



## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

### **ASX Announcement – For immediate release**

Wednesday 17 April 2019

#### **RETAIL OFFER BOOKLET**

Integrated Payment Technologies Limited (ASX: IP1) (**InPayTech**) announced to the ASX on Wednesday 10 April 2019 the launch of a 1 for 1 accelerated non-renounceable pro rata entitlement offer of fully paid ordinary shares in InPayTech seeking to raise up to \$1.544 million (**Entitlement Offer**) at an offer price of \$0.01 per share.

InPayTech confirms that it has sent the attached Retail Offer Booklet and an accompanying personalised Entitlement and Acceptance Form to eligible retail shareholders under the retail component of the Entitlement Offer (**Retail Entitlement Offer**).

The terms and conditions under which eligible retail shareholders may apply under the Retail Entitlement Offer are outlined in the Retail Offer Booklet.

Eligible retail shareholders who have questions relating to the Retail Entitlement Offer should call 1300 55 66 35 between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer.

#### **Important Notice**

Not for distribution or release in the United States - This announcement is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission (**ASIC**)). The announcement is not and should not be considered an offer or an invitation to acquire entitlements or new shares or any other financial products. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The entitlements and the new shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements or the new shares may not be granted to, taken up by, or offered or sold to, directly or indirectly, any person in the United States, or any person acting for the account or benefit of a person in the United States, except pursuant to a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable state securities laws. The distribution of this announcement in other



jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Forward looking statements - This announcement contains certain "forward looking statements". Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of InPayTech, the outcome and effects of the Entitlement Offer and the use of proceeds. The forward looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of InPayTech, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the "Key Risks" section of the investor presentation for a summary of certain general and InPayTech specific risk factors that may affect InPayTech or an investment in InPayTech. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in the investor presentation. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to InPayTech as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), InPayTech undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

# Integrated Payment Technologies Limited

ABN 50 611 202 414

## Retail Entitlement Offer

A 1 for 1 pro-rata accelerated non-renounceable entitlement offer of Integrated Payment Technologies Limited (**InPayTech**) ordinary shares (**New Shares**) at an offer price of A\$0.01 per New Share (**Offer Price**) to raise up to \$1.544 million (before costs) (**Entitlement Offer**).

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 15 May 2019 (unless extended).

## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Retail Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Retail Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. Please consult your stockbroker, accountant or other professional adviser if you have any questions.

# Important Notices

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## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.**

Defined terms used in these important notices have the meaning given in this Retail Offer Booklet.

### **Future performance and forward looking statements**

This Retail Offer Booklet contains certain “forward looking statements” and comments about future matters. Forward looking statements can generally be identified by the use of forward looking words such as “expect”, “anticipate”, “likely”, “intend”, “propose”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance”, and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Entitlement Offer and the use of proceeds. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this Retail Offer Booklet speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward looking statements contained in this Retail Offer Booklet are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of InPayTech, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the “Key Risks” section of the Investor Presentation enclosed at Section 3 of this Retail Offer Booklet for a non-exhaustive summary of certain general and specific risk factors that may affect InPayTech. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the key risk factors included in Section 3 of this Retail Offer Booklet. Investors should consider the forward looking statements contained in this Retail Offer Booklet in light of those risks and disclosures.

The forward looking statements are based on information available to InPayTech as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), InPayTech has no obligation to supplement, revise or update any forward looking statements, regardless of whether new information, future events or results or other factors affect the information contained in this Retail Offer Booklet.

### **Past performance**

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future InPayTech performance including future share price performance.

### **No representation other than in this Retail Offer Booklet**

No person is authorised to provide any information or to make any representation in connection with the Entitlement Offer that is not contained in this Retail Offer Booklet. Any information or representation not contained in this Retail Offer Booklet may not be relied upon as having been authorised by InPayTech.

### **Not investment advice**

This Retail Offer Booklet does not provide investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read this Retail Offer Booklet in full before deciding to invest in New Shares and any Additional New Shares and consider the risks that could affect the performance of New Shares and Additional New Shares.

### **International offer restrictions**

This Retail Offer Booklet and the Entitlement and Acceptance Form may not be distributed outside Australia and New Zealand except that it may be distributed to other foreign jurisdictions approved by InPayTech in compliance with applicable securities laws. See the foreign selling restrictions set out in the Cautionary Statements section of the Investor Presentation included in Section 3 of this Retail Offer Booklet for more information. The distribution of this Retail Offer Booklet and the Entitlement and Acceptance Form, or any other material relating to the Retail Entitlement Offer, in other jurisdictions outside Australia and New Zealand may be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### **Not for release or distribution in the United States**

This Retail Offer Booklet and the Entitlement and Acceptance Form have been prepared for publication in Australia and New Zealand and may not be released in the United States. They do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States. The retail entitlements and the New Shares (and any Additional New Shares) have not been, nor will they be, registered under the US Securities Act of 1933, as amended (“Securities Act”) or the securities laws of any state or other jurisdiction of the United States and accordingly the retail entitlements and the New Shares (and any Additional New Shares) may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act. Because of these legal restrictions, you must not distribute, release or send copies of this Retail Offer Booklet and the Entitlement and Acceptance Form, or any other material relating to the Retail Entitlement Offer, to any person in the United States.

### **References to “you” and “your Entitlement”**

In this Retail Offer Booklet, references to “you” are references to Eligible Retail Shareholders and references to “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Retail Shareholders.

#### **Times and dates**

Times and dates in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to the time in Sydney, Australia. Refer to the “Key Dates” section of this Retail Offer Booklet for more details.

#### **Currency**

Unless otherwise stated, all dollar values in this Retail Offer Booklet are in Australian dollars (A\$).

#### **Trading New Shares (and any Additional New Shares)**

InPayTech will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares or any Additional New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by InPayTech or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares or any Additional New Shares in error or which they do not hold or are not entitled to.

#### **Disclaimer and acknowledgement**

None of InPayTech’s affiliates, related bodies corporate, representatives, agents, partners, consultants and advisers (together the **Advisor Parties**), have permitted or caused the issue, submission, or operation of this Retail Offer Booklet, or authorised, approved or verified any forward-looking statements or any other statements. To the maximum extent permitted by law, the Advisor Parties expressly disclaim all liabilities (including, without limitation, any liability arising from fault or negligence on the part of any person) and any direct, indirect, consequential or contingent loss or damage whatsoever arising from, make no representations regarding, and take no responsibility for, any part of this Retail Offer Booklet and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Retail Offer Booklet.

The Advisor Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by returning an Entitlement and Acceptance Form or otherwise paying for your New Shares or Additional New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by Advisor Parties in relation to the New Shares, Additional New Shares or the Entitlement Offer generally.

You acknowledge and agree that: (a) determination of eligibility of investors for the purposes of the institutional and retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of InPayTech; (b) each of InPayTech and InPayTech’s advisors and their respective affiliates, officers, employees, agents and advisers disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law; and (c) the information in this Retail Offer Booklet remains subject to change without notice.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

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## Key Dates

Event	Date
Announcement of the Entitlement Offer	Wednesday, 10 April 2019
Announce results of the Institutional Entitlement Offer Record Date for the Entitlement Offer	7.00pm (Sydney time) Friday, 12 April 2019
Retail Offer Booklet despatched Retail Entitlement Offer opens	Wednesday, 17 April 2019
Retail Entitlement Offer closes	5.00pm (Sydney time) Wednesday, 15 May 2019
Issue of New Shares (and any Additional New Shares) under the Retail Entitlement Offer	Wednesday, 22 May 2019
Trading of New Shares (and any Additional New Shares) issued under the Retail Entitlement Offer	Thursday, 23 May 2019
Despatch of holding statements for New Shares (and any Additional New Shares) issued under the Retail Entitlement Offer	Thursday, 23 May 2019

The timetable above is indicative only and may be subject to change. InPayTech reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, InPayTech reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares (and any Additional New Shares) issued under the Retail Entitlement Offer.

The commencement of quotation of New Shares issued under the Retail Entitlement Offer is subject to confirmation from ASX.

Cooling off rights do not apply to an investment in New Shares or any Additional New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

## Letter from the Chairman

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17 April 2019

Dear Shareholder,

### **Integrated Payment Technologies Limited (ASX: IP1) – Entitlement Offer**

On behalf of the Board of Integrated Payment Technologies Limited, I am pleased to invite you to participate in a 1 for 1 accelerated non-renounceable pro-rata entitlement offer of fully paid ordinary shares in InPayTech at an offer price of A\$0.01 per New Share (**Offer Price**) to raise approximately \$1.544 million (before costs).

### **Entitlement Offer**

The Entitlement Offer comprises an institutional component (**Institutional Entitlement Offer**), and a retail component (**Retail Entitlement Offer**) as announced to the ASX on Wednesday, 10 April 2019.

InPayTech announced to the ASX on Friday, 12 April 2019 that the Institutional Entitlement Offer raised approximately \$0.770 million, which represents approximately 100% of entitlements made available under the Institutional Entitlement Offer.

Under the Retail Entitlement Offer, Eligible Retail Shareholders are being offered the opportunity to subscribe for 1 New Share for every 1 existing InPayTech share held on the Record Date of 7.00pm (Sydney time) on Friday, 12 April 2019 (**Entitlement**). The Retail Entitlement Offer may raise up to \$0.774 million.

Eligible Retail Shareholders who take up their full Entitlement may also apply for additional New Shares in excess of their Entitlements at the Offer Price (**Additional New Shares**). Certain institutional and sophisticated investors will be invited by InPayTech to participate in any shortfall remaining after Additional New Shares are allocated to Eligible Retail Shareholders. The allocation of Additional New Shares and any scale back will be in the Board's absolute discretion. Any residual shortfall from the Retail Entitlement Offer is underwritten by the Directors of InPayTech being Don Sharp, Paul Collins and Robin Beauchamp (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) up to \$320,000 in aggregate (as underwriters of last resort).

New Shares and any Additional New Shares will rank equally with existing shares in all respects from date of quotation.

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 15 May 2019 (unless extended).

### **Taking up your Entitlement**

Accompanying this Retail Offer Booklet is your personalised Entitlement and Acceptance Form which contains details of your Entitlement. If you choose to do nothing, your Entitlement will lapse and you will receive no value for your Entitlement.

To participate in the Retail Entitlement Offer, you need to ensure that your personalised Entitlement and Acceptance Form is completed in accordance with the instructions provided on the form and the instructions in this Retail Offer Booklet under "Offer Details & How to Apply". You may also apply for Additional New Shares using the Entitlement and Acceptance Form.

To participate, you must ensure that you have completed your application by paying Application Monies by BPAY® before 5:00pm (Sydney time) on Wednesday, 15 May 2019 or by lodging your completed Entitlement and Acceptance Form with your Application Monies paid by cheque, so that they are received



by the Share Registry before 5:00pm (Sydney time) on Wednesday, 15 May 2019.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

**Further information and application instructions**

Further details of the Entitlement Offer, as well as the key risks associated with investing in the Entitlement Offer are set out in this Retail Offer Booklet which you should read carefully and in its entirety.

You should consult your stockbroker, accountant, or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

If you have any questions about the Entitlement Offer, please call 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer.

On behalf of the Board of Directors and management team of Integrated Payment Technologies Limited, I invite you to consider this investment opportunity and thank you for your continued support.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Don Sharp', with a long horizontal flourish extending to the right.

**Don Sharp**  
Chairman

# 1 Summary of Options Available to You

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If you are an Eligible Retail Shareholder (see Section 4.10), you may take any of the following steps:

1. take up all or part of your Entitlement (see Section 2.4.1);
2. take up all of your Entitlement and apply for Additional New Shares (see Section 2.4.2); or
3. do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements (see Section 2.4.3).

Further information is provided below.

## 2 Offer Details & How to Apply

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### 2.1 Overview of the Entitlement Offer

InPayTech intends to raise approximately \$1.544 million under the Entitlement Offer.

Eligible Retail Shareholders are being offered the opportunity to purchase 1 New Share for every 1 existing Share held as at the Record Date of 7.00pm (Sydney time) on Friday, 12 April 2019, at the Offer Price of \$0.01 per New Share. The Offer Price of \$0.01 per share represents a 41.2% discount to the closing price of InPayTech shares of \$0.017 per share as at 9 April 2019, the last day before the Entitlement Offer was announced, a 42.9% discount to the volume weighted average price (VWAP) and a 25.9% discount to the theoretical ex-rights price (TERP)<sup>1</sup>.

The Retail Entitlement Offer provides Eligible Retail Shareholders with the opportunity to take up all or part of their Entitlement. Entitlements under the Entitlement Offer are non-renounceable. Eligible Retail Shareholders who take up all of their Entitlement can also apply for Additional New Shares.

You have a number of decisions to make in respect of your Entitlement. You should read this Retail Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Retail Entitlement Offer opens on Wednesday, 17 April 2019 and will close at 5.00pm (Sydney time) on Wednesday, 15 May 2019 (unless extended).

Based on the funds raised under the Institutional Entitlement Offer, and the underwriting arrangements (see page 7 of the Investor Presentation enclosed at Section 3 of this Retail Offer Booklet), InPayTech is expected to raise a minimum amount of approximately \$1.09 million of new equity under the Entitlement Offer (**Minimum Amount**).

Further details on the Entitlement Offer are set out below.

### 2.2 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and calculated on the basis of 1 New Share for every 1 existing Share you hold as at the Record Date (rounded up to the nearest whole number of New Shares).

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<sup>1</sup> The theoretical ex-rights price (TERP) is the theoretical price at which InPayTech ordinary shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which InPayTech's ordinary shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP.

The volume weighted average price (VWAP) is the average price a security has traded at throughout the day, based on both volume and price.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding. New Shares and any Additional New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing shares.

## **2.3 Consider the Entitlement Offer carefully in light of your particular investment objectives and circumstances**

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Retail Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares and any Additional New Shares under the Entitlement Offer.

As a result, it is important for you to read carefully and understand the information on InPayTech and the Entitlement Offer that has been made publicly available, prior to deciding whether to take up all or part of your Entitlement, apply for any Additional New Shares, or do nothing in respect of your Entitlement. In particular, please refer to this Retail Offer Booklet, the investor presentation and other announcements made available on the ASX website relating to InPayTech.

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to the "Key Risks" section of the Investor Presentation which is included in Section 3 of this Retail Offer Booklet.

## **2.4 Options available to you**

### **2.4.1 If you wish to take up all or part of your Entitlement**

If you wish to take up all or part of your Entitlement, please either

- complete and return the personalised Entitlement and Acceptance Form (indicating the number of New Shares) with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, by no later than 5.00pm (Sydney time) on Wednesday, 15 May 2019.

InPayTech will treat you as applying for as many New Shares as your payment will pay for in full. If you are paying by BPAY®, please make sure to use the specific biller code and unique reference number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the reference number specific to the Entitlement on that Entitlement and Acceptance Form.

If you take up and pay for all of your Entitlement before the close of the Entitlement Offer, it is expected that you will be issued New Shares on Wednesday, 22 May 2019.

InPayTech's decision on the number of New Shares to be issued to you will be final. InPayTech also reserves the right (in its absolute discretion) to reduce the number of New Shares issued if it believes an applicant's claim to be overstated or if an applicant or their nominees or custodians fail to provide information to substantiate their claims to the InPayTech's satisfaction.

### **2.4.2 If you wish to take up all of your Entitlement and apply for Additional New Shares**

If you wish to take up all of your Entitlement and apply for Additional New Shares, please either

- complete and return the personalised Entitlement and Acceptance Form (indicating the number of New Shares and Additional New Shares) with the requisite Application Monies; or

- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, by no later than 5.00pm (Sydney time) on Wednesday, 15 May 2019.

InPayTech will treat you as applying for as many New Shares and Additional New Shares as your payment will pay for in full.

Additional New Shares will only be available to the extent that there are Entitlements which are not taken up by other Eligible Retail Shareholders. For further details on the allocation of any Additional New Shares, please see Section 2.4.4.

If you take up and pay for all of your Entitlement (and apply and pay for your Additional New Shares) before the close of the Retail Entitlement Offer, it is expected that you will be issued New Shares and any Additional New Shares on Wednesday, 22 May 2019.

#### **2.4.3 If you wish to do nothing, your Entitlement will lapse and you will receive no value for those lapsed Entitlements**

The Entitlement Offer is non-renounceable. If you take no action you will not be allocated New Shares and your Entitlement will lapse. Shareholders who do not take up their Entitlements will not receive any payment or value for those Entitlements they do not take up.

Eligible Retail Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in InPayTech diluted.

#### **2.4.4 Additional New Shares**

Eligible Retail Shareholders may also apply for Additional New Shares in excess of their Entitlement at the same offer price of \$0.01 per New Share under a shortfall facility.

Additional New Shares will be drawn from New Shares that relate to Entitlements which have not been taken up under the Retail Entitlement Offer.

There is no guarantee regarding the number of Additional New Shares (if any) that will be available to Eligible Retail Shareholders under the shortfall facility, in addition to their Entitlement under the Retail Entitlement Offer. This will depend on how many Entitlements are taken up. If all Entitlements are taken up under the Retail Entitlement Offer then there will be no Additional New Shares available.

An Eligible Retail Shareholder will not be issued any Additional New Shares under the shortfall facility if the issue of such Additional New Shares would cause InPayTech or that Eligible Retail Shareholder to breach any applicable law.

In the event that demand for Additional New Shares under the shortfall facility exceeds the number of Additional New Shares that are available then, subject to the above, the number of Additional New Shares issued to Eligible Retail Shareholders under the shortfall facility will be scaled back.

If, following the issue of New Shares and any Additional New Shares to Eligible Retail Shareholders, there is any shortfall under the Retail Entitlement Offer, certain institutional and sophisticated investors will be invited by InPayTech to subscribe for New Shares.

Decisions regarding the operation of the shortfall facility (including the issue of any Additional New Shares) and any necessary scale back will be made by the Directors in their absolute discretion.

Any residual shortfall from the Retail Entitlement Offer is underwritten by the Directors of InPayTech being Don Sharp, Paul Collins and Robin Beauchamp (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) up to \$320,000 in aggregate (as underwriters of last resort).

## 2.5 Ineligible Retail Shareholders

All retail shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders. Ineligible Retail Shareholders will not be entitled to participate in the Retail Entitlement Offer.

Under the Retail Entitlement Offer, InPayTech expects to be able to make offers to all persons holding shares in InPayTech at 7.00pm (Sydney time) on the Record Date that were not made offers under the Institutional Entitlement Offer.

## 2.6 Payment

You can pay in the following ways:

- by BPAY®; or
- by cheque; or
- as otherwise authorised by InPayTech.

Cash payments will not be accepted. Receipts for payment will not be issued.

InPayTech will treat you as applying for as many New Shares (up to your Entitlement) or Additional New Shares as your payment will pay for in full.

Any Application Monies received for more than your final allocation of New Shares and any Additional New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

### Payment by BPAY®

For payment by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that where you pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Wednesday, 15 May 2019. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

### **Payment by cheque or bank draft**

For payment by cheque or bank draft, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque in Australian currency for the amount of the Application Monies, payable to "Integrated Payment Technologies Limited-Application Account" and crossed "Not Negotiable".

Your cheque must be:

- for an amount equal to \$0.01 multiplied by the number of New Shares and any Additional New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident shareholders must arrange for payment to be made in Australian dollars.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies, as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares and any Additional New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares and any Additional New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares and any Additional New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

## **2.7 Mail**

To participate in the Retail Entitlement Offer, your payment must be received no later than the close of the Retail Entitlement Offer, being 5.00pm (Sydney time) on Wednesday, 15 May 2019. If you make payment via cheque, you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies to:

### **Mailing Address**

Registry Direct  
PO Box 18366, Collins Street East,  
Melbourne Victoria 8003

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at other offices of the Share Registry or if mailed to InPayTech's registered office or PO Box.

## **2.8 Representations by acceptance**

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to InPayTech that you are an Eligible Retail Shareholder and:

- acknowledge that you have read and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Entitlement Offer, the provisions of this Retail Offer Booklet (including Section 4.1), and InPayTech's constitution;
- authorise InPayTech to register you as the holder(s) of New Shares and any Additional New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;

- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once InPayTech receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as permitted by law;
- agree to apply for and be issued up to the number of New Shares and any Additional New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®;
- authorise InPayTech, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares and any Additional New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares and any Additional New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in InPayTech and is given in the context of InPayTech's past and ongoing continuous disclosure announcements to ASX;
- acknowledge (and have read) the Key Risks section of the Investor Presentation enclosed at Section 3 of this Retail Offer Booklet, and acknowledge that investments in InPayTech are subject to risk;
- acknowledge that none of InPayTech or its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of InPayTech, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and, should you choose to do so, the shortfall facility, and of your holding of shares on the Record Date;
- authorise InPayTech to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant (for the benefit of InPayTech and its related bodies corporate and affiliates) that you are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares or Additional New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that you, and each person on whose account you are acting, are not in the United States;

- you, and each person on whose account you are acting, understand and acknowledge that neither the New Shares nor the Additional New Shares have been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand and accordingly, the Entitlements may not be taken up, and the New Shares and Additional New Shares may not be offered, sold or otherwise transferred, directly or indirectly, in the United States, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
- you have not and you will not send this Retail Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States;
- if in the future you decide to sell or otherwise transfer the New Shares or any Additional New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Notwithstanding the foregoing, after quotation and the commencement of trading of the New Shares and any Additional New Shares, you may sell such New Shares or Additional New Shares in regular transactions on the ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia, New Zealand or Singapore or such other country that does not prohibit the beneficial holder from being given this Retail Offer Booklet or the personalised Entitlement and Acceptance Form, or prohibit the beneficial holder from making an application for New Shares or Additional New Shares and is not in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any such person.

## 2.9 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact InPayTech on 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.





**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

**ASX Announcement– For immediate release**

10 April 2019

**INTEGRATED PAYMENT TECHNOLOGIES ENTITLEMENT OFFER**

Integrated Payment Technologies Limited (ASX: IP1) (**InPayTech**) today launched a 1 for 1 accelerated non-renounceable pro rata entitlement offer of fully paid ordinary shares in InPayTech to raise up to \$1.544 million (up to \$0.770 million in the institutional component and \$0.774 million in the retail component) (**Entitlement Offer**). The Entitlement Offer is being undertaken at an offer price of \$0.01 per share (**Offer Price**).

The Offer Price of \$0.01 per share represents a 41.2% discount to the closing price of InPayTech shares of \$0.017 per share as at 9 April 2019, the last day before the Entitlement Offer was announced, a 42.9% discount to the volume weighted average price (**VWAP**) and a 25.9% discount to the theoretical ex-rights price (**TERP**).

New shares issued under the Entitlement Offer will rank equally with existing ordinary shares on issue. Each of Directors of InPayTech being Don Sharp, Paul Collins and Robin Beauchamp (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) have provided irrevocable commitments to participate in the entitlement offer for their pro-rata share of the Entitlement Offer (**Commitments**). Any shortfall from the Entitlement Offer is underwritten by the Directors of InPayTech being Don Sharp, Paul Collins and Robin Beauchamp (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) up to \$320,000 in aggregate (**Underwriting**). Based on the Commitments and the Underwriting, InPayTech will raise a minimum amount of approximately \$1.09 million of new equity under the Entitlement Offer (**Minimum Amount**).

If the Entitlement Offer is fully subscribed, net proceeds will be used:

- to support it attaining and maintaining industry accreditations;
- to strengthen its balance sheet;
- for general working capital purposes; and
- for continued development of its ClickSuper, STP and PayVu solutions.

If only the Minimum Amount is raised, net proceeds will be used in the manner described above, except that most PayVu product development will be progressed only when InPayTech achieves positive cash flows.

The Entitlement Offer is non-renounceable and therefore entitlements are not tradeable on the ASX or any other exchange, or otherwise transferable. This means that existing shareholders who do not take up their entitlement will not receive any value for their entitlement, and their proportionate interest in InPayTech will be diluted.

**Institutional Entitlement Offer**

Eligible institutional and sophisticated shareholders will be invited to participate in the institutional entitlement offer at the discretion of InPayTech. Eligible institutional shareholders can choose to take up

all, part or none of their entitlement.

#### **Retail Entitlement Offer**

InPayTech retail shareholders with a registered address in Australia or New Zealand at 7.00pm (Sydney time) on Friday, 12 April 2019 (or eligible institutional shareholders not included in the institutional entitlement offer) will be entitled to participate in the retail entitlement offer (**Eligible Retail Shareholders**), subject to the terms and conditions set out in the Retail Offer Booklet.

Eligible Retail Shareholders will be entitled to acquire 1 New Share for every 1 existing InPayTech share held. Eligible Retail Shareholders may also apply for additional shares under the retail entitlement offer, in excess of their entitlement. Certain institutional and sophisticated investors will be invited by InPayTech to participate in any shortfall remaining after additional shares are allocated to Eligible Retail Shareholders. The allocation of additional shares and any scale back will be in the Board's absolute discretion. Eligible Retail Shareholders will be sent further details about the Entitlement Offer in a Retail Offer Booklet to be lodged with the Australian Securities Exchange and dispatched to Eligible Retail Shareholders on or about 17 April 2019. Eligible Retail Shareholders who have questions relating to the Entitlement Offer should call 1300 55 66 35 between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer.

#### **Entitlement Offer Timetable**

The indicative timetable for the Entitlement Offer is as follows:

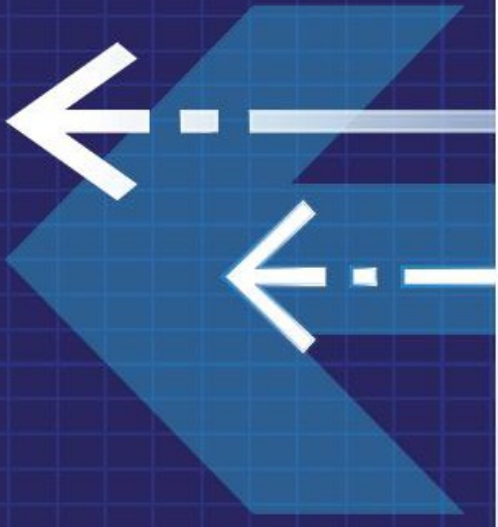
<b>Event</b>	<b>Date</b>
Announcement of Entitlement Offer and InPayTech goes into Trading Halt	Wednesday 10 April 2019
Institutional Entitlement Offer closes (5pm, Sydney time)	Thursday 11 April 2019
Results of Institutional Entitlement Offer announced and Trading Halt lifted InPayTech shares resume trading on an "ex-entitlement" basis	Friday 12 April 2019
Record date for Entitlement Offer (7pm, Sydney time)	Friday 12 April 2019
Settlement of Institutional Entitlement Offer Retail Entitlement Offer opens and Retail Entitlement Offer booklet dispatched	Wednesday 17 April 2019
Issue and quotation of New Shares under the Institutional Entitlement Offer	Thursday 18 April 2019

Retail Entitlement Offer closes	Wednesday 15 May 2019
Issue of New Shares under the Retail Entitlement Offer	Wednesday 22 May 2019
Normal trading of New Shares issued under the Retail Entitlement Offer	Thursday 23 May 2019
The above timetable is indicative only and subject to change. InPayTech reserves the right to vary these dates or to withdraw the Entitlement Offer at any time.	

### Important Notice

Not for distribution or release in the United States This announcement is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission (**ASIC**)). The announcement is not and should not be considered an offer or an invitation to acquire entitlements or New Shares or any other financial products. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The entitlements and the New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements or the New Shares may not be granted to, taken up by, or offered or sold to, directly or indirectly, any person in the United States, or any person acting for the account or benefit of a person in the United States, except pursuant to a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable state securities laws. The distribution of this announcement in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Forward looking statements This announcement contains certain "forward looking statements". Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of InPayTech, the outcome and effects of the Entitlement Offer and the use of proceeds. The forward looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of InPayTech, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the "Key Risks" section of the investor presentation for a summary of certain general and InPayTech specific risk factors that may affect InPayTech or an investment in InPayTech. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in the investor presentation. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to InPayTech as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), InPayTech undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.



**InPayTech**  
Integrated Payment Technologies Limited

# Entitlement Offer Presentation

10 April 2019



## Cautionary Statements

### **Nature of this document**

This presentation has been prepared by Integrated Payment Technologies Limited (InPayTech, IP1 or Company) in relation to a pro rata non-renounceable entitlement offer (Entitlement Offer) of new ordinary shares (**New Shares**) in InPayTech to be made under section 708AA of the Corporations Act 2001 (Cth) (Corporations Act) (as modified by ASIC Corporations Instrument 2016/84). The Entitlement Offer will be made to eligible institutional shareholders of InPayTech (Institutional Entitlement Offer) and eligible retail shareholders of InPayTech (Retail Entitlement Offer).

### **Summary information**

This presentation contains summary information about InPayTech 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 InPayTech or that would be required in a prospectus, disclosure document, product disclosure statement or other offering document prepared in accordance with the requirements of the Corporations Act 2001 (Cth) (Corporations Act) or any other law. It is for information purposes only and is not an invitation nor offer of securities for subscription, purchase or sale in any jurisdiction. Any decision to purchase New Shares must be made on the basis of the information to be contained in a separate offer document to be issued to eligible investors. The retail offer booklet for the Retail Entitlement Offer will be available following its lodgement with ASX. Any eligible retail shareholder who wishes to participate in the Retail Entitlement Offer should consider the retail offer booklet before deciding to apply under that offer. Anyone who wishes to apply for New Shares under the Retail Entitlement Offer will need to apply in accordance with the instructions contained in the retail offer booklet and the entitlement and application form.

No representation or warranty, express or implied, is provided in relation to the accuracy or completeness of the information. None of the advisers to InPayTech or any other person, have authorised, permitted or caused the issue, submission, dispatch or provision of this presentation and, except to the extent referred to in this presentation, none of them makes or purports to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. relation to the accuracy or completeness of the information.

This presentation should be read in conjunction with InPayTech's other periodic news releases or ASX disclosure documents as available from time to time.

### **Forward looking statements**

This presentation contains forward-looking statements and information that are necessarily subject to risks, uncertainties, and other factors, many of which are beyond the control of InPayTech, and may involve significant elements of subjective judgement and assumptions. Forward looking statements can generally be identified by the use of forward looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include statements regarding outcome and effects of the equity raising. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward looking statements. Many factors could cause actual results, performance or achievements of the InPayTech to be materially different from those expressed or implied in this release including, amongst others, changes in general economic and business conditions, regulatory environment, results of advertising and sales activities, competition, and the availability of resources. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation. Except as required by law, InPayTech assumes no obligation to update or correct the information in this presentation. To the maximum extent permitted by law, InPayTech and its subsidiaries and officers do not make any representation or warranty as to the likelihood of fulfilment of any forward-looking statements and disclaim responsibility and liability for any forward-looking statements or other information in this presentation.

### **Past performance**

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its

## Cautionary Statements

future financial performance or condition. Investors should note that past performance, including past share price performance, of InPayTech, cannot be relied upon as an indicator of (and provides no guidance as to) future InPayTech performance including future share price performance

### Investment Risk

This presentation has been prepared without taking account of any person's investment objectives, financial situation or particular needs, and prospective investors should conduct their own independent investigation and assessment of the Capital Raising and the information contained in, or referred to in, this presentation. This presentation does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of New Shares.

An investment in InPayTech is subject to investment and other known and unknown risks, some of which are beyond the control of the InPayTech. InPayTech does not guarantee any particular rate of return or the performance of InPayTech, nor does it guarantee the repayment of capital from InPayTech, or any particular tax treatment. Persons should read the Key Risks section of this presentation for a non-exhaustive summary of the key issues that may affect InPayTech and its financial and operating performance.

### Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented as at the date stated. The pro forma financial information and past information provided in this presentation is for illustrative purposes only and is not represented as being indicative of InPayTech's views on its future financial condition and/or performance.

### General disclaimer

No person is authorised to give any information or make any representation in connection with the Entitlement Offer which is not contained in this presentation. Any information or representation not contained in this presentation may not be relied upon as having been authorised by InPayTech in connection with the Entitlement Offer. To the maximum extent permitted by law, InPayTech and its affiliates, officers, employees, agents and advisers disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and the information in this presentation being inaccurate or due to information being omitted from this presentation, whether by way of negligence or otherwise, make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this presentation. The information in this presentation remains subject to change without notice. InPayTech reserves the right to withdraw or vary the timetable for the Entitlement Offer without notice.

### Overseas offerings

New shares may not be offered or sold in any other jurisdiction, except to persons to whom such offer, sale or distribution is permitted under applicable law.

### New Zealand disclaimer

This presentation 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 are not being offered to the public within New Zealand other than to existing shareholders of InPayTech with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Other than in the Entitlement Offer, 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



## Cautionary Statements

- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### Singapore Disclaimer

This presentation and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, 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 pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This presentation has been given to you on the basis that you are (i) an existing holder of the InPayTech's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, 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. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly. Notification under Section 309B(1)(c) of the SFA -- In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "CMP Regulations 2018"), InPayTech has determined the classification of the New Shares as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### U.S. disclaimer - not for distribution in the United States of America

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States of America (United States). This presentation may not be distributed or released in the United States. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States absent registration except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.

# Capital Raising Overview

## Entitlement Offer size and structure

Entitlement Offer comprises:

- a 1 for 1 accelerated non-renounceable entitlement offer to existing shareholders to raise up to approximately A\$1.544 million:
  - \$0.770 million Institutional Entitlement Offer; and
  - \$0.774 million Retail Entitlement Offer
- Up to 154,420,149 new InPayTech shares may be issued under the Entitlement Offer (**New Shares**) (subject to rounding of fractional entitlements).
- Eligible retail shareholders who take up their full entitlement under the Retail Entitlement Offer, and new sophisticated investors will be able to apply for New Shares under the Retail Entitlement Offer (subject to allocation and scaleback in the Board's absolute discretion).<sup>1</sup>
- New Shares issued under the Entitlement Offer will rank equally with existing InPayTech shares on issue.

1. The Retail Entitlement Offer will include a shortfall facility, under which eligible retail shareholders who take up their full entitlement will be able to apply for additional New Shares in the Retail Entitlement Offer from a pool of New Shares made up of those not taken up by other eligible retail shareholders. Any shortfall from these eligible retail shareholders may be made available to new sophisticated investors. There is no guarantee that applicants under the shortfall facility will receive all or any of the additional New Shares they apply for. Allocation and scaleback will be in the Board's absolute discretion.



## Pre-commitments & partial underwrite

- All Directors of InPayTech being Don Sharp, Paul Collins and Robin Beauchamp (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) are supportive of the Entitlement Offer and have made binding commitments to take up their pro-rata entitlements under the Institutional Entitlement Offer, amounting to approximately \$0.770 million, or approximately 50% of the Entitlement Offer.
- In addition to taking up their pro-rata entitlements, Colin Scully, Don Sharp, Paul Collins and Robin Beauchamp (or entities associated with them) have also irrevocably agreed to underwrite the Retail Entitlement Offer shortfall facility to the value of \$100,000, \$100,000, \$100,000 and \$20,000 respectively for a fee of \$1 each.
- As a result of the above, assuming no other existing eligible shareholders take up their entitlements or any additional New Shares through the shortfall facility, and no new sophisticated investors subscribe for New Shares through the shortfall facility, the total minimum amount to be raised under the Entitlement Offer is \$1.090 million.
- A\$0.01 per New Share
  - 25.9% discount to the theoretical ex-rights price (TERP)<sup>2</sup> of A\$0.014;
  - 41.2% discount to InPayTech's closing price on Tuesday, 9 April 2019 of A\$0.017; and
  - 42.9% discount to InPayTech's 5 day volume weighted average price (VWAP)<sup>3</sup> of A\$0.018
- If the maximum amount of \$1.544m is raised under the Entitlement Offer, the net proceeds will be used by InPayTech:
  - to support it attaining and maintaining industry accreditations;
  - to strengthen its balance sheet;
  - for general working capital purposes; and
  - for continued development of its ClickSuper, STP and PayVu solutions.
- If the minimum amount of \$1.090m is raised under the Entitlement Offer, the net proceeds will be used in the manner described above, except that most PayVu product development will be progressed only when InPayTech achieves positive cash flows.

## Price

## Purpose

2. The theoretical ex-rights price (TERP) is the theoretical price at which InPayTech ordinary shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which InPayTech's ordinary shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP.
3. The volume weighted average price (VWAP) is the average price a security has traded at throughout the day, based on both volume and price.

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## Offer of Employee Options

- After completion of the Retail Entitlement Offer, the Board proposes to issue a maximum of 15,000,000 options under the Company's Employee Share Option Plan (**ESOP**).
- The options will be offered to key employees (other than directors) as an incentive to achieve internal management budgets and product deliverables. More broadly, the purpose of the option grant is to enable the Company and its subsidiaries to retain skilled employees whilst also aligning the interests of employees to the interests of shareholders.
- The proposed option terms are (subject to the ESOP rules), and as follows:
  - each option gives the right to subscribe for or acquire one ordinary share in the Company;
  - nil consideration is payable for the option grant;
  - exercise price is 3.5 cents (\$0.035) per option;
  - options vest on the date 12 months from the date of grant of the options if:
    - (i) the market price of an ordinary share in the Company is at least \$0.035; and
    - (ii) the relevant employee remains in employment with the Company or its subsidiaries; and
  - exercise period ends 3 years after the date of grant of the options.
- The Company's full ESOP rules were disclosed to the market on 16 December 2016.
- The Company will not seek shareholder approval in relation to the proposed grant of options.

## Brokerage

- If the Company uses a broker to offer any New shares from the Retail Entitlement Offer shortfall facility (if any), then the Company may pay a brokerage fee of up to 6%.

# Strategic Rationale for Capital Raising

## Service compliance and accreditation

- Under the ATO's Operational Framework for digital service providers, organisations providing Superstream<sup>1</sup> and single touch payroll (STP)<sup>2</sup> services for Australian employers must be certified against either: iRAP; ISO / IEC 27001; OWASP ASVS3.0; or ISAE 3402 SOC2.
- InPayTech is in the process of attaining its ISO 27001 accreditation (expected to be obtained by end FY19).
- The ISO 27001 accreditation provides requirements for an information security management system (ISMS). An ISMS is a systematic approach to managing sensitive company information so that it remains secure. It includes people, processes and IT systems by applying a risk management process.
- However the Directors believe that in order to increase market share in the lucrative super fund markets, InPayTech will need to apply for certification under ISAE 3402 SOC2, a United States certification which is considered by market participants to be the premium security compliance standard for software-as-a-service (SaaS) companies. Only entities which demonstrate that good security practices are in place and operating effectively are granted this accreditation.

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<sup>1</sup> SuperStream is the way businesses must pay employee superannuation guarantee contributions to super funds. With SuperStream money and data are sent electronically in a standard format.

<sup>2</sup> Single Touch Payroll (STP) is a new way of reporting tax and super information to the ATO. Employees tax and super information to is required to be sent each time an employer runs a payroll and pays employees.

## **ClickSuper**

- ClickSuper is InPayTech's current main income generating product.
- Since its launch in 2010, ClickSuper has processed millions of superannuation and e-commerce transactions representing more than \$20 billion in value.
- ClickSuper has been developed with the intention to deliver highly secure, automated and compliant payment and message handling services, including SuperStream data transfers to the ATO.
- ClickSuper is one of eight active SuperStream service providers, operating in a highly competitive market.
- In addition to obtaining ISO and ISAE certification, key product enhancements and a renewed customer service focus are expected to assist strengthen existing customer relationships and facilitate revenue growth by targeting super fund customers.

## **Single touch payroll (STP)**

- Single touch payroll (STP) services allows the ATO to be notified of Pay as You Go (PAYG) tax deductions and all pay details of every employee via encrypted messages sent to their application programming interface (API).
- Employers with 20 or more employees have been required by law to use STP since 1 July 2018, while smaller employers are required to adopt STP from 1 July 2019.
- The ATO will only accept STP messages from ATO approved secure providers of taxation and superannuation related services. ClickSuper has met the stringent ATO security requirements for Interim STP Acceptance and has been conditionally approved as a Sending Service Provider
- The Company has grown the number of STP transactions processed per month from less than 30,000 to more than 80,000 in the last 6 months.

## PayVu

- Over the last 12 months PayVu has evolved from a simple payment assistant for SME business owners to a fully automated multi-feature payments platform.
- PayVu's main features comprise:
  - complete display of all due payments from the client's accounting system (eg XERO);
  - payment recommendations communicated by smart phone to business owners to approve or reject;
  - direct credit and BPay payments made via internet banking;
  - full accounting system synchronization;
  - automated supplier payment notifications;
  - multi-factor authentication for security; and
  - full payroll and SuperStream compliance.
- On 25<sup>th</sup> February 2019, InPayTech released the latest version of PayVu with the ability to interact with XERO and each of the 4 Australian "big banks". The Directors believe this accounts for around 54% of the accessible bookkeeper market in Australia.
- Since release, client feedback has highlighted 3 key areas for further development:
  - streamlining the multi factor authentication feature;
  - developing a feature for the smart phone application for business owners to allow a "swipe"- approve/reject a payment at an item level; and
  - other, general performance improvements.
- To expand the potential client base, InPayTech's current focus is to:
  - respond to the key areas for development noted above and continue to engage with potential clients who are using XERO; and
  - to continue the development of PayVu to include interfaces with MYOB and QuickBooks, as well as a longer list of banks.
- The speed at which InPayTech can expand the PayVu offering to a larger market depends on the amount raised under the Capital Raising (see page 7 for proposed use of offer proceeds).

# Use of Funds – \$1.544m

(the maximum amount is raised)

This table displays intended use of funds if \$1.544m is raised (100% of the Entitlement Offer)				
Sources	\$m	Uses		\$m
Cash balance at 31 March 2019	0.5	ISO 27001 Accreditation application and maintenance		0.1
		ISAE 3402 SOC 2 Accreditation application and maintenance		0.2
Cash raised from Entitlement Offer	1.544	Continued development of ClickSuper and STP		0.3
		Enhancements to PayVu		0.72
		Costs of the Entitlement Offer		0.03
		Cash on hand for working capital and other purposes		0.694
<b>Total sources of funds</b>	<b>2.044</b>	<b>Total uses of funds</b>		<b>2.044</b>

# Use of Funds – \$1.09m

## (the minimum amount is raised)



This table displays intended use of funds if \$1.090m is raised (approximately 70.6% of the Entitlement Offer) <sup>1</sup>			
Sources	\$m	Uses	\$m
Cash balance at 31 March 2019	0.5	ISO 27001 Accreditation application and maintenance	0.1
		ISAE 3402 SOC 2 Accreditation application and maintenance	0.2
Cash raised from Entitlement Offer	1.09	Continued development of ClickSuper and STP	0.3
		Enhancements to PayVu	0.29
		Costs of the Entitlement Offer	0.03
		Cash on hand for working capital and other purposes	0.67
<b>Total sources of funds</b>	<b>1.59</b>	<b>Total uses of funds</b>	<b>1.59</b>
<sup>1</sup> The Company has received pre- commitments that represents \$0.770 million in addition to a partially underwritten value of \$320k of any shortfall from the Retail Entitlement Offer (ie a minimum of \$1.09m in total)			



# Proforma Balance Sheet Summary

\$'000	IPT Reviewed as at 31-Dec-18	Minimum pro forma as at 31-Dec-18	Maximum pro forma as at 31-Dec-18
<b>Current assets</b>			
Cash and cash equivalents	1,086	2,146	2,600
Trade and other receivables	235	235	235
<b>Total current assets</b>	<b>1,321</b>	<b>2,381</b>	<b>2,835</b>
<b>Non current assets</b>			
PPE	28	28	28
Intangibles	6,945	6,945	6,945
Deferred tax	893	893	893
<b>Total non current assets</b>	<b>7,866</b>	<b>7,866</b>	<b>7,866</b>
<b>Total assets</b>	<b>9,187</b>	<b>10,247</b>	<b>10,701</b>
<b>Current liabilities</b>			
Trade and other payables	199	199	199
Deferred government grant	237	237	237
Employee benefits	211	211	211
<b>Total current liabilities</b>	<b>646</b>	<b>646</b>	<b>646</b>
<b>Non current liabilities</b>			
Deferred tax	704	704	704
<b>Total non current liabilities</b>	<b>704</b>	<b>704</b>	<b>704</b>
<b>Total liabilities</b>	<b>1,351</b>	<b>1,351</b>	<b>1,351</b>
<b>Net assets</b>	<b>7,836</b>	<b>8,896</b>	<b>9,350</b>
<b>Equity</b>			
Issued capital	20,057	21,134	21,586
Share option reserve	813	813	813
Accumulated losses	(13,034)	(13,052)	(13,049)
<b>Total equity</b>	<b>7,836</b>	<b>8,896</b>	<b>9,350</b>



# Entitlement Offer Timetable

Event	Date
Announcement of Entitlement Offer and InPayTech goes into Trading Halt	Wednesday 10 April 2019
Institutional Entitlement Offer closes (5pm, Sydney time)	Thursday 11 April 2019
Results of Institutional Entitlement Offer announced and Trading Halt lifted InPayTech shares resume trading on an “ex-entitlement” basis	Friday 12 April 2019
Record date for Entitlement Offer (7pm, Sydney time)	Friday 12 April 2019
Settlement of the Institutional Entitlement Offer Retail Entitlement Offer opens and Retail Entitlement Offer booklet dispatched	Wednesday 17 April 2019
Issue and quotation of New Shares issued under the Institutional Entitlement Offer	Thursday, 18 April 2019
Retail Entitlement Offer closes	Wednesday 15 May 2019
Issue of New Shares under the Retail Entitlement Offer	Wednesday 22 May 2019
Normal trading of New Shares issued under the Retail Entitlement Offer	Thursday 23 May 2019
The above timetable is indicative only and subject to change. InPayTech reserves the right to vary these dates (or times) or to withdraw the Entitlement Offer at any time.	

# Post Offer Capital Structure

	Pre Entitlement Offer	Post Entitlement Offer (assuming the minimum of \$1.09m is raised through the Entitlement Offer)	Post Entitlement Offer (assuming the maximum of \$1.544m is raised through the Entitlement Offer )
Shares	154.42 Million	263.45 Million	308.84Million
Cash	\$0.5M (March 2019)	\$1.59M	\$2.044M
Market Cap (at \$0.017)	\$2.63M	\$4.48M	\$5.25M

# Potential Effect of the Entitlement Offer on the beneficial ownership of InPayTech



Shareholder	Current number of shares over which holder has beneficial ownership	Current beneficial ownership percentage of InPayTech	Maximum number of shares over which holder may have beneficial ownership <sup>3</sup>	Maximum beneficial ownership percentage of InPayTech <sup>3</sup>
Colin Scully and associated entities	37,553,842	24.32%	85,107,684	32.30% <sup>1</sup>
Don Sharp and associated entities	33,259,437	21.54%	76,518,874	29.04% <sup>1</sup>
Acorn Capital Limited	9,673,002	6.26%	9,673,002	3.67% <sup>2</sup>
Paul Collins and associated entities	4,176,687	2.70%	18,353,374	6.97% <sup>1</sup>
Robin Beauchamp and associated entities	2,070,645	1.34%	6,141,290	2.33% <sup>1</sup>

<sup>1</sup> Assumes that the only New Shares issued to these shareholders are shares the subject of pre-commitments.

<sup>2</sup> Acorn Capital Limited is listed as a substantial holder but has not pre-committed to take up its entitlement under the Entitlement Offer. For the purposes of this table InPayTech has assumed it does not participate in the Entitlement Offer.

<sup>3</sup> This calculation is based on the minimum amount being raised (ie the only shares issued under the Entitlement Offer are those the subject of pre-commitments, and those issued to Colin Scully, Don Sharp, Paul Collins and Robin Beauchamp (and their respective associated entities) in accordance with their underwriting commitment) (see page 7 of the investor presentation for further details). If, for example, the Retail Entitlement Offer is fully subscribed then the underwriting commitment from Colin Scully, Don Sharp, Paul Collins and Robin Beauchamp will not be called upon and the beneficial ownership percentages set out in the fifth column of the table in relation to Colin Scully, Don Sharp, Paul Collins and Robin Beauchamp will be reduced.

## *Introduction*

An investment in InPayTech will be exposed to a number of risks.

Risks include key risks relating to InPayTech's business that senior management and the Directors focus on when managing the business and have the potential, if they occurred, to result in significant consequences for InPayTech and an investment in it, and also other risks that the Directors regard as being potentially material. These risks are described below.

There are also risks that are common to an investment in shares and which are not specific to an investment in InPayTech; for example, the general volatility of share prices including as a result of general economic conditions (including monetary and fiscal policy settings as well interest rates) in Australia and other events outside the usual course of InPayTech's business such as acts of terrorism or war.

Investors should note that the occurrence or consequences of some of the risks described in this section are partially or completely outside the control of InPayTech, its Directors and senior management. Further, investors should note that this description is a summary only and does not purport to list every risk that InPayTech may face now or in the future. It is important to note that there can be no guarantee that InPayTech will achieve its stated objectives or that any forward looking statements contained in this presentation will be realised or otherwise eventuate.

Investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described below, and have regard to their own investment objectives, financial circumstances and taxation position. If you do not understand any part of this presentation, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser.

## **Current revenue value**

InPayTech's current revenue streams are primarily from clients contracted to use ClickSuper. Client contract renewals occur on a rolling basis. There is a risk that not all contracts with existing clients will be renewed or that new clients will not contract with InPayTech.

## **Regulatory Risks**

In order to maintain its ATO approval and continue to provide the ClickSuper service as intended, InPayTech must obtain ISO 27001 accreditation. In order to increase market share in the superfund markets and execute its growth strategy, the Directors believe InPayTech must obtain ISAE 3402 SOC2 accreditation. There is a risk that InPayTech may not obtain these accreditations, or that when it does obtain these accreditations, it is unable to maintain them. This could be as a result of changes to the accreditation requirements, or an inability to meet the existing requirements. A failure to obtain or maintain these accreditations could restrict InPayTech's business operations and its ability to generate revenues.

As with all companies involved in providing financial services products, InPayTech must comply with a frequently changing regulatory environment. There is a risk that InPayTech may fail to comply with regulatory requirements that exist now or are introduced in the future, which could lead to an increase costs of operations, more onerous legal and administrative hurdles, or restrict InPayTech's business operations and its ability to generate revenues.

### ***Accreditation as a Gateway***

An entity must be approved by the ATO as a 'Gateway' in order to be eligible to send or receive SuperStream messages via the SuperStream Transaction Network. The ATO approval of ClickSuper is subject to InPayTech obtaining ISO 27001 accreditation by December 2019. There is a risk that InPayTech's Gateway approval could be withdrawn by the ATO if InPayTech does not meet its obligations under the ATO's Operational Framework for digital service providers, including if ClickSuper does not receive ISO 27001 accreditation by December 2019. If ClickSuper's ATO approval is removed, ClickSuper will be unable to act as a 'Gateway', limiting its ability to operate as a 'Clearing House'. If InPayTech was unable to contract with another Gateway approved operator, then InPayTech would not be able to continue providing its SuperStream services.

### ***Competing products***

InPayTech operates in a competitive market. It is aware of several other companies providing similar products to ClickSuper and STP. Competitors may be large companies which have access to significant resources with which to compete with InPayTech. Competitors (existing or new) may be able to market and/or develop products that are more effective and/or more cost effective.

Payroll groups or software providers could develop their own Clearing House and establish a Gateway. If this is the case, ClickSuper could lose these payroll groups as clients which would adversely affect the performance and growth prospects of InPayTech.

### ***Dependence on key personnel***

The operations and future success of InPayTech depends upon the efforts and abilities of its key executives. The loss of any of these people's services could adversely affect InPayTech's performance and its ability to execute its growth strategy.



## ***Funding***

The proposed use of funds set out in this presentation is based on estimates and assumptions about certain events and circumstances which have not yet taken place, and are therefore subject to variation and possible non fulfilment. There can be no assurances as to the accuracy of estimated expenditure or funding needs described in this presentation. If the Entitlement Offer is not fully subscribed, in the absence of other sources of funding on a timely basis, InPayTech may not be able to fund all activities.

## ***Future capital needs***

If the Entitlement Offer is not fully subscribed, or if InPayTech takes longer to become cash positive, it may be necessary for InPayTech to raise additional funds in order to undertake further product development or fund other working capital needs which arise. There is no assurance that such funding will be available to InPayTech in the future or that it will be available on acceptable terms.

## ***Risk of dilution***

In the future, InPayTech may elect to issue new securities including in connection with fundraisings to deliver its growth strategy. While InPayTech will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), investors may be diluted as result of such issues of securities.

### ***Unanticipated Market Changes***

It is possible that the superannuation and/or electronic payments markets may change in a way not anticipated by InPayTech. This change may be caused by the influence of single touch payroll, for example, if superannuation funds were to invest in a methodology to create a path between the employer and the ATO. Such changes may adversely affect the growth prospects, operating results and financial performance of InPayTech.

### ***Contractual and Counterparty Risks***

As a party to many contracts, InPayTech will have various contractual rights in the event of noncompliance by a contracting party. However, no assurance can be given that all contracts will be fully performed by all contracting parties and that InPayTech will be successful in securing compliance with the terms of each contract by the counterparties to its contracts.

InPayTech's material contracts may contain provisions providing for early termination of the contracts, on giving notice and paying a termination amount (which varies between the contracts). The early termination of any of these contracts, for any reason, may mean that InPayTech will not realise the full value of the contract, which is likely to adversely affect the growth prospects, operating results and financial performance of InPayTech.

### ***Litigation***

InPayTech is not currently involved in any material contractual disputes or litigation, arbitration or government prosecution matters. There is a risk that InPayTech may in the future have disputes with its customers/suppliers or other third parties (including payment disputes) and this may have an adverse impact its growth prospects, operating results and financial performance.



## ***Disruption of Business Operations***

InPayTech and its customers are exposed to a large range of operational risks relating to both current and future operations. Such operational risks include equipment failure, accidents, information systems failure, external services failure, industrial action or disputes. While InPayTech endeavours to take appropriate action to mitigate these operational risks and, where the Directors consider it practicable, insure against them, InPayTech cannot remove all possible risks of disruption to its business operations, and it cannot control the risks its clients are exposed to. A disruption in InPayTech's operations or those of its clients may have an adverse impact its growth prospects, operating results and financial performance.

## ***Failure in Technology***

The provision of InPayTech's services is a technically complex business requiring the deployment of sophisticated systems and technology. InPayTech depends on the capability and reliability of its information technology systems, and those of its key service providers to process transactions, report financial results and manage its business. A failure in these systems and technology could adversely affect its ability to deliver its services to clients. This may adversely affect InPayTech's business and severely damage its reputation.

A failure of critical computer equipment may also affect some or all of InPayTech's key service providers or suppliers. In such situations, InPayTech may not be able to source adequate or alternative sources of supply, which could impact on its ability to meet customer demand and impact the financial performance and future prospects of its business. Significant or sustained failure of the information technology systems of InPayTech's key service providers, or a disruption in the relationship between InPayTech and its key service providers would have a material adverse effect on the its financial performance.

## ***Data Breach, Misuse and Breach of Privacy***

Through the ordinary course of business, the InPayTech collects a wide range of confidential information. The ability to derive an employee's total salary from their superannuation guarantee amount and the emergence of identity theft has meant privacy and confidentiality of employee/employment information is a priority to all employers. Similarly, the secure carriage of superannuation payment details from payroll processing to the respective superannuation funds is also critical.

InPayTech maintains and relies extensively on information technology systems and network infrastructures for the effective operation of its business. It is also dependent on reliable telecommunication and information technology provision by third parties. Cyber-attacks may compromise or breach the technology platform used by InPayTech to protect confidential information. There is a risk that the measures taken by InPayTech may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or InPayTech's failure to protect confidential information could result in the loss of information integrity, or breaches of InPayTech's obligations under applicable laws (e.g. privacy law) or customer agreements, each of which may materially adversely impact InPayTech's financial performance and reputation.

Techniques used to gain unauthorised access to private networks are constantly evolving and InPayTech may be unable to anticipate or prevent unauthorised access to data pertaining to its customers, which could include personally identifiable information. InPayTech's services are vulnerable to computer viruses, phishing attacks or other attacks and similar disruptions from unauthorized use of its systems, any of which could lead to system interruptions, delays or shutdowns, causing loss of critical data or the unauthorized access to personally identifiable information.

If an actual or perceived breach of security occurs of InPayTech's systems, it may face civil liability and public perception of its security measures could be diminished, either of which would negatively affect InPayTech's ability to attract or maintain customers. InPayTech also would be required to expend significant resources to mitigate any such breach of security and to address related matters.

### ***Liquidity and Realisation Risks***

InPayTech is a small company when compared to other companies listed on ASX. As a result there may be limited liquidity of its shares on ASX at any given time. This may increase the volatility of the market price of the shares as well as the prevailing market price at which shareholders are able to sell their shares. This may result in shareholders receiving a market price for their shares that is less than the price paid for their shares.

### ***Concentration of Shareholding***

Following completion of this capital raising, the Directors and one other shareholder (Mr Colin Scully) or their associated entities will hold the beneficial ownership of: 70.64% at the minimum subscription; or 49.90% at the maximum subscription (if all holders take up their full entitlement) of the shares in InPayTech. As a result these shareholders may be in a position to exert significant influence over the operations and outcomes of InPayTech including the election of Directors and approval of major transactions.

### ***Reliance on Internet Access***

InPayTech will depend on the ability of its customers and the payment recipients to access a deployed solution over telecommunications and internet access and to feel confident processing financial transactions online. Access is provided by various classes of entities in the telecommunications, broadband and internet access marketplace. Should any of these entities experience disrupted or restricted access to InPayTech's products or services, including prohibitive costs, usage of those products or services may be negatively impacted. Further, any reduction in levels of trust or confidence in online integrity may negatively impact usage of InPayTech's products or services

## ***Programming Errors***

InPayTech's products contain complicated programming and its objectives are to quickly develop and launch new and innovative products and features. They may therefore contain, now or in the future, errors, bugs or vulnerabilities or not be sufficiently documented or tested. Any errors, bugs or vulnerabilities discovered may take time to be remedied if not properly documented and could result in (among other consequences) damage to brand of InPayTech and its products or services, loss of customers, loss of platform partners, fall in revenues or liability for damages, any of which could adversely affect InPayTech's business and operating results.

## ***Failure to Listen and Satisfy Customer Requirements***

The development and refinement of InPayTech's products and services requires InPayTech to work closely with existing and potential customers to listen to and understand their needs. There is the risk that InPayTech may fail to maintain its current service culture, for example by failing to listen to its customers, and may not develop products or provide services that satisfy its customers' requirements. This may negatively impact InPayTech's reputation and its customers' adoption of new products or services, and ultimately adversely impact InPayTech's revenue and profitability.

## ***Uncertainty of market acceptance of InPayTech's products***

Sales and growth in sales of ClickSuper and STP products largely depend on the level of acceptance by medium to large superannuation funds. While InPayTech has made good progress in this market, there is a risk that this progress will not continue and InPayTech will not be able to execute its growth strategy.

Sales and growth in sales of PayVu largely depend on the level of acceptance by bookkeepers using the Xero accounting system and any (or all) of the "big 4" Australian banks. The product has only recently been released and there is a risk that InPayTech will not be able to grow its client base or expand its offering to enable it to service bookkeepers using other accounting software packages or other banks which will limit its performance and its ability to execute its growth strategy.

## ***Risks associated with an investment in shares***

There are general risks associated with investments in equity capital such as InPayTech's shares. The trading price of InPayTech's shares may fluctuate with movements in equity capital markets in Australia and internationally. Generally applicable factors that may affect the market price of shares include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- changes in the interest rate and the rate of inflation;
- changes in government legislation and policies, in particular taxation laws and International Financial Reporting Standards;
- announcement of new technologies;
- natural disasters and geo-political instability, including international hostilities and acts of terrorism;
- demand for and supply of InPayTech's shares; and
- analyst reports.

No assurances can be given that the New Shares will trade at or above the Offer Price. None of InPayTech, its or any other person guarantees the market performance of the New Shares. The operational and financial performance and position of InPayTech and the price of InPayTech's shares may be adversely affected by a worsening of general economic conditions in Australia, as well as international market conditions and related factors. It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress or that existing risks manifest themselves in ways that are not currently foreseeable.



**A\$** means the lawful currency of the Commonwealth of Australia.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the listing rules of the ASX.

**Big 4** means Commonwealth Bank of Australia (CBA), Westpac Banking Corporation (Westpac), Australia and New Zealand Banking Group (ANZ) and National Australia Bank (NAB).

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**Company, IP1 or InPayTech** means Integrated Payment Technologies Limited (ACN 611 202 414).

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** means the directors of the Company as at the date of this presentation.

## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

### ASX Announcement – For immediate release

12 April 2019

#### COMPLETION OF INSTITUTIONAL ENTITLEMENT OFFER

Integrated Payment Technologies Limited (ASX: IP1) (**InPayTech**) is pleased to announce the completion of the institutional component (**Institutional Entitlement Offer**) announced on Wednesday, 10 April 2019.

The Institutional Entitlement Offer raised a total of approximately A\$0.770 million through the issue of approximately 77 million new shares at A\$0.01 per new share (**Offer Price**), which reflects 100% of shares offered under the Institutional Entitlement Offer.

New shares issued under the Institutional Entitlement Offer will rank equally with existing shares and are expected to be issued on Thursday, 18 April 2019. Trading will commence on the Australian Securities Exchange (**ASX**) on the same day.

InPayTech expects its trading halt to be lifted and its shares to recommence trading from market open today.

#### Commencement of the Retail Entitlement Offer

The retail component of the Entitlement Offer seeks to raise a further A\$0.774 million through a 1 for 1 non-renounceable entitlement offer of approximately 77.4 million shares at an offer price of A\$0.01 per share (**Retail Entitlement Offer**).

Subject to the terms and conditions set out in the Retail Offer Booklet, InPayTech shareholders that satisfy the following requirements will be eligible to participate in the Retail Entitlement Offer:

- are a shareholder of InPayTech at 7.00pm (Sydney time) on Friday, 12 April 2019 (the Record Date);
- have a registered address in Australia, New Zealand or Singapore;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- did not receive an offer to participate (other than as nominee, trustee or custodian) or were otherwise ineligible to participate under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualifications,

#### (Eligible Retail Shareholders).

Eligible Retail Shareholders who take up their full entitlement under the Retail Entitlement Offer may also apply for additional shares in excess of their entitlement. Certain institutional and sophisticated investors will be invited by InPayTech to participate in any shortfall remaining after additional shares are

allocated to Eligible Retail Shareholders. The allocation of additional shares and any scale back will be in the Board's absolute discretion. Any shortfall from the Retail Entitlement Offer is underwritten by the Directors of InPayTech being Don Sharp, Paul Collins and Robin Beauchamp (or entities associated with them) along with InPayTech's largest shareholder Colin Scully (or entities associated with him) up to \$320,000 in aggregate.

The terms and conditions under which Eligible Retail Shareholders may apply under the Retail Entitlement Offer will be outlined in a Retail Offer Booklet to be lodged with the Australian Securities Exchange and dispatched to Eligible Retail Shareholders on or about 17 April 2019. Eligible Retail Shareholders who have questions relating to the Entitlement Offer should call 1300 55 66 35 between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer.

## Entitlement Offer Timetable

The indicative timetable for the Entitlement Offer is as follows:

Event	Date
Announcement of Entitlement Offer and InPayTech goes into Trading Halt	Wednesday 10 April 2019
Institutional Entitlement Offer closes (5pm, Sydney time)	Thursday 11 April 2019
Results of Institutional Entitlement Offer announced and Trading Halt lifted InPayTech shares resume trading on an "ex-entitlement" basis	Friday 12 April 2019
Record date for Entitlement Offer (7pm, Sydney time)	Friday 12 April 2019
Settlement of Institutional Entitlement Offer Retail Entitlement Offer opens and Retail Entitlement Offer booklet dispatched	Wednesday 17 April 2019
Issue and quotation of new shares under the Institutional Entitlement Offer	Thursday 18 April 2019
Retail Entitlement Offer closes	Wednesday 15 May 2019





Integrated Payment Technologies Limited

Issue of new shares under the Retail Entitlement Offer	Wednesday 22 May 2019
Normal trading of new shares issued under the Retail Entitlement Offer	Thursday 23 May 2019
The above timetable is indicative only and subject to change. InPayTech reserves the right to vary these dates or to withdraw the Entitlement Offer at any time.	

### Important Notice

Not for distribution or release in the United States This announcement is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission (**ASIC**)). The announcement is not and should not be considered an offer or an invitation to acquire entitlements or new shares or any other financial products. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The entitlements and the new shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements or the new shares may not be granted to, taken up by, or offered or sold to, directly or indirectly, any person in the United States, or any person acting for the account or benefit of a person in the United States, except pursuant to a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable state securities laws. The distribution of this announcement in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.



Integrated Payment Technologies Limited

Forward looking statements This announcement contains certain “forward looking statements”.

Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of InPayTech, the outcome and effects of the Entitlement Offer and the use of proceeds. The forward looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of InPayTech, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the " Key Risks" section of the investor presentation for a summary of certain general and InPayTech specific risk factors that may affect InPayTech or an investment in InPayTech. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in the investor presentation. Investors should consider the forward looking statements contained in this announcement in light of those disclosures. The forward looking statements are based on information available to InPayTech as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), InPayTech undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

## **4 Australian Tax Considerations**

### **4.1 Introduction**

Set out below is a summary of the Australian income tax, goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders who are residents of Australia for income tax purposes and who hold their InPayTech shares (and will hold their New Shares) on capital account.

The summary below does not apply to Eligible Retail Shareholders who:

- are not residents of Australia for Australian tax purposes;
- hold their InPayTech shares (or will hold their New Shares) as revenue assets (such as assets used in carrying on a business of share trading, banking or insurance), or as trading stock or those who have acquired InPayTech shares for the purpose of on-sale at a profit;
- acquired the InPayTech shares in respect of which their Entitlements are issued under any employee share scheme or where New Shares are acquired pursuant to any employee share scheme;
- may be subject to special tax rules, such as insurance companies, partnerships, tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated); or
- are subject to the “TOFA provisions” in Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to their InPayTech shares.

This taxation summary is based on the Australian tax law as it applies as at 9.00am on the date of this Retail Offer Booklet. Other than as expressly discussed or specified, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time. This summary also does not take account of any individual circumstances of any particular Eligible Retail Shareholder and does not constitute tax advice. It does not purport to be a complete analysis of the potential tax consequences of the Retail Entitlement Offer and is intended as a general guide to the Australian tax implications. Eligible Retail Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisors.

InPayTech and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

### **4.2 Issue of Entitlements**

The issue of an Entitlement should not, of itself, result in any amount being included in your assessable income.

### **4.3 Exercise of Entitlements**

You will acquire New Shares where you exercise all or part of your Entitlements under the Retail Entitlement Offer. You may acquire Additional New Shares where you exercise all of your Entitlements and also apply for Additional New Shares in excess of your Entitlement under the Retail Entitlement Offer.

You should not derive any assessable income, or make any capital gain or loss, at the time of exercising (i.e. taking up) your Entitlement. For Australian Capital Gains Tax (**CGT**) purposes, the New Shares or Additional New Shares will be acquired on the day that you exercise your Entitlement. If you exercise all or part of your Entitlement, the cost base of New Shares or Additional New Shares for CGT purposes will be equal to the Offer Price payable by you for those New Shares or Additional New Shares plus certain non-deductible incidental costs you incur in acquiring them. You will need to apportion any non-deductible incidental costs incurred in relation to exercising your Entitlement across each New Share and any Additional New Shares on a reasonable basis.

#### **4.4 Lapse of Entitlement**

If you do not take up all or part of your Entitlement in accordance with the instructions set out above, then that Entitlement will lapse and you will not receive any consideration for your Entitlement that is not taken up. There should be no tax implications for you from the lapse of your Entitlement.

#### **4.5 Dividends on New Shares**

Any future dividends or other distributions made in respect of New Shares or Additional New Shares will be subject to the same income taxation treatment as dividends or other distributions made on InPayTech shares held in the same circumstances.

#### **4.6 Disposal of New Shares**

Each New Share or Additional New Share will constitute a separate CGT asset. The disposal of a New Share or Additional New Share will constitute a disposal for CGT purposes.

On disposal of a New Share or Additional New Share, you will make a capital gain if the capital proceeds on disposal exceed the cost base of the New Share or the Additional New Share (as the case may be). You will make a capital loss if the capital proceeds are less than the reduced cost base of the New Share or Additional New Share. The cost base of New Shares and Additional New Shares is described above in Section 4.3.

If you are an individual, trustee or complying superannuation entity that has held New Shares or Additional New Shares for 12 months or more at the time of disposal (not including the date of acquisition or disposal) you may be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trustees and 33⅓% for complying superannuation entities. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of the CGT discount.

You will be taken to have acquired the New Shares or the Additional New Shares on the day you exercise your Entitlement. Accordingly, to be eligible for the CGT discount, you must have held New Shares or Additional New Shares for at least 12 months after the date that you exercised your Entitlement.

If you make a capital gain, the total capital gain for the year should be reduced by any capital losses made in the income year or carried forward from a prior income year. The resulting capital gain (if any) should be included in your assessable income for the relevant income year, after applying the applicable CGT discount.

If you make a capital loss, you can only use that loss to offset other capital gains; i.e. the capital loss cannot be used against taxable income on revenue account. However, if the capital loss cannot be used in a particular income year, you can carry it forward to use in future income years, providing certain loss utilisation tests are satisfied.

#### **4.7 Provision of TFN and/or ABN**

InPayTech may be required to withhold tax from you at the highest marginal tax rate plus the Medicare Levy on payments of dividends that are not fully franked, at the specified rate, and remit such amounts to the ATO, unless you have provided an Australian Business Number (**ABN**), Tax File Number (**TFN**), or you have informed us that you are exempt from quoting your TFN or ABN.

You are not required to provide your TFN or ABN to InPayTech, however you may choose to do so. If you have previously quoted your ABN, TFN, or have notified us that an exemption from quoting your TFN/ABN exists, that quotation or exemption will also apply in respect of any New Shares acquired by you.

#### **4.8 GST**

The taking up of the New Shares or the Additional New Shares will be classified as a "financial supply" for Australian GST purposes.

Accordingly, Australian GST should not be payable in respect of amounts paid for the acquisition of the New Shares or the Additional New Shares. Subject to certain requirements, there may be a restriction on the entitlement of Eligible Retail Shareholders to claim an input tax credit for any GST incurred on costs associated with the acquisition of New Shares or Additional New Shares.

#### **4.9 Stamp Duty**

Stamp duty should not be payable by Eligible Retail Shareholders in respect of the taking up of New Shares Additional New Shares on the assumption that all acquisition occur when all of the securities in InPayTech are quoted on the market operated by the ASX and no Shareholder (together with interests of associated persons and interests acquired under associated transaction) holds an interest of 90% or more in InPayTech.

## 5 Important Information

This Retail Offer Booklet (including the enclosed announcements) and attached personalised Entitlement and Acceptance Form have been prepared by InPayTech.

This Retail Offer Booklet (other than the enclosed announcements) is dated 17 April 2019. The Retail Offer Booklet remains subject to change without notice and, except as required by law or regulation (including the ASX Listing Rules), InPayTech is not responsible for updating this Retail Offer Booklet.

There may be additional announcements made by InPayTech after the date of this Retail Offer Booklet and throughout the period that the Retail Entitlement Offer is open that may be relevant to your consideration to apply for New Shares and any Additional New Shares. Therefore, it is prudent that you check whether any further announcements have been made by InPayTech (by visiting the ASX website at [www.asx.com.au](http://www.asx.com.au)) before submitting your application to apply for New Shares and any Additional New Shares.

No party other than InPayTech has authorised or caused the issue of this Retail Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Retail Offer Booklet.

**This Retail Offer Booklet is important and requires your immediate attention.**

You should read this Retail Offer Booklet carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the Key Risks section of the Investor Presentation enclosed at Section 3 of this Retail Offer Booklet, any of which could affect the operating and financial performance of InPayTech or the value of an investment in InPayTech.

You should consult your stockbroker, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

### 5.1 Eligible Retail Shareholders

This Retail Offer Booklet contains an offer of New Shares to Eligible Retail Shareholders and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations Instrument 2016/84.

Eligible Retail Shareholders are those persons who:

- are a shareholder of InPayTech at 7.00pm (Sydney time) on Friday, 12 April 2019 (the Record Date);
- have a registered address in Australia, New Zealand or Singapore;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- did not receive an offer to participate (other than as nominee, trustee or custodian) or were otherwise ineligible to participate under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualifications.

Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders.

InPayTech reserves the right to determine whether a shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees and custodians are therefore advised to seek independent professional advice as to how to proceed.

Under the Retail Entitlement Offer, InPayTech expects to be able to make offers to all persons holding shares in InPayTech at 7.00pm (Sydney time) on the Record Date that were not made offers under the Institutional Entitlement Offer.

## **5.2 Ranking of New Shares**

New Shares and any Additional New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing shares. The rights and liabilities attaching to the New Shares and any Additional New Shares are set out in InPayTech's constitution.

## **5.3 Key Risks**

Key Risks are described in the Investor Presentation which is enclosed at Section 3 of this Retail Offer Booklet. The Key Risks detail important factors and risks that could affect the operating and financial performance of InPayTech or the value of an investment in InPayTech. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement. You should also consider general risks applicable to all investments in listed securities.

## **5.4 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares and any Additional New Shares. You cannot withdraw your application once it has been accepted.

## **5.5 No Entitlements trading**

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

## **5.6 Rounding of Entitlements**

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

## **5.7 Potential dilution and effect on control of InPayTech**

You should note that if you do not participate in the Entitlement Offer, your holdings may be diluted by as much as approximately 50% (as compared to your holdings and number of Shares on issue as at the date of commencement of the Entitlement Offer).

Illustrative examples of the effect of the Entitlement Offer on control of InPayTech is set out on page 16 of the Investor Presentation enclosed at Section 3 of this Retail Offer Booklet.

## **5.8 Notice to nominees and custodians**

If InPayTech believes you hold shares as a nominee or custodian, you will have received (or will shortly receive) a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter.

InPayTech is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing shares.

Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. InPayTech is not able to advise on foreign laws.

Persons acting as nominees and custodians for other persons must not take up any Entitlements on behalf of, or send any documents relating to the Entitlement Offer to, any person in the United States.

Nominees and custodians may not distribute any part of this Retail Offer Booklet, and may not permit any beneficial owner of shares to participate in the Entitlement Offer, in any country outside of Australia, New Zealand and Singapore, and except, with the consent of InPayTech, to beneficial holders of shares resident in certain other countries InPayTech may determine it is practical to make the Entitlement Offer.

## **5.9 Not investment advice**

This Retail Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It also is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. InPayTech is not licensed to provide financial product advice in respect of the New Shares or any Additional New Shares. This Retail Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares or Additional New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with InPayTech's other periodic statements and continuous disclosure announcements lodged with ASX, which are available on the ASX website at [www.asx.com.au](http://www.asx.com.au).

The New Shares and any Additional New Shares offered under this Entitlement Offer should be considered speculative. Before deciding whether to apply for New Shares and any Additional New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser.

## **5.10 Quotation and trading**

InPayTech has applied to the ASX for official quotation of the New Shares and any Additional New Shares in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares or any Additional New Shares, InPayTech will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares and any Additional New Shares allotted under the Retail Entitlement Offer will commence on Thursday, 23 May 2019.



## **5.11 Continuous disclosure**

InPayTech is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

InPayTech is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, InPayTech has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. That information is available to the public from the ASX and can be accessed at [www.asx.com.au](http://www.asx.com.au).

Some documents are required to be lodged with ASIC in relation to InPayTech. These documents may be obtained from, or inspected at, an ASIC office.

## **5.12 Information availability**

Shareholders can obtain a copy of this Retail Offer Booklet from ASX at [www.asx.com.au](http://www.asx.com.au) or can request a hard copy of the Retail Offer Booklet by calling 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer.

A replacement Entitlement and Acceptance Form can also be requested by calling 1300 55 66 35 (within Australia) +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer.

If you access the electronic version of this Retail Offer Booklet, you should ensure that you download and read the entire Retail Offer Booklet. Please note that the electronic version of this Retail Offer Booklet available from [www.asx.com.au](http://www.asx.com.au) will not include an Entitlement and Acceptance Form.

## **5.13 Foreign jurisdictions**

This Information has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

This Retail Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements, the New Shares, any Additional New Shares, or otherwise permit the public offering of the New Shares or any Additional New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Information, you should observe such restrictions and should seek your own advice on such restrictions. See the foreign selling restrictions set out in the Cautionary Statements section of the Investor Presentation enclosed at Section 3 of this Retail Offer Booklet for more information.

Any non-compliance with these restrictions may contravene applicable securities laws.

## **5.14 Governing law**

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares and Additional New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

## **5.15 Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Retail Offer Booklet.

Any information or representation that is not in this Retail Offer Booklet may not be relied on as having been authorised by InPayTech, or its related bodies corporate, in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of InPayTech, nor any other person, warrants or guarantees the future performance of InPayTech or any return on any investment made pursuant to this Information or its content.

## **5.16 Withdrawal of the Entitlement Offer**

InPayTech reserves the right to withdraw all or part of the Entitlement Offer and this Retail Offer Booklet at any time, subject to applicable laws, in which case InPayTech will refund Application Monies in relation to New Shares and any Additional New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to InPayTech will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to InPayTech.

## **5.17 Privacy**

As a shareholder, InPayTech and the Share Registry have already collected certain personal information from you. If you apply for New Shares or Additional New Shares, InPayTech and the Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares and any Additional New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

InPayTech and the Share Registry may disclose your personal information for these purposes to their agents, contractors or third party service providers to whom they outsource services.

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by the Share Registry on behalf of InPayTech. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information held by the Share Registry on behalf of InPayTech by contacting the Share Registry in accordance with the details set out in the Corporate Directory.

## 6 Glossary

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The below terms are defined as follows for the purposes of this Retail Offer Booklet:

**Additional New Shares** means New Shares which Eligible Retail Shareholders are able to apply for in excess of their Entitlement and sophisticated or institutional shareholders invited by InPayTech are apply to subscribe for under the shortfall facility.

**Application Monies** means the money paid by applicants in respect of the New Shares and any Additional New Shares they apply for under the Retail Entitlement Offer.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial products market operated by that entity known as the Australian Securities Exchange.

**Corporations Act** means the Corporations Act 2001(Cth), as modified by ASIC Corporations Instrument 2016/84.

**CRN** means the unique customer reference number allocated to each Eligible Retail Shareholder.

**Directors** means the board of directors of InPayTech from time to time.

**Eligible Retail Shareholder** means those persons who:

- are a shareholder of InPayTech at 7.00pm (Sydney time) on Friday, 12 April 2019 (the Record Date);
- have a registered address in Australia, New Zealand or Singapore;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- did not receive an offer to participate (other than as nominee, trustee or custodian) or were otherwise ineligible to participate under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualifications.

**Entitlement** means the offer to Eligible Retail Shareholders to purchase 1 New Share for every 1 existing share held as at the Record Date at the Offer Price of \$0.01 per New Share.

**Entitlement and Acceptance Form** means the personalised form accompanying this Retail Offer Booklet.

**Ineligible Retail Shareholder** means a shareholder who is not an Eligible Retail Shareholder.

**New Shares** means the shares offered by InPayTech pursuant to the Entitlement Offer (but excludes any Additional New Shares offered pursuant to the shortfall facility).

**Retail Offer Booklet** means this booklet.

**Offer Price** means \$0.01 per New Share.

**Offer Ratio** means 1 New Share for every 1 existing share held as at the Record Date.

**Record Date** means 7.00pm on Friday, 12 April 2019.

**Retail Entitlement Offer** means the retail component of the accelerated non-renounceable pro rata entitlement offer at the Offer Ratio of New Shares to Eligible Retail Shareholders entitling each such shareholder to subscribe for their Entitlement to New Shares at the Offer Price and, where applicable, includes the shortfall facility.

**Securities Act** means the U.S. Securities Act of 1933, as amended from time to time.

**Share Registry** means Registry Direct whose details are provided in the "Corporate Directory" section of this Retail Offer Booklet.

**InPayTech** or **Company** means Integrated Payment Technologies Limited (ABN 50 611 202 414).

## Corporate Directory

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### **Integrated Payment Technologies Limited**

Suite 1, Level 5,  
28 Margaret St, Sydney,  
NSW, 2000

Postal Address  
PO Box 1888  
Sydney NSW 2001  
<https://inpaytech.com.au>

### **Share Registry**

Registry Direct  
Level 6, 2 Russell Street,  
Melbourne Victoria 3000

Postal Address  
PO Box 18366, Collins Street East,  
Melbourne Victoria 8003

Telephone  
1300 55 66 35 (within Australia)  
+61 3 9909 9909 (outside Australia)

Fax  
+61 3 9111 5652

## Entitlement and Acceptance Form

**Your payment must be received by 5:00pm (Sydney time) on Wednesday, 15 May 2019.**

This is an important document that requires your immediate attention. This document can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

As an Eligible Retail Shareholder, as defined in the Retail Offer Booklet dated 17 April 2019, you are entitled to subscribe for 1 new share (New Share) for every 1 ordinary share you held in Integrated Payment Technologies Limited (InPayTech) at 7.00pm on Friday, 12 April 2019 (Record Date) (Entitlement) for an offer price of \$0.01 per New Share. If you accept your full Entitlement you may also apply for additional New Shares, subject to the terms set out in the Retail Offer Booklet (Additional New Shares). Before applying for New Shares or Additional New Shares, you should read the Retail Offer Booklet and this document in their entirety.

### Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via [www.registrydirect.com.au](http://www.registrydirect.com.au) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you apply to accept all of your Entitlement, you can also apply for Additional New Shares in excess of your Entitlement (please see Retail Offer Booklet for more information regarding purchasing Additional New Shares). Enter the total number of New Shares you wish to apply for and the total amount of payment for the New Shares.

By making your payment you will be accepting the Retail Entitlement Offer and be deemed to have represented, warranted, acknowledged and agreed to the benefit of InPayTech and each of its affiliates that you are entitled to exercise such Entitlements and subscribe for New Shares (including any Additional New Shares) in accordance with all applicable laws and that you make the representations, warranties and acknowledgements and agree to all of the terms and conditions as detailed in the Retail Offer Booklet dated 17 April 2019.

Choose one of the payment methods shown below.

**BPAY®**: See overleaf.

**By cheque**: Complete the reverse side of the payment slip with your payment. Make your cheque payable in Australian dollars to "**Integrated Payment Technologies Limited-Application Account**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory but will assist us if we need to contact you.

If you have any questions concerning this document or your Entitlement, please contact the Share Registry on 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia) between office hours (Sydney time) Monday to Friday before the close of the Retail Entitlement Offer.

### **Turn over for details of the Offer**

#### **Sale of your Entitlement rights**

The entitlement offer cannot be transferred to another party.

**DO NOT** forward your requests for sale to Registry Direct Limited.

**Payment must be received by 5:00 pm (Sydney time) on Wednesday, 15 May 2019**

## Entitlement and Acceptance Form

Your payment must be received by 5:00 pm (Sydney time) on 15 May 2019.

### STEP 1

#### Registration Name & Offer Details

Registration details:

SRN/HIN

#### Offer Details:

Shares entitled to participate as at 7.00pm  
12/04/2019 (the Record Date):

Entitlement (1 New  
Share for every 1  
existing share held at  
the Record Date):

Amount payable on full acceptance  
at \$0.01 per New Share:


### STEP 2

#### Make Your Payment

##### a) Pay by BPAY:



Billers Code: 626010  
Ref No:

A) Number of Entitlement shares taken:

B) If you have taken up all of your Entitlement, number of  
Additional New Shares (only applicable if shortfall occurs,  
please see Retail Offer Booklet for further details):

C) Total number of New Shares applied for (add A+B)

D) Amount payable at \$0.01 per New Share

\$

Contact your bank or financial institution to make this payment from your cheque, savings, debit, credit card or transaction account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

#### Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, your payment must be received by no later than 5:00pm (Sydney time) on 15 May 2019. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Registry Direct Limited do not accept any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

#### Privacy Notice

See <https://www.registrydirect.com.au/privacy-policy/>

### STEP 2

#### Integrated Payment Technologies Limited Acceptance Payment Details

##### b) Pay by Cheque:

HIN/SRN:

A) Number of Entitlement shares taken:

B) If you have taken up all of your Entitlement, number of Additional New Shares (only  
applicable if shortfall occurs, please see Retail Offer Booklet for further details):

C) Total number of New Shares applied for (add A+B)

D) Amount payable at \$0.01 per New Share:

\$

Payment must be received by 5:00pm (Sydney time) on 15 May 2019

#### Contact Details

Contact Name \_\_\_\_\_

Telephone \_\_\_\_\_

#### Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$