

Pushpay 2020 Investor Day

10 November 2020 (NZT)



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www.pushpay.com

Important notice

This presentation is given on behalf of Pushpay Holdings Limited (Pushpay).

NZSX:PPH | ASX:PPH | New Zealand Company Number: 3481675 | ARBN: 613 314 104

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All information in this presentation is current at the date of this presentation, unless stated otherwise. All currency amounts are in United States Dollars (USD) unless stated otherwise. Please refer to the Appendix for definitions of key metrics used in this presentation.



Agenda

Session	Pushpay presenter(s)
CEO update	Bruce Gordon, Chief Executive Officer
CFO update	Shane Sampson, Chief Financial Officer
Fireside chat with Timberlake Church	Molly Matthews, Chief Customer Officer
Product update	Aaron Senneff, Chief Technology Officer
Product demo	Brian Byersdorf, Account Executive
Q&A with Pushpay management	Bruce Gordon, Chief Executive Officer Shane Sampson, Chief Financial Officer Steve Basden, Chief Growth Officer Molly Matthews, Chief Customer Officer Aaron Senneff, Chief Technology Officer

A group of people in a meeting, with a man in the foreground using a smartphone. The man is wearing a blue denim shirt and has several beaded bracelets on his wrists. He is holding a white smartphone and looking at the screen. In the background, other people are sitting at a table, some using laptops and some using smartphones. The setting appears to be a modern office or meeting room with large windows in the background.

CEO update

Bruce Gordon, Chief Executive Officer



FY21 Interim Results recap

Operating Revenue

US\$85.6 million, up from US\$56.0 million, an increase of 53%

EBITDAF

US\$26.7 million, up from US\$9.6 million, an increase of 177%

Operating cash flow

US\$27.0 million, up from US\$8.9 million, an increase of 203%



Dec 2019

Church Community Builder acquired

Mar 2020

COVID-19 pivot to digital services



Sep 2020

ChurchStaq™ launched
ChMS functionality in the App launched
Connection Pack (ChMS only) released

Apr 2020

Pushpay and Church Community Builder merged into one organisational structure
Pushpay and Church Community Builder initial joint product value proposition launched



Guidance for the year ending 31 March 2021

EBITDAF of between US\$54.0 million and US\$58.0 million

Previously EBITDAF of between US\$50.0 million and US\$54.0 million as announced on 18 June 2020.

Board and leadership



Lovina McMurchy

Independent Director



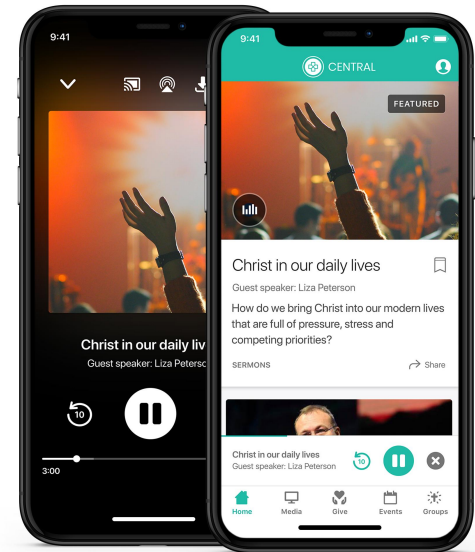
Lorraine Witten

Independent Director

Church landscape traveling through the COVID-19 season

Key outtakes from Customer research:

- Blend of digital-only and in-person / digital
- “The way church is done will be forever changed”
- Technology delivers:
 - Connection between church leaders and participants
 - Connection between participants and participants
 - Efficiency to run the church (including remote)



Shaping our strategy

Things to consider as we move forward:

- One-stop-shop - trusted partner relationship
- New solutions must be scalable, personalisable and flexible
- Native and cross platform apps
 - Single sign-in and ease of use
 - Insights into their community - know, grow and keep
 - Tools to move people forward in their community, faith and giving journeys

Our vision for the future...

... a robust integrated ecosystem, offering products through a Pushpay marketplace



A photograph of two men sitting at a wooden table in a cafe. The man on the left, wearing a blue denim jacket, is smiling and looking at a smartphone he is holding. The man on the right, wearing glasses and a white shirt, is also smiling and looking towards the first man. There are two white coffee cups on the table. The background is softly blurred, showing an indoor setting with other people.

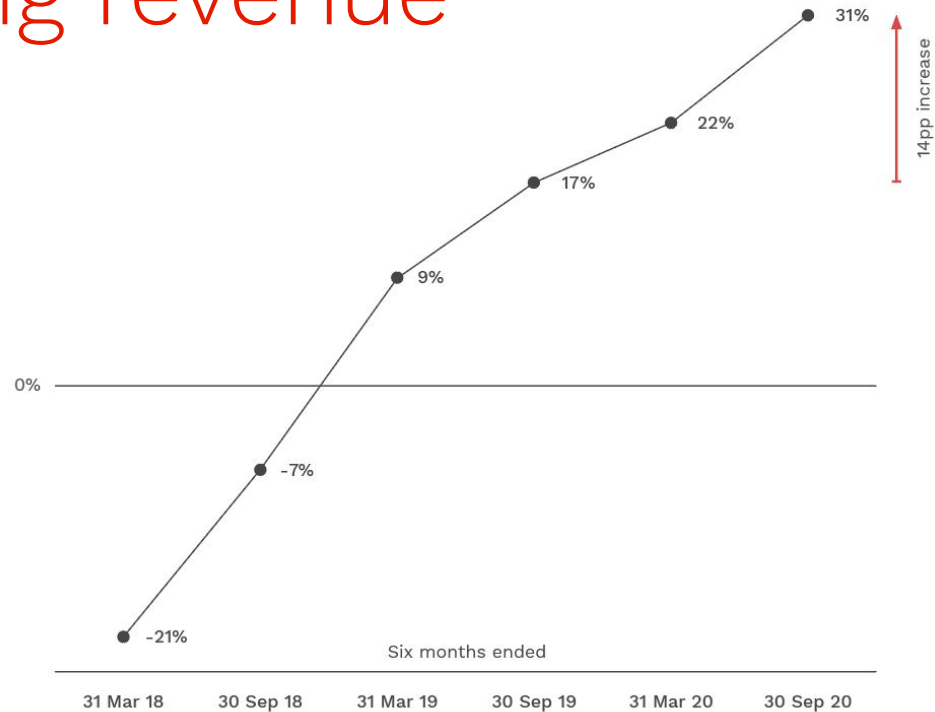
CFO update

Shane Sampson, Chief Financial Officer

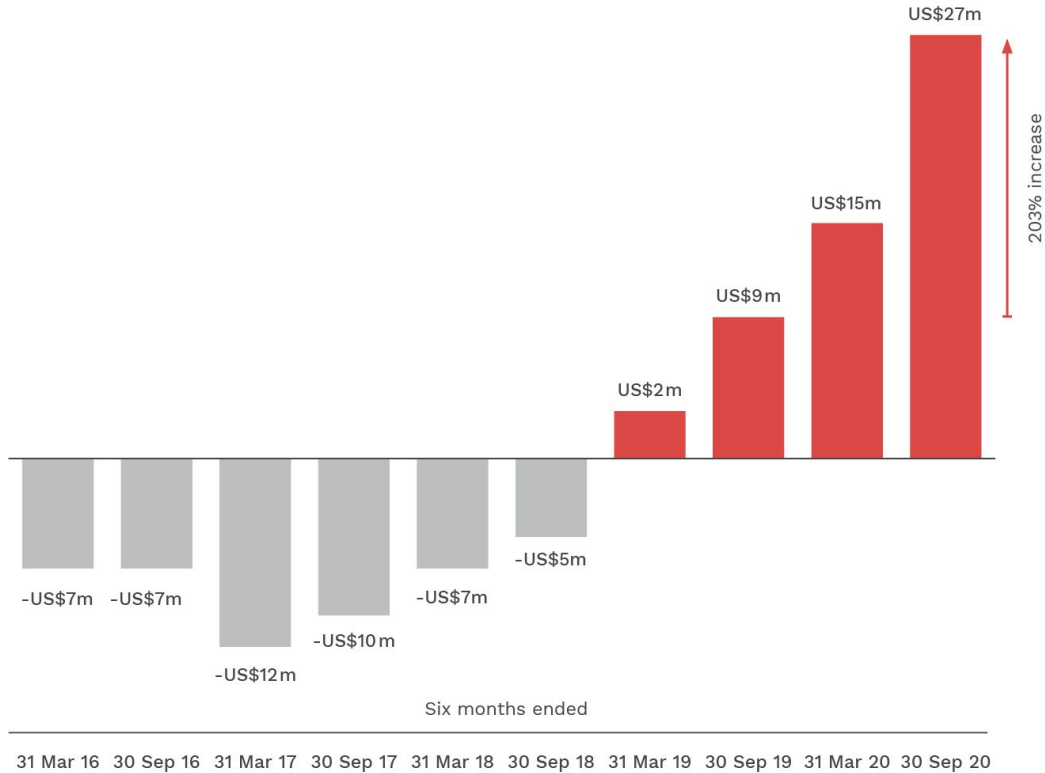


FY21 Interim Results key outtakes

EBITDAF as a percentage of operating revenue

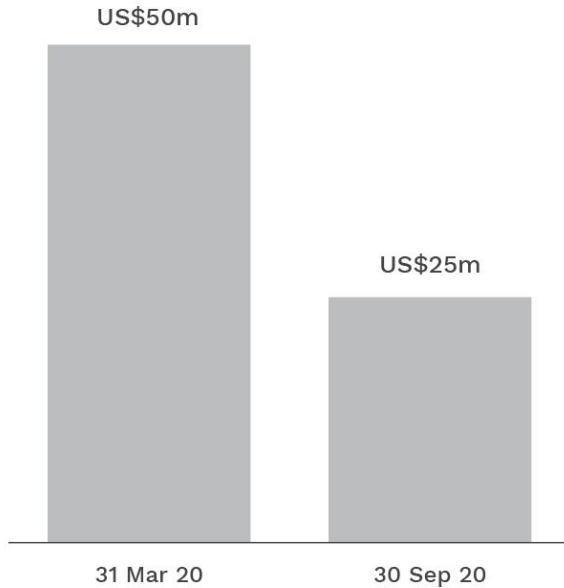


Total operating cash flows

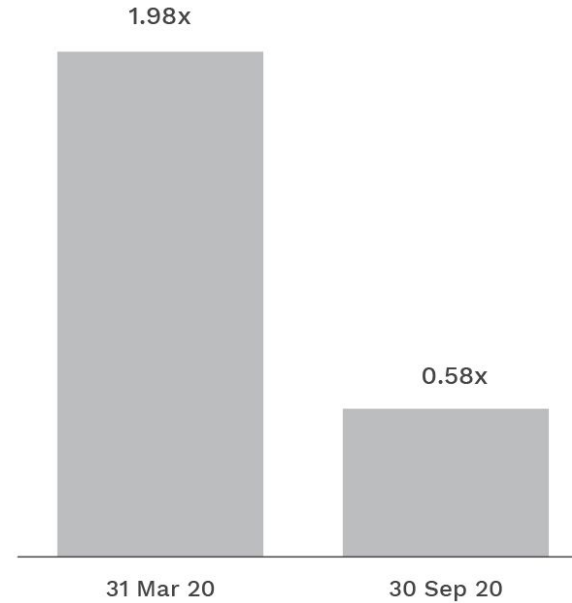


Borrowings

Net debt



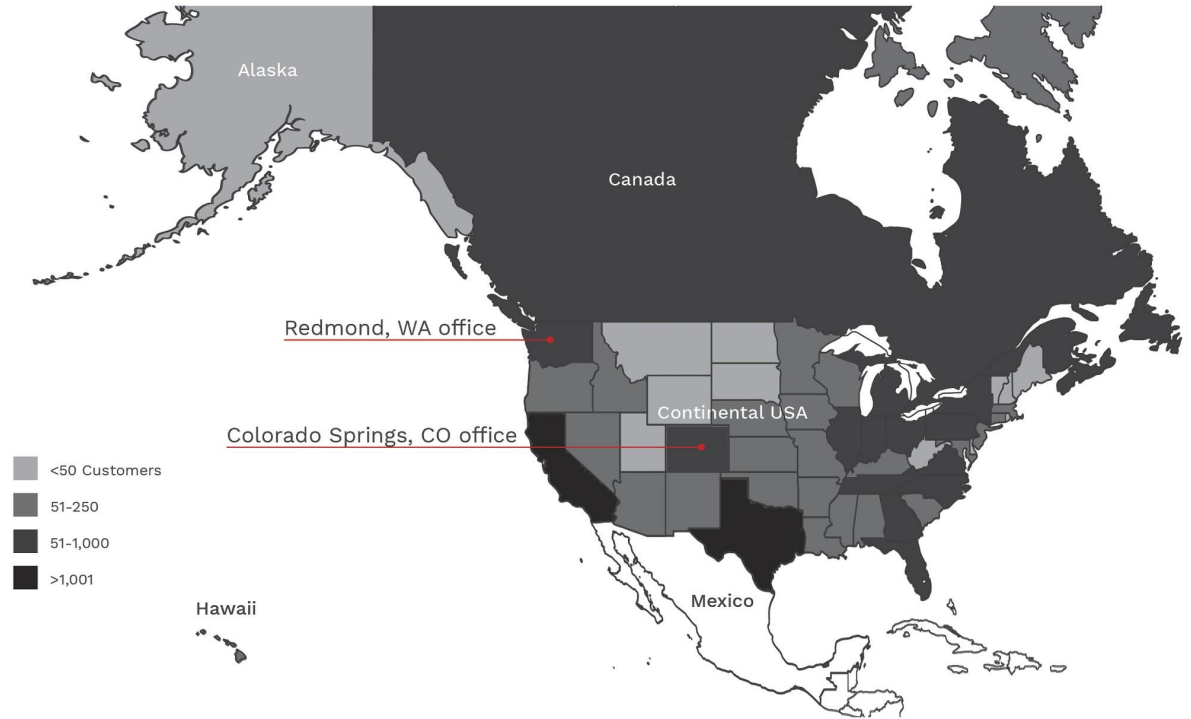
Net debt:EBITDAF*



* 12 months rolling EBITDAF

Customers*

10,896
total Customers
as at 30 September 2020



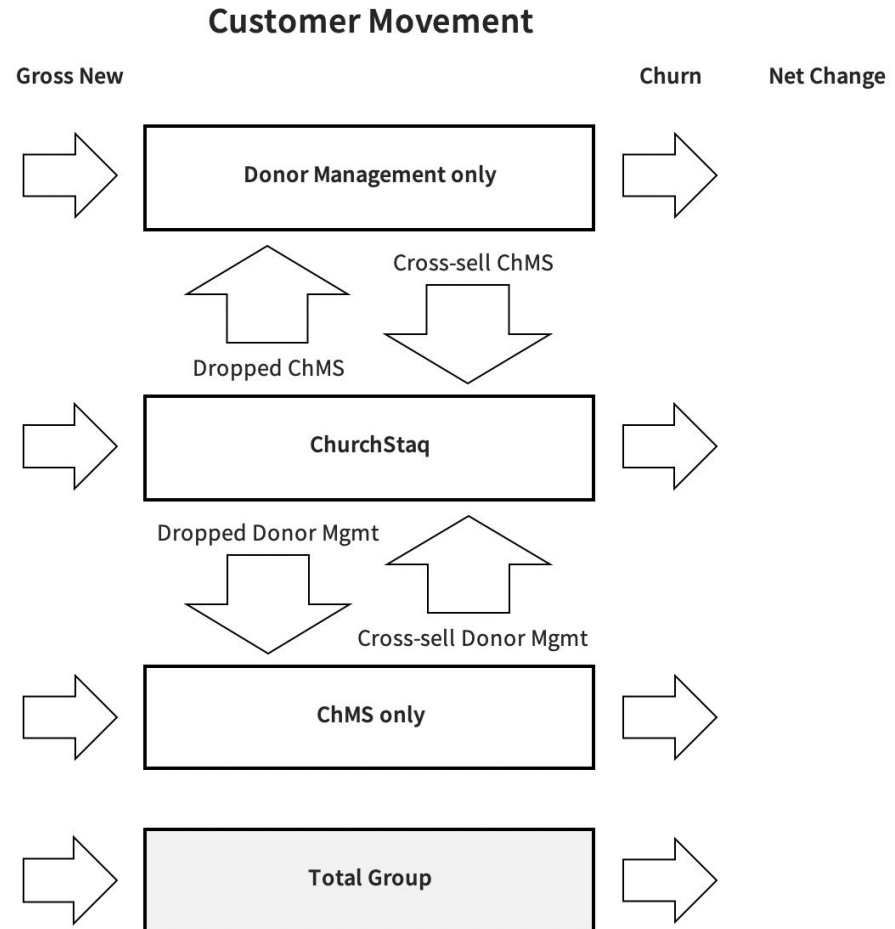
* Map includes locations in North America of Customers which have been added to the Pushpay platform as at 30 September 2020.



Customers

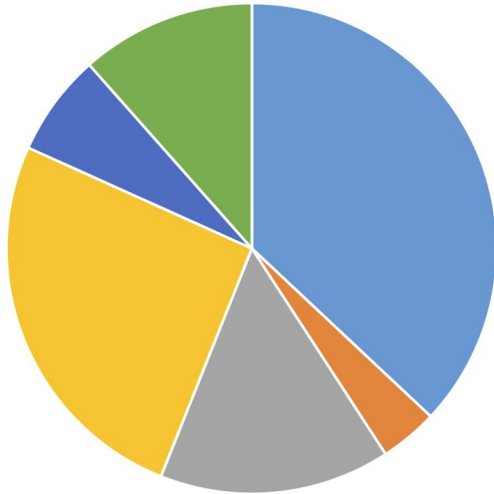
	<i>30 September 2020</i>	<i>31 March 2020</i>	<i>Movement</i>
Total Customers	10,896	10,896	0
<i>Product holdings</i>			
Donor Management System	8,489	8,180	309
Church Management System	4,236	4,158	78

Customers



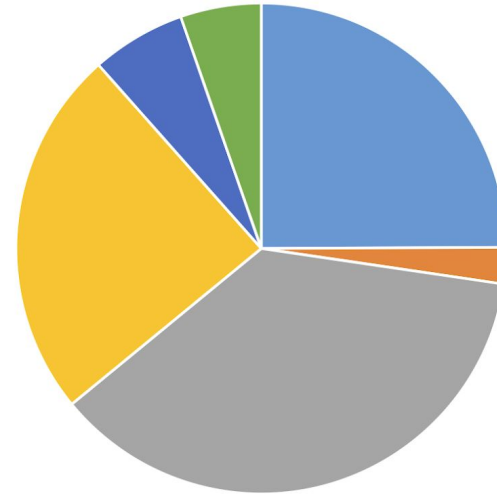
Better together

Jun Qtr



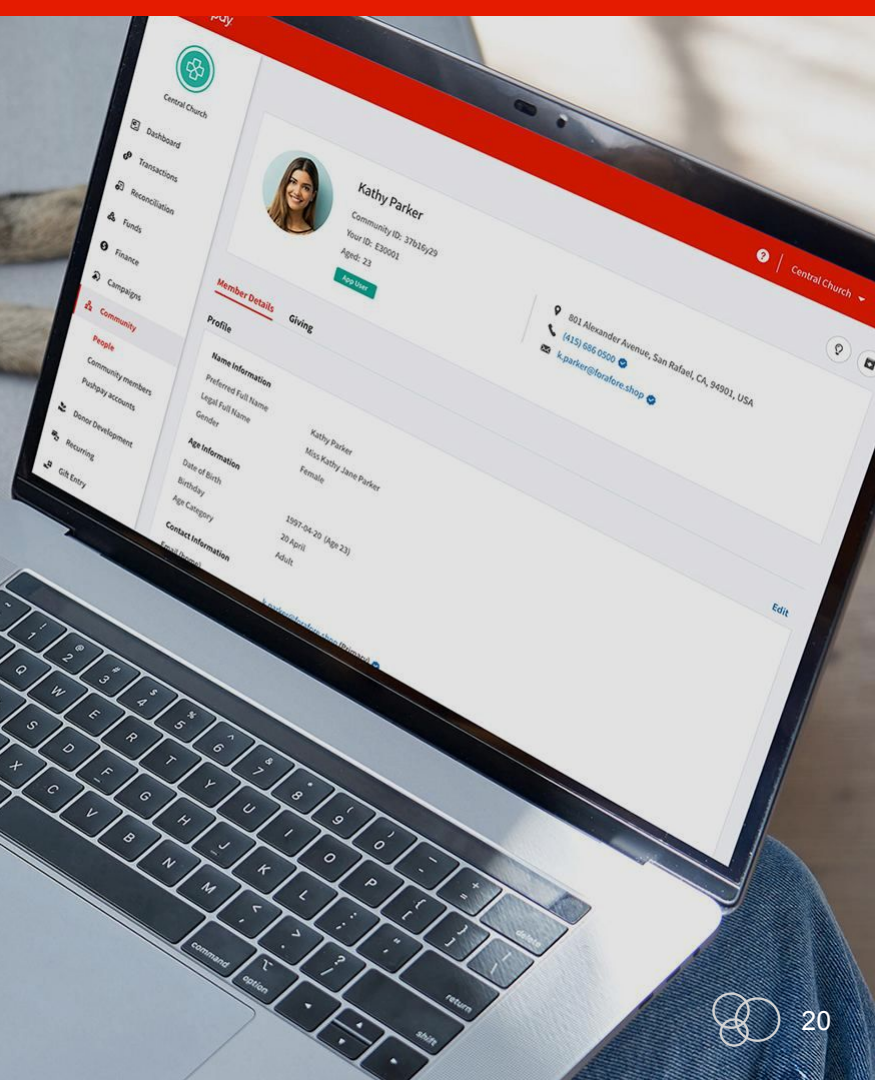
- Donor Management only
- Church Management only
- ChurchStaq bundle
- Cross-sell - DM to CCB backbook
- Cross-sell - ChMS to PPH backbook
- Backbook - Net upsells

Sep Qtr



- Donor Management only
- Church Management only
- ChurchStaq bundle
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- Cross-sell - ChMS to PPH backbook
- Backbook - Net upsells

COVID-19 impacts



Share of Wallet

ChMS only

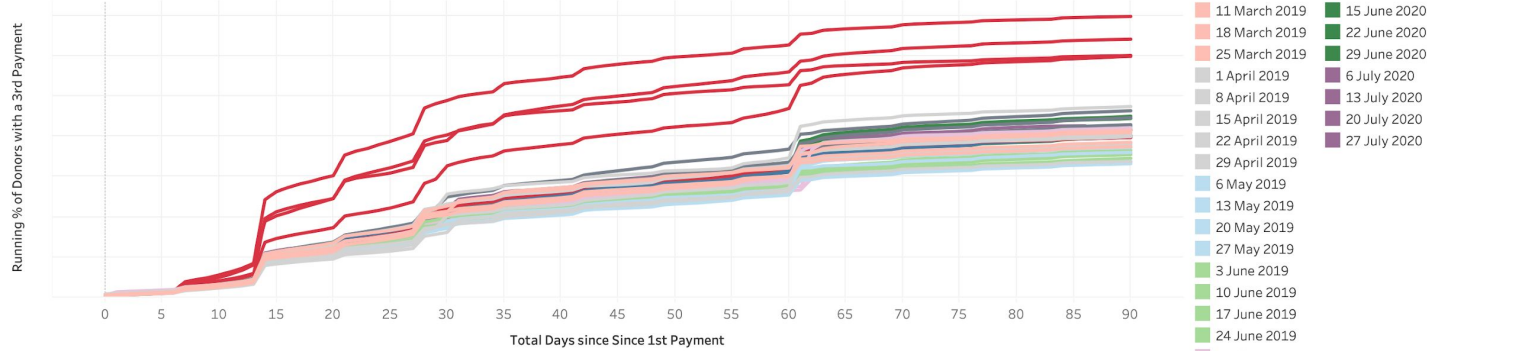


Joint

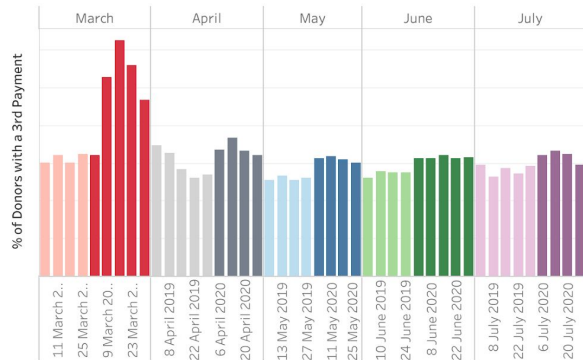


First time giver behaviour

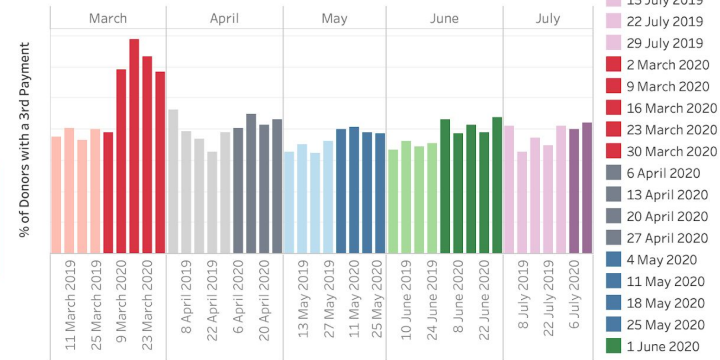
% of Donors - 3rd Payment made over time



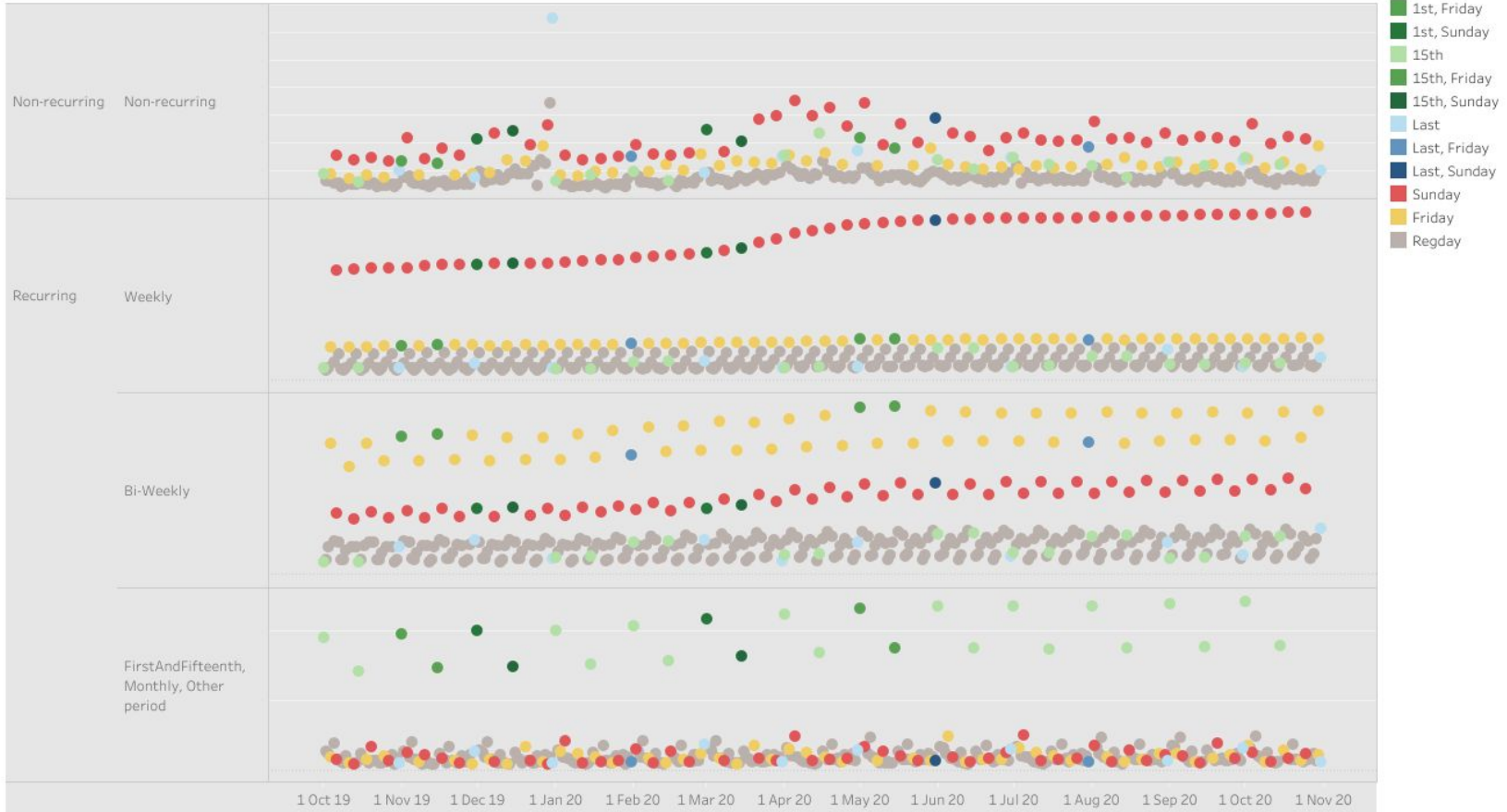
% Converted to 3rd Payment at 60 days



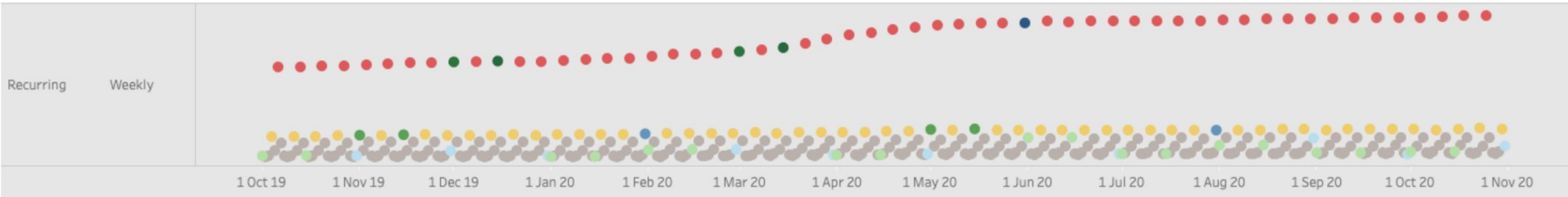
% Converted to 3rd Payment at 80 days



Volume by schedule



Recurring Giving - Sundays



- Recurring giving is most easily looked at by decomposing into the common frequencies
- Using Sunday as an example recurring lifted strongly throughout COVID-19

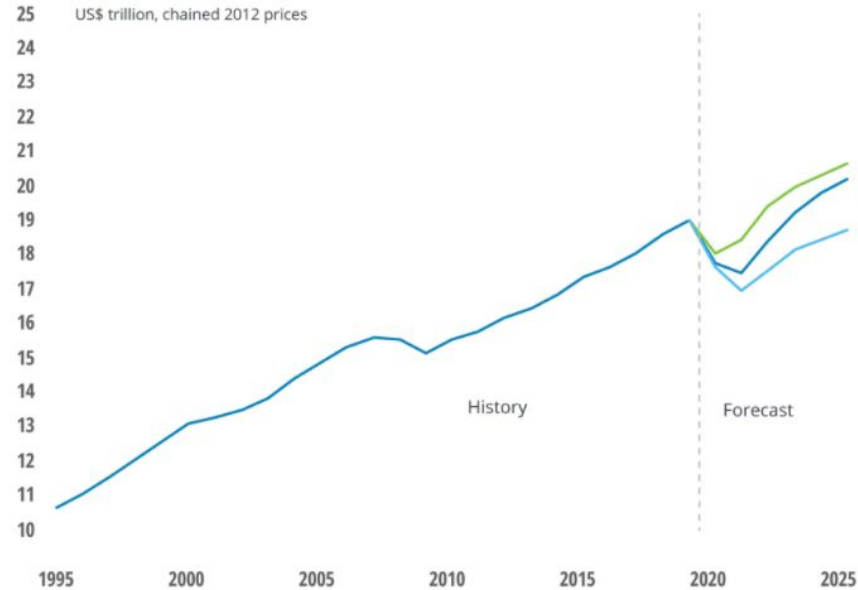
Forecast approach

Significant uncertainties in forecasts

FIGURE 2

Real GDP, US\$ trillion

— Baseline — Relief bill to the rescue — No end in sight



Source: Deloitte analysis.



Outlook for key drivers

Overall giving market

Giving share of our
Customers

Share of Wallet (ShoW)
of our Customers



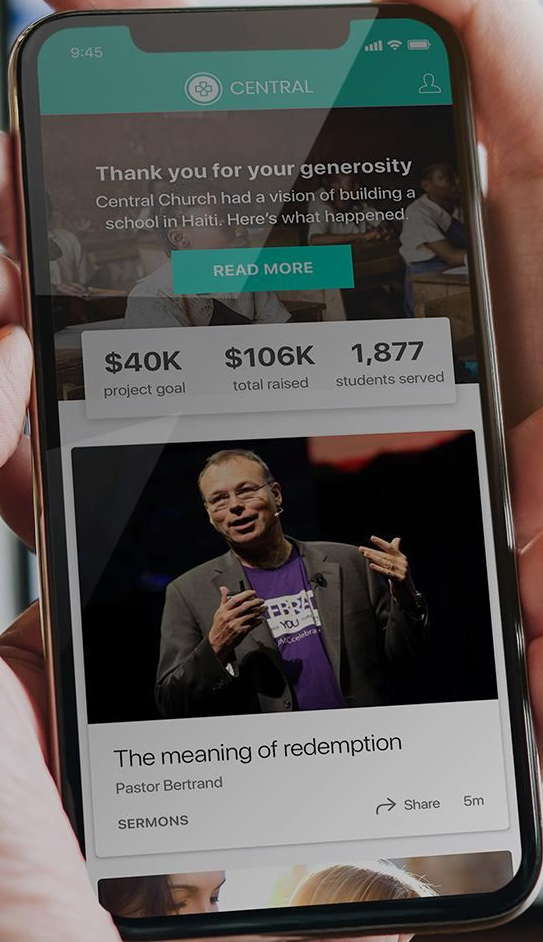
Timberlake Church

Redmond, Washington, US



Product update

Aaron Senneff,
Chief Technology Officer



Pushpay and Church Community Builder Launch Integrated Solutions to Help Drive Deeper Engagement in the Church



Today's announcement marks the first step toward delivering a deeply integrated, end-to-end church engagement solution, including a holistic ChMS, giving platform and app solution

NEWS PROVIDED BY
[Pushpay, Inc.](#) →
Apr 20, 2020, 09:00 ET

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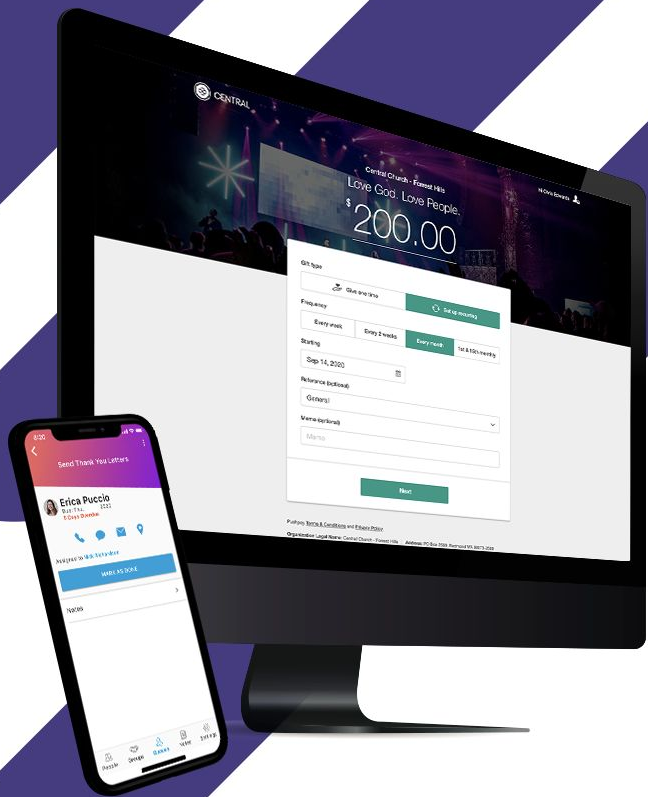
REDMOND, Wash. and COLORADO SPRINGS, Colo. and AUCKLAND, New Zealand, April 20, 2020 /PRNewswire/ -- [Pushpay Holdings Limited](#) (NYSX:PPH, ASX:PPH, 'Pushpay' or 'the Company') and [Church Community Builder](#), who build church management systems, mobile apps, and giving solutions to help churches know, grow, and keep their people, today announce their [first combined product launch](#). Together, they are delivering new integrated tools for admins and strengthening engagement paths for the Church.

At a time when churches are rapidly adopting a digital-first strategy, technology is playing a pivotal role in helping churches meet and connect with their congregations—any day of the week. In fact, a recent study from [Barna Group](#) indicates that 48 percent of pastors said the most growth their church has seen in this unprecedented time was in innovation around technology. Amidst this shift, many are seeking a way to have visibility into those that need help—equally, who might have stopped engaging with the church. Investing in technology that provides a holistic view of the health of your congregation, and individual members, is critical.

In April 2020, our product launch emphasised that we were **Better Together**, with:

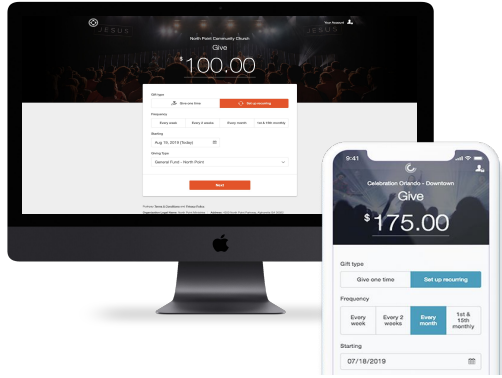
- Integrated sign-in
- Deep Linking between systems
- Transaction Import
- Donor Development Integration with Process Queues





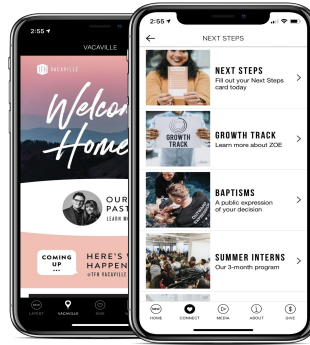
ChurchStaq™

The complete engagement software with the tools you need to nurture your people, encourage generosity and grow your ministry.



Giving & Donor Management

- Engage new donors
- Increase recurring giving
- Remove barriers to generosity
- Web, mobile, text, cash/check



My Church App

- Increase participation
- Access church media
- Targeted communication
- Groups & calendar
- Pre-check



Church Management

- Comprehensive church management system
- Groups, Events, Check-in, Service Planning & Processes
- Giving dashboards & analytics



Connection Features

- ✓ Kids & volunteer pre-check
- ✓ Group participation
- ✓ Events
- ✓ Basic ChMS profiles



Connection Features

- ✓ Kids & volunteer pre-check
- ✓ Group participation
- ✓ Events
- ✓ Community Member Link and Sync



Media & Communication

- ✓ Custom content & branding
- ✓ Dynamic Home Screen
- ✓ Sermons & Audio Player
- ✓ Rich Push Notifications



Generosity Features

- ✓ App giving
- ✓ Transaction History



Media & Communication

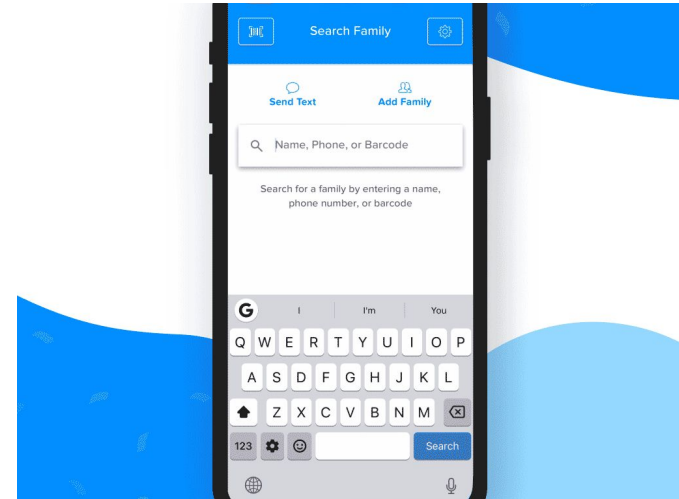
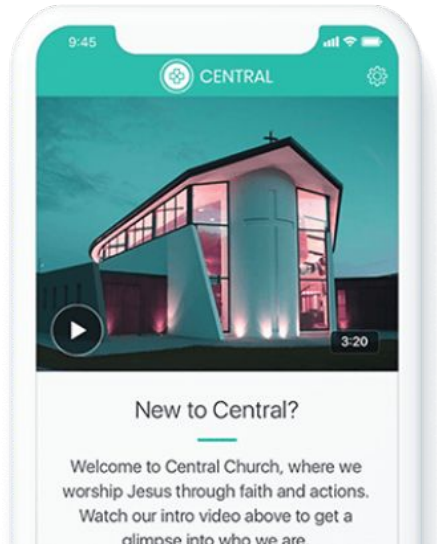
- ✓ Custom content & branding
- ✓ Dynamic Home Screen
- ✓ Sermons & Audio Player
- ✓ Rich Push Notifications



Generosity Features

- ✓ App giving
- ✓ Transaction History

A differentiating combination of capabilities



The My Church App from Pushpay:

A leading custom app with rich, dynamic content

Unique capabilities from Church Community Builder:

Mobile Check In * Manage Profiles * Find and Join Groups
* In App Messaging for Group Members



New Life Church, Colorado Springs, Colorado, US

COVID-19 accelerated a digital transformation within the church that was already taking place.

Digital tools play an important role in helping churches nurture their physical and online communities, and preventing people from falling through the cracks.



The Future: Tools for nurturing a digital community

To Connect

Communication tools
Targeted App content
Mobile tools for
Members

Measure

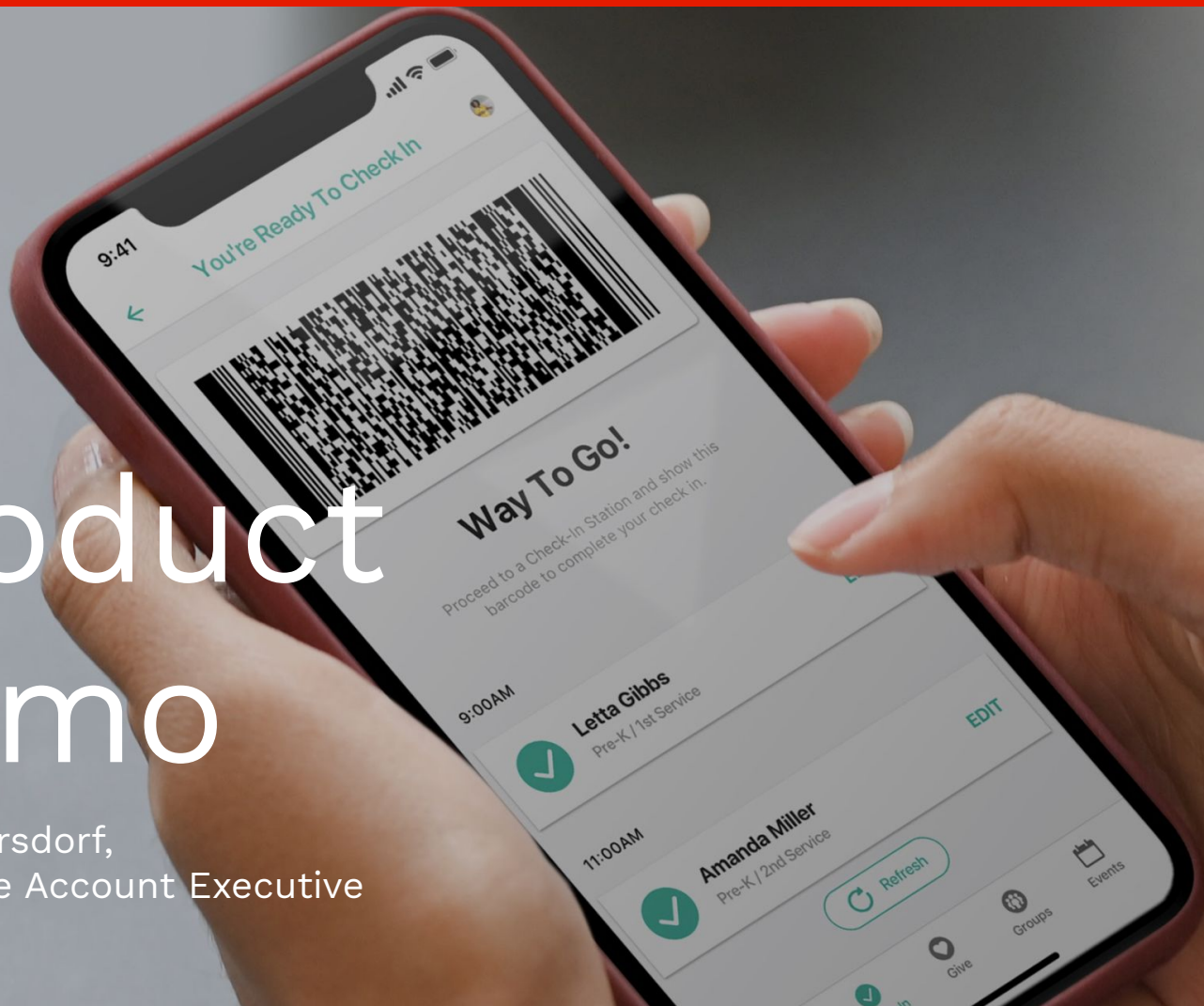
Analytics
Insights and
dashboards
360-degree views

and Engage

Communication tools
Engagement tracking
Encourage generosity

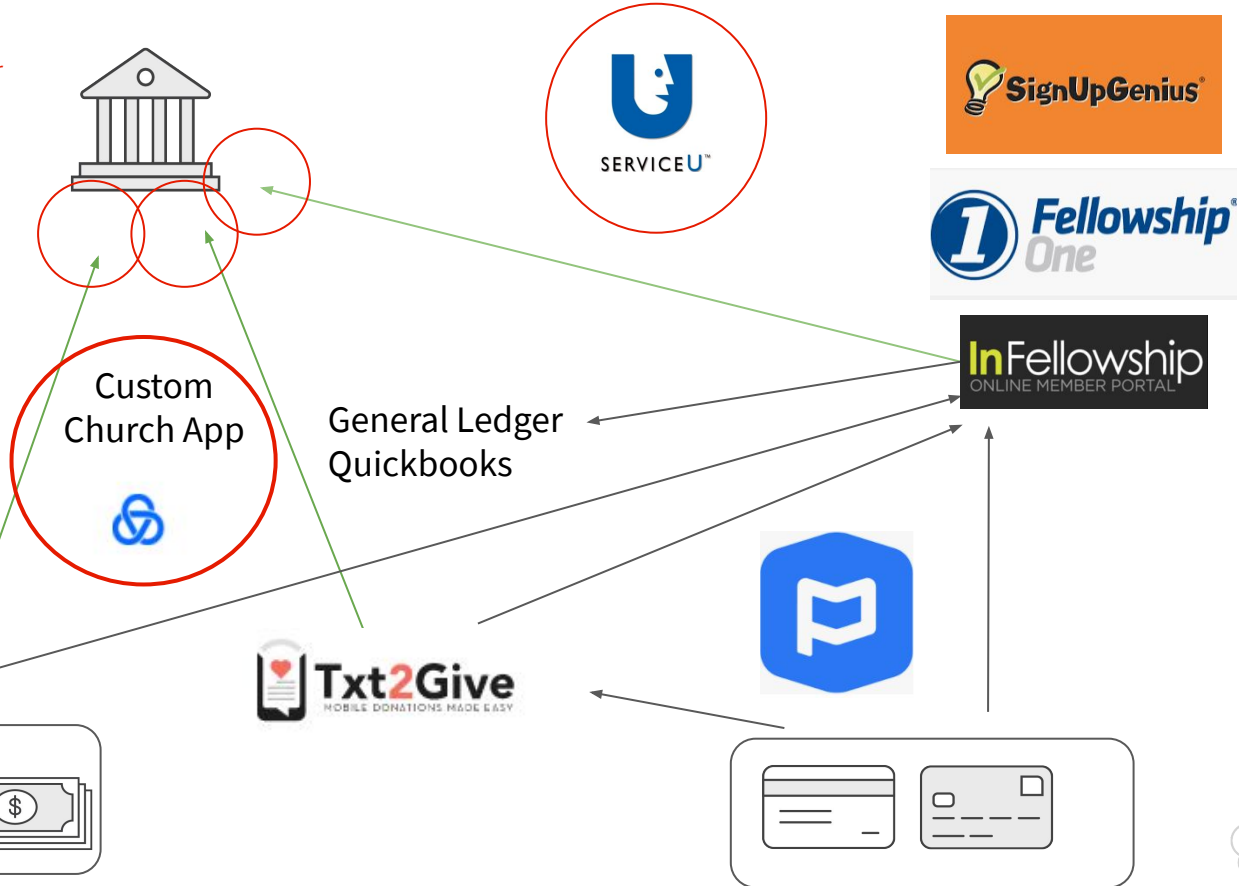
Product demo

Brian Byersdorf,
Enterprise Account Executive

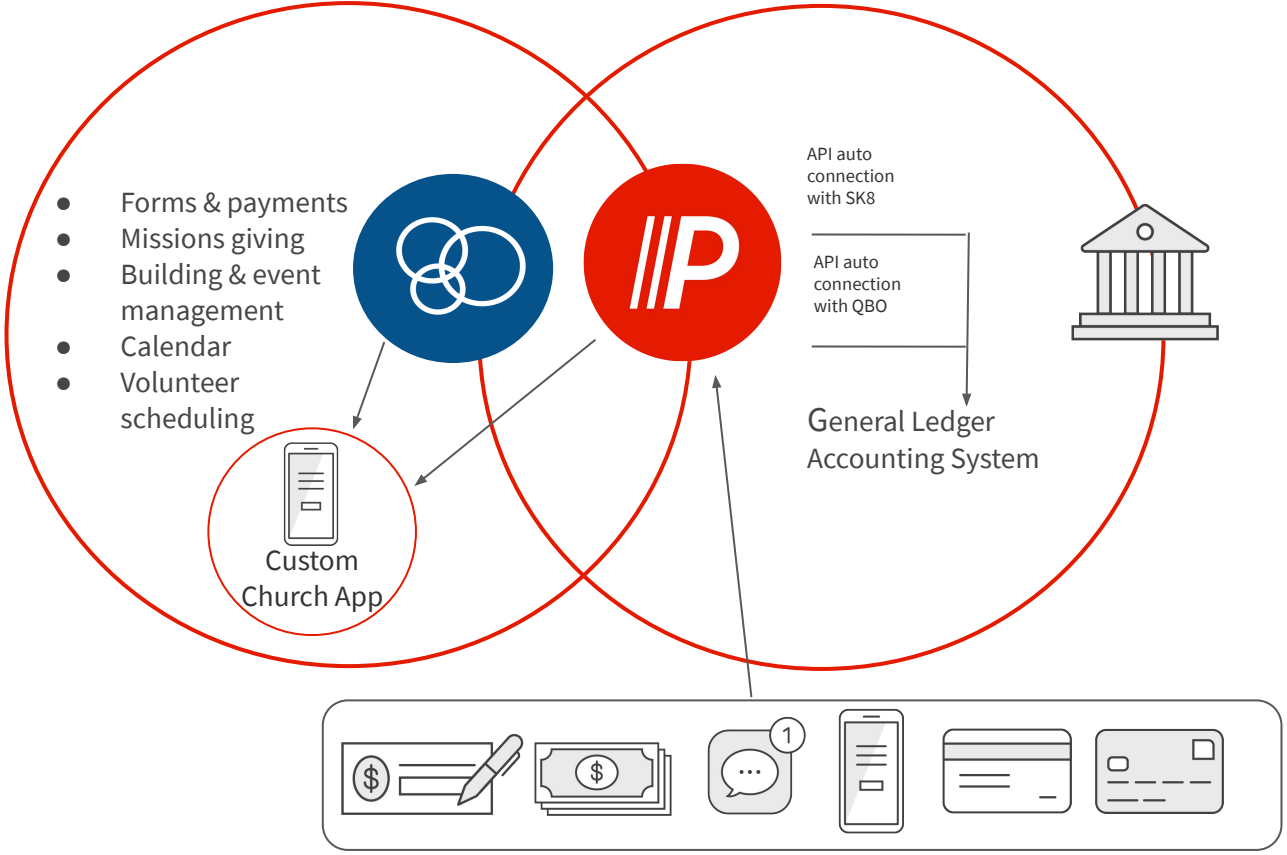


Example pre-Pushpay church setup

Deposits from multiple systems and multiple sources cause greater risk of mistake in accounting. Also, multiple security systems involved causes higher risk of security breaches.



Example Pushpay church setup



Q&A



Key metric definitions

Annual Revenue Retention Rate – is revenue retained from Customers and is measured by the amount of revenue at the end of the period, over the amount of revenue from the end of the previous period for Customers who joined Pushpay prior to the end of the previous period.

Average Revenue Per Customer (ARPC) – is the combination of monthly Subscription Fees and Volume Fees divided by total Customers. Subscription Fees are based on the Customer product holding, which can vary based on the size of the Customer and Volume Fees are based on payment transaction volume. For Customers who use Pushpay's payment solution, Volume Fees are recognised on a gross basis and associated costs payable to issuing banks, processing partners and the card brands, such as Visa and MasterCard, are classified as expenses. The in-month average Volume Fee per Customer is used for the Volume Fee component of ARPC.

Cash and Cash Equivalents – is cash on hand; deposits held at call with financial institutions; and other short-term, highly liquid investments readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

Customer – is an entity that utilises one or more Pushpay products. Pushpay reports Customers that have entered into an agreement and completed the paperwork necessary to set up their service. Pushpay views Customers with 0-199 average weekly attendees as small, 200-1,099 average weekly attendees as medium and 1,100 or more average weekly attendees as large.

Customer Acquisition Cost (CAC) – is sales, marketing and implementation costs divided by the number of new products sold over a six month period.

Earnings before Interest, Tax, Depreciation, Amortisation and Foreign Currency (gains)/losses (EBITDAF) – is a non-GAAP financial measure calculated by adjusting interest, depreciation and amortisation, income taxes and net foreign currency gains/losses to net profit.

Lifetime Value (LTV) – is the gross margin expected from a Customer over the lifetime of that Customer. This is calculated by taking the ARPC multiplied by 12, multiplied by the gross profit percentage, multiplied by the average Customer lifetime (the average Customer lifetime is one divided by churn, being one minus the Annual Revenue Retention Rate). A 97.5% Annual Revenue Retention Rate is used for the purposes of the calculation. Total LTV is calculated as LTV multiplied by total Customers.

Months to Recover CAC – CAC months or months of ARPC to recover CAC is the number of months of gross revenue required to recover the cost of each new product sale.

Key metric definitions (continued)

Net Profit after Tax (NPAT) – is calculated in accordance with NZ IFRS.

Operating Revenue – is receipts received from Customers calculated in accordance with IFRS accounting standards.

Staff Headcount – is total employees at a specific point in time.

Subscription Fees – is recurring fees based on Customer product holding which can vary based on the size of the Customer (in the case of the faith sector, size is based on average weekly attendance).

Total Processing Volume – is payment transaction volume through the Pushpay payment platform, that Pushpay derives revenue from within a period. This excludes payment transaction volume that is not processed through the Pushpay payment platform.

Total Revenue – is receipts received from Customers and other income calculated in accordance with IFRS accounting standards.

Volume Fees – is variable fee income generated from payment transaction volume (in the case of the faith sector, this is usually a percentage of total donations).



Pushpay[®]

