



**Pushpay<sup>®</sup>**

**FY16 Results Investor Briefing | 18 May 2016**

Pushpay Holdings Limited, Level 6, 167 Victoria Street West, Auckland 1010, New Zealand  
[www.pushpay.com](http://www.pushpay.com) | +64 9 377 7720

# Important notice



This presentation is given on behalf of Pushpay Holdings Limited (Pushpay) – Company number: 3481675 | NZSX:PAY.

Information in this presentation:

- is for general information purposes only, and is not an offer or invitation for subscription, purchase, or recommendation of securities in Pushpay;
- should be read in conjunction with, and is subject to, Pushpay's Interim and Annual Report, market releases, and information published on Pushpay's website [www.pushpay.com](http://www.pushpay.com);
- includes forward-looking statements about Pushpay and the environment in which Pushpay operates, which are subject to uncertainties and contingencies outside of Pushpay's control – Pushpay's actual results or performance may differ materially from these statements;
- includes statements relating to past performance, which should not be regarded as a reliable indicator of future performance; and
- may contain information from third parties believed to be reliable; however, no representations or warranties are made as to the accuracy or completeness of such information.

All information in this presentation is current at the date of this presentation, unless stated otherwise.

All currency amounts are in New Zealand Dollars unless stated otherwise.

# Agenda



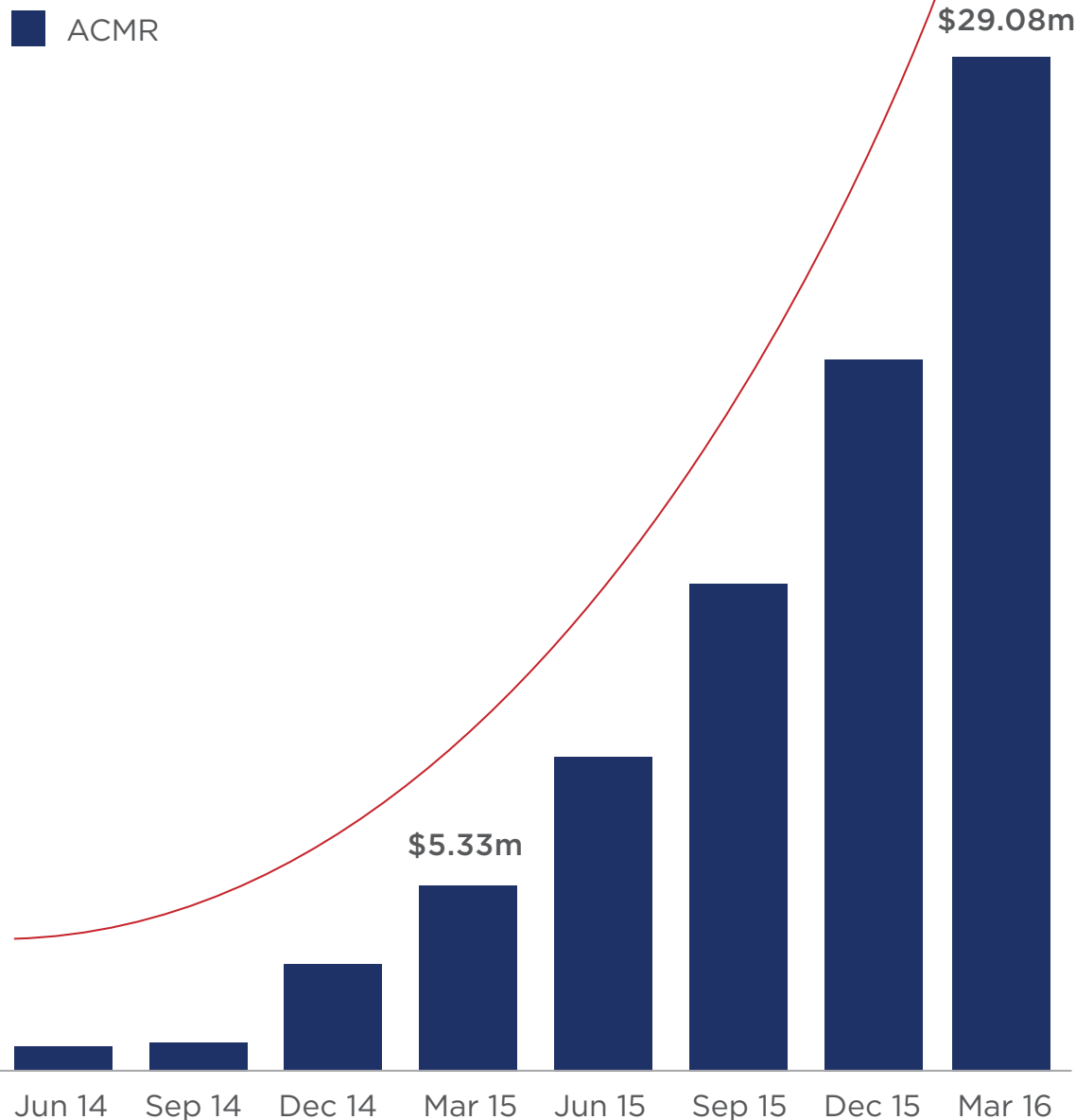
1. Chief Executive update
2. People, product and processes
3. Financial update
4. Outlook
5. Questions

A man with short dark hair and a light beard is smiling broadly, showing his teeth. He is wearing a dark grey suit jacket over a light blue button-down shirt. The background is a soft, out-of-focus grey with a hint of a window or light source on the right side.

# Chief Executive update

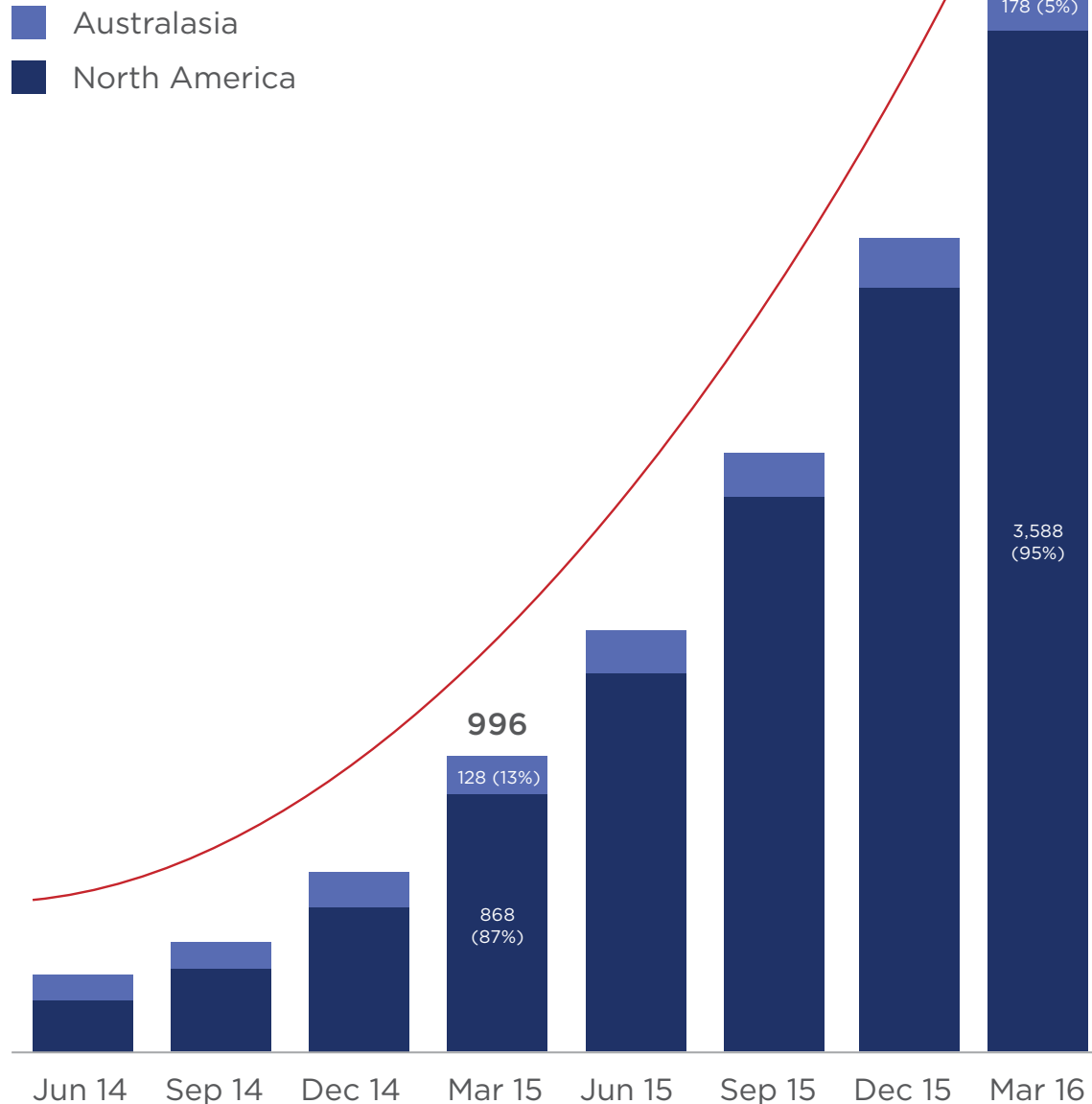
*Chris Heaslip - CEO, Executive Director and Co-founder*

# ACMR growth



- ACMR ▲ \$23.75 million to \$29.08 million, an increase of 445.59% over the year to 31 March 2016
- \$100 million ACMR target prior to February 2018
- Focus on attracting larger Merchants

# Merchant growth

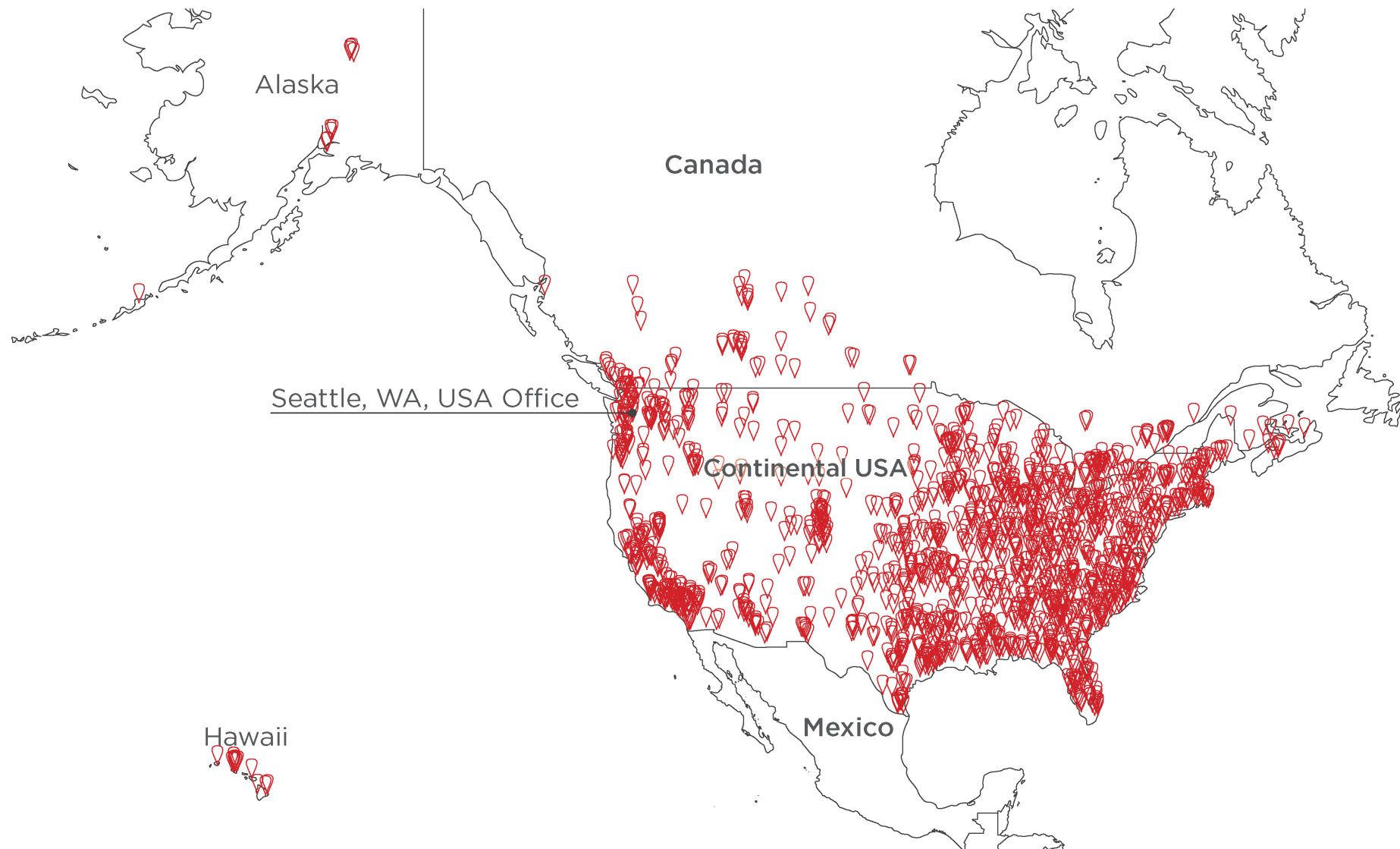


- Merchant numbers ▲ 2,770 to 3,766, an increase of 278.11% over the year to 31 March 2016
- Servicing over 1% of the USA faith sector
- Focus on attracting larger Merchants
- Four of the top 10 largest churches in the USA\*

# Pushpay's Merchants in North America\*



📍 Merchant



\*

Includes locations in North America of all Merchants which have been added to the Pushpay platform since inception through to 31 March 2016.

# ARPM and efficiency metrics



## ARPM

▲ \$152 per month to \$643 per month, an increase of 30.96% over the year to 31 March 2016

---

## Months to Recover CAC

Remains at less than 12 months

---

## Revenue Retention Rate

Remains at over 95%

# Industry recognition



# People, product and processes



*Members of Pushpay's Auckland-based Development Team*

# People



- ▲ 147 to 215, an increase of 216.18% over the year to 31 March 2016
- Almost half of the new hires were in sales and marketing related roles
- Pushpay also attracted Shane Sampson to the position of Chief Financial Officer following an international search that generated extensive interest in the position
- Peter Huljich has been appointed to an executive role as Head of Corporate Development, to provide internal planning, project management and execution resource for significant projects

# Product

- Event Registration
- 3D Touch
- echurch™ Apps
- Pushpay Fastpay™
- Virtual Terminal/Envelope Giving



# Processes

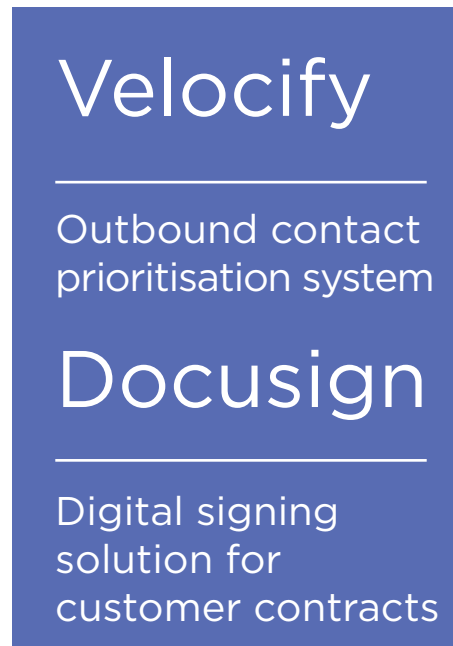


- Pushpay continues to invest in scaling the business with the implementation of the following leading SaaS solutions to drive growth and efficiency across the organisation
- These are in addition to further development of business processes using the Pushpay Salesforce implementation and the Pushpay on boarding solution that was developed in house

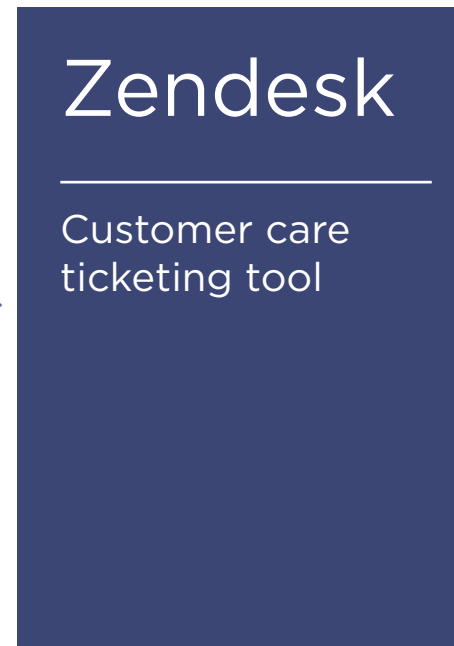
## *Marketing*



## *Sales*



## *Customer Success*



## *Finance*



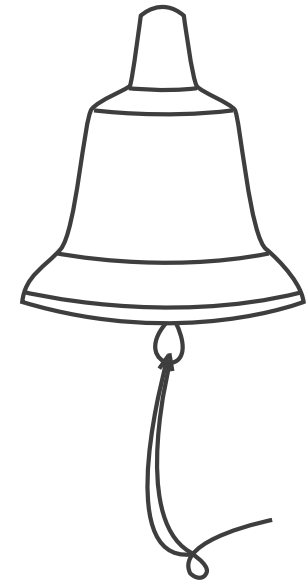
# Financial update



# Migration and share split



- Pushpay migrated to the NZX Main Board on 9 June 2015 having ceased quotation of its shares on the NZX Alternative Market on 8 June 2015
- 4:1 share split on 8 February 2016
- Pushpay has seen increased liquidity, shareholder numbers and exposure in the investment community following the migration and share split



# Income Statement



	Year to 31 March 2016	Year to 31 March 2015	Movement	% Movt
	\$NZD 000s	\$NZD 000s	\$NZD 000s	
Total revenue and other income*	14,967	1,840	13,127	713%
Product development & maintenance*	(4,668)	(2,003)	(2,665)	133%
Direct costs, sales & marketing*	(23,829)	(3,807)	(20,022)	526%
General and other administration*	(6,540)	(4,127)	(2,413)	58%
Total expenses*	(35,037)	(9,937)	(25,100)	253%
Net loss from continuing operations*	(20,225)	(7,622)	(12,603)	165%
Total comprehensive loss attributable to shareholders	(19,411)	(7,577)	(11,834)	156%

\* from continuing operations

# Cash Flow Statement



	Year to 31 March 2016	Year to 31 March 2015	Movement	% Movt
	\$NZD 000s	\$NZD 000s	\$NZD 000s	
Net cash (outflow) from operating activities	(16,796)	(6,738)	(10,058)	149%
Net sale / purchase of property, plant and equipment	(2,616)	(551)	(2,065)	375%
Capitalised development costs and intangibles	(3,082)	(1,432)	(1,650)	115%
Run The Red Sale / (purchase)	3,961	(3,600)	7,561	-210%
Restricted cash balances	(2,040)	(73)	(1,967)	2695%
Net cash (outflow) from investing activities	(3,777)	(5,656)	3,944	-70%
Cash inflow from financing activities	32,312	10,000	22,312	223%
Net increase / (decrease) in available cash	11,739	(2,394)	14,133	-590%

# Balance Sheet



	31 March 2016	31 March 2015	Movement	% Movt
	\$NZD 000s	\$NZD 000s	\$NZD 000s	
Cash and cash equivalents	12,181	251	11,930	4753%
Other assets	12,711	9,287	3,424	37%
Current liabilities	(4,706)	(2,667)	(2,039)	76%
Net assets / equity	20,186	6,871	13,315	194%

# Capital



- Cash and available funding lines ▲ \$11.84 million to \$16.16 million, an increase of 274.07% over the year to 31 March 2016
- June 2015 - R&D Project Grant of up to \$0.96 million
- June 2015 - fully underwritten Entitlement Offer of \$13.78 million
- October 2015 - Private Placement of \$18.82 million
- March 2016 - sold Run The Red business for \$4.50 million



Pushpay®

# Outlook

# Capital



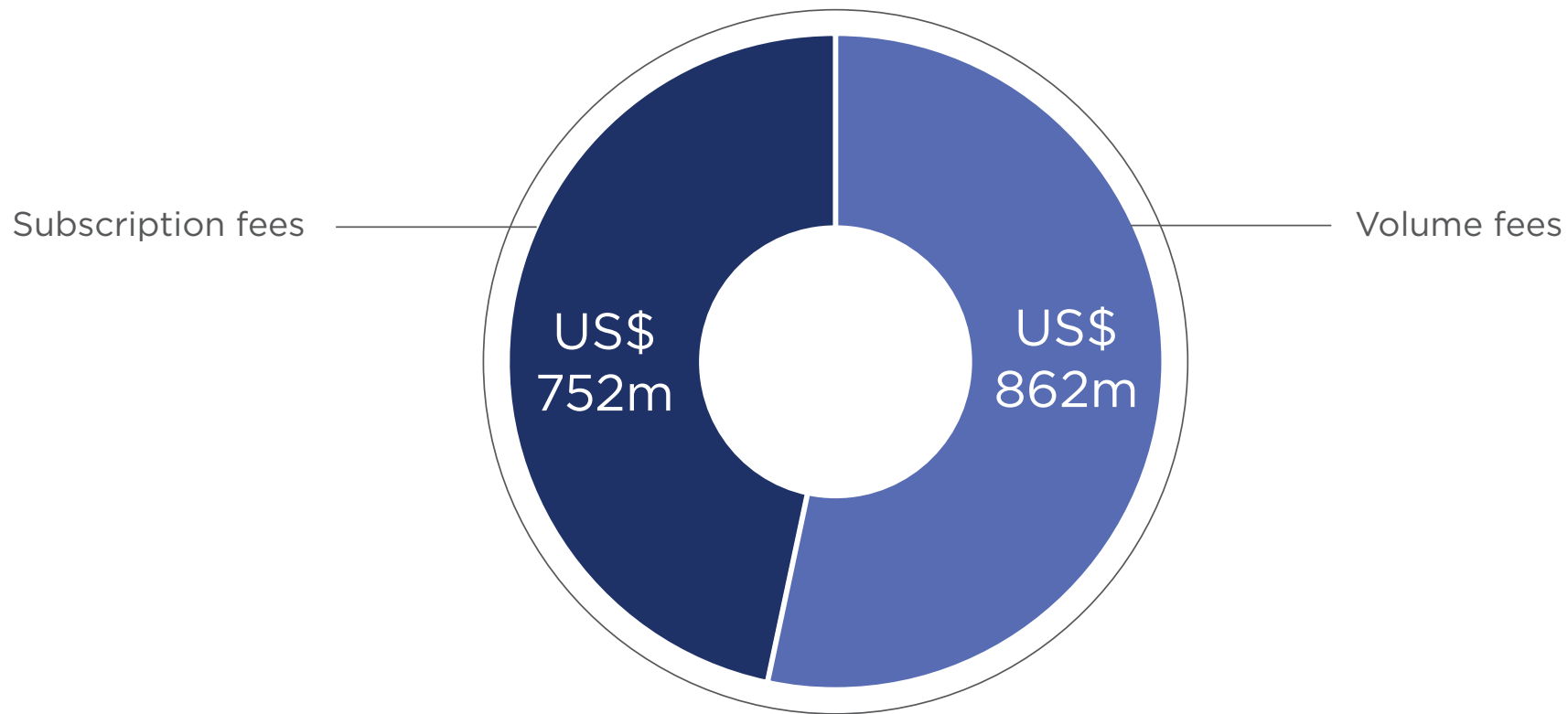
- Preparing for funding requirements
- Discussions with USA-based venture capital firms
- Exploring capital raising opportunities with investment banks in Australia and the USA
- Expected funding in excess of \$30 million within four months
- Potential ASX Listing within six months

# Outlook



- To exceed \$100 million ACMR prior to February 2018, six months earlier than previously forecast
- To reach breakeven on a monthly cash flow basis in calendar year 2017

# USA faith sector revenue opportunity\*



Total of US\$1.614 billion

\* Assuming 30% of digital giving based on US\$114.90 billion total giving to religious organisations (Source: Giving USA (2015). Giving USA 2015: Annual report on philanthropy for the year 2014)

A woman with dark hair, wearing a black patterned blazer, is seated at a desk and looking towards a man. The man, wearing glasses and a light blue shirt, is seen from the side, looking at a computer monitor. The desk has a keyboard and a mouse. In the background, there are two computer monitors displaying data visualizations. The word "Questions" is overlaid in white text in the center of the image.

# Questions

*Audrey Cheng - Product Delivery Manager and Josh Robb - VP Engineering*

# Appendix



## Annualised Committed Monthly Revenue (ACMR)

ACMR is Average Revenue Per Merchant (ARPM) multiplied by its Merchants and annualised, a 'Merchant' is a business or organisation that utilises Pushpay's payment platform to process electronic transactions. ACMR is a key metric to track how a SaaS business is acquiring revenue.

Note: Pushpay previously reported its ACMR split into Merchant ACMR and Client ACMR (Run The Red). As Pushpay sold the Run The Red business on 31 March 2016, the Company will not be reporting Client ACMR (Run The Red) going forward. Merchant ACMR will be referred to as ACMR going forward.

## Total Merchants

Pushpay reports Merchants that have entered into an agreement and completed the paperwork necessary to setup their facility. A 'Merchant' is a business or organisation that utilises Pushpay's payment platform to process electronic transactions.

## Average Revenue Per Merchant (ARPM)

Pushpay calculates ARPM using a combination of subscription fees and volume fees. Subscription fees are based on the size of the Merchant and volume fees are based on payment transaction volume. Volume fees include interchange fees, which are collected by the Company on behalf of third parties, such as Visa or MasterCard. In order to remove the seasonal effect on volume fees the last 12-month average volume fee per Merchant is used for the volume fee component of ARPM.

## Customer Acquisition Cost (CAC)

CAC is calculated as sales, marketing and implementation costs divided by the number of new Merchants added over a certain period of time.

## Months to Recover CAC

CAC months or months of ARPM to recover CAC represents the number of months of revenue required to recover the cost of acquiring each new Merchant.

## Annual Revenue Retention Rate

Pushpay measures its Annual Revenue Retention Rate as recurring revenue retained from Merchants (for example, in the case of Merchants in the faith sector, this is measured by the amount of recurring revenue at the end of the period excluding upsells into the existing Merchant base, over the amount of recurring revenue from the end of the previous period).

## Staff Headcount

Pushpay's employees at a specific point in time. The Staff Headcount as at 31 March 2016 does not include the six Run The Red employees who transferred their employment to Modica Group on 31 March 2016.

## Cash and Available Funding Lines

This includes the standby funding facility of up to \$4.0 million provided on 16 March 2015 to Pushpay by Christopher & Banks and the \$4.0 million paid at completion of the sale of the Run The Red business on 31 March 2016.



**Pushpay**®

**FY16 Results Investor Briefing | 18 May 2016**

Pushpay Holdings Limited, Level 6, 167 Victoria Street West, Auckland 1010, New Zealand  
[www.pushpay.com](http://www.pushpay.com) | +64 9 377 7720