

# InPayTech ASX:IP1 Proposal to merge with Comply Path

November 17 2020

# InPayTech's proposal to merge with Comply Path

---

01

The share acquisition component of the merger proposal is to be undertaken as a 100% scrip for scrip offer.

---

02

The merger proposal is subject to shareholder approval which will be sought at IP1's Annual General Meeting to be held on 21st January 2021.

---

03

Should shareholders vote in favour of the merger, then on settlement of the transaction Comply Path shareholders will own 50% of the shares on issue of IP1.

## Details of the offer

- IP1 has entered into a Merger Agreement with Comply Path Holdings Pty Ltd (Comply Path).
- Based on the share price of IP1 today, this notionally values Comply Path at approximately **A\$19.5 million**.
- InPayTech has commissioned an Independent Expert's Report on the proposed transaction.
- The Independent Expert's Report will need to recommend the offer is fair and/or reasonable to IP1 shareholders.
- All IP1 shares issued as consideration for the acquisition will be subject to **voluntary escrow**, with **50%** escrowed for **12 months** and the other **50%** escrowed for **24 months** from the date of issue.



**InPayTech**  
Integrated Payment Technologies Limited



**bond**  
by *Comply Path*

## Potential impact on InPayTech

- Potentially doubling of revenues based on Comply Path historic performance of generating circa \$1.5m revenues over each of the last 2 years.
- Merging of technologies to greatly enhance ClickSuper offering and possible synergistic IT savings.
- Acquisition of a strong IT consulting group in Comply Path with experience dealing with large institutions including Australian superannuation funds.
- Strengthened board as it is proposed to consist of 2 directors each from IP1 and Comply Path, with an intention to appoint an independent non executive chair within 6 months of the transaction's shareholder approval.



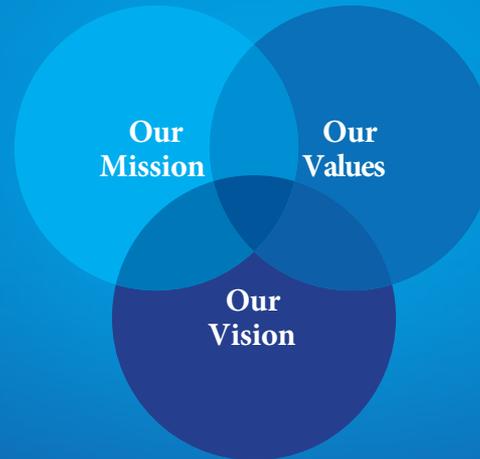
# Our Vision, Mission and Values for the combined group

## Our Mission

Deliver a market leading payment, compliance and engagement platform to empower working Australians to maximise their wealth and wellbeing by leveraging technology and data.

## Our Vision

- To become one of the leading SuperStream and STP suppliers to Australian employers.
- To be one of Australia's recognised digital payment, onboarding and e-Invoicing innovators.
- To be a leader in supplying and facilitating CDR (Consumer Data Rights) based consumer services via ClickVu.
- To enable new use cases through digitally connected compliance ecosystems (KYE, KYC, KYS, KYP).



## Our Values

### Accountable

We are accountable for the decisions we make, the work we do and the outcomes we deliver for customers and the Team.

### Customer and stakeholder focused

Everything we do is to drive better outcomes for our customers and stakeholders.

### Efficiency and effectiveness driven

We take every opportunity to improve everything we do, everyday.

### Team Oriented

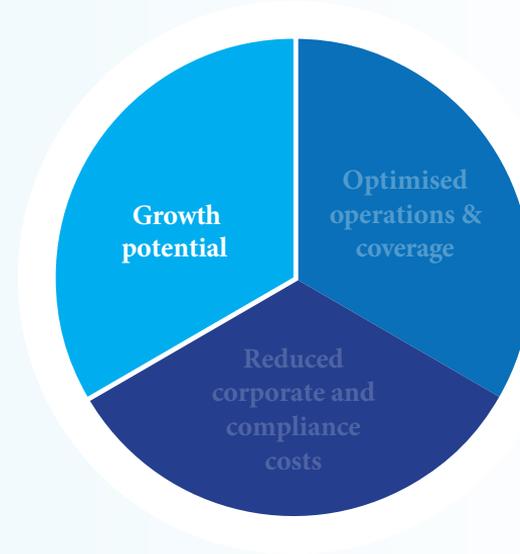
We work openly and collaboratively to deliver great results for our customers and the Team.

'What we deliver for our customers and the Team is reliable, efficient and fit for purpose.'

# Some benefits of the proposed merger

## Growth potential

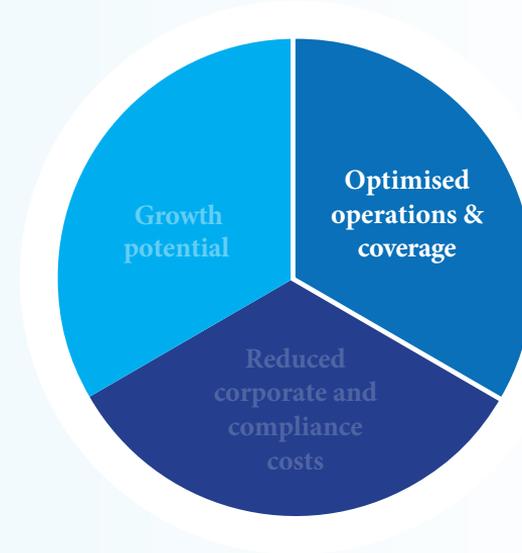
- Merging ClickSuper's SuperStream Gateway and payments capability with ComplyPath's enhanced SuperStream solution provides a compelling offer for key target markets: payroll and superannuation.
- InPayTech will enable ComplyPath to market its services to ClickSuper's extensive payroll provider network.
- ComplyPath was a collaboration partner for InPayTech's new ClickVu engagement platform, providing both employee onboarding and know your employee (KYE) services.
- InPayTech will now be able to fully integrate all of CompyPath's offering into ClickVu to optimise the customer experience, the journey from hire to retire, and pricing.



# Some benefits of the proposed merger

## Optimised operations and coverage

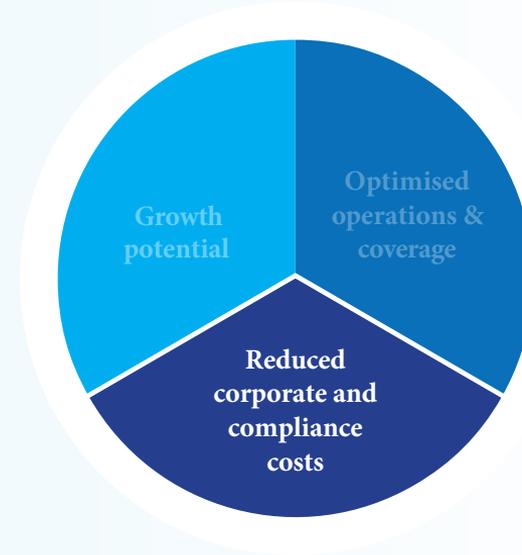
- Complementary skills, experience, teams and relationships significantly increases capacity and capability to pursue and aim to deliver market leading solutions in payments, payroll, superannuation and financial services industries.
- Combining consulting know how with established software as a service SaaS core competency.
- Combining broadens and deepens sales and marketing capability and credibility across all business segments: SME, Medium Business, Enterprise and Government.
- Key personal located in both Sydney and Melbourne aligned to key target customers' office locations.



# Some benefits of the proposed merger

## Reduced corporate and compliance costs

- Removal of duplicated effort and cost in sales, marketing and operations in combined entity.
- Possible cost reductions in combined entity by consolidating complimentary technology stacks and infrastructure.
- Ongoing corporate and compliance costs streamlined and spread across greater customer base in combined entity.
- Stronger entity with better cost and revenue base for capital and target markets.

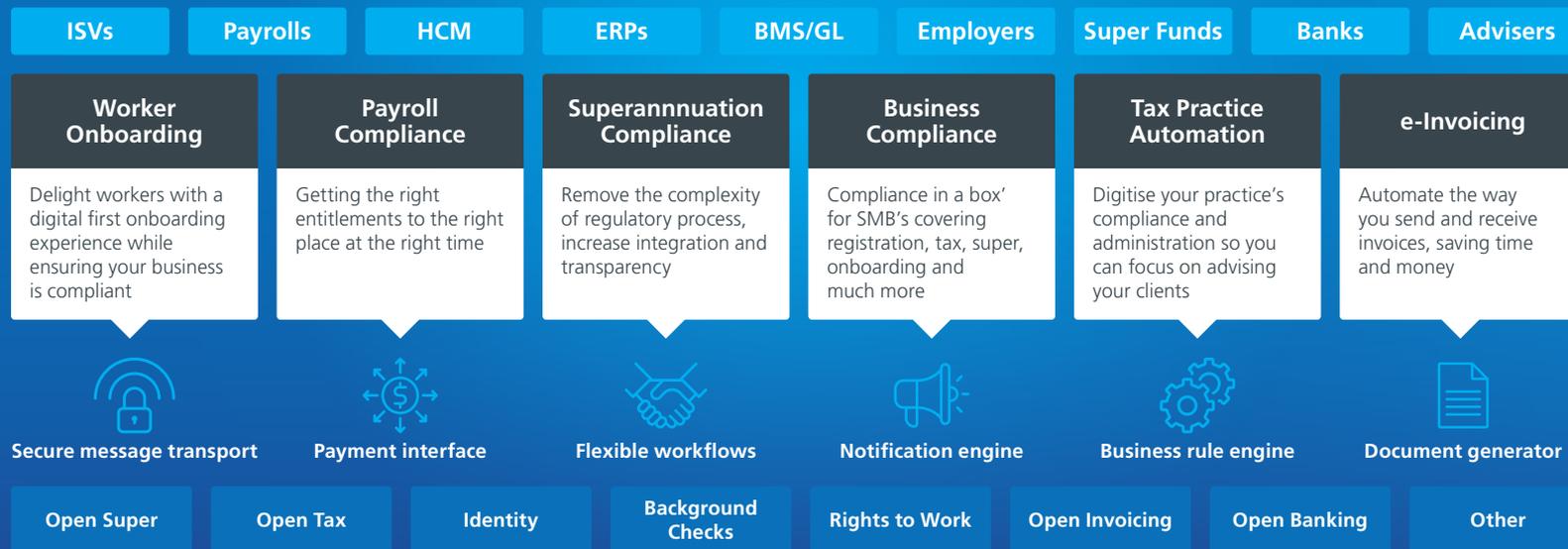


## About Comply Path (ex PwC Bond)

- Bond was established as a platform venture in PwC Australia to improve the connectedness of the employee to member ecosystem. As of July 2020 it became a stand alone business, Comply Path, but with all the rich compliance capability of Australia's largest professional services firm.
- Comply Path's Bond is a Regtech Platform with a powerful and trusted messaging and data verification engine to underpin regulatory compliance and improve member experience
- For over 7 years, Bond has been responsible for the secure interaction of tax and super data for over 15% of Australia's working population.
- Bond also powers an award winning Superannuation digital platform that has processed over \$10B in contributions payments and millions of Single Touch Payroll transactions. It powers digital platforms for a major government super fund, a major profit-for-member super fund and a major retail super fund helping their clients comply at a lower cost and helps them explore new value for their members.

# Comply Path's Bond

Comply Path's Bond enables participants to meet their obligations cheaper and faster by building real time Regtech solutions.



## Complementary Service Offerings

|   | InPayTech | Comply Path |
|---|-----------|-------------|
| STP (Single Touch Payroll)                | •         | •           |
| SuperStream                               | •         | •           |
| Clearing House (AFSL)                     | •         |             |
| Rollovers v3                              |           | •           |
| SBR 2                                     |           | •           |
| Payments (Patented)                       | •         |             |
| Employee onboarding                       |           | •           |
| eInvoicing (PEPPOL standard)              |           | •           |
| Payroll payslip integration (ClickVu)     | •         |             |
| Accounts Payable payment solution (PayVu) | •         |             |

'With a common purpose and single vision we welcome Comply Path employees and shareholders to share, contribute and participate in our growth as a merged group.'

## Disclaimer

### Summary information

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

### Forward looking statements

This presentation contains forward-looking statements and information that are necessarily subject to risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements of the Company 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, the Company assumes no obligation to update or correct the information in this presentation. To the maximum extent permitted by law, the Company 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.

### Not an offer of securities or financial products

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

### Financial data

All financial information in this presentation is in Australian dollars (\$) or AUD) unless otherwise stated. Investors should note that this presentation may contain pro forma historical and forward looking financial information. The pro forma and forward looking financial information and the historical information, provided in this presentation is for illustrative purposes only and is not represented as being indicative of the Company's views on its future financial condition and/or performance.

The pro forma financial information has been prepared by the Company in accordance with the recognition and measurement principles of Australian Accounting Standards (AAS) and the Company's adopted accounting policies of applicable accounting standards and other mandatory reporting requirements in Australia. Investors should also note that any pro forma financial information does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission (SEC). Such information does not purport to comply with Article 3-05 of Regulation S-X.

Investors should be aware that certain financial measures included in this presentation are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and also 'non-GAAP financial measures' within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended, and are not recognised under AAS and International Financial Reporting Standards (IFRS). The non-IFRS financial information / non-GAAP financial measures include EBITDA and EBIT. The Company believes the non-IFRS financial information / non-GAAP measures provide useful information to users in measuring the financial performance and conditions of the Company. The non-IFRS financial information / non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information is not a measure of financial performance, liquidity or value under the IFRS and may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information / non-GAAP financial measures included in this presentation.

For further information  
please contact

**Authorised by: Dean Martin (CEO)**

**InPayTech**

Level 5, 28 Margaret Street Sydney NSW  
2000

**Email**

[dmartin@inpaytech.com.au](mailto:dmartin@inpaytech.com.au)

**Mobile**

0421 183 214

**InPayTech**

Integrated Payment Technologies Limited