

Special Meeting of Shareholders

3 March 2023 (NZT)



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Virtual meeting procedures



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Voting thresholds

- To approve the Scheme, it is necessary that both of the following two thresholds are met:
 - The first threshold is that 75% or more of the votes cast in each interest class must be voted in favour of the resolution; and
 - The second threshold is that more than 50% of the total number of Pushpay shares on issue must be voted in favour of the resolution.
- There are two interest classes for the purposes of the resolution. The First Interest Class is made up of those shareholders associated with BGH Capital or Sixth Street. The Second Interest Class is made up of all other shareholders.

Proxy voting results

As a result of the proxy votes received, and absent a material change in the votes of shareholders who have already cast proxy votes, the Scheme will not receive the required 75% majority of the Second Interest Class and the resolution will not pass.

Votes cast summary	Threshold	For	Against	Discretionary	Total
First Interest Class (being associates of BGH Capital and Sixth Street)	75% or more in favour	232,052,324	-	-	232,052,324
Second Interest Class (being all other shareholders excluding associates of BGH Capital and Sixth Street)	75% or more in favour	383,477,572	295,524,285	2,037,790	681,039,647
Total issued capital	More than 50% in favour	615,529,896	295,524,285	2,037,790	913,091,971

Key details of the Scheme

- Pegasus Bidco Limited (Bidder), a company associated with the Sixth Street and BGH Capital shareholder consortium, is offering to buy your Pushpay shares and all of the other shares in Pushpay¹ for NZ\$1.34 per share in cash under a scheme of arrangement (Scheme).
- The Scheme price is within the Independent Adviser's valuation range for Pushpay shares of NZ\$1.33 to NZ\$1.53 per share.
- Pushpay's Non-Conflicted Directors² unanimously recommend that shareholders vote **IN FAVOUR** of the Scheme, and intend to vote their own shares **IN FAVOUR** of the Scheme.

1. The Pushpay shares held by entities associated with Sixth Street and BGH Capital will be acquired under the Scheme, but the Bidder will not pay NZ\$1.34 for those shares.
2. All of the Directors, other than John Connolly (who recused himself from Board involvement in the Scheme, due to his relationship as a Senior Adviser to Sixth Street).



Key rationale for the Non-Conflicted Directors' recommendation

- A key valuation driver to consider is Pushpay's future financial performance and the achievability of Pushpay's growth plan. Pushpay is currently in the process of implementing a number of growth initiatives, including a reset of its sales and marketing strategy and team, as well as investment in new customer segments, including its Catholic segment expansion. These initiatives represent an opportunity for Pushpay, but several of these initiatives are at a relatively early stage and there are uncertainties as to timing, investment and ultimately, the degree of future success.
- These risks have been evidenced by the downward revision of our revenue and earnings guidance in October 2022 and in the near-term by slower front book growth, which has impacted processing and subscription revenue year-to-date to 31 January 2023.
- Pushpay's forecasts were the basis for the valuation analysis undertaken by Grant Samuel (the Independent Adviser appointed to assess the merits of the Scheme) and were used by Grant Samuel for their scenario analysis to derive their valuation range.
- The Non-Conflicted Directors undertook their own internal assessment of the execution risk associated with achieving the growth initiatives underpinning the forecasts and assessed a range of our own sensitivities and scenarios to potential earnings estimates.
- The Non-Conflicted Directors believe 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 delivering the opportunities from executing Pushpay's strategic plan over time.
- No superior proposal has been received prior to this meeting and the Non-Conflicted Directors believe that a superior proposal is unlikely to emerge. Pushpay's share price will likely fall if the Scheme is not implemented.



Pushpay's Non-Conflicted Directors reiterate their unanimous recommendation that shareholders should vote in favour of the Scheme, and undertake to vote all of their own Pushpay shares in favour of the Scheme.

Background to the Scheme

The Scheme is the result of a comprehensive competitive process, and the Non-Conflicted Directors are satisfied that the Scheme is the most attractive option for Shareholders coming out of that process

- The Scheme is the outcome of a comprehensive process and a thorough consideration of strategic options by the Non-Conflicted Directors with a view to enhancing value for shareholders.
- This included engagement with a broad range of potentially interested parties, a select group of which undertook due diligence on Pushpay.
- As a result of that process and having regard to external valuation advice, the Non-Conflicted Director's own view of value and assessment of Pushpay's business risks, the Non-Conflicted Directors have assessed that the Scheme is in the best interests of shareholders compared to any other currently available option.
- The Non-Conflicted Directors believe that the Scheme provides the most compelling, risk-adjusted value for shareholders.



Next steps and key dates

If the Scheme is approved by Shareholders and the other conditions are satisfied:

- Last day of trading in Pushpay shares on 21 March 2023.
- Expected that the Scheme will be implemented between 28 March 2023 and 11 April 2023.
- Shareholders who hold shares on the record date will be paid the Scheme consideration on the implementation date.
- Pushpay will no longer be listed on the NZX and ASX.

If the Scheme is NOT approved by shareholders:

- Pushpay will remain listed on the NZX and ASX.
- Shareholders will retain their shares in Pushpay.
- Pushpay's share price will likely fall.

Scheme resolution

The resolution to be voted on by shareholders is:

“That the Scheme (the terms of which are described in the Scheme Booklet) be approved.”

Shareholder discussion



Voting



Close of the meeting



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