PaySauce Secures $1.5m Investment, Grows Recurring Revenue 108% for the Year

Wellington, New Zealand – 4 July 2019

Employment solutions platform PaySauce (NZX:PYS) has secured a $1.5M investment from clients of Cleary Wealth Management Limited (via their custodian Public Trust Class 10 Nominees Limited).

PaySauce CEO Asantha Wijeyeratne acknowledged the continued support of Grant Cleary and his clients, who were early-stage investors and have witnessed the dramatic growth of PaySauce. “With a strong year of continued growth, we’re in a great position to leverage our growing foothold in the market and continue to build our customer base. The investment will provide working capital to bolster our expansion plans, as well as square off the final costs of our NZX listing.”

The investment is by way of convertible loan note (CLN) and will convert to ordinary shares in PaySauce on an enterprise value of $60M on 30 June 2021, or earlier if agreed between the parties. Standard anti-dilution protections apply to the investment and interest will be accrued and converted to shares.

PaySauce has recently transitioned from a mobile payroll app to an employment solutions platform, including mobile timesheets, banking integration, PAYE filing, labour costing, automated general ledger entries and digital employment contracts.

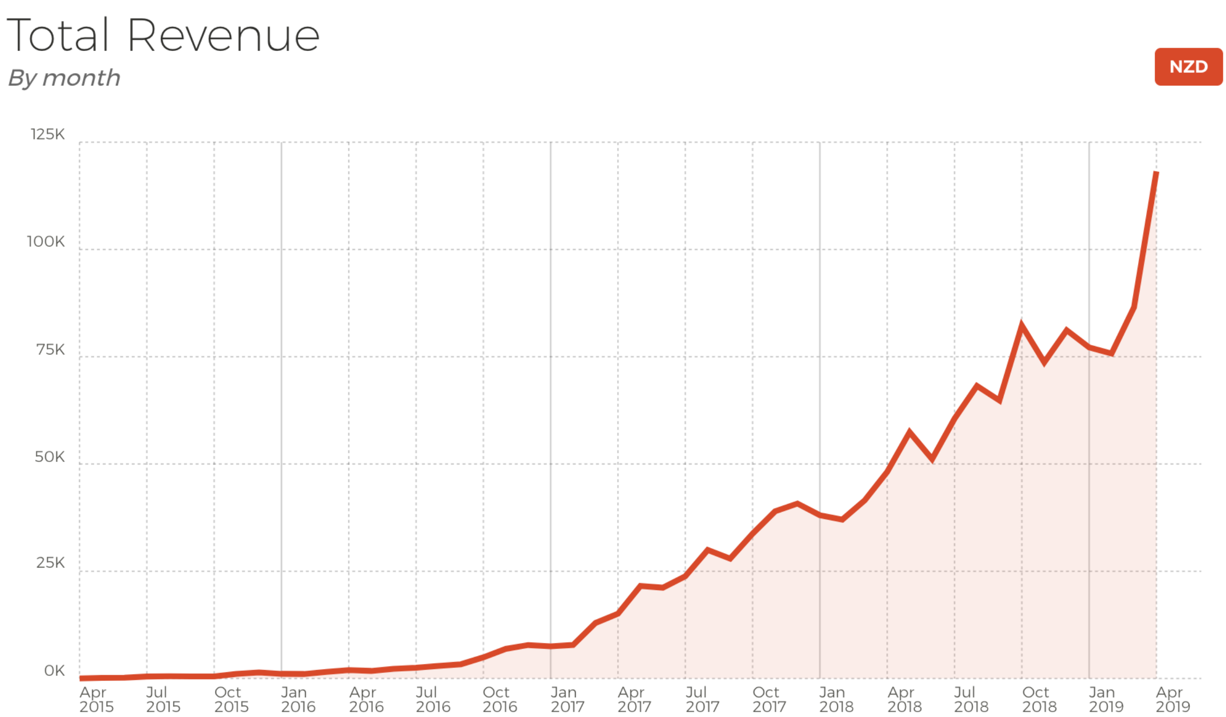
Wijeyeratne says this is a sign of things to come. “PaySauce is now well beyond payroll. We’ve moved from calculating pay, to making payments to staff, to full integration with New Zealand’s banking and taxation systems. With the advent of Inland Revenue’s Payday Filing, we’ve been able to reduce administration hours for business owners further. Most significantly, we have evolved into a platform to streamline interactions between employees and employers.”

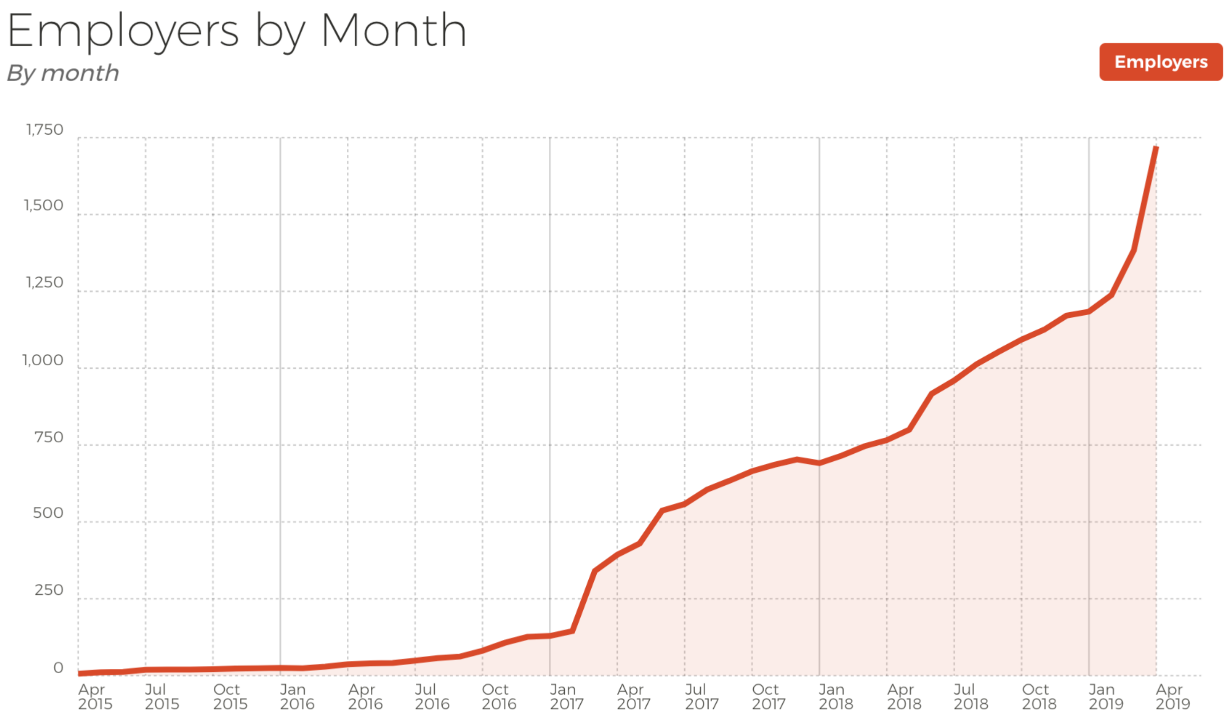
2019 Annual Report released

PaySauce has just released their 2019 annual report, showing that ARR (annual recurring revenue) was up 108% on the March 2018 figure of $0.498M, to $1.038M as at 31 March 2019. Customer numbers grew 86% from 746 in March 2018 to 1,384 in March 2019.

Wijeyeratne attributes the strength of these numbers to traction in the agricultural sector. “Much of our recent growth has come from farming, especially the dairy industry. Dairy’s unique employment environment has given PaySauce the chance to deliver ground-breaking solutions and hone our business model. The learnings and solutions that we’ve discovered in the agriculture sector have tremendous potential to be repurposed in other markets or verticals.”

This is the newly listed company’s first annual report and serves to emphasize the pace of recent growth and the shift to a platform model. The report also lays out the rising fintech company’s ambitious vision, with talk of international markets and a “one-stop” marketplace model to encompass a range of HR functions.





Share Consolidation

PaySauce has also announced that the company will undergo a capital decrease of shares ("share consolidation") this month. Shareholders will receive one PYS ordinary share for every 50 PYS ordinary shares held at 5PM on the Record Date of Friday, 12 July 2019. In order for the Share Consolidation to be processed, PYS will be halted from pre-market open on Ex Date, Thursday, 11 July 2019. On Tuesday, 16 July 2019, trading will resume in PYS ordinary shares.

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For more information

For further information, contact Asantha Wijeyeratne, CEO, on 021 554 600 or investor@paysauce.com, or visit www.paysauce.com/investor.

ABOUT PAYSAUCE

PaySauce is software at work for people, providing employment solutions to small and medium-sized businesses. PaySauce enables business owners to pay and manage employees accurately and efficiently using the web, iOS, and Android applications. The PaySauce platform includes mobile timesheets, payroll calculations, banking integration, PAYE filing, labour costing, automated general ledger entries and digital employment contracts. www.paysauce.com

ABOUT CLEARY WEALTH MANAGEMENT

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