

INVESTOR PRESENTATION

H1 FY20 UPDATE

Mark Samlal
Managing Director



H1 FY20 FINANCIAL AND OPERATING HIGHLIGHTS

(prior to acquisition of Astute One)

H1 FY20
REVENUE

\$3.4^m



vs H2 FY19 : + 17.8 %

H1 FY20 PAYSLIPS
PROCESSED¹

57,048



vs H2 FY19 : + 18.2 %

H1 FY20 NEW
CONTRACT WINS
(TCV)

\$2.8^m



across SaaS, SwaS and
Treasury Services

H1 FY20 CLIENT
REVENUE
RETENTION

~ 97%

Notes

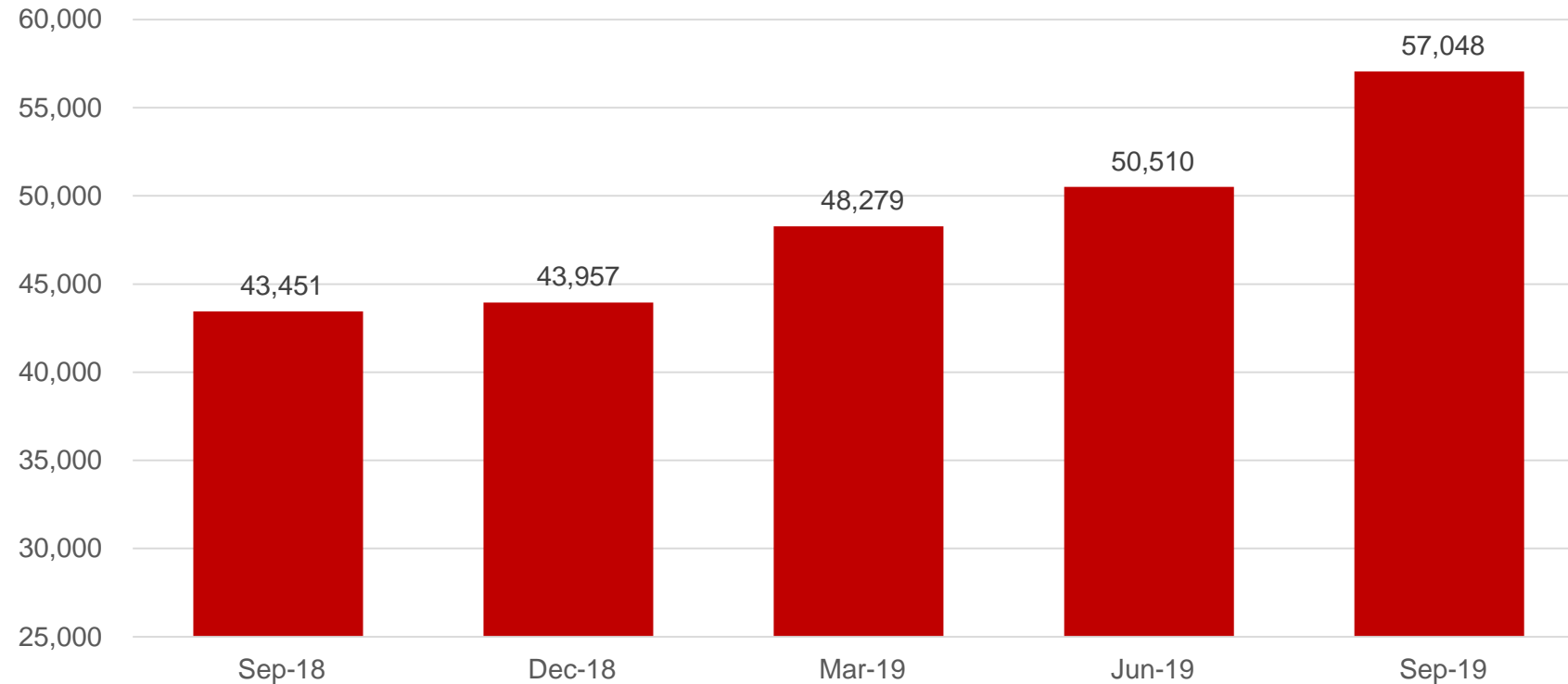
¹ Per month and as at last month of period



H1 FY20 FINANCIAL AND OPERATING HIGHLIGHTS

Growth in payslips directly linked to growth in revenues

Payslips processed (per month)



**+ 31.3% growth vs
Sep-18**

**+18.2% growth vs
Mar-19**

KEY BUSINESS ACHIEVEMENTS – H1 FY20

✓ **Astute One acquisition**

- Significantly enhance PYG SaaS revenue
- Provide an additional 4m annual paylips
- Additional 7 HCM SaaS modules
- Enhance addressable market with the expansion of workforce management

✓ **Successful \$3M capital raising**

- To accelerate business growth and integrate acquisition of Astute One, securing our pathway to profitability

✓ **Continued growth in sales (excluding Astute One)**

- Signed \$2.8m of new contracts (vs \$2.1m in H2 FY19)

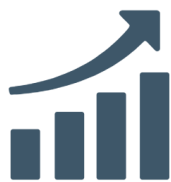
✓ **Accelerated growth in Global Partner Program**

- Due to higher than expected sales for H1 FY20 from the Global Partner Program, the level of “Opex” investment was strategically increased. Expected to lead to greater revenues from H2 FY20.



PAYGROUP CONTINUES TO DELIVER ON ITS KEY PERFORMANCE METRICS AND GROWTH STRATEGY

ARR AND PAYSLIPS



On Track to Deliver 108% growth in ARR¹ and +570% growth in payslips in FY20²

TREASURY SERVICES



New Treasury Services product sales have delivered 11 new clients

GEOGRAPHIC EXPANSION



Continued growth in geographic coverage to 25 countries (versus 18 at listing)

GLOBAL PARTNERSHIPS



Global Partnerships realising material ARR

ACQUISITIONS



Completed the acquisition of Astute One @85c per share and evaluating other opportunities

PayGroup's considerable investment in research and development (R&D) continues to support the expansion of its modules, products, geographic coverage and ARR

Notes:

- ¹ ARR refers to Annual Recurring Revenue
- ² Includes impact of Astute One acquisition

PAYGROUP'S OFFERING IS DIFFERENTIATED

The Challenge

- Payroll across Asia & Middle-East is complex
- Challenging for Multi-national Companies (MNC's) and Workforce Management Companies (WMC's) to remain compliant and mitigate country specific risks
- Limited number of providers who can solve for corporate and contractor payroll, lodgment and payments across Asia & Middle-East



Our Solution –

- Provides a single view of workforce visibility across corporate and contractor labour forces
- Ensures MNC's and WMC's remain compliant and operate payroll efficiently across multiple countries – expertise in local geographies



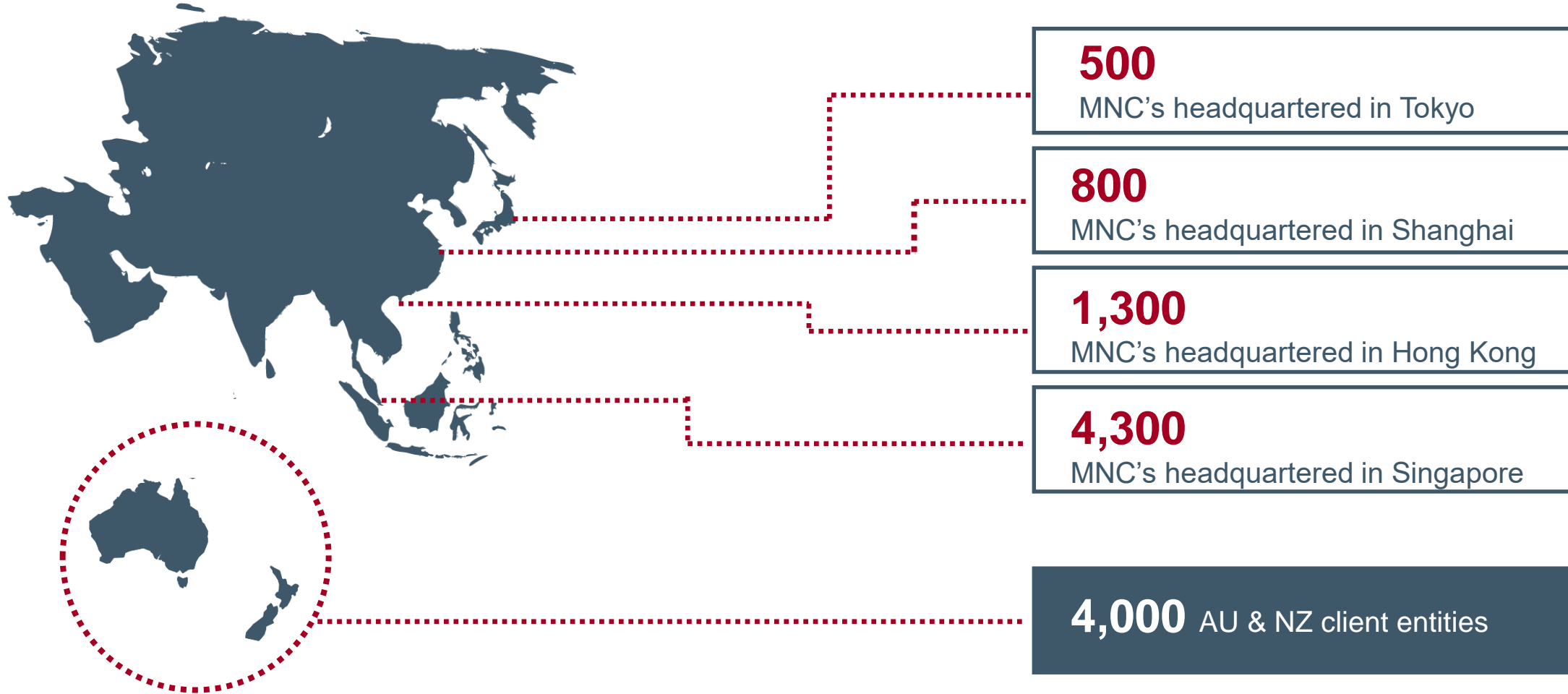
Our Solution –

- Leading workforce management solutions for complex workforces, automating placement through to payroll and invoicing
- System integrates with a wide range of Recruitment Management Systems and GL Accounting Systems to deliver an end-to-end solution
- Manages complex Award interpretation in highly demanding compliance markets including Australia and New Zealand



IMMEDIATE OPPORTUNITY ESTIMATED AT \$650M

PayGroup currently services 450 client entities (~6.5% market penetration) and Astute services 330 client entities (~ 8.5% market penetration – only represents Australia)



Significant opportunity to take the Astute platform into Asia - represents a key revenue synergy

CLIENT SNAPSHOT



FY2020 OUTLOOK

- Integration of Astute One acquisition
- Continue to drive revenue growth across enlarged client base and geographic markets
- On-track to achieve pro-forma ARR in FY2020 in excess of \$17.5M
- PYG expects to transition to positive operating cash flow from H2 FY20





APPENDICES



PAYGROUP IS A LEADING PROVIDER OF SAAS & SWAS FOR MULTINATIONALS AND WORKFORCE MANAGEMENT COMPANIES

PayGroup (ASX: PYG) performs the most critical of outsourced HCM processes for our client's employees or contractors including payroll, human resources, social benefits and treasury services

We implement our Software with a Service (SaaS) and Software as a Service (SaaS) solutions to Multinational Companies (MNC)'s and Workforce Management Companies (WMC)'s so that they can pay, lodge and invoice in complex regulatory environments

Snapshot



4.7m payslips processed per annum



780 Clients



Scalable SaaS platform



Global Partner Program



Local geography expertise in servicing 25 countries



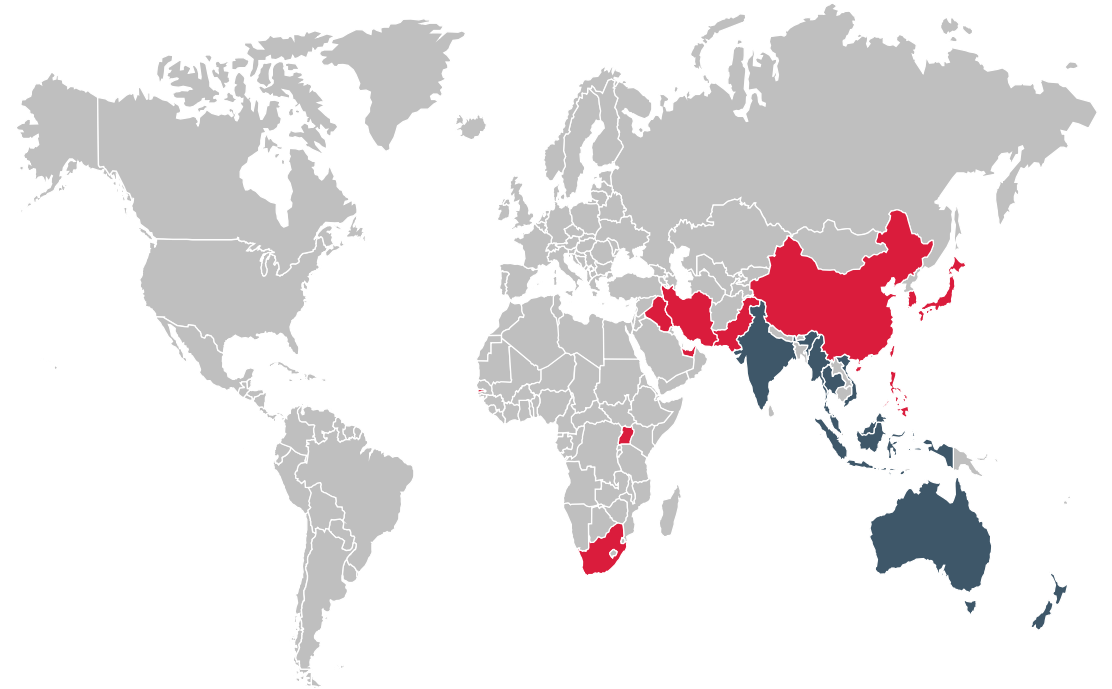
183 employees



Offices in 11 countries



Included in Gartner Guides



Office Locations and Coverage



Service Coverage

BOARD OF DIRECTORS



Ian Basser

Non-Executive Chairman (independent)

Ian was appointed to the Board in July 2017 as an independent Non-Executive Director and Chairman. Ian has over 30 years' experience in starting, running and building service companies around the world including Australia, Hong Kong, China, Singapore, USA, UK and Europe. He was Chief Executive Officer and Managing Director of Chandler Macleod Group Limited until August 2012. Prior to joining Chandler Macleod, he spent five years establishing and developing the Mettle Group as a strategic leadership and culture consultancy.

Prior to Mettle Group, Ian was Group Managing Director of Harvey Nash running operations in the UK, Europe and Asia. He was on the global management team of Michael Page International building operations in Australia, Asia and North America.



David Fagan

Non-Executive Director (independent)

David was appointed to the Board in July 2017 as a Non-Executive Director. He will Chair the Audit and Risk Committee. David has over 38 years' experience in law practice including 30 years with Clayton Utz culminating in the role of Board Member and National Chief Executive Partner (2001-2010).

Current Non-Executive Director roles include ASX listed Medibank Private Limited (since 2014) including Chair of the Board Risk Management Committee, UBS Grocon Real Estate Investment Management (since March 2014), and Hilco Oz & Hilco Merchant Australia (since 2014). David holds both a Bachelor and Master of Laws from University of Melbourne and is based in Melbourne, Australia.



Mark Samlal

Managing Director

Mark co-founded PayAsia in 2006 where he was Non-Executive Chairman until being appointed to the role of Executive Chairman and Managing Director in July 2015. In July 2017, he was appointed to the Board of PayGroup and to the role of Managing Director of the Group. Mark has over 22 years' experience in leadership roles in Asia Pacific including being a Director and General Manager of ADP in Asia Australia (1999-2003).

His previous senior roles included Chief Executive Officer VicPlas Ltd a Singapore Stock Exchange listed company in (2008-2014) and Executive Director of Omni Industries in Singapore (2006-2008). Mark is affiliated with the major shareholder and is based in Singapore.



Franck Neron-Bancel

Executive Director & Chief Strategy Officer

Franck joined PayAsia in May 2017 as an Executive Director, and was appointed to the Board of PayGroup in July 2017 as the Chief Strategy Officer. Franck has over 21 years' industry experience in global HCM and payroll services with global leader Automatic Data Processing, Inc. (NASDAQ: ADP, Market Cap: US43.8 billion). Franck's tenure at ADP culminated in the role of Senior Vice President Strategic Account Management (2013-2017), with reporting to the ADP Global Enterprise Solutions President.

Franck holds a Bachelor's Degree (General Management, Finance & Marketing) from KEDGE Business School and is based in New York, United States of America.

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