

Pushpay provides update on impacts of COVID-19

Auckland, New Zealand | Redmond, Washington, US – 18 March 2020 (NZT)

Pushpay Holdings Limited (NZX:PPH, ASX:PPH, 'Pushpay' or 'the Company') advises that its performance for the year ending 31 March 2020 is not expected to be adversely affected as a result of the impacts from COVID-19.

Although a number of organisations are temporarily closing their physical premises in response to the spread of COVID-19, Pushpay is seeing a clear shift to digital whereby Customers are utilising its mobile-first technology solutions to communicate with their congregations.

The Company is experiencing an overall increase in demand for its services and remains well-equipped to support Customers to leverage digital technology and drive continued congregation participation through the use of its mobile app.

A number of Pushpay's Customers are taking preventative measures to suspend in-person gatherings, emphasising live streaming, connection through their apps, small group meetings and digital giving. In terms of digital giving trends, Pushpay's processing volume over the last weekend was higher than the Company expected prior to COVID-19.

Pushpay's CEO Bruce Gordon said, "During this time and more than ever, churches are finding that leading their communities toward online services is a necessity. We are actively working to help our Customers navigate this time and use it as an opportunity to strengthen connections within their community through digital means. Although church facilities may be closed for the meantime, their services will continue and we remain committed to supporting our Customers through mobile-first solutions. Church is more than a building and we are seeing communities rally together. Pushpay remains confident in its strategy as we continue to strengthen our value proposition for customers in the US faith sector."

Pushpay has the capability for all employees to work remotely for extended periods and this has been put in place for the Company's Redmond, Washington, US and Colorado Springs, Colorado, US offices in response to COVID-19.

Excluding the acquisition of the ownership interests in Church Community Builder and associated impacts, Pushpay reiterates its guidance for the year ending 31 March 2020, of operating revenue of between US\$121.0 million and US\$124.0 million, gross margin of over 63%, and Total Processing Volume of between US\$4.8 billion and US\$5.0 billion.

Pushpay now expects EBITDAF of between US\$25.0 million and US\$27.0 million, excluding the acquisition of the ownership interests in Church Community Builder and associated costs (previously between US\$23.0 million and US\$25.0 million). Transaction costs were US\$2.0 million and a one-time non-cash deferred revenue accounting adjustment on acquisition of Church Community Builder in the year ending 31 March 2020 is estimated at up to US\$3.0 million (subject to audit). Pushpay expects operating leverage to continue to accrue to the business over the next financial year.

Pushpay looks forward to discussing the results for the year ending 31 March 2020 in more detail at the Company's Annual Results announcement on Wednesday, 6 May 2020 (NZT).

Previous guidance¹ for the year ending 31 March 2020

- Operating revenue of between US\$121.0 million and US\$124.0 million
- Gross margin of over 63%
- Total Processing Volume of between US\$4.8 billion and US\$5.0 billion
- EBITDAF of between US\$23.0 million and US\$25.0 million

Updated and reiterated guidance¹ for the year ending 31 March 2020

- Operating revenue of between US\$121.0 million and US\$124.0 million
- Gross margin of over 63%
- Total Processing Volume of between US\$4.8 billion and US\$5.0 billion
- EBITDAF of between US\$25.0 million and US\$27.0 million

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1. Guidance excludes the acquisition of the ownership interests in Church Community Builder, associated costs and non-cash deferred revenue accounting adjustments.

Contact

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This announcement is authorised by Graham Shaw (Chairman) and Bruce Gordon (Chief Executive Officer and Executive Director) of Pushpay Holdings Limited.

About Pushpay

Pushpay provides a donor management system, including donor tools, finance tools and a custom community app, to the faith sector, non-profit organisations and education providers in the US, Canada, Australia and New Zealand. Our leading solutions simplify engagement, payments and administration, enabling our Customers to increase participation and build stronger relationships with their communities.

Church Community Builder is a subsidiary of Pushpay Holdings Limited and is a Software as a Service (SaaS) church management system solution in the US. Church Community Builder provides a platform that churches use to connect and communicate with their community members, record member service history, track online giving and perform a range of administrative functions. Combined, Pushpay and Church Community Builder deliver a best-in-class, fully integrated ChMS, custom community app and giving solution for customers in the US faith sector.

Pushpay receives co-funding from Callaghan Innovation, New Zealand's innovation agency, to support innovation through research and development.

Pushpay is an award-winning company. For more information visit www.pushpay.com/investors/awards.

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