

**9 September 2022**

## **Determination of dispute with Astute vendors**

**Melbourne, 5 September 2022:** PayGroup Limited (“**PayGroup**” or the “**Company**”), advises that the mediator of its dispute with the vendors of Astute has handed down his decision. The mediation concerned the proper accounting treatment for the calculation of Profit Before Tax (PBT) of the Astute business for the Target Performance Period under the earn out arrangements associated with the acquisition of the Astute business.

The mediator has determined that the PBT for the Target Performance Period had been met, resulting in the issue of \$1.5m of fully paid ordinary shares (shares) at an issue price of \$0.98 per share, being 1,530,612 shares. PayGroup does not require shareholder approval to issue the shares.

The dispute has previously been disclosed to the market and was referred to in the Scheme Booklet lodged with ASX on 29 August 2022. In particular the Independent Expert concluded that, assuming \$1.5m in shares was required to be issued, the Scheme remained Fair and Reasonable to shareholders as a whole – see part VI of the Independent Expert’s Report.

Shareholders are reminded that the deadline to lodge proxies concerning the Scheme Meeting is **11.00 am on 28 September 2022**. Shareholders are encouraged to lodge proxies as soon as possible.

**-ENDS-**

**For further information, please contact:**

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*This announcement was authorised by the Managing Director of PayGroup Ltd.*

### **About PayGroup**

PayGroup is a leading provider of enterprise payroll and human capital management (HCM) solutions, delivering mission-critical services. Leveraging PayGroup’s deep regulatory and compliance expertise, PayGroup now proudly services enterprise clients in 82 countries, representing more than 8.1m payslips and over \$11 billion in transactions per annum. PayGroup’s core business provides a great foundation for sustainable long-term growth, allowing it to further unlock monetisation opportunities. More information on PayGroup can be found at [www.paygrouplimited.com](http://www.paygrouplimited.com).