

Small businesses' confidence helps drive another quarter of growth for PaySauce

Lower Hutt, New Zealand - 13 January 2020

Online employment solutions provider PaySauce (NZX:PYS) finished the third quarter of FY21 with continued revenue and customer growth.

Total recurring revenue grew 44% to \$569K, compared to the third quarter of F20.

The number of New Zealand employees paid through PaySauce software increased by 34% to 17,944 people, while the total number of businesses processing through PaySauce increased proportionately to 3,274. PaySauce welcomed more than 300 new clients this quarter, leading to a 6% increase in the total business customers since the last quarter.

CEO and co-founder, Asantha Wijeyeratne, said the platform's continued growth reflects the recovery of the small business economy in the wake of COVID-19.

"Over the last quarter we saw both new and established businesses coming on board," said Mr Wijeyeratne.

"It's been particularly uplifting to see our nation's entrepreneurs regaining their balance and confidence over the last quarter".

"We've seen a significant number of customers resume payroll processing after a break, as they're once again in a position to employ staff. Our customers are a tenacious and resilient bunch, and it's our pleasure to support them and see them bouncing back after a diabolically challenging year."

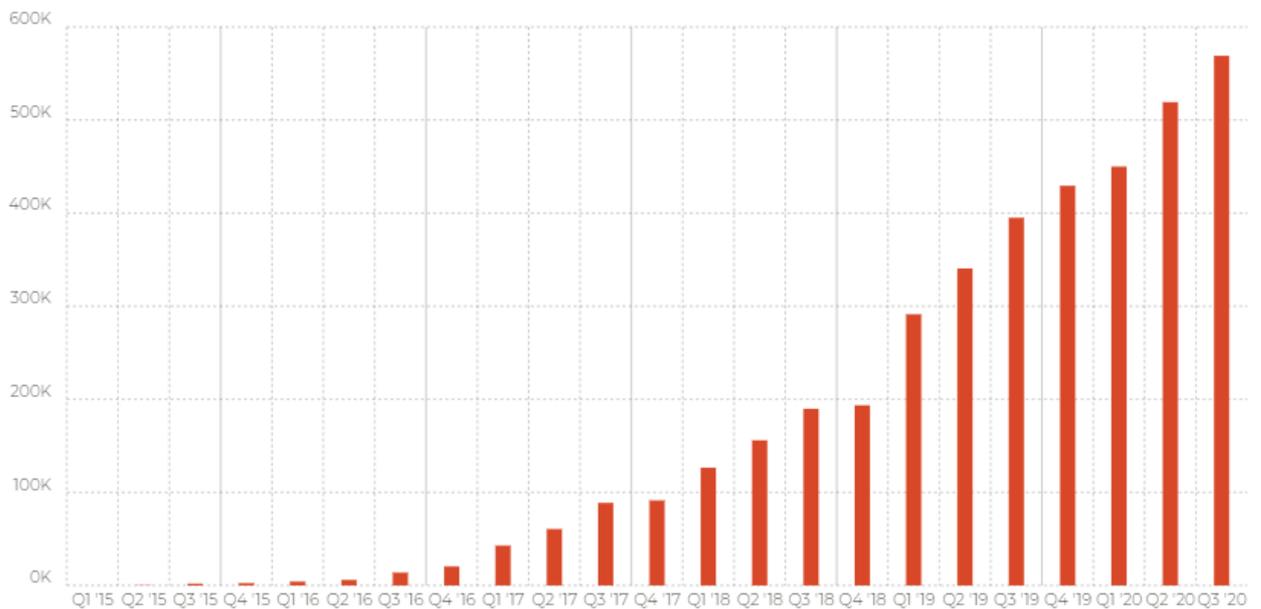
F21 Q3 Key Metrics (1 of 2)

| | F21 Q3 | F20 Q3 | Change |
|----------------------------------|---------------|---------------------|--------|
| Results for the quarter | Oct - Dec '20 | Oct - Dec '19 | % YoY |
| Total recurring revenue | \$569K | \$395K ¹ | 44% |
| # Payslips processed | 131,851 | 98,433 | 34% |
| Gross value of payroll processed | \$218M | \$160M | 36% |

Total Recurring Revenue

By quarter

NZD



¹ F20 Q3 total recurring revenue was reported as \$461k in the Market update to December 2019. The reported figure last year included the IRD subsidy which has subsequently been removed and is no longer classified as recurring revenue.



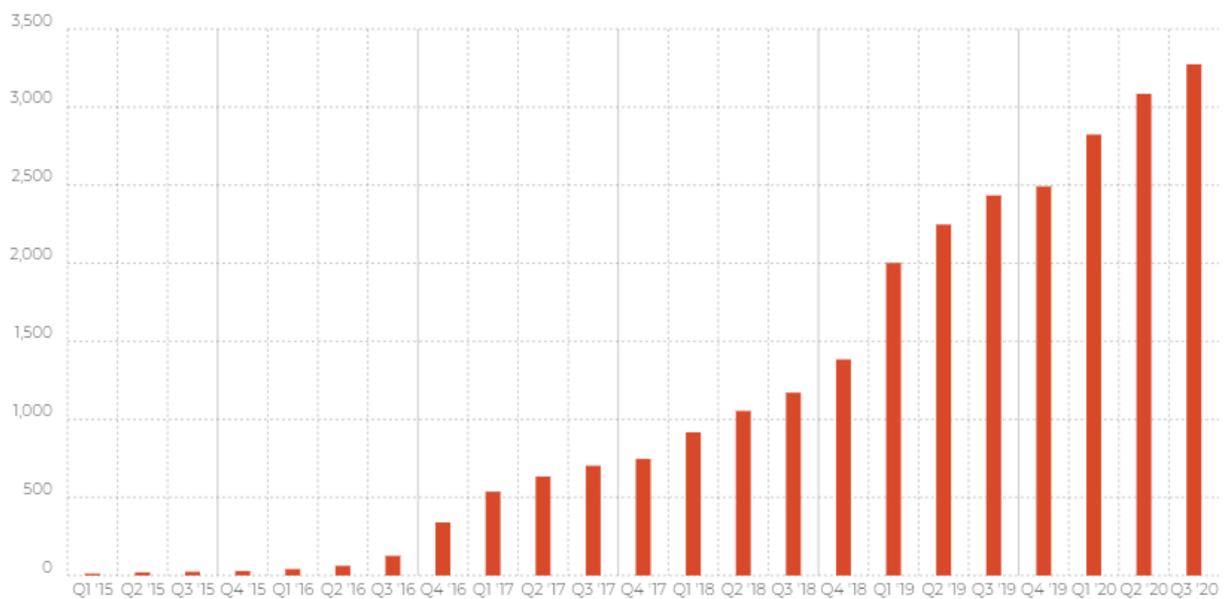
F21 Q3 Key Metrics (2 of 2)

| | F21 Q3 | F20 Q3 | Change |
|-------------------------|---------------|---------------|--------|
| Position at quarter end | Oct - Dec '20 | Oct - Dec '19 | %YoY |
| # Employees | 17,944 | 13,349 | 34% |
| # Payroll customers | 3,274 | 2,434 | 35% |

Payroll Customers

Last month of each quarter

Customers



KEY YEAR-ON-YEAR PERFORMANCE HIGHLIGHTS FOR THE QUARTER

- Recurring revenue up 44% to \$569K
- Total employees paid through PaySauce up 34% to 17,944
- Number of payroll business customers up 35% to 3,274

For more information about the quarter results to 31 December 2020, please contact investor@paysauce.com.



ABOUT PAYSAUCE

PaySauce is a SaaS platform providing payroll and employment solutions to small and medium businesses. We give business owners the technology to pay and manage employees accurately and efficiently from any device. Our platform includes mobile timesheets, payroll calculations, banking integration, PAYE filing, labour costing, automated general ledger entries and digital employment contracts.

www.paysauce.com