

Pushpay to acquire Resi Media LLC, adding its market-leading streaming solutions to Pushpay's product suite

Auckland, New Zealand | Redmond, Washington; Colorado Springs, Colorado, US – 23 August 2021 (NZT)

Pushpay Holdings Limited (NZSX:PPH, ASX:PPH, 'Pushpay' or 'the Company') is excited to announce that it has entered into a definitive agreement to acquire 100% of the ownership interests in Resi Media LLC ('Resi') for US\$150 million in cash and Pushpay shares. The acquisition is expected to close by the end of August subject to satisfaction of customary closing conditions.

Resi is a US-based market-leading streaming solutions provider, servicing more than 70% of the Outreach 100 largest churches in the US¹.

Transaction highlights

- Strategically compelling acquisition of a market-leading faith-focused streaming platform to broaden Pushpay's core product offering
- Enhances Pushpay's value proposition to customers, strengthening its digital technology strategy and maintaining its position at the forefront of innovation in the faith sector
- Acceleration of front book growth, adding a further stream of high growth and high margin Software as a Service (SaaS) revenue
- Large total addressable market across all church segments, nonprofit organisations and other verticals
- Material synergy opportunities through product cross-sell and integration with Pushpay's sales and marketing engine
- Builds on Pushpay's successful track record of inorganic growth through the acquisition and integration of Church Community Builder

Management comments

Pushpay's CEO, Molly Matthews said, "Adding Resi's top tier streaming solutions to our product suite will greatly enhance our value proposition to customers, allowing Pushpay to fully support churches' digital engagement with their communities, and ensure Pushpay is staying at the forefront of church technology innovation. We welcome the Resi team to Pushpay and look forward to working together in providing market leading solutions to the faith sector."

Resi's CEO, Paul Martel said, "This is not only an opportunity to align two mission-driven organisations, but also to build on the momentum which Resi has already generated by offering high quality and reliable live streaming services. Joining forces with Pushpay propels our ability to deliver seamless solutions which empower organisations to engage, monetise, and grow online, in-person and hybrid audiences at scale."

Transaction summary

- Pushpay has agreed to acquire 100% of the ownership interests in Resi for total consideration of US\$150 million (subject to customary adjustments to the cash portion of the consideration), representing 8.8x FY21 revenue

1. Outreach Magazine's 100 largest churches in America in 2020.

- The consideration will comprise US\$110 million in cash and US\$40 million of Pushpay shares (the “Shares”)
- The cash component of the consideration will be funded by a combination of cash on hand and a senior secured debt facility of US\$90 million
- All of the Shares will be subject to a lock-up deed which prohibits the transfer or sale of the Shares during the restricted period, with customary exceptions. 50% of the Shares are restricted for 12 months from closing, 25% for 18 months from closing and the remaining 25% for 24 months from closing
- US\$9 million in aggregate of the Shares (the “Founder Restricted Shares”) will be treated as if they had been received by one of the sellers as consideration for a portion of such seller’s ownership interests in Resi and immediately distributed by such seller to trusts associated with each of the Resi founders as a pro rata distribution with respect to the membership units of such seller held by such founder trusts
- The Founder Restricted Shares will be subject to a Restricted Share Agreement with each founder which prohibits the transfer or sale of the Founder Restricted Shares. 50 percent of such Founder Restricted Shares will become unrestricted 12 months from closing and the remaining Founder Restricted Shares will become unrestricted 24 months from closing. If during the restricted period the relevant founder’s employment is terminated by Pushpay for cause, or by such founder without good reason, then Pushpay has the right to require the trust associated with such founder to sell its Founder Restricted Shares back to the company or to a person nominated by the company for nominal consideration
- The US\$40 million of Pushpay stock will be issued at a price of NZ\$1.6599 per share², based on the 20-day VWAP to 20 August 2021

Resi Media adds a market-leading streaming solution offering for the faith market to Pushpay’s product suite

Founded in 2016 and with offices in Westminster, Colorado, US and Plano, Texas, US, Resi is a high growth SaaS company with a market leading streaming platform serving over 3,900 customers, predominantly in the faith sector.

Resi’s offerings comprise live streaming services to web, social media, mobile apps, and other locations and multisite streaming which delivers video to remote locations. Resi is well positioned to execute on a value proposition of high quality, reliable live streaming as streaming becomes a core part of faith-based and other organisations’ operations. Its Resilient Streaming Protocol (RSP) protects against audio and video quality loss during transmission regardless of network interruptions. The technology enables live streaming online across any platform, social media or the organisation’s own brand. Customers can automate, monitor and review streams to make events extremely effective.

Pushpay is pleased to announce Resi’s executive team will continue leading the business. Paul Martel will continue as Chief Executive Officer of Resi. Paul has a technical background with eight years of software product management. Paul is also the Technical Director at Chase Oaks Church in Texas, a long-time Pushpay Customer, and currently leads Product and Operations at Resi. Collin Jones will remain President of Resi. Collin has been instrumental in delivering Resi’s customer sales and leads Resi’s Sales, Marketing and Success teams. Brad Reitmeyer will continue as Chief Technology Officer. Brad leads the Technology, Engineering, Architecture and Quality Assurance teams. Resi’s executive team has a strong pulse of the digital needs of today’s churches.

2. Converted to USD at an exchange rate of 0.6834.

Investor Briefing

Pushpay Holdings Limited will hold an Investor Briefing to discuss the acquisition of Resi Media LLC, at 11:00 am (NZT) today (23 August 2021). Management discussion will be followed by a question and answer session.

If you would like to join the Investor Briefing, please do so by following the link, [here](#).

There is no pre-registration required for the call.

Pushpay advisors

- Financial advisor: Craigs Investment Partners Limited
- New Zealand legal counsel: Harmos Horton Lusk Limited
- US legal counsel: Shearman & Sterling LLP

Contact

Joshua Olley | Investor Relations | Pushpay Holdings Limited

P: +64 21 044 5985 | E: investors@pushpay.com

www.pushpay.com

About Pushpay

Pushpay provides a donor management system, including donor tools, finance tools and a custom community app, and a church management system (ChMS) to the faith sector, non-profit organisations and education providers located predominantly in the United States (US) and other jurisdictions. Our leading solutions simplify engagement, payments and administration, enabling our Customers to increase participation and build stronger relationships with their communities.

Church Community Builder is a subsidiary of Pushpay Holdings Limited and provides a Software as a Service (SaaS) church management system predominantly in the US and other jurisdictions. Church Community Builder provides a platform that churches use to connect and communicate with their community members, record member service history, track online giving and perform a range of administrative functions. Combined, Pushpay and Church Community Builder deliver a best-in-class, fully integrated ChMS, custom community app and giving solution for customers in the US faith sector.

Pushpay is an award-winning company. For more information visit www.pushpay.com/investors/awards.

About Resi

Resi is a high growth SaaS company that provides end-to-end live video streaming solutions enabled by hardware products predominantly to the faith sector, whilst also servicing commercial, nonprofit organisations and education providers in the US. Its industry exclusive technology delivers superior streaming quality and reliability, providing a premiere streaming experience for its customers located primarily in the US and other jurisdictions.

Important Notice and Disclaimer

This document may contain forward looking statements with respect to the potential financial condition, results of operations and business, and business strategy of Pushpay and Resi. Information about the future, by its nature, involves inherent risks and uncertainties. The assumptions on which Pushpay based its forward looking statements may not be correct. Pushpay's business and operations may be affected by factors not currently foreseeable by Pushpay or beyond its control. Accordingly, forward-looking statements may not be realised. Nothing in this document is a promise or representation as to the future or a promise or representation that a transaction or outcome referred to in this document will proceed or

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