

15 March 2021

## PayGroup provides FY21 guidance update

- Record FY21 ARR of \$20.5m expected for year ending March 2021, proving PayGroup's ability to achieve growth in a challenging environment and the strength of its mission-critical solutions
- Over \$10m of new contracts signed in FY21, highlighting PayGroup's strong sales capabilities and continued execution on its growth strategy
- Record 5.5m payslips and transactions (annualised) processed in FY21, which provides significant opportunities to provide the broader HCM offering which drives organic growth

**Melbourne, 15 March 2021:** PayGroup Limited ("PayGroup" or the "Company"), a leading provider of payroll and human capital management (HCM) solutions is pleased to provide FY21 guidance update.

PayGroup continues to achieve rapid growth, by delivering its core payroll solution and scalable HCM platform. Building on the strong momentum of the December 2020 quarter, the Company expects FY21 annualised recurring revenue (ARR) to be at least \$20.5m, representing a ~15% increase to FY20 ARR. This was achieved despite the significant operational disruption of the global COVID-19 pandemic over the last 12 months, and represents a clear demonstration of the resilience of PayGroup's mission-critical payroll and human capital management solutions.

In addition to the strong ARR growth, FY21 is anticipated to be a record year for new contact wins, with over \$10m in new contracts signed, almost doubling the \$5.5m new contracts achieved in FY20. PayGroup's proven sales and marketing ability to convert its substantial pipeline of opportunities demonstrates the strong traction of its payroll and HCM solutions across the Asia-Pacific region.

Throughout the year, the Company has continued to grow the number of payslips and transactions it processes and is expected to process ~5.5m of annualised payslips and transactions in FY21 (FY20: 4.7m). PayGroup's growing ecosystem of high margin HCM modules combined with the continued growth of payslips processed strengthens the Company's competitive position and underpins the exciting outlook.

PayGroup looks forward to providing its FY21 results (12 months ending 31 March 2021) in May 2021.

**Mark Samlal, Managing Director of PayGroup, said:** "FY21 continues to be a landmark year for PayGroup as the business continues to achieve significant growth since our IPO in 2018. The FY21 guidance we have released today highlights the accelerating traction of our multi-country payroll solutions, underpinned by our local regulatory and compliance expertise across APAC. The large customer base of multinational enterprises provides significant organic growth potential as we introduce more customers to the broader HCM product suite. Growth remains the key focus, as we continue to leverage our leading sales capabilities to scale the business in order to maximise shareholder value."

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*This announcement was authorised by the Board of Directors of PayGroup Ltd.*

**About PayGroup**

PayGroup is a leading provider of payroll and human capital management (HCM) solutions, delivering mission-critical services. Leveraging PayGroup's deep regulatory and compliance expertise, PayGroup now proudly services over 1,100 client entities in over 40 countries, representing more than 5 million payslips 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).