



Interim Results 2022



investors@pushpay.com | www.pushpay.com

Important notice

This presentation is given on behalf of Pushpay Holdings Limited (Pushpay).

NZSX:PPH | ASX:PPH | New Zealand Company Number: 3481675 | ARBN: 613 314 104

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- 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;
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- includes statements relating to past performance, which should not be regarded as a reliable indicator of future performance; and
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All information in this presentation is current at the date of this presentation, unless stated otherwise. All currency amounts are in United States Dollars (USD) unless stated otherwise. Please refer to the Appendix for definitions of key metrics used in this presentation.



Agenda

1. CEO update
2. Strategy
3. People update
4. Product development
5. Finance update
6. Outlook
7. Questions

A woman with blonde hair and glasses, wearing a white vertically striped button-down shirt and tan trousers, is smiling while looking at her smartphone. She is standing in an office environment near a window. The background shows a desk with a laptop and an office chair.

CEO update

At a glance

18,229

↑ Total Products purchased by Customers
Up from 12,725 Products, an increase of 43%

>110%

↑ Annual Revenue Retention Rate
>110% on average for the last five years,
including the last period

14,095

↑ Total Customers
Up from 10,896 Customers, an increase of 29%

US \$5.4b

↑ Total LTV of Customer base
Up from US\$4.5 billion, an increase of 20%

US \$3.5b

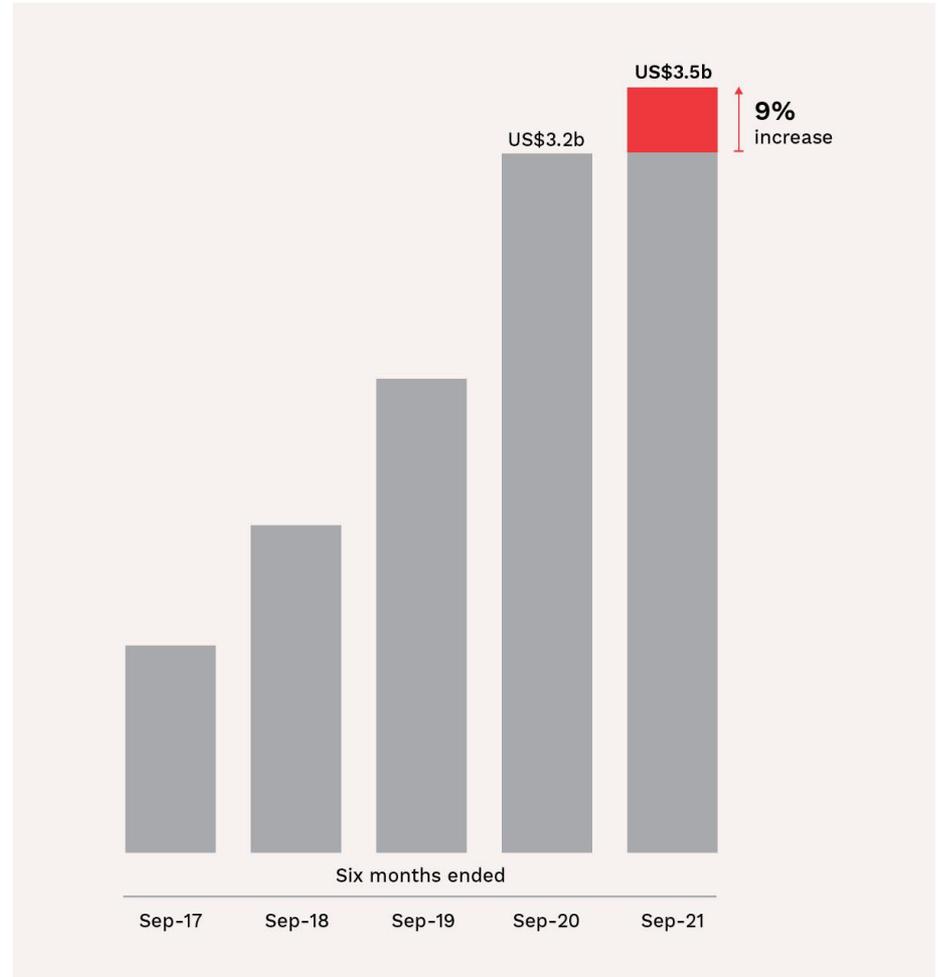
↑ Total Processing Volume
Up from US\$3.2 billion, an increase of 9%



Note: The above metrics compare the Group performance as at 30 September 2021 to 30 September 2020. Annual Revenue Retention Rate represents each year since 2016.

US\$3.5 billion

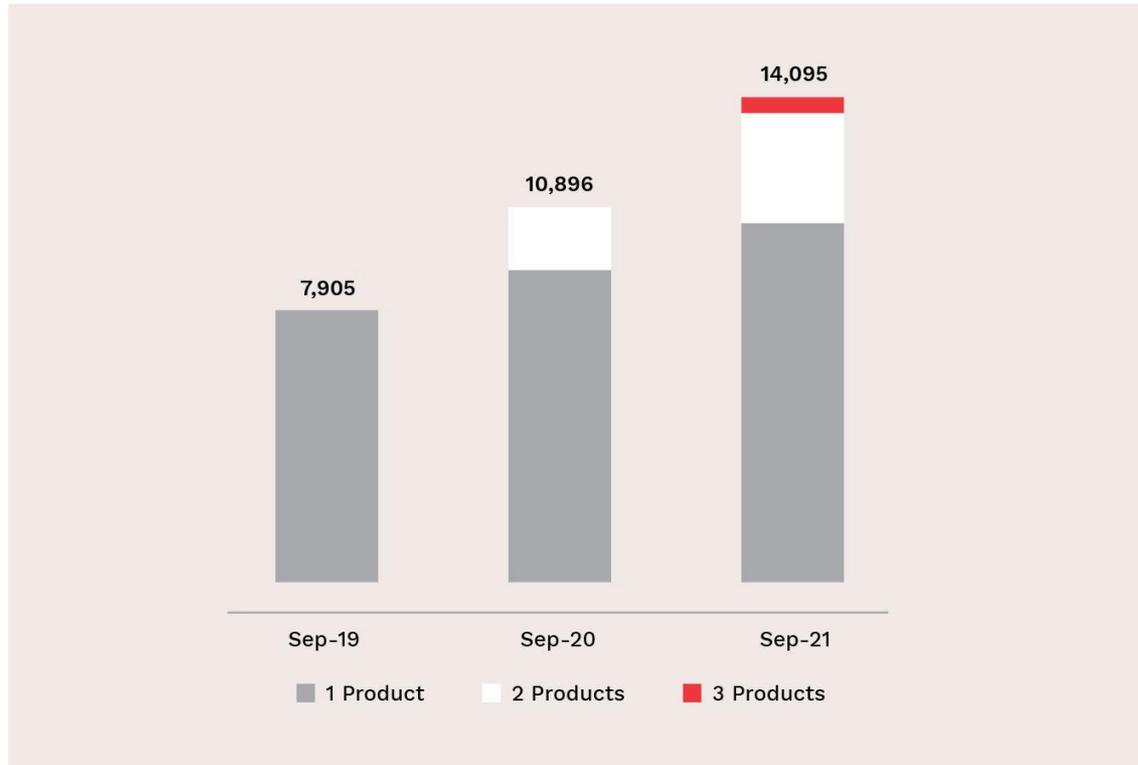
Total Processing Volume



Products

As at 30 September	2021	2020	Change
Total Products	18,229	12,725	43%
<i>Comprising</i>			
Donor Management System	9,182	8,489	8%
Church Management System	4,875	4,236	15%
Streaming	4,172	–	100%
Total Customers	14,095	10,896	29%
ARPC per month (US\$)	1,166	1,263	-8%
ARPC per month excluding Resi Media acquisition (US\$)	1,348	1,263	7%

Customers by number of Products

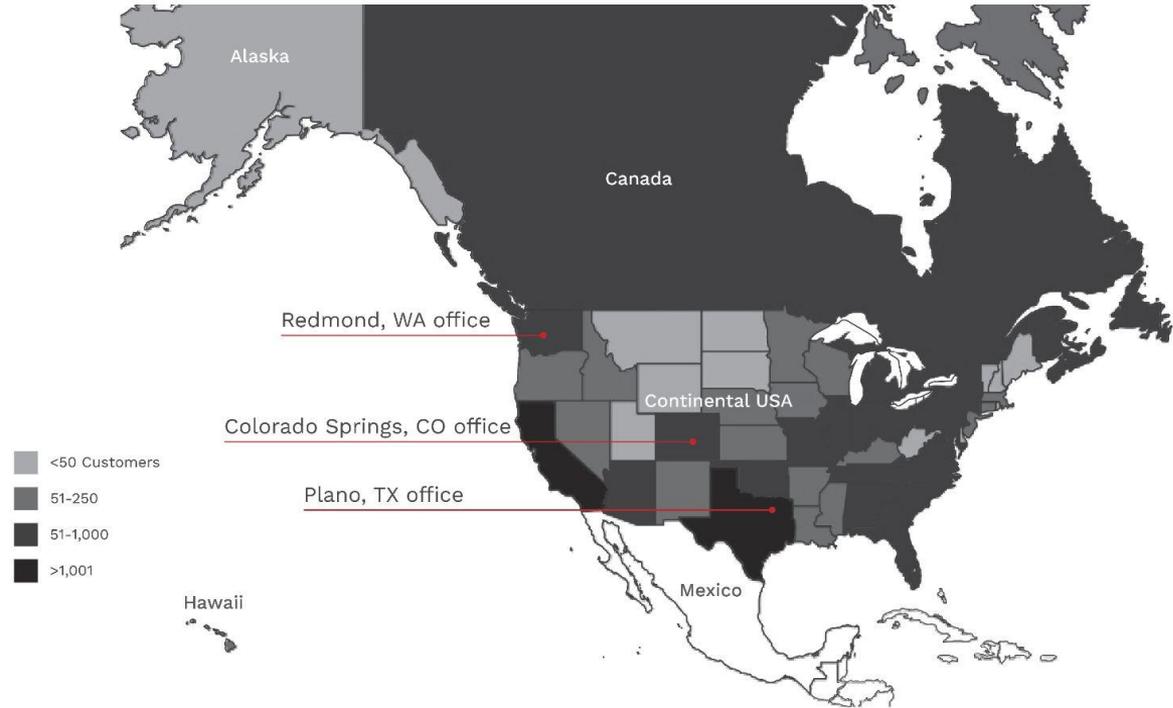


Customers*

14,095

total Customers

as at 30 September 2021



* Map includes locations in North America of Customers which have been added to the Pushpay platform as at 30 September 2021.

Performance highlights

US \$93.5m

↑ Operating Revenue
Up from US\$85.6 million, an increase of 9%

69%

↑ Gross Profit Margin
Up from 68%, an increase of one percentage point

US \$29.6m

↑ Underlying EBITDAF
Up from \$26.5 million, an increase of 12%

US \$19.1m

↑ NPAT
Up from US\$13.4 million, an increase of 43%

US \$30.8m

↑ Operating Cash Flow
Up from US\$27.0 million, an increase of 14%



Note: The above metrics compare the Group performance over the six months ended 30 September 2021 to the six months ended 30 September 2020.

Strategy



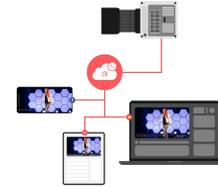
Resi Media

- High growth SaaS company specialising in high-quality transmission for web and multisite streaming offering end-to-end solutions to customers
- Strong foothold in the US faith sector with over 70% of the Outreach 100 churches using Resi products*
- Expanding customers outside the faith sector, including in the corporate, education, sports and live event streaming markets
- Material synergy opportunities through product bundling and integration with Pushpay's sales and marketing engine

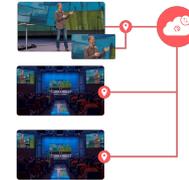


Key products

Live streaming



Multisite streaming



Hardware – encoders and decoders



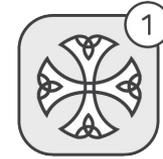
* Outreach Magazine's 100 largest churches in America in 2021

Catholic initiative

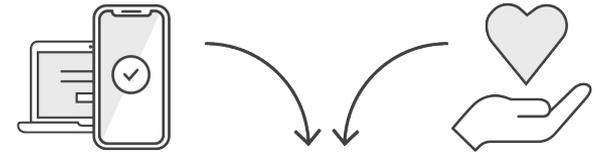
- 23%* of the US population considers itself to be Catholic
- In 2016 27% of US faith giving generated from Catholic services, totaling US\$30 billion**
- Estimated 17,000 parishes*** in the US, which skew more heavily to medium and large churches
- Catholic churches know they need to embrace technology



17k Parishes



**estimated US\$330 million
annual revenue opportunity**



50/50

**between software and
processing**

* Central Intelligence Agency (2018). The World Factbook

** IBISWorld

*** Center for Applied Research in the Apostolate (CARA), Georgetown University | Frequently Requested Church Statistics

Catholic strategy

Executing a product development and go-to-market plan:

- Catholic specific features
- Catholic look and feel - nomenclature
- Whole platform multi-lingual support
- Catholic product branding
- Catholic-focused go-to-market teams in marketing, sales and customer success



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Work Email	Phone Number
www.website.com	Organization Name
Country...	Postal Code
Weekly Attendance	

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Oconomowoc, WI

St. Anthony of Padua
CATHOLIC CHURCH

A young woman with voluminous curly brown hair and dark-rimmed glasses is smiling broadly while looking at a white smartphone held in her hands. She is wearing a black top. The background is a blurred indoor setting with a window and some greenery.

Our people

Board of Directors



Sumita Pandit

Independent Director



John Connolly

Non-executive Director

Senior leadership



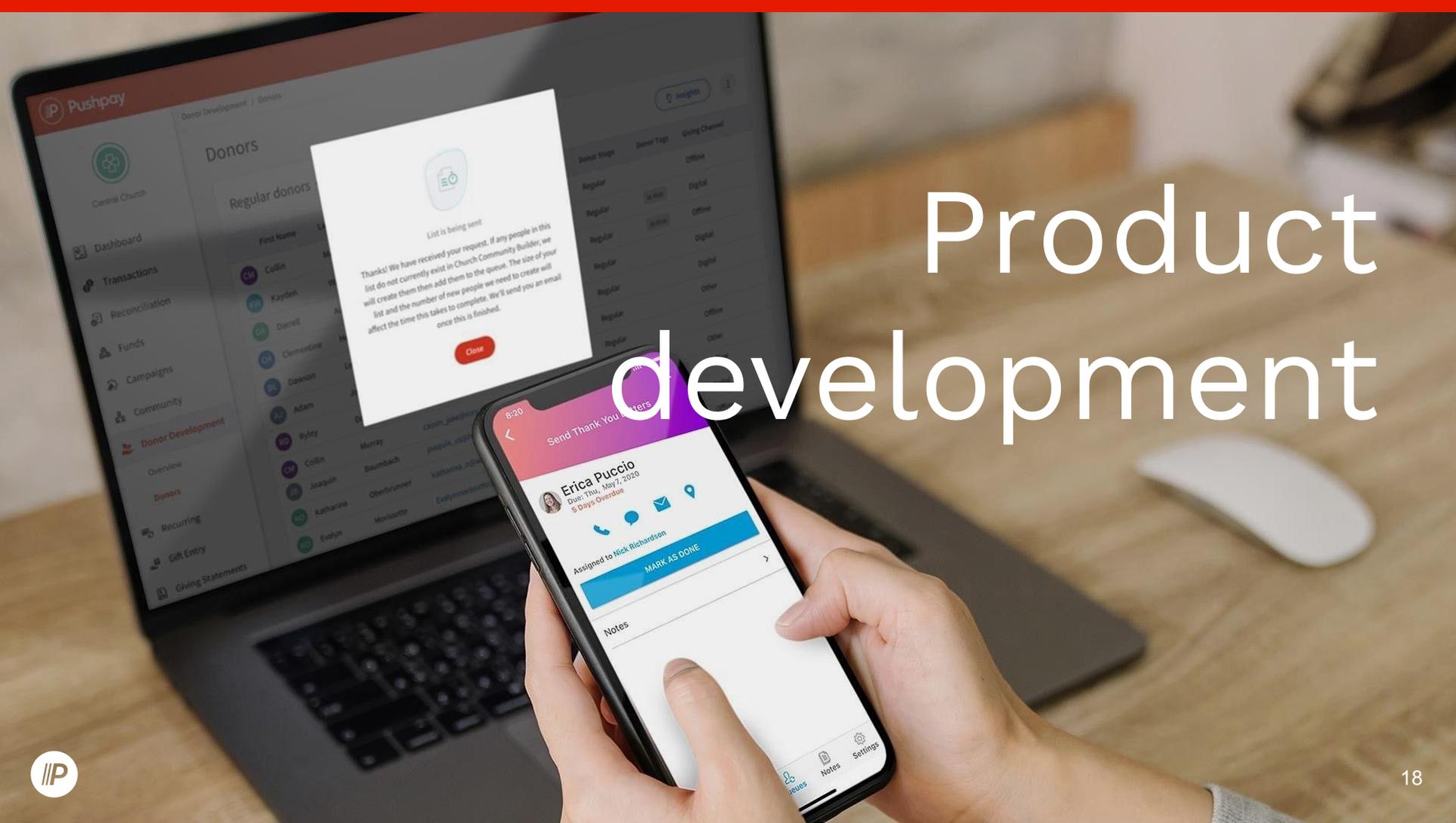
Kevin Kuck

Chief Operating Officer



Richard Keys

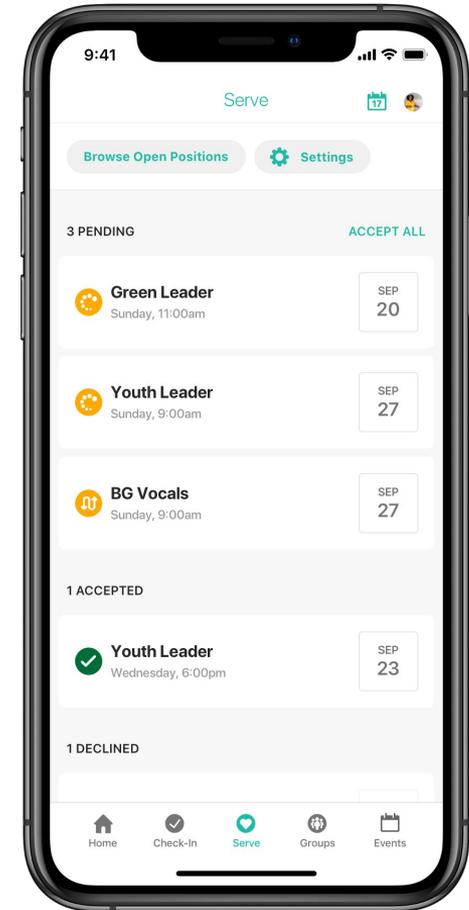
Interim Chief Financial Officer



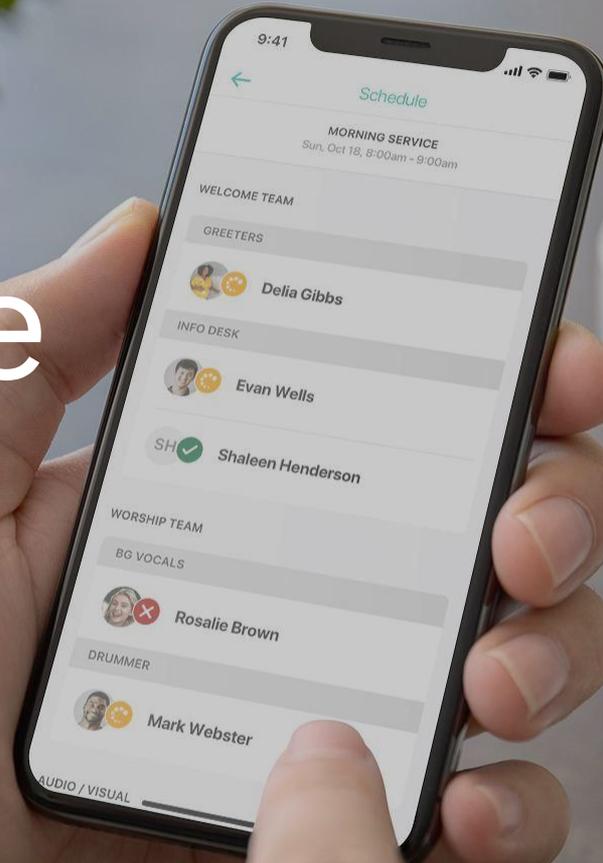
Product development

Increased functionality

- Check-in Announcements
- Giving Statements in the App
- People Search
- Public Needs
- Serving capabilities



Finance update



Income Statement

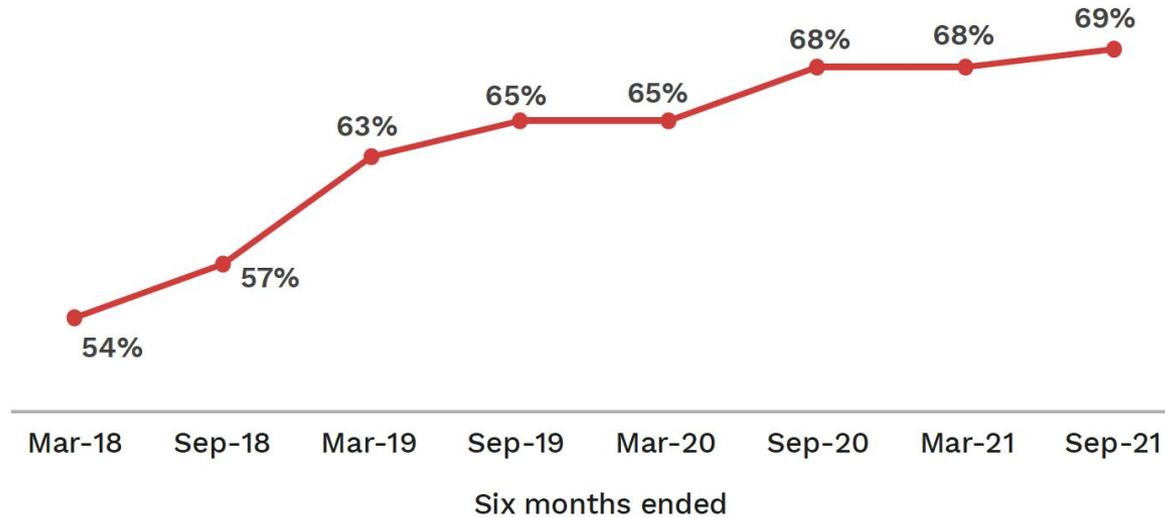
	2021	2020	Movement	
	US\$000	US\$000	US\$000	Change
Operating revenue	93,491	85,558	7,933	9%
Other revenue	20	985	(965)	-98%
Third party direct costs	(29,272)	(27,191)	(2,081)	8%
Other operating expenses	(37,325)	(32,645)	(4,680)	14%
EBITDAFI	26,914	26,707	207	1%
Underlying EBITDAFI	29,623	26,512	3,111	12%
Net profit for the period	19,127	13,400	5,727	43%

Note: Underlying EBITDAFI is a non-GAAP financial measure and not prepared in accordance with NZ IFRS. Pushpay reviews its performance using Underlying EBITDAFI, which excludes costs such as acquisition related costs, and believes this measure provides a more appropriate representation of Group performance. A reconciliation of Underlying EBITDAFI to EBITDAFI can be found on page 24 of this presentation.

Business results and gross profit

	2021	2020	Movement	
	US\$000	US\$000	US\$000	Change
Subscription revenue	27,272	23,913	3,359	14%
Processing revenue	65,133	61,242	3,891	6%
Other operating revenue	1,086	403	683	169%
Total operating revenue	93,491	85,558	7,933	9%
Third party direct costs	(29,272)	(27,191)	(2,081)	8%
Gross profit	64,219	58,367	5,852	10%
<i>Gross margin percentage</i>	69%	68%		1pp

Gross margin percentage



Underlying EBITDAFI reconciliation

	2021 US\$000	2020 US\$000	Movement US\$000	Change
Earnings before interest, tax, depreciation, amortisation, foreign currency (gains)/losses and impairments (EBITDAFI)	26,914	26,707	207	1%
<i>Adjustments to EBITDAFI</i>				
Transactions costs associated with the Resi Media acquisition	1,869	-	1,869	100%
Fair value discount on unearned revenue acquired	277	765	(488)	-64%
Government grants (research and development)	-	(960)	960	-100%
Impact of vendor restricted shares on employee benefits	563	-	563	100%
Underlying Earnings before interest, tax, depreciation, amortisation, foreign currency (gains)/losses and impairments (Underlying EBITDAFI)	29,623	26,512	3,111	12%
Percentage of operating revenue	32%	31%		1pp

In addition to reporting results under IFRS, with the one-off changes in the government grants as well as one-off acquisition related costs and IFRS accounting adjustments associated with the Resi Media acquisition, the Group has also reported on Underlying Earnings, a non IFRS measure.

Statement of Financial Position

	30 September 2021	31 March 2021	Movement	
	US\$000	US\$000	US\$000	Change
Cash and cash equivalents	7,703	4,843	2,860	59%
Other current assets	21,399	22,369	(970)	-4%
Intangible assets	223,039	83,955	139,084	166%
Other non-current assets	11,167	5,889	5,278	90%
Total assets	263,308	117,056	146,252	125%
Unearned revenue	16,333	14,059	2,274	16%
Other current liabilities	15,734	8,375	7,359	88%
Borrowings	83,000	-	83,000	n/a
Other non-current liabilities	5,554	704	4,850	689%
Equity	142,687	93,918	48,769	52%
Total liabilities and equity	263,308	117,056	146,252	125%



Outlook

Catholic initiative

- Initial investment in talent and expecting to further increase product design and development headcount over the remainder of FY22
- Total investment for FY22 is currently lower than originally anticipated primarily due to recruitment in a tight labour market
- Capitalising associated product design and development costs
- Benefits from the Catholic segment expected to be realised incrementally over the course of the following financial years
- In the long-term, targeting to acquire more than 25% market share in the Catholic segment by number of parishes

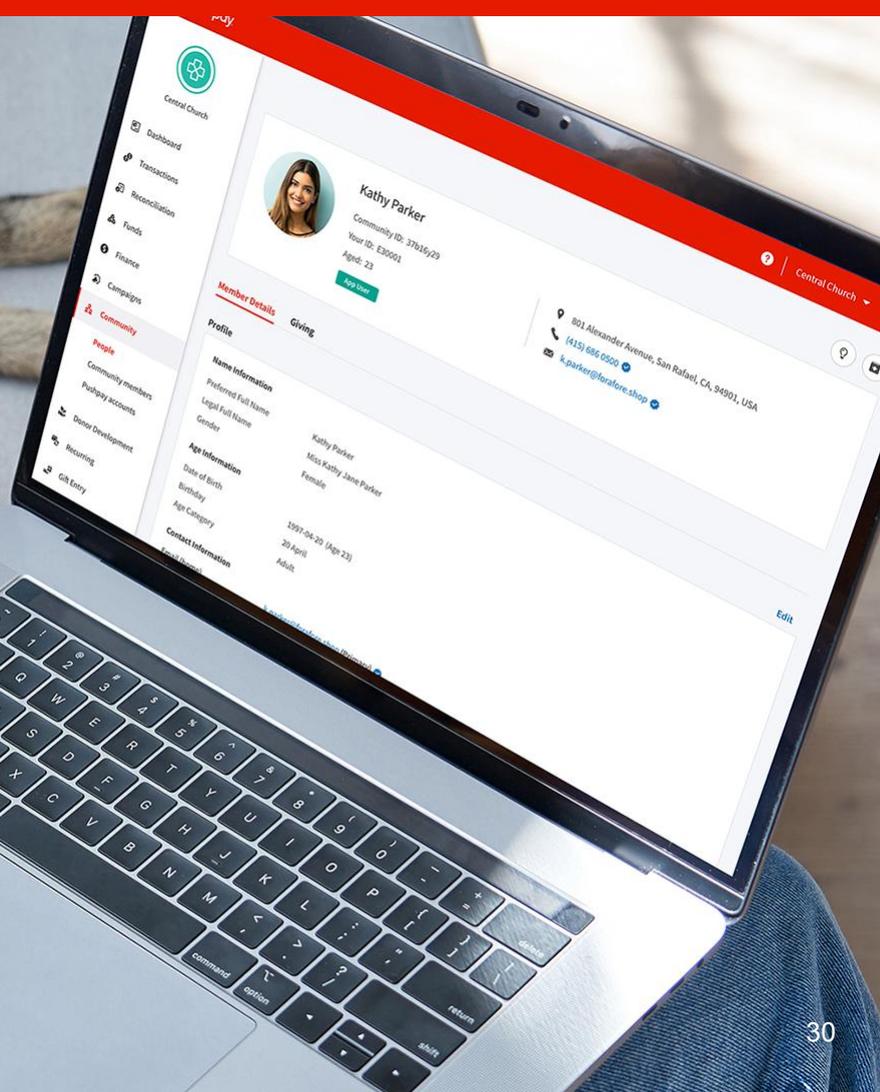
Guidance for the year ending 31 March 2022

Underlying EBITDAFI of between US\$60.0 million and US\$65.0 million

Excluding the costs associated with the investment into the Catholic initiative, Underlying EBITDAFI of between US\$62.0 million and US\$67.0 million

Q&A

Appendix



Staff Headcount

As at 30 September	2021	2020	Change
Product design and development	175	127	38%
Sales and marketing	170	139	22%
Customer success	101	93	9%
General and administration	101	82	23%
Total Group	547	441	24%

Key metric definitions

Annual Revenue Retention Rate – is revenue retained from Customers and is measured by the amount of revenue at the end of the period, over the amount of revenue from the end of the previous period for Customers who joined Pushpay prior to the end of the previous period.

Average Revenue Per Customer (ARPC) – is the combination of monthly Subscription Fees and Volume Fees divided by total Customers. Subscription Fees are based on the Products that Customers purchase, which can vary based on the size of the Customer and Volume Fees are based on payment transaction volume. For Customers who use Pushpay's payment solution, Volume Fees are recognised on a gross basis and associated costs payable to issuing banks, processing partners and the card brands, such as Visa and MasterCard, are classified as expenses. The in-month average Volume Fee per Customer is used for the Volume Fee component of ARPC.

Cash and Cash Equivalents – is cash on hand; deposits held at call with financial institutions; and other short-term, highly liquid investments readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

Customer – is an entity that utilises one or more Pushpay products. Pushpay reports Customers that have entered into an agreement and completed the paperwork necessary to set up their service. Pushpay views Customers with 0-199 average weekly attendees as small, 200-1,099 average weekly attendees as medium and 1,100 or more average weekly attendees as large.

Customer Acquisition Cost (CAC) – is sales, marketing and implementation costs divided by the number of new products sold over a six month period.

Earnings before Interest, Tax, Depreciation, Amortisation, Foreign Currency (gains)/losses and Impairments (EBITDAFI) – is a non-GAAP financial measure calculated by adjusting interest, depreciation and amortisation, income taxes, net foreign currency gains/losses and impairments to net profit.

Lifetime Value (LTV) – is the gross margin expected from a Customer over the lifetime of that Customer. This is calculated by taking the ARPC multiplied by 12, multiplied by the gross profit percentage, multiplied by the average Customer lifetime (the average Customer lifetime is one divided by churn, being one minus the Annual Revenue Retention Rate). A 97.5% Annual Revenue Retention Rate is used for the purposes of the calculation. Total LTV is calculated as LTV multiplied by total Customers.

Months to Recover CAC – CAC months or months of ARPC to recover CAC is the number of months of gross revenue required to recover the cost of each new product sale.

Net Profit after Tax (NPAT) – is calculated in accordance with NZ IFRS accounting standards.

Operating Revenue – is receipts received from Customers calculated in accordance with NZ IFRS accounting standards.

Key metric definitions (continued)

Products – is the total number of Pushpay products utilised by Customers. An individual Customer may hold one or more Products. Pushpay currently offers three products, including a donor management system, church management system and streaming. A Customer purchasing ChurchStaq™ currently has two Products, being a donor management system and a church management system and will soon have the option to include streaming in this bundle through the integration of Resi Media.

Subscription Fees – is recurring fees based on the Products that Customers purchase, which can vary based on the size of the Customer (in the case of the faith sector, size is based on average weekly attendance).

Total Processing Volume – is payment transaction volume through the Pushpay payment platform, that Pushpay derives revenue from within a period. This excludes payment transaction volume that is not processed through the Pushpay payment platform.

Total Revenue – is receipts received from Customers and other income calculated in accordance with NZ IFRS accounting standards.

Underlying Earnings before Interest, Tax, Depreciation, Amortisation, Foreign currency (gains)/losses and Impairments (Underlying EBITDAFI) – is a non-GAAP financial measure calculated as EBITDAFI excluding one off changes as well as costs and IFRS accounting relating to acquisitions. This includes cash and non-cash expenses such as legal fees relating to the acquisition, expensing of the restricted shares provided to the vendors as part consideration of any transaction, fair valuing of unearned revenue acquired on acquisition. The Group believes that this measure provides a more appropriate representation of the Group's performance.

Volume Fees – is variable fee income generated from payment transaction volume (in the case of the faith sector, this is usually a percentage of total donations).



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