

Release of revised Scheme Meeting materials

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

Shareholders recommended to vote in favour of the revised Scheme

Pushpay Holdings Limited (NZSX:PPH, ASX:PPH, 'Pushpay' or 'the Company') has been granted supplementary orders from the High Court in respect of the revised Scheme of Arrangement proposed by Pegasus Bidco Limited ('Bidder'), a company associated with the Sixth Street and BGH Capital consortium. The Bidder is offering a material, 8-cents per share increase to the consideration offered under the prior scheme proposal to acquire 100% of the fully paid shares in Pushpay. The revised price is NZ\$1.42 per share for all shareholders (other than shareholders associated with the Bidder and for the Specified Shares¹).

Pushpay has today released an electronic version of the Supplementary Scheme Booklet, including a Notice of Meeting for a new special meeting of shareholders to vote on the revised Scheme (the New Scheme Meeting) – to be held at 10:00 am on 27 April 2023 (NZT) – and an addendum to the Independent Adviser's Report (IAR Addendum).

The electronic Supplementary Scheme booklet will today be emailed to those shareholders who are registered to receive electronic communications, and will be uploaded to Pushpay's website. Hard copies of the Supplementary Scheme Booklet are being printed and Pushpay expects that it will be sent to shareholders by 11 April 2023.

Votes at the previous Scheme Meeting (held on 3 March) do not count for the revised Scheme. Shareholders who wish to have their say on the revised Scheme will therefore need to vote again. Shareholders are strongly encouraged to do so, either by proxy or by attending the New Scheme Meeting. A new Voting/Proxy Form is included with the Supplementary Scheme Booklet.

Pushpay's Non-Conflicted Directors² unanimously recommend that shareholders vote in favour of the revised Scheme, and have undertaken to vote all of their own shares in favour of the revised Scheme, in the absence of a superior proposal³.

Voting commitments

The revised Scheme has received committed support from a number of Pushpay shareholders that collectively held or controlled 28.0% of Pushpay's issued capital on 16 March 2023. The committed shareholders include the Specified Shareholders⁴ and seven of Pushpay's largest New Zealand-based institutional shareholders, six of which voted against the original Scheme. Those New Zealand shareholders together held or controlled 18.6% of Pushpay as at 16 March 2023.⁵

- 1 The Bidder will also acquire the Pushpay shares held or controlled by entities associated with BGH Capital and Sixth Street under the Scheme. However, the Bidder will not pay the Scheme consideration for those shares. The Specified Shares are a specified number of shares in respect of which the Specified Shareholders have agreed to receive NZ\$1.34 per share. The Specified Shareholders are a group of 10 sophisticated, professional offshore event-driven funds.
- 2 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 (including the revised Scheme offer), 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.
- 3 The Non-Conflicted Directors may change their recommendation and vote against the Scheme if there is a superior proposal prior to the New 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 New Scheme Meeting, the Independent Adviser changes the Independent Adviser's valuation range for the Pushpay shares and, after that change, the consideration is below the Independent Adviser's valuation range for the Pushpay shares.
- 4 The commitments of the Specified Shareholders to vote in favour of the Scheme and to receive the lower consideration are subject to the terms set out in the voting agreements which they have entered into with the Bidder. Those voting agreements were disclosed to NZX on 16 March 2023.
- 5 The commitments of these large New Zealand shareholders to vote in favour of the Scheme are subject to the terms set out in the voting agreements which they have entered into with the Bidder. Those voting agreements were disclosed to NZX on 16 March 2023.

Independent Adviser's Report

The revised Scheme consideration of NZ\$1.42 per share is near the midpoint of the Independent Adviser's assessed value range for Pushpay shares of NZ\$1.33 to NZ\$1.53 per share. The Independent Adviser has confirmed in the IAR Addendum that it considers that it is not necessary to update that valuation range.

The revised Scheme represents compelling risk adjusted value for shareholders

Independent Chair of Pushpay, Graham Shaw, said: "The Board thanks shareholders for the engagement and patience they have shown since the first expression of interest was received. At every stage of this process, the Non-Conflicted Directors have been committed to acting in the best interests of all shareholders, and respecting the right of shareholders, as the owners of the company, to decide Pushpay's future.

"After careful consideration, and with the benefit of external expert advice, the Non-Conflicted Directors presented the best proposal of what they believed offered the most compelling risk adjusted value for shareholders. Ultimately, however, it has always been up to shareholders themselves to decide whether to accept the offer on the table or not. This process has been a great demonstration of shareholder democracy in action, with the final decision, as it should be, entirely in the hands of those who own the Company.

"Shareholders are being encouraged to vote on the revised Scheme which includes a material increase in the price to NZ\$1.42 in cash per share.⁶ Pushpay's Non-Conflicted Directors believe this is an attractive price for Pushpay shares and encourage shareholders to vote, and to vote in favour of the revised Scheme, in the absence of a superior proposal."

New Scheme Meeting

The New Scheme Meeting will be held at 10:00 am (NZT) on Thursday, 27 April 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/pphscheme23. 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 revised Scheme to be approved:

- 75% or more of the votes cast in each interest class must be voted in favour of the Scheme;⁷ 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 revised Scheme.

Key indicative dates for the New Scheme Meeting (in NZT)

- Deadline for returning Voting/Proxy Forms: 10:00 am on Wednesday, 26 April 2023
- Record time for eligibility to vote at the Scheme Meeting: 10:00 am on Wednesday, 26 April 2023
- New Scheme Meeting: 10:00 am on Thursday, 27 April 2023

Section 4 of the Supplementary Scheme Booklet sets out further information on key indicative dates, including the indicative dates for implementation if the revised Scheme is approved by shareholders, the High Court approves the revised Scheme and other conditions are satisfied or waived.

⁶ Excluding the Specified Shares.

⁷ For the purpose of the New Scheme Meeting, there will be three interest classes. These are detailed in Section 5 (Notice of Meeting) and Section 6.14 of the Supplementary Scheme Booklet dated 3 April 2023. Unless otherwise agreed in writing, Pushpay shareholders will be in third interest class and are being offered NZ\$1.42 per share under the revised Scheme.

Attachments

- Supplementary Scheme Booklet including addendum to the Independent Adviser's Report and Notice of Meeting
- New Scheme Meeting Voting/Proxy Form
- Supplementary Scheme Booklet Cover Letter
- Copy of the sealed Supplementary Orders

Contact

Gabrielle Wilson | Investor Relations | Pushpay Holdings Limited

P: +64 21 724 244 | E: investors@pushpay.com

www.pushpay.com

This announcement is authorised by Graham Shaw (Independent 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, 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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