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New Three Year Exclusive Agreement with The Pepi Companies Substantially Expands Existing Relationship with USA Technologies

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Integrated Payment Services through ePort Connect Highlights the Future of Cashless Payment, Telemetry and Consumer Engagement Services in Self-Serve Retail

MALVERN, Pa.--(BUSINESS WIRE)-- [USA Technologies, Inc.](#) (NASDAQ: USAT), ("USAT"), a leader of wireless, cashless payment and M2M telemetry solutions for small-ticket, self-serve retailing industries, today announced a new, exclusive agreement with The Pepi Companies that USAT believes exemplifies the future of integrated cashless payment, telemetry and consumer engagement services. The agreement, designed to span all aspects of Pepi's business—from vending to micro-market, from mobile payment to cafeteria/food service point of sale—leverages Pepi's existing cashless-enabled vending network and USAT's new Integrated Payment Services. [Integrated Payment Services](#), an evolution of USAT's market-leading ePort Connect[®] service, was introduced to the vending industry yesterday.

[The Pepi Companies](#) ("Pepi"), a leading food, coffee and vending service provider based out of Dothan, Alabama, was USAT's first customer to initiate a complete conversion to cashless payment and telemetry on its vending machines, a project completed at the end of 2012. Under the new agreement, Pepi plans to substantially expand its relationship with USAT by leveraging USAT products, services and add-on integration capabilities across all of Pepi's other business segments.

Vic Pemberton, chief executive officer and founder of The Pepi Companies, commented, "Implementing cashless on all our vending machines greatly enhanced our customer experience, but it was just the beginning for Pepi. The marketplace for a traditional vending operator is much more complex now than it was before. Many of us have micro-markets, more operators are getting into coffee services and other direct store deliveries, and others are expanding their portfolio of convenient and fresh food services. By putting this agreement together with USAT, our goal was to build an infrastructure to simplify cash flow and operations, save on rates and shrinkage and bring more value to our consumers."

Pepi's integrated service solution will include **traditional vending**, using USAT's turnkey ePort[®] and ePort Connect cashless payment and telemetry products and services. Pepi will also have the ability to integrate other third-party devices certified on USAT's ePort Connect network. For Pepi's **micro-markets** as well as their **dining service** point of sale, Pepi's technology partner used QuickConnect to integrate with USAT, for streamlined payment services. In addition, for Pepi's **office coffee services and direct store deliveries**, Pepi will use USAT's [ePort Mobile](#)™ solution to integrate payments with other business segments. Finally, USAT's loyalty and prepaid program, [MORE](#), will be accessible by participating consumers using any of these payment acceptance options for an enhanced consumer experience and loyalty factor—one program for all aspects.

"We had our own theme in mind when we developed this integrated services plan with USAT: 'Simply More, Simply Better,'" said Pemberton. "'Simply Better' is about creating a foundation that combines all of our credit and debit card processing. Everything coming down the same, integrated pipeline provides obvious efficiencies. We'll be able to save not only in accountability, but in daily deposits and cash handling, as well as in processing rates.

"'Simply More' is about enhancing the customer's experience," added Pemberton. "Using USAT's [MORE](#) program across our vending, kiosk and point of sale systems, Pepi customers will enjoy a common loyalty experience anywhere they go—whether it's a card, fob or mobile-based consumer app. Behind the scenes, this structure will provide even better controls and information about consumers.

"In all, Pepi's goal is to leverage our connected technology and the capabilities of USAT. We look forward to executing this new plan and the opportunities ahead to ensure that doing business with Pepi is 'Simply More, Simply Better,'" concluded Pemberton.

"Pepi's progressive use of connected technology embodies the spirit of USAT's presence at this year's NAMA OneShow where we plan to showcase the strength and versatility of our service capabilities in self-serve retail," said Michael K. Lawlor, USAT's senior vice president of sales and business development. "We are changing the conversation, signaling to our customers that there's a whole new manner in which full-service food and beverage providers will be able to manage their businesses as they continue to transition to cashless with USAT."

USAT will be exhibiting its one-stop, cashless payment, telemetry and consumer engagement services at the [NAMA OneShow](#) at the McCormick Place, LakeSide Center in Chicago from April 9-11. Visit USAT at Booth # 763.

In addition, The Pepi Companies will be presenting a workshop titled, "Not UR Daddy's Vending: The Evolution of Today's Convenient Refreshment Company" at the [NAMA OneShow](#) on Tuesday, April 8, 2014, at 1:45 p.m.

About Pepi Food Services

Pepi Food Services, headquartered in Dothan, Alabama, with branches in Bainbridge, Georgia, and Tallahassee, Florida, has been a leader in vending and food services for nearly 29 years and coffee and water services for over 20 and 13 years, respectively. The company is a local Canteen franchise employing 100 loyal and dedicated professionals who deliver vending, canteen services and coffee services to over 1,000 clients. To learn more, please visit [www.pepifoods.com](#).

About USA Technologies:

USA Technologies is a leader of wireless, cashless payment and M2M telemetry solutions for small-ticket, self-serve retailing industries. ePort Connect[®] is the company's flagship service platform, a PCI-compliant, end-to-end suite of cashless payment and telemetry services specially tailored to fit the needs of small ticket,

self-service retailing industries. USA Technologies also provides a broad line of cashless acceptance technologies including its NFC-ready ePort® G-series, ePort Mobile™ for customers on the go, and QuickConnect, an API Web service for developers. USA Technologies has been granted 87 patents; and has agreements with Verizon, Visa, Elavon and customers such as Compass, Crane, AMI Entertainment and others. Visit the website at www.usatech.com.

Forward-looking Statements:

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: All statements other than statements of historical fact included in this release, including without limitation, the business strategy and the plans and objectives of USAT's management for future operations, are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to USAT or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of USAT's management, as well as assumptions made by and information currently available to USAT's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, business, financial market and economic conditions; whether, and to what extent, USAT's Integrated Payment Services will help customers save on rates, improve business and merchant account efficiencies, daily deposits and cash handling, and deliver better service to consumers; the possibility that all of the expected benefits from adoption of USAT's Integrated Payment Services will not be realized by all customers, or will not be realized within the expected time period; and USAT's ability to accurately predict future market conditions, consumer behavior and levels of cashless usage. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release. Unless required by law, USAT does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

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