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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.



bond
by *Comply Path*



InPayTech
Integrated Payment Technologies Limited

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.



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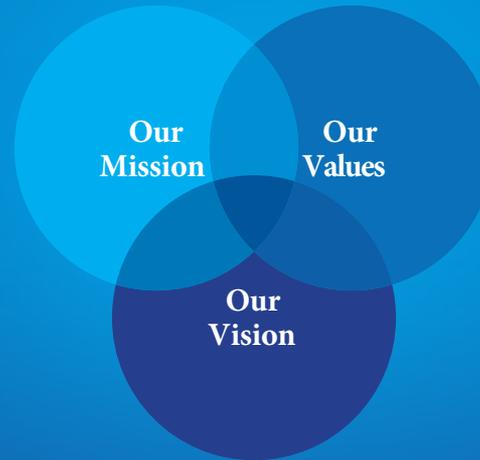
Our Vision, Mission and Values for the combined group

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

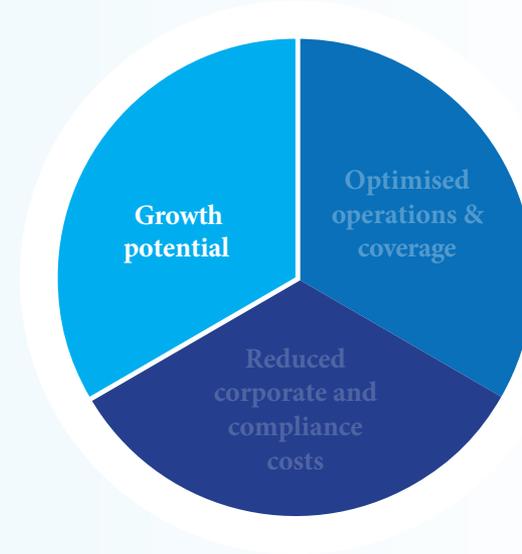
We work openly and collaboratively to deliver great results for our customers and the Team.

'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.

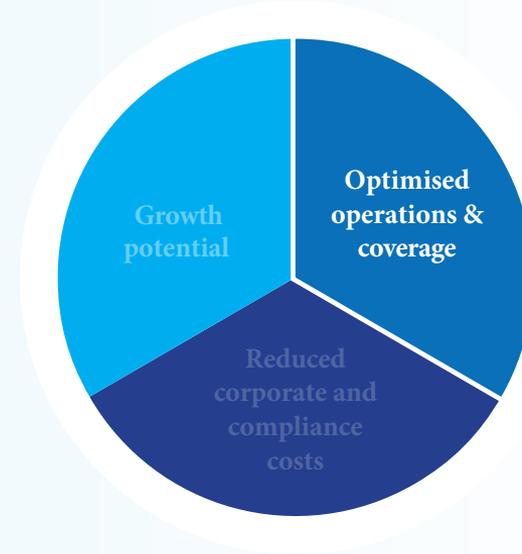


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Some benefits of the proposed merger

Optimised operations and coverage

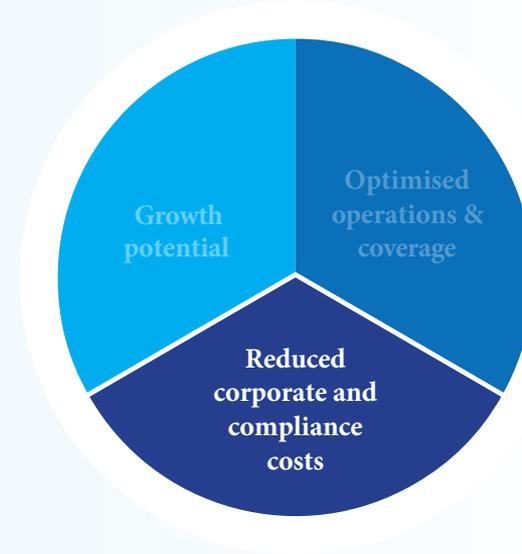
- Complementary skills, experience, teams and relationships significantly increases capacity and capability to pursue and aim to deliver market leading solutions in payments, payroll, superannuation and financial services industries.
- Combining consulting know how with established software as a service 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.



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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.



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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.'

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