

Pushpay reconfirms and narrows FY22 guidance range, and provides disclosure relating to the repurchase of unallocated employee share scheme shares

Auckland, New Zealand | Redmond, Washington; Colorado Springs, Colorado; Plano, Texas, US – 15 March 2022 (NZT)

Pushpay Holdings Limited (NZSX:PPH, ASX:PPH, 'Pushpay' or 'the Company') advises that it has reconfirmed and narrowed its previous guidance for the year ending 31 March 2022, and now expects Underlying EBITDAFI¹ to be between US\$61.5 million and US\$63.5 million (previously Underlying EBITDAFI of between US\$60.0 million and US\$65.0 million). Excluding the costs associated with the investment into the Catholic initiative, Pushpay expects to achieve Underlying EBITDAFI for the year ending 31 March 2022 of between US\$63.5 million and US\$65.5 million. The Company's guidance for the year ending 31 March 2022 represents an increase in Underlying EBITDAFI performance of between 6% to 10% when compared to the prior financial year ended 31 March 2021.

Pushpay continues to see positive year-on-year increases in processing volume performance in each trading month of the 2022 financial year, with the total processing volume for the eleven months ended 28 February 2022 being up 10% compared to the same period last year.

The Company's strong operating cash flow continues to enable Pushpay to pay down its debt facility, which was obtained to partially fund the Resi Media acquisition in August 2021. Pushpay's net debt balance has reduced from US\$90.0 million as at August 2021, to US\$54.0 million as at 28 February 2022. Pushpay looks forward to discussing the results for the year ending 31 March 2022 in more detail at the Company's Annual Results announcement on Wednesday, 11 May 2022 (NZT).

Pushpay also advises that it is intending to buy back the remaining 138,336 Pushpay shares currently held by Pushpay Trustee Limited (Trustee) as trustee for a legacy employee share scheme. Further information is set out below. This requires no action from shareholders.

Disestablishment of the Share Incentive Scheme

The Company previously operated a share incentive scheme known as the Pushpay Share Incentive Scheme (Scheme), under which selected eligible persons, being employees, directors and individuals who provided services as an independent contractor of or to the Company or its subsidiaries (or associated interests of those persons) (together, the Participants) could acquire an interest in fully paid shares in the Company (Incentive Shares).

Under the Scheme, Participants were entitled to purchase Incentive Shares at the invitation of the Board. These Incentive Shares were issued to the Trustee as trustee and held on trust for the benefit of the Participants, until legal title to those Incentive Shares was transferred to the Participants.

In 2016, the Company adopted the 2016 Share Incentive Plan, whereby Participants are awarded Restricted Stock Units, and stopped issuing new Incentive Shares to the Trustee under the Scheme. The Company now wishes to finalise the disestablishment of the Scheme. This will involve the Company repurchasing the remaining Incentive Shares held by the Trustee, being 138,336 shares which are not allocated to any Participant (Unallocated Shares).

The Company intends to repurchase Unallocated Shares at their original allocation price. The repurchase of the Unallocated Shares will have no cash cost to the Company.

¹ Underlying EBITDAFI is a non-GAAP financial measure. An explanation of Underlying EBITDAFI and the reasons for using this measure are set out in Pushpay's 2022 Interim Report.

Once repurchased from the Trustee, the Company will immediately cancel the Unallocated Shares. Following this, there will be no Unallocated Shares held by the Trustee and it is then Pushpay's intention to terminate the Scheme and amalgamate the Trustee into the Company.

The disclosures set out below are provided to all shareholders of the Company in accordance with the requirements set out in section 62 of the Companies Act 1993 (Companies Act). Those disclosures set out details of the Company's intention to acquire ordinary shares in the Company from the Trustee in accordance with the NZX Listing Rules and the Companies Act.

Nature and terms of the Repurchase

The Board has resolved to offer to acquire 138,336 Unallocated Shares from the Trustee for the consideration for which the Trustee repurchased the Unallocated Shares from former Participants, as set out in the Schedule to this disclosure (the Repurchase). This offer will be made not less than 10 working days and not more than 12 months after this disclosure has been sent to each shareholder of the Company. It is the Company's current intention that the Repurchase of the Unallocated Shares be completed on 31 March 2022.

This document is for information only. You are not required to take any action.

Relevant interest of directors of the Company in Unallocated Shares

No director of the Company has a relevant interest in the Unallocated Shares that are the subject of the Repurchase.

Board resolutions

On 14 March 2022, Pushpay's Board resolved to offer to acquire up to 138,336 Unallocated Shares from the Trustee for the consideration that the Trustee repurchased the Unallocated Shares from former Participants per Unallocated Share. It is intended that the acquisition of Unallocated Shares will be completed by or before 31 March 2022. The text of the resolution required by section 61 of the Companies Act is set out below:

1. Pursuant to section 60(1)(b)(ii) of the Companies Act, clause 5.1 of the Company's constitution and rule 4.14.1(b)(ii) of the NZX Listing Rules, the Company wishes to Repurchase the Unallocated Shares from the Trustee for the prices set out in the schedule to these resolutions (being the price as which beneficial title to the Unallocated Shares was acquired by the Trustee).
2. The Unallocated Shares shall be canceled immediately upon acquisition.
3. The Company shall send to each shareholder a Repurchase Disclosure Document on or about 15 March 2022 in relation to the Repurchase in accordance with sections 61(5) and 62 of the Companies Act and shall, on the same date, release the Repurchase Disclosure Document to NZX and ASX.
4. In accordance with section 61(6) of the Companies Act, the proposed Repurchase by the Company will occur on a date ("Repurchase Date") not less than 10 working days and not more than 12 months after a copy of the Repurchase Disclosure Document has been sent to each shareholder. The Company's Interim Chief Financial Officer is delegated the authority to determine the Repurchase Date and make the Company's Repurchase offer to the Trustee on that date.
5. Following completion of the Repurchase, the Company is authorised to take all actions which are necessary or desirable to disestablish the Share Incentive Scheme.

Section 60(3) resolutions

6. The Repurchase is in the best interests of the Company.
7. The terms of, and the consideration for, the Repurchase are fair and reasonable to the Company.
8. The Board is not aware of any information that will not be disclosed to the shareholders of the Company:
 - (a) which is material to an assessment of the value of the Unallocated Shares; and

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- (b) as a result of which the terms of the offer and consideration offered for the Unallocated Shares are unfair to the shareholder accepting the Repurchase offer.

Section 61(1) resolutions

9. The Repurchase is of benefit to the remaining shareholders.
10. The terms of the Repurchase and the consideration offered for the Unallocated Shares are fair and reasonable to the remaining shareholders.

Reasons (as required by sections 60(4) and 61(2))

11. The reasons for the directors' conclusions set out in resolutions 5 to 9 are as follows:
- (a) the Unallocated Shares will be acquired from the Trustee at the price at which the Unallocated Shares were issued to the Trustee;
 - (b) the Unallocated Shares were originally issued to the Trustee for the benefit of persons who are no longer participants in the Company's Share Incentive Scheme. As those shares are no longer held for the former participants' benefit, the directors believe that it is appropriate that they be acquired by the Company;
 - (c) the Company proposes to disestablish the Share Incentive Scheme and it is necessary to undertake the Repurchase so that this can occur;
 - (d) the Repurchase will have no cash cost to the Company; and
 - (e) the Repurchase will have the effect of increasing shareholders' economic interest in the Company on a proportionate basis.

Section 52 resolution

12. The Board is satisfied that the Company will satisfy the solvency test as defined by sections 4 and 52 of the Companies Act immediately after the Repurchase. The grounds for this conclusion are that immediately after the Repurchase, the Company will be able to pay its debts as they become due in the normal course of business and the value of the Company's assets will exceed the value of the Company's liabilities (including contingent liabilities), having had regard to:
- (a) the most recent audited financial statements of the Company for the year ended 31 March 2021;
 - (b) the accounting records of the Company; and
 - (c) all other circumstances that the directors know or ought to know affect, or may affect, the value of the Company's liabilities, including its contingent liabilities.

Authorisations

13. Any Director of the Company, the Interim Chief Financial Officer and the Head of Investor Relations are authorised to approve and sign any document, give any notice or other communication, or take any action, on behalf of the Company that is required or is desirable in connection with the Repurchase and any of the other matters referred to in these resolutions.

Kind regards,



Molly Matthews

Chief Executive Officer

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Schedule

Shares to be Repurchased by the Trustee

<i>Purchase share price (NZ\$)</i>	<i>Number of shares</i>
0.9903	6,764
0.9819	115,492
1.0416	16,080
Total	138,336

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This announcement is authorised by Graham Shaw (Chairman) and Molly Matthews (Chief Executive Officer) of Pushpay Holdings Limited.

About Pushpay

Pushpay provides a donor management system, including donor tools, finance tools and a custom community app, a church management system (ChMS), and video streaming solutions to the faith sector, non-profit organisations and education providers located predominantly in the United States (US) and other jurisdictions. Our leading solutions simplify engagement, payments and administration, enabling our Customers to increase participation and build stronger relationships with their communities.

Church Community Builder and Resi Media LLC (Resi) are subsidiaries of Pushpay Holdings Limited. Church Community Builder provides a Software as a Service (SaaS) church management system 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. Resi is a high growth SaaS company that provides end-to-end live video streaming solutions enabled by hardware products predominantly to the faith sector, whilst also servicing commercial, nonprofit organisations and education providers in the US.

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

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