

Pushpay Scheme Booklet and Notice of Meeting

Auckland, New Zealand | Redmond, Washington; Colorado Springs, Colorado; Plano, Texas, US – 3 February 2023 (NZT)

SHAREHOLDERS RECOMMENDED TO VOTE IN FAVOUR OF THE SCHEME

Pushpay Holdings Limited (NZSX:PPH, ASX:PPH, 'Pushpay' or 'the Company') has been granted initial orders from the High Court in respect of the Scheme of Arrangement proposed by Pegasus Bidco Limited (Bidder), a company associated with the Sixth Street and BGH Capital consortium. The Bidder is offering to acquire 100% of the fully paid shares in Pushpay in return for a payment to shareholders (other than shareholders associated with the Bidder) of NZ\$1.34 per share.

Pushpay has today released an electronic version of the Scheme Booklet, including a Notice of Meeting for a Special Meeting of shareholders to vote on the Scheme (the Scheme Meeting) and an Independent Adviser's Report (IAR). The Scheme price of NZ\$1.34 per share is within the Independent Adviser's assessed value range for Pushpay shares of NZ\$1.33 to \$1.53 per share.

The electronic Scheme Booklet, together with a Voting/Proxy Form, will be emailed on Tuesday, 7 February 2023 to those shareholders who are registered to receive electronic communications. The electronic Scheme Booklet has also been uploaded to Pushpay's website. Hard copies of the Scheme Booklet are being printed and Pushpay expects that this document, together with a Voting/Proxy Form, will be sent to shareholders by 10 February 2023.

Pushpay's Non-Conflicted Directors¹ unanimously recommend that shareholders vote IN FAVOUR of the Scheme of Arrangement, absent a superior proposal.² The reasons for the Non-Conflicted Directors' recommendation include:

- the Consideration of NZ\$1.34 cash per share represents a material premium to pre-announcement trading and a premium of 30.1% to Pushpay's closing share price prior to the announcement by Pushpay of receipt of expressions of interest on 26 April 2022. It is also a premium to the price at which Pushpay shares would likely trade in the absence of the Scheme;
- the Consideration of NZ\$1.34 in cash per Pushpay Share is within the Independent Adviser's valuation range; and
- the acquisition price represents an acquisition multiple of approximately 16.7x Underlying EBITDAF based on the midpoint of Pushpay's revised FY23 Underlying EBITDAF guidance of US\$56 million.

Independent Chair of Pushpay, Graham Shaw, said: "The Scheme is the result of a comprehensive competitive process, undertaken over a period of more than six months, with a view to exploring opportunities to enhance Shareholder value. The Non-Conflicted Directors assessed a number of options for Pushpay and Shareholders, including remaining a publicly listed company.

"After a thorough assessment, the Non-Conflicted Directors are satisfied that the Scheme represents the most compelling risk adjusted value for shareholders. It provides shareholders with an opportunity to accelerate a capital return, while also mitigating the risks and uncertainties that are otherwise involved in executing Pushpay's strategic plan over time.

"The Non-Conflicted Directors consider that NZ\$1.34 per share is an attractive price for Pushpay Shares and unanimously recommend shareholders vote in favour of the Scheme. Each Non-Conflicted Director who holds or controls Pushpay Shares has undertaken to vote all of such shares in favour of the Scheme (absent a superior proposal)."

1 Due to his role as a Senior Adviser to Sixth Street, Pushpay Director John Connolly has not participated in Pushpay's response to the receipt of unsolicited expressions of interest or the negotiation of the Scheme, and he abstains from providing a recommendation to shareholders in relation to the Scheme. Accordingly, references in this announcement to the Non-Conflicted Directors means the Directors other than Mr. Connolly.

2 The Non-Conflicted Directors may change their recommendation if there is a superior proposal prior to the Scheme Meeting which the Bidder does not match in accordance with the matching rights set out in the Scheme Implementation Agreement. In addition, the Non-Conflicted Directors reserve the right to change their recommendation or vote against the Scheme if, prior to the Scheme Meeting, the Independent Adviser changes the Independent Adviser's valuation range for the Pushpay shares and, after that change, the Scheme price is below the Independent Adviser's valuation range for the Pushpay shares.

Since the announcement of the Scheme Implementation Agreement on 28 October 2022, no superior proposal has emerged and the Non-Conflicted Directors believe that a superior proposal is unlikely to emerge.

The Scheme is subject to customary conditions for a transaction of this nature, including approval by shareholders at the Scheme Meeting, High Court approval,³ and consent from the Overseas Investment Office.⁴ The condition for the expiry or termination of applicable waiting periods under the HSR Act (which is United States anti-trust legislation) was satisfied on 14 December 2022.

Independent Adviser's Report

The Scheme price of NZ\$1.34 per share is within the Independent Adviser's assessed value range for Pushpay shares.

Grant Samuel & Associates Limited, the Independent Adviser appointed by Pushpay to assess the merits of the Scheme, has assessed the full value of Pushpay shares in the range of NZ\$1.33 to NZ\$1.53 per share. That assessment includes a premium for control of Pushpay. The valuation range is contained in, and should be read in the context of, the IAR (including the methodology and assumptions adopted by the Independent Adviser in valuing Pushpay), which is included in the Scheme Booklet.

In assessing the value of Pushpay, Grant Samuel has used Pushpay's internal financial forecasts to independently develop and analyse a number of forecast scenarios and has also addressed sensitivities to key valuation inputs.⁵ Please see sections 5.2.1 and 5.3 of the IAR for more information.

One key valuation sensitivity highlighted by Grant Samuel is the New Zealand dollar / United States dollar exchange rate. The Independent Adviser has valued Pushpay in United States dollars (US\$) and then converted that valuation into New Zealand dollars (NZ\$) using an exchange rate of NZ\$1 = US\$0.61 to enable comparison with the Scheme price, which is in New Zealand dollars. The actual NZ\$:US\$ exchange rate at any point in time after the date of the IAR and up to, and including, the implementation date for the Scheme may differ from the exchange rate used by the Independent Adviser for valuation purposes.

The NZ\$:US\$ exchange rate has moved since the date of the IAR, with the exchange rate as at 27 January 2023 (being the last practicable date before the Scheme Booklet was finalised) being NZ\$1 = US\$0.6506. If the IAR valuation range for Pushpay shares is adjusted to reflect the current exchange rate, the NZ dollar valuation range implied by the Independent Adviser's US dollar valuation range would be NZ\$1.25 to \$1.43 per share. In the Independent Adviser's opinion, it is not appropriate to update the valuation for a single input such as foreign exchange, without considering other key assumptions. Please see Section 5.6(b) of the Scheme Booklet and section 5.2.1 of the IAR for further detail.

Scheme Meeting

The Scheme Meeting will be held at 11:00 am (NZT) on Friday, 3 March 2023, both in person at Link Market Services, Level 30, PwC Tower, 15 Customs Street West, Auckland 1010 and online at www.virtualmeeting.co.nz/pphsm23.

The easiest way for shareholders to vote is to complete the Voting/Proxy Form online at vote.linkmarketservices.com/PPH or alternatively to return the Voting/Proxy Form to Link Market Services in accordance with the instructions on that form.

For the Scheme to be approved:

- 75% or more of the votes cast in each interest class must be voted in favour of the Scheme; and
- more than 50% of the total number of Pushpay Shares on issue must be voted in favour of the Scheme.

It is therefore very important for shareholders to exercise their vote on the Scheme.

³ For clarity, the granting by the High Court of initial orders on 2 February 2023 is not High Court approval of the Scheme. Pushpay will seek that the High Court grant final orders approving the Scheme if shareholders approve the Scheme at the Scheme Meeting.

⁴ All outstanding Conditions are summarised in Section 6.2 of the Scheme Booklet.

⁵ The IAR sets out certain details of Pushpay's internal forecasts for the financial years ending 31 March 2023 to 31 March 2027. Those forecasts are subject to the disclosures set out under the heading "Forward looking statements" in the Important Information section of the Scheme Booklet. Also see Section 9.23 of the Scheme Booklet.

Key indicative dates for the Scheme Meeting (in NZT)

- Deadline for returning Voting/Proxy Forms: 11:00 am on 1 March 2023
- Record time for eligibility to vote at the Scheme Meeting: 7:00 pm on 1 March 2023
- Scheme Meeting: 11:00 am on 3 March 2023

Section 3 of the Scheme Booklet sets out further information on key indicative dates, including the indicative dates for implementation of the Scheme if Overseas Investment Office consent is granted by the date that Pushpay applies to the High Court for final orders approving the Scheme.

Attachments

- Scheme Booklet including Independent Adviser's Report and Notice of Meeting
- Scheme Meeting Voting/Proxy Form

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This announcement is authorised by Graham Shaw (Independent Chairman) and Lorraine Witten (Independent Director) 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, non-profit 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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