

INVESTOR ROADSHOW

November 2019

Mark Samlal
Managing Director



AGENDA

1. PayGroup Overview and Market Opportunity

2. Astute One acquisition



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



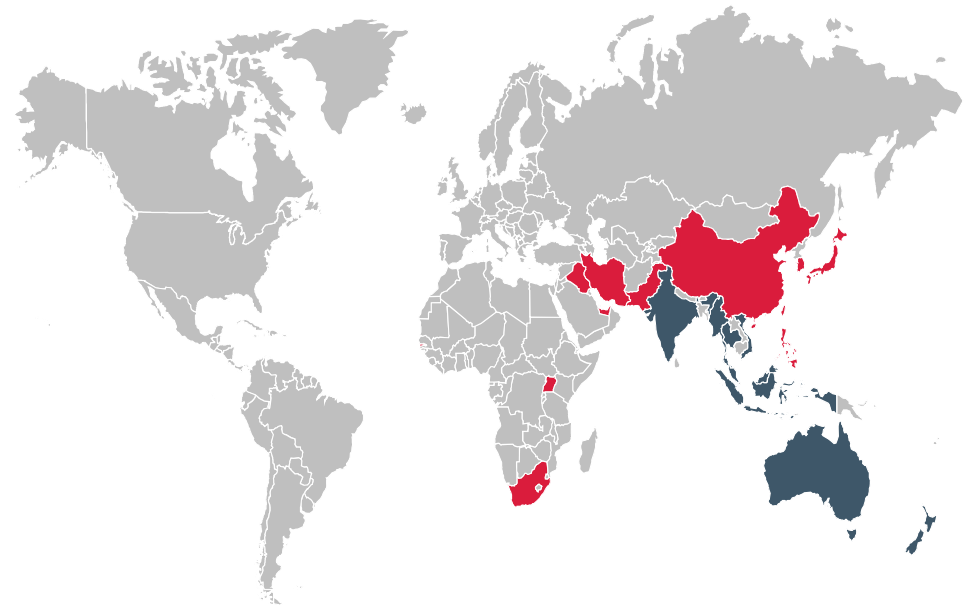
183 employees



Offices in 11 countries



Included in Gartner Guides



Office Locations and Coverage



Service Coverage

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

ARR AND PAYSLIPS



On Track to Deliver 108% growth in ARR and +570% growth in pay slips in FY20

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

PAYGROUP'S OFFERING IS DIFFERENTIATED

The Challenge

- Payroll across Asia & Middle-East is complex
- Challenging for MNC's and 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 – **PayAsia**

- 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

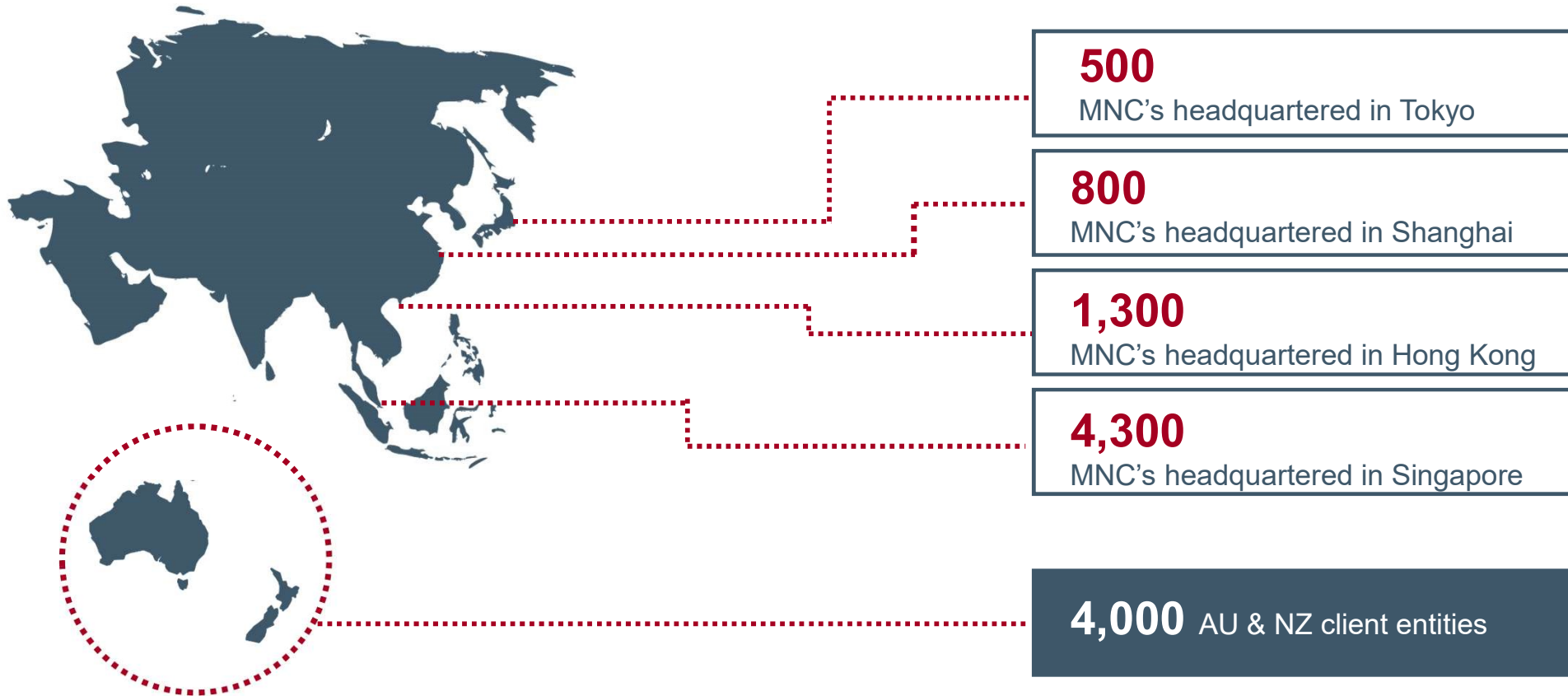
Our Solution – **astute**payroll

- 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 like 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)



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

CLIENT SNAPSHOT



skills change lives





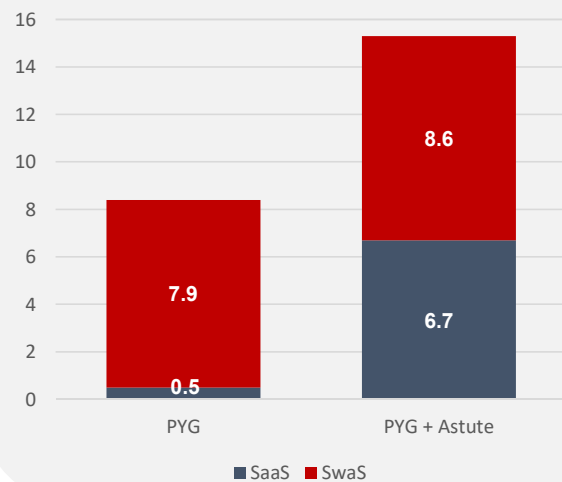
ASTUTE ONE ACQUISITION



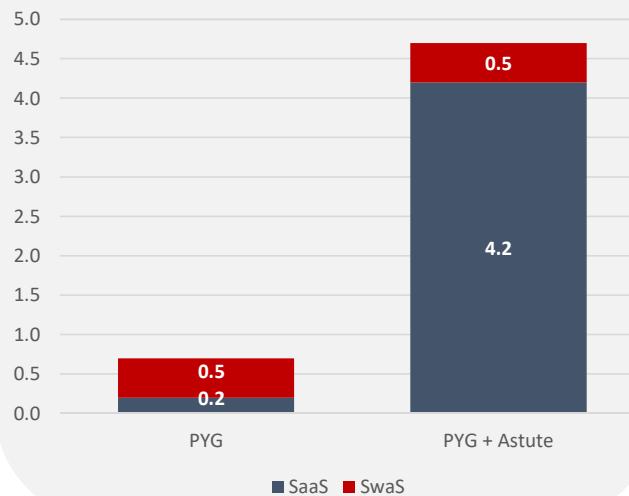
COMBINED OPERATING METRICS

(FY2019 pro-forma basis)

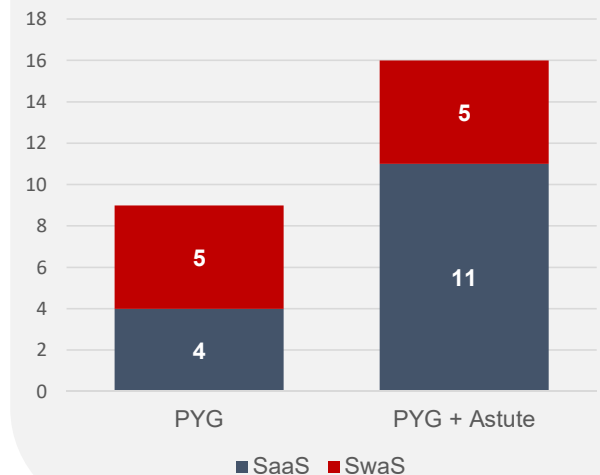
ARR
\$15.3M



Payslips (annual)
4.7M



of software modules
16

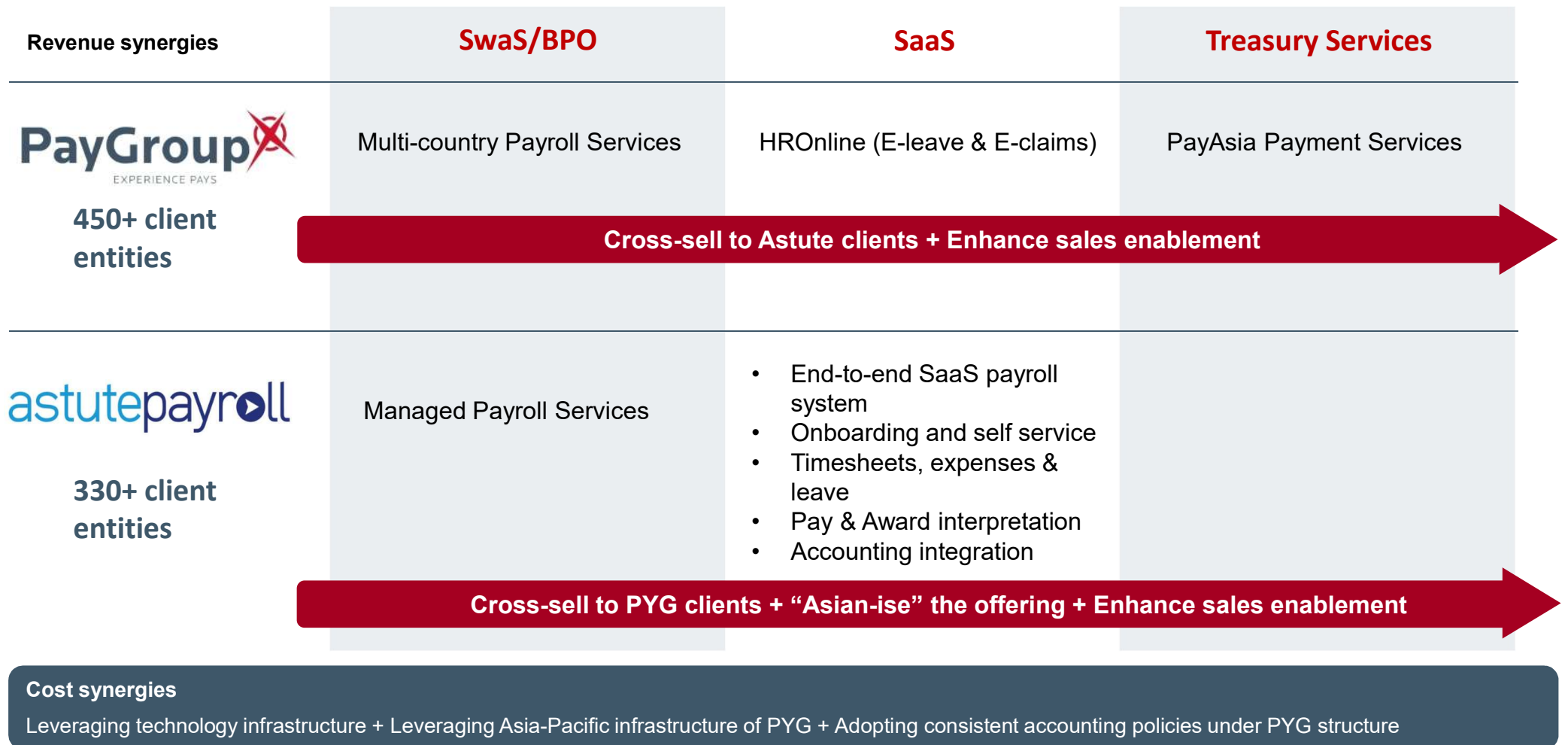


- Target ARR in FY2020 in excess of \$17.5M
- Average contract length = 39 months
- Less than 7% client churn

PROFILE OF COMBINED GROUP

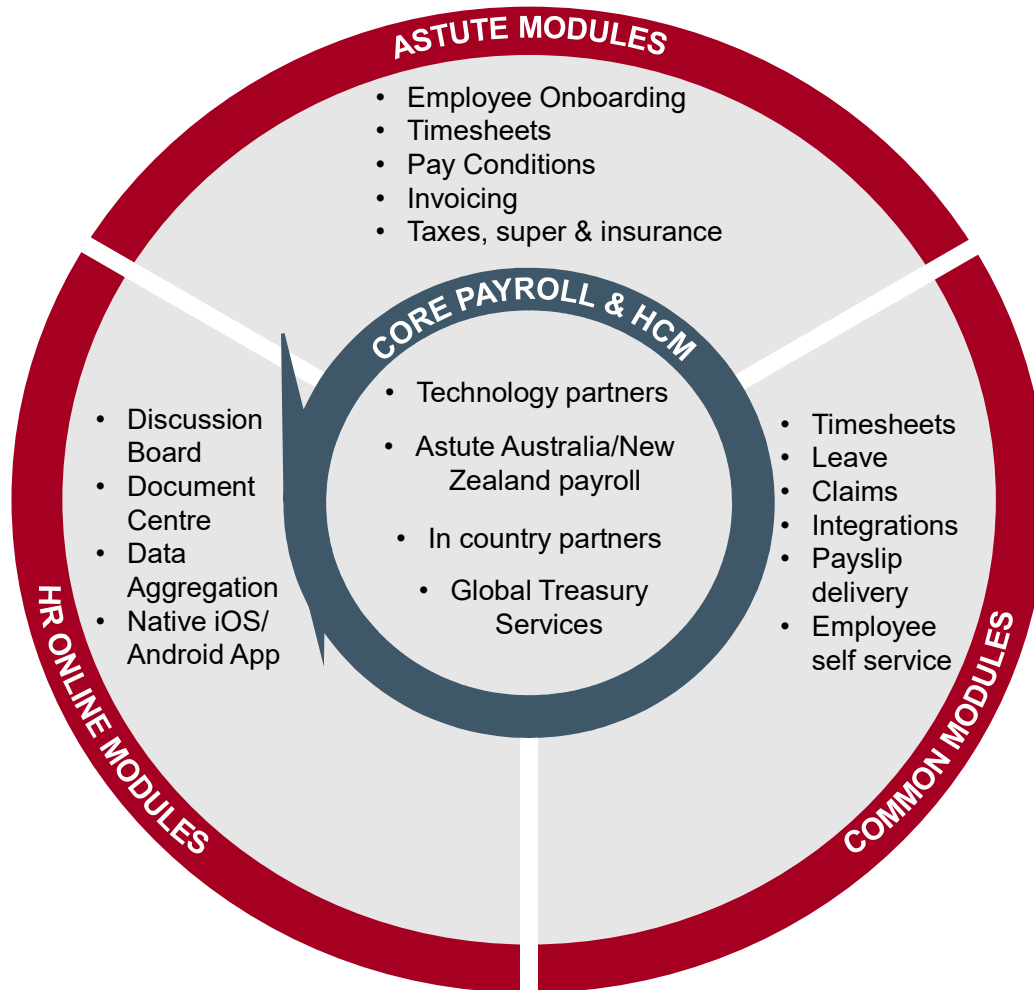
			Profile of Combined Group
Revenue Profile	<ul style="list-style-type: none"> FY19 ARR - \$8.4m <ul style="list-style-type: none"> 7.9m SwaS 0.5m SaaS 450+ customers 52,000+ payslips 	<ul style="list-style-type: none"> FY19 ARR - \$6.9m <ul style="list-style-type: none"> 0.7 SwaS 6.2m SaaS 330+ customers 350,000+ payslips 	<ul style="list-style-type: none"> ✓ 39 month contracts ✓ > 4.7m annual payslips ✓ >93% retention
Software capability	<ul style="list-style-type: none"> HROnline <ul style="list-style-type: none"> SaaS Leave SaaS Claims & Expenses Integrated Best of Breed payroll systems 	<ul style="list-style-type: none"> End-to-end SaaS payroll system Onboarding and self service Timesheets, expenses & leave Pay & Award interpretation and Billing Applicant Tracking and Accounting integration 	<ul style="list-style-type: none"> ✓ Leverage software capability to benefit both client bases ✓ Delivered in the Cloud
Separate expertise, combined synergies	<ul style="list-style-type: none"> Multi-country corporate HCM Multi-country SaaS and SwaS Global Treasury Services Global Partnerships 	<ul style="list-style-type: none"> Complex workforce management Australia & New Zealand compliant SaaS payroll High margin platform 	<ul style="list-style-type: none"> ✓ Increased addressable market and end-to-end HCM solution
Geographic coverage in high growth markets	<ul style="list-style-type: none"> Asia-Pacific coverage 25 countries from 11 offices 	<ul style="list-style-type: none"> Australia New Zealand 	<ul style="list-style-type: none"> ✓ Multi-country focus – 25 country solution

SYNERGY OPPORTUNITIES



EXPANSION OF SERVICE OFFERING

Highly complementary SaaS modules



DELIVERY:

- Across 25 Countries
- SaaS and SwaS
- Delivered in the Cloud



APPENDICES



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.



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.



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.



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: US\$43.8 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.

OVERALL MARKET OPPORTUNITY



According to Gartner¹:

US\$20.77Bn
Market size

Estimated market size
of BPO Market in Asia
Pacific

10.3%
BPO market
growth

Growth in emerging Asia-Pacific.
region in constant currency terms in
2016. Outperformed overall growth of
IT services by 2.6%

14.3%
HCM Market
growth

Growth in Mature Asia.
9.6% growth in emerging
Asia-Pacific markets in
2016

OUR OPPORTUNITY

PayGroup has a unique opportunity to continue to grow in the Asia Pacific region and with the acquisition of Astute One, the offering to MNC's and WMC's across 25 countries increases the overall addressable market

Notes:

¹ Gartner Research. All statements in this report attributable to Gartner represent Pay's interpretation of data, research opinion or viewpoints published as part of a syndicated subscription service by Gartner, Inc., and have not been reviewed by Gartner. Each Gartner publication speaks as of its original publication date (and not as of the date of this [presentation/report]). The opinions expressed in Gartner publications are not representations of fact and are subject to change without notice. Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

THE MARKET OUTLOOK IS STRONG

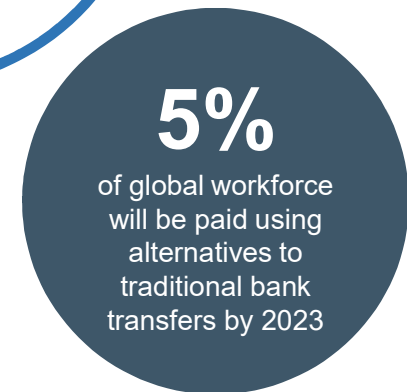


PayGroup has again been included in Gartner's *Market Guide for Multicountry Payroll Solutions (June 2019)* ^{*1}

It was predicted that:

- By 2022, 40% of global mid-market and large enterprises will have invested in a strategy to unify multi-country payroll using no more than three separate vendors
- By 2023, 5% of the global workforce will be paid through modes of payments (including cryptocurrency) other than traditional bank transfers

Gartner is the world-leading research and advisory firm provides IT insight for industry and business leaders



^{*1} : Gartner, Market Guide for Multicountry Payroll Solutions, Ranadip Chandra et al., 18 June 2019

All statements in this report attributable to Gartner represent PayAsia's interpretation of data, research opinion or viewpoints published as part of a syndicated subscription service by Gartner, Inc., and have not been reviewed by Gartner. Each Gartner publication speaks as of its original publication date (and not as of the date of this [presentation/report]). The opinions expressed in Gartner publications are not representations of fact and are subject to change without notice.

Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

IMPORTANT NOTICE & DISCLAIMER

The following material is for general information purposes only and should not be relied upon for the making of any investment decision. Any investment in PayGroup Limited ACN 620 435 038 (Paygroup) is subject to a number of investment risks including the possibility of loss of capital invested and no return of income or payment of dividends. Neither Paygroup nor any other entity or person in or associated with the Paygroup group of companies guarantees any return (whether capital or income) or generally the performance of Paygroup or the price at which its securities may trade.

In particular, this presentation is not a recommendation, offer or invitation to subscribe for or purchase Paygroup securities. This presentation is not exhaustive of all of the information a potential investor or their professional advisers would require. This presentation does NOT constitute a "Prospectus" or a "Disclosure Document" (as defined in the Corporations Act 2001 (Cth) (Corporations Act)) and has not been, and will not be, lodged with the Australian Securities and Investments Commission or any other regulatory authority. Accordingly it is not required to contain, and may not necessarily contain, all of the information that a Prospectus or like Disclosure Document would be required to contain pursuant to the Corporations Act.

This presentation does not take into account any specific objectives, financial situation or needs of investors. For these and other reasons, you are strongly recommended to obtain your own up to date independent legal, financial and investment advice – those acting without such advice do so at their own risk.

This presentation may contain "forward-looking statements" which are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. Any forward looking statements in this presentation should be considered "at-risk statements" - not to be relied upon as they are subject to known and unknown risks, uncertainties and other factors that may lead to actual results differing from any forward looking statement. You are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof and Paygroup does not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events. In addition, the past performance of Paygroup cannot be assumed as indicative of the future performance. There is NO guarantee of future performance - actual results and future outcomes will in all likelihood differ from those outlined herein.

Neither Paygroup nor any of its advisers, agents or employees make or give any express or implied representation, warranty or guarantee that the information contained in this presentation or otherwise supplied by or on behalf of Paygroup is complete or accurate or that it has been or will be audited or independently verified, or that reasonable care has been or will be taken in compiling, preparing or furnishing the relevant information. Paygroup does not take any responsibility for any inference, interpretation, opinion or conclusion that any person may draw or form from this presentation.

To the maximum extent permitted at law, Paygroup and all of its representatives, directors, partners, employees or professional advisers exclude all direct and indirect liability arising out of or in connection with any use or reliance of the information contained or described within this presentation. Other than to the extent required by law (and only to that extent), the Parties do not make any representation or give any assurance, guarantee or warranty (express or implied) as to, nor assume any responsibility or liability for, the authenticity, origin, validity, accuracy, suitability or completeness of, or any errors in or omissions from, any information, statement or opinion contained in this Presentation or any accompanying, previous or subsequent material or presentation.