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## **BPS EXECUTES LANDMARK AGREEMENT WITH ALIBABA PARTNER TO OPEN UP CHINESE MARKET FOR ITS MERCHANTS**

- **BPS secures landmark B2B deal with Alibaba Partner, the ASX listed SmartTrans “SMA”, providing BPS’ Merchants access to China’s US\$670 billion e-commerce market<sup>1</sup>**
- **Agreement gives BPS’ Australian merchants access to online giant Alibaba’s wholesale e-Commerce Platform – 1688.com**
- **Partnership made possible through SMA’s established relationships with Alibaba and cross-border payments facility as well as the large BPS merchant base**
- **Additional revenue stream for BPS via service fees, commissions on product sales and transaction fees**

BPS Technology Limited (“BPS”) (ASX: BPS) is pleased to announce that it has today executed a Master Merchant Agreement with SmartTrans (ASX: SMA) to promote and sell products in China via Alibaba’s e-Commerce platform 1688.com.

BPS is committed to enhancing the services and distribution channels it provides to its 24,000 merchants and 50,000 cardholders and is pleased to now have opened up access for its proprietary technology and merchant networks to the huge e-commerce sector in China, estimated to be worth US\$670 billion in 2015 and growing rapidly<sup>1</sup>.

BPS is now able to provide the ability for its merchants to market and sell their products in China and receive payment in Australia via its agreement with established online payments business, SmartTrans, who is providing a specialist Australian products outlet on Alibaba’s online site [www.1688.com](http://www.1688.com) and able to process payments to Australia via its cross-border payment capability.

Initially BPS will deliver key suppliers access in four key market verticals; Health and Wellness, Travel and Tourism, Property and Education. These are Australia’s largest export markets after the resources sector. The Master Merchant Agreement with SmartTrans enables BPS to earn a merchant fee and product margin from each transaction. At this stage all transactions are settled in cash, credit card or by AliPay.

*1. Source: [www.techinasia.com/china-ecommerce-spending-to-blast-past-1-trillion-in-2017](http://www.techinasia.com/china-ecommerce-spending-to-blast-past-1-trillion-in-2017)*

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This landmark agreement follows the recent announcement in China during Australia Week by the Prime Minister, Malcolm Turnbull, that the Australian Government is committed to providing market access for Australian businesses whilst confirming that the Chinese Government is committed to protecting Chinese consumers. To fulfil this under the new China Australia Free Trade Agreement (CHaFTA), leading e-commerce facilitators have committed to ensuring that Australian suppliers are protected from counterfeit goods, predatory pricing and other anti-competitive behaviour. In turn Chinese consumers are protected and all appropriate taxes paid to the Chinese Government. (<https://www.pm.gov.au/media/2016-04-14/keynote-address-australia-week-china-gala-lunch>). These operators include Alibaba, 1688.com, JD.com, Taobao.com and Tmall.com

Alibaba.com, the primary company of Alibaba, is the world's largest online business-to-business trading platform for small businesses. The company's English language portal Alibaba.com handles sales between importers and exporters from more than 240 countries and regions. The Chinese portal 1688.com was developed for domestic business-to-business trade in China. In 2013, 1688.com launched a direct channel that is responsible for \$30 million in daily transaction value.

SmartTrans Managing Director Bryan Carr stated: "The agreement with BPS Technology is a significant business-to-business (B2B) partnership in which SmartTrans will provide access to the BPS Merchants from outside of China to SmartTrans' and Alibaba's 1688.com online platforms, customer database and the SmartPay platform as a turnkey solution to doing business there. We look forward to working with our new partner BPS Technology to help bring Australian merchants' products and service offerings to the huge China e-commerce market."

BPS Chief Executive Officer Trevor Dietz stated: "Over time BPS will seek to expand its presence in the Chinese Market with its Chinese partners and plans to progressively roll out its payment and rewards technology platforms including TESS and bucci."

For more information, please contact:

**Trevor Dietz**

Mobile: +61 7 5561 9111

Email: [trevor.dietz@bpstechnology.com](mailto:trevor.dietz@bpstechnology.com)

Investor contact:

**Eric Kuret**

Market Eye

D: +61 7 3225 4598

E: [eric.kuret@marketeye.com.au](mailto:eric.kuret@marketeye.com.au)

Media contact:

**Georgie Morell**

Market Eye

D: +61 3 9591 8900

E: [georgie.morell@marketeye.com.au](mailto:georgie.morell@marketeye.com.au)

**About SmartTrans Holdings Limited (ASX: SMA):** SmartTrans Holdings Limited is a leading Australian technology and software provider that has developed a mobile and online billing and payment platform for the China market. The company has agreements in place to provide billing with China Mobile, China Unicom, China Telecom, UnionPay and Alipay and has seen rapid growth in the uptake of its billing services. SmartTrans has also developed cutting-edge proprietary logistics software which is used by some of Australia's leading blue-chip organisations. SmartTrans is assessing growth opportunities for its logistic offering in China to complement its mobile and online payments platform

**About BPS Technology Limited (ASX:BPS):** BPS Technology Limited is a leading provider of technology platforms and management systems in the Digital Payments space for Small to Medium Businesses (SMBs) in 8 countries. Its technology platforms and systems help to drive customers to its SMB merchants. More than 24,000 SMEs transact in excess of 1.8m transactions worth \$600m+ per annum using its various technology platforms. BPS earns fees on all transactions over the platforms via its subsidiaries Bartercard, TESS and bucqi.

**About Bartercard:** Bartercard operates the world's largest trade exchange. It allows small to medium businesses to conduct business transactions without the use of cash. There are 50,000+ card holders in 8 countries currently. Bartercard transactions can be conducted on-line, via its mobile app, across more than 7,000 bank EFTPOS terminals and on bucqi terminals.

**About bucqi:** bucqi is a disruptive technology based around a loyalty platform designed for SMEs combined with a robust and innovative mobile payment app for both merchants and consumers. Payments platform has been two years in the making and has a number of patents pending. It allows consumers to easily pay for goods and services without taking out their wallet or swiping their credit card and they earn and redeem reward points via a wide range of participating suppliers. It has been launched in 3 regional cities in Queensland Australia and will Wellington in New Zealand.

**About TESS:** TESS (Trade Exchange Software Services) is a software platform developed to support all trade exchanges globally. It is the only software recognised and recommended as preferred software by the International Reciprocal Trade Association (IRTA) - the largest professional body governing of the industry globally. TESS produces versions of its software created to service small, medium, large and enterprise level exchanges. IRTA uses TESS supplied software to run its Universal Currency (UC) trading platform that allows members' trade exchanges to trade between themselves seamlessly.

