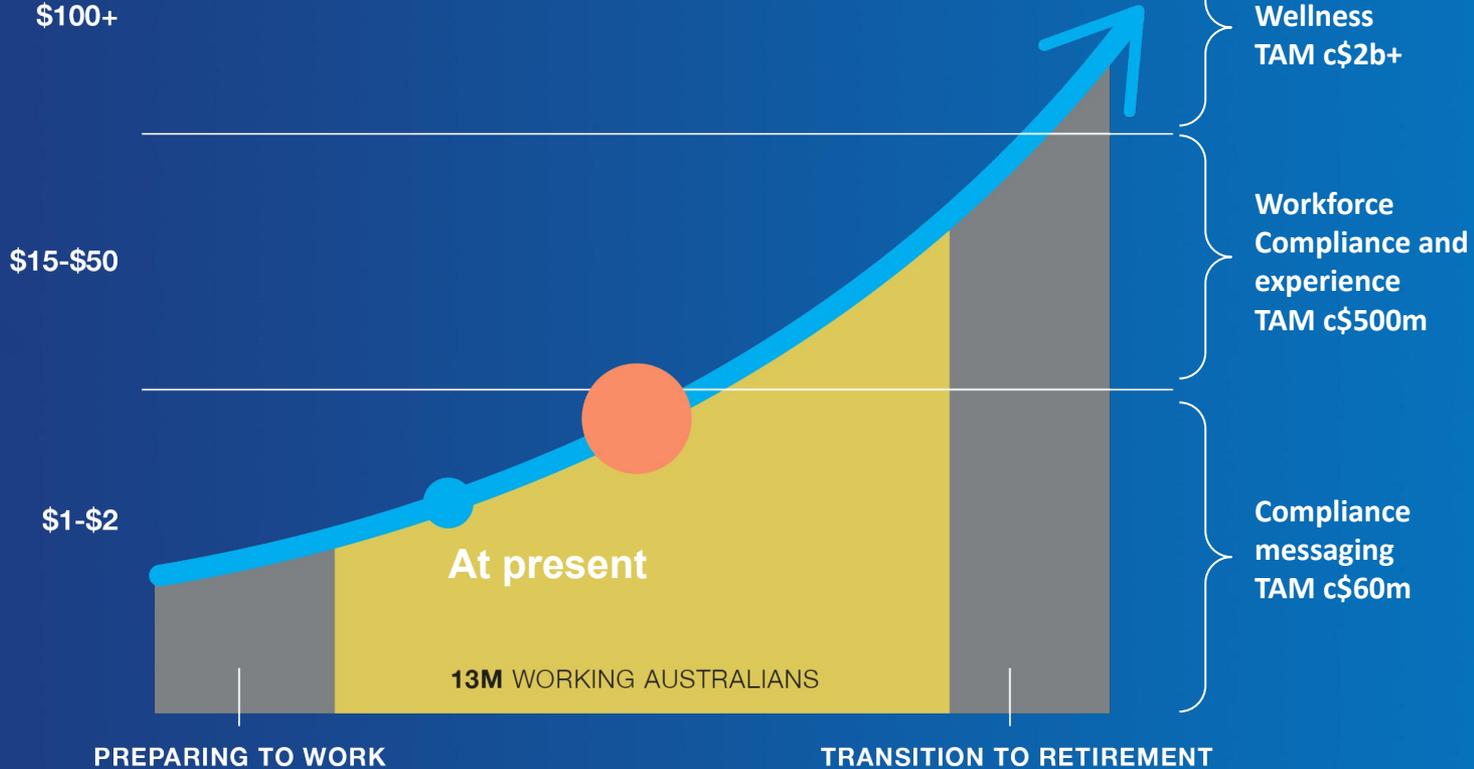
Increase compliance, improve experience and efficiency

- Secure mobile solution
- Real time validation and checks
- Flexible workflows with employer branding
- Manage ABN/TFN, Super, Banking data securely
- All worker checks in one place (e.g Identity, VISA checks, Working with Children)

Our worker compliance solution is key to increase the number of working Australians we serve and move into higher value services

We aim to increase our reach and the value of compliance moments as a key enabler of workforce compliance and financial wellness.

- InPayTech at present serves c.2.8m working Australians
 - Our goal over the medium term is to increase to c.5m working Australians
- TAM Total Addressable Market



The merged business is positioned for growth

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**Beneficial
regulatory changes**



**High market
activity**



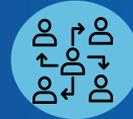
**Strong digital
agenda**



**The right
team**



**The right
products**



**Strong customer
validation**



**Large pipeline of
opportunity**



**Adequate
capital**

our team are confident

Section 3

Questions

Questions

Important Notice and Disclaimers

Summary information

This presentation contains summary information about Integrated Payment Technologies Limited (Company) (ASX: IP1) and its activities as at the date of the 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.

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InPayTech

Thank you

Notice & Disclaimer

Appendix

ASX Code: IP1	
Share Price (27 August 2021)	\$0.023
Market capitalisation (@ 2.3 cents)	\$28.14m
Shares on issue (listed)	1,223,443,971
% Shares currently escrowed	49.6%
Options on issue (unlisted)	14.7m

Substantial Beneficial Shareholders		
Trent Lund*	21.1%	Escrowed
Joe Brasacchio*	21.1%	Escrowed
Colin Scully*	9.2%	
Don Sharp*	5.2%	
Top 20	71.7%	
Total Board and management shareholdings*	50.4%	

*Includes direct and associate holdings

We have brought together the right team

InPayTech

BOARD



Emma Dobson
Non-Executive Chair



Paul Collins
Non-Executive Director



Randolf Clinton
Non-Executive Director



Jillian McGregor
Company Secretary

We have brought together the right team

EXECUTIVE TEAM



Trent Lund

CEO and Executive Director

Trent has over 25 years experience in technology and innovation. Trent is also CEO of Unlocked Ventures and holds numerous advisory board roles in technology & business.



Karen Gilmour

CFO

Karen has over 15 years experience in senior finance management positions across banking & finance, commodities and construction across Australia and UK.



Joe Brasacchio

CTO (Comply Path Founder)

Joe has over 20 years of experience in leading high profile digital transformations, co-design in open Data Standards development, building RegTech platforms and venturing.



Jean-Paul Seow

Head of Commercial and Alliances

Jean-Paul has over 15 years experience covering commercial, strategy and venturing. Worked across FS, Telco, Retail and Postal industries across AU, Asia and US.



Greg Tonner

Head of Growth

Greg is a strong leader with over 25 years in executing growth strategies in the software and technology sectors across Asia and the UK. Greg was CEO and led the transformation of the Queensland Cowboys.