PaySauce releases FY2021 Annual Report

Lower Hutt, New Zealand - 27 May 2021

Employment solutions fintech PaySauce (NXZ:PYS) is proud to release its FY2021 Annual Report.

PaySauce CEO Asantha Wijeyeratne said the FY2021 report presents PaySauce as a more sophisticated and streamlined business. “This year we’ve taken major steps into the next phase of our growth and identity. The addition of Rosters and the groundbreaking launch of BNZ PayNow are a clear signal that we’re ready to become a market-leading fintech, while our numbers clearly demonstrate our improved efficiency.”

HIGHLIGHTS

- 106% increase in Total Customer LTV
- 36% increase in Active Customers
- 59% increase in Revenue from Processing Fees
- 44% increase in Recurring Revenue
- Launched Rosters and BNZ PayNow

Chief Executive Asantha Wijeyeratne reflects on the year:

“Internally, we’re clearer and more purposeful than ever, while externally we’ve grown both our product and our presence in the market. Rosters and BNZ PayNow take us well beyond the scope of a traditional payroll provider, earning our place in New Zealand’s leading-edge fintech sector. With the introduction of innovations like earned wage access, we’re expanding not only our own product, but also the range of options available to New Zealanders. So while we’re more efficient and established than ever, we remain bold, ambitious and inventive.”

FINANCIAL HIGHLIGHTS

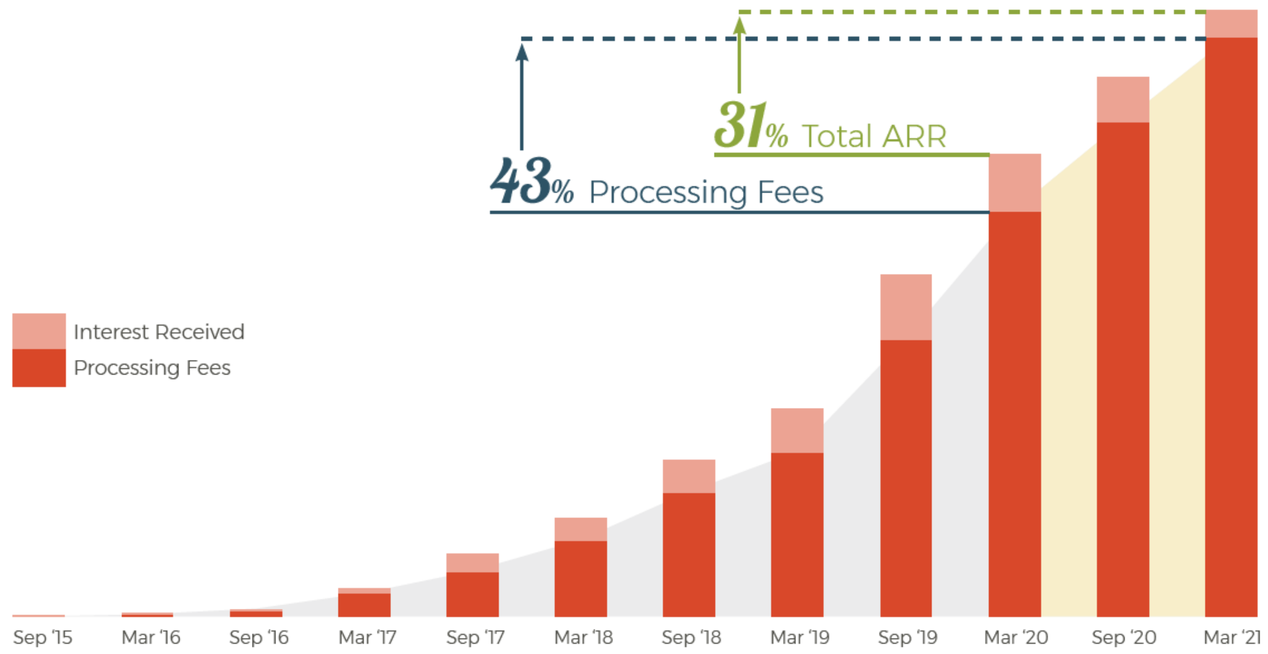
Financial Performance	Mar 2021	Mar 2020	Change	Change %
Recurring revenue - processing fees (000's)	$1,928	$1,210	$718	59%
Recurring revenue - total (000's)	$2,096	$1,456	$640	44%
Net loss for the period (000's)	($1,688)	($2,363)	($675)	(29%)

Total recurring revenue growth remained strong, with increased customer numbers and an increase in the average processing fees per customer more than compensating for the decline in interest income. With funds held on behalf of customers increasing in line with customer growth, the drop in interest income was entirely attributable to the fall in interest rates over the period.

Recurring Revenue Metrics	Mar 2021	Mar 2020	Change	Change %
Average monthly processing fees per customer	$57	$55	$2	5%
ARPU at end of period (monthly)	$60	$62	($2)	(3%)
ARR (000's)	$2,436	$1,862	$574	31%
Customer numbers	3,377	2,492	885	36%

Gross margin also increased to 68% for the year ended 31 March 2021, up from 62% for the year ended 31 March 2020. This improvement is a result of increased efficiency gains as we continue to improve our systems and processes, continuing the evolution from start up to scale up.

Annualised Recurring Revenue (ARR)



OUTLOOK

Wijeyeratne on the year to come:
"We're clearly on the right track, and we'll continue to go after our goals. We'll keep working on our transition from payroll app to fintech, and as always, we'll leverage our vital partnerships, both long-standing and new. And of course, we'll be vigorously pursuing opportunities to accelerate our growth in new and existing markets."

APPENDICES

- Appendix 1 - NZX Template for Results Announcement to the Market
- Appendix 2 - Annual Report

NON-GAAP FINANCIAL INFORMATION

Non-GAAP (Generally Accepted Accounting Principles) financial information does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. Non-GAAP information has not been audited, and is not prepared in accordance with NZ IFRS.

The measures reported by PaySauce are used by management to monitor the performance of the company and are useful to investors to assess performance.

Non-GAAP measures are defined and explained in the Annual Report.

ENDS

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

www.paysauce.com

CONTACT

Please direct any investment queries to investor@paysauce.com.

Appendix 1

This appendix is issued to accompany PaySauce Limited's FY2021 Consolidated Financial Statements, Annual Report and the commentary released to the NZX today, and should be read in conjunction with these.

Results for announcement to the market

Name of Issuer	PaySauce Limited
Reporting Period	12 months to 31 March 2021
Previous Reporting Period	12 months to 31 March 2020
Currency	$NZD

Financial Performance	Amount (000s)	Percentage change
Revenue from continuing operations	$2,198	Up 24%
Total revenue	$2,198	Up 24%
Net profit/(loss) from continuing operations	($1,688)	Loss down 46%
Total net profit/(loss) after tax	($1,688)	Loss down 46%

Interim/Final Dividend

Amount per Quoted Equity Security	No dividends are proposed to be paid.
Imputed amount per Quoted Equity Security	Not applicable
Record Date	Not applicable
Dividend Payment Date	Not applicable

Net Tangible Assets	Current period (31 March 2021)	Prior comparable period (31 March 2020)
Net tangible assets per Quoted Equity Security:	0.011 NZD per quoted equity security	0.014 NZD per quoted equity security
A brief explanation of any of the figures above necessary to enable the figures to be understood:	PaySauce Limited has no operational activity, and as a result this announcement is based on the consolidated operations of its wholly owned subsidiaries PaySauce Operations Limited and Right Remunerations Limited (together, 'the Group' or 'PaySauce'). Please refer to the comments above, and the Annual Report and Financial Statements.	

Authority for this announcement

Name of person authorised to make this announcement	Jaime Monaghan
Contact person for this announcement	Jaime Monaghan
Contact phone number	022 5246366
Contact email address	investor@paysauce.com
Date of release through MAP	27 May 2021

Audited financial statements accompany this announcement.