



16 August 2021

Market Announcement - Plexure and TASK to Merge

Plexure Group has entered into a binding, conditional agreement to acquire leading transaction platform provider TASK for A\$120 million, to transform Plexure into an end-to-end cloud engagement and transaction platform provider for major hospitality enterprises and grocery organisations

- *TASK provides a fully integrated transaction management platform for Enterprise customers including point-of-sale, online ordering, loyalty, kiosk, and mobile apps on a globally deployed and scalable single technology stack.*
- *TASK has a significant customer base of 50 global brands in the restaurant, food service, entertainment and stadium venues sectors.*
- *Strategic benefits include the diversification of Plexure's customer base, expanded product portfolio for both companies and cross-selling opportunities.*
- *Upon completion, TASK's CEO, Daniel Houden, is to be appointed CEO of Plexure Group.*

Auckland, New Zealand, 16 August 2021 - Plexure Group Limited (NZX/ASX: PX1), a global mobile engagement software company, today announces that it has entered into a conditional agreement to acquire Task Retail Pty Limited of Australia and its global subsidiaries ("**TASK**"), for A\$120 million to be paid in a mixture of cash and Plexure ordinary shares.

TASK delivered pro-forma revenue of NZ\$14.0m and a pro-forma EBITDA of NZ\$2.4m for the year ended 30 June, 2021. The majority of TASK's revenue is recurring and a growing proportion of this revenue is derived from clients in North America. *Further particulars of TASK's trading results are set out in the Management Presentation attached to this announcement.*

TASK is privately owned, and has been consistently self-funded since its foundation by Kym and Jennifer Houden in 2000.

There is a strong commercial rationale for the TASK acquisition, including:

- Diversification of Plexure's customer base, reducing its dependency on a small number of customers.
- Enhanced product portfolio for TASK and Plexure, creating a comprehensive end-to-end platform attractive to a number of industry sectors.
- Cross-selling opportunities for both companies.
- Cost synergies.

Phil Norman, Plexure Group Chairman, said: "Our clients want to provide each customer a personalised, positive experience on device and in-venue. Major enterprise customers strive (and usually fail) to do this today by integrating multiple vendor solutions and managing complex internal management requirements."

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“With this acquisition, we will enable clients to deliver a better experience and a personalised and seamless service to all their customers, on mobile devices and throughout the venue, through an integrated, highly scalable platform,” said Mr Norman.

“As well as an outstanding platform, TASK brings us an enviable list of blue-chip clients, multiple segment deployments, growing recurring revenue and a strong leadership team,” he said.

“Upon completion, Daniel Houden will be appointed as Plexure Group CEO, filling the recent CEO vacancy, to complement the highly capable management team at Plexure. Together with his brother Dean, Daniel has led the development and commercialisation of the TASK platform - I believe Daniel and the team will be ideally positioned to deliver the exciting benefits of this transaction,” said Mr Norman.

Daniel Houden, CEO of TASK, said “Plexure’s personalisation engine is the perfect complement to our offering – it will enable us to offer our clients a world-class solution of even greater breadth. We are excited about joining the Plexure team and accelerating the global growth of the combined business.”

Transaction Terms

Plexure will acquire TASK for a total consideration of A\$120m comprising:

- A\$30m paid in cash upon completion of the transaction; and
- A\$78.5m in new ordinary Plexure shares issued to the vendors of TASK at NZ\$0.60 per share upon completion, subject to a two year escrow from the date of issuance following Plexure shareholder approval. Based on the share price at market close on 13 August 2021 of NZ\$0.54, these new ordinary shares will be issued at a premium of 11.1% to that price; and
- A\$11.5m in new ordinary Plexure shares under a new TASK LTI Scheme, upon completion to be run by Plexure, by way of performance rights (similar to options) for vesting to selected TASK employees who meet service hurdles over a certain period. These shares will reward key TASK employees for their long-term commitment to TASK and provides them with an incentive to contribute to the post-acquisition success of the combined entity.

There is no deferred or earn-out consideration to be paid as part of the transaction.

Post-transaction, the TASK vendors (and certain TASK employees assuming all shares are eventually issued under the TASK LTI Scheme) will together own approximately 42.9% of Plexure.

Upon completion, current TASK advisor Bill Crichton will join the Board of Directors of Plexure Group. Bill is a globally minded and highly experienced strategic adviser and investor with over 20 years’ experience in Asia as the regional President and CEO of leading international brands, Sanyo (Asia) and Lixil Corporation (Asia, India, Oceania). Bill is currently a Chair of Australian Advisory Board company, Coraggio, a partner in Asian food Importer Lam Brothers Pty Ltd, a Director and shareholder of Shootsta Pte Ltd (a global player in the SaaS video market based in Singapore) as well as adviser to TASK.

Daniel Houden will also join the Board of Directors of Plexure Group upon completion. Daniel began his career at TASK twenty years ago as a software developer, becoming CTO and then for the last ten years, CEO. Whilst CTO, Daniel led the team that created TASK’s award



winning suite of software products and more recently as CEO he has been the driving force behind the Company's international sales success. The acquisition of TASK (including the issue of shares to TASK vendors) is subject to Plexure shareholder approval. A Special Meeting will be scheduled for that shareholder vote and the shareholder materials provided for that meeting will include an Independent Adviser's Report on the transaction prepared by Simmons Corporate Finance. Further details of the Special Meeting will be made available to shareholders shortly.

The transaction is also subject to Plexure undertaking a capital raising of up to A\$20m prior to completion (and a shareholder vote in favour of such capital raising). Plexure is able to waive this capital raising condition at its discretion and the Plexure Board will decide (and announce) soon the most efficient way forward regarding any such capital raising, including the extent to which it is required.

McDonald's Corporation, currently a 9.41% shareholder in Plexure, has indicated that it is supportive of the transaction. As previously announced to the market, McDonald's has a top-up right in respect of share issues in order to maintain up to a 9.9% holding. McDonald's has indicated that it will defer any potential exercise of its top-up right for the share issue to the TASK vendors for a period of time and has also indicated that it would participate in the potential A\$20m capital raising, taking 9.9% of the A\$20m.

Management Presentation

Additional information regarding the acquisition is contained in the Management Presentation which accompanies this announcement.

Market Call

The Company will host a market call for shareholders and other interested parties at:

1.00pm NZST on Monday 16 August 2021

Presenters will be:

Phil Norman – Chairman, Plexure Group

Daniel Houden – CEO, TASK

The link for the call is: <https://services.choruscall.com.au/webcast/plexure-210816.html>

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Authorised by: Board of Directors



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About Plexure

Plexure is a mobile engagement software company. Global brands use the Company's products to engage consumers on mobile devices and drive them to store with personalised offers, mobile order and pay and loyalty. Plexure's software integrates with operational systems to remove friction and create a seamless purchase experience for consumers.

Plexure makes the sales process for physical retailers seamless, engaging and profitable by identifying where customers are, what they want and then facilitating their purchases.

The Company's technology platform and product offering covers five key capabilities:

- Mobile order and pay
- Next generation loyalty programmes
- Personalised offers
- Analytics
- Seamless operations integration

Brands that use Plexure experience an increase in customer numbers and visit frequency, higher average transaction values, larger share of wallet and improved customer satisfaction scores.

The Company now has over 286 million end users on its platform in 64 countries.

Plexure employs 167 staff globally, with offices in Auckland, Christchurch, Chicago, Tokyo, London, Copenhagen and Amsterdam. Clients include McDonald's, White Castle, Super Indo (part of the Ahold Delhaize grocery chain), Loyalty New Zealand and Pita Pit.

For more information please visit www.plexure.com

About TASK

Founded by Kym and Jennifer Houden in 2000, TASK is the transaction management platform for a wide range of large enterprise clients including stadiums, casinos, food service companies and multi-national restaurant chains. TASK's power is in its platform, owning every customer transaction and touchpoint across Point Of Sale, Kiosks, Online Ordering, Loyalty, Mobile app's and other engagement products.

For more information please visit www.tasksoftware.com