



PaySauce Buys SmoothPay

Lower Hutt, 1 June 2021

Employment solutions fintech PaySauce (NZX:PYS) has bought the business and assets of SmoothPay, a well-established New Zealand payroll provider headquartered in Palmerston North.

The acquisition delivers on PaySauce's strategic objective of accelerating customer growth. More than 1500 SmoothPay subscribers will join PaySauce, bringing the total customer base to over 5000 subscribers.

With the arrival of these customers, PaySauce moves into several international territories, adding market presence in Australia and several Pacific Island nations.

The acquisition sees PaySauce welcoming SmoothPay founder Matthew Gardner as a senior payroll developer, bringing a wealth of institutional knowledge and expertise on programming for compliance with New Zealand labour legislation, as well as other jurisdictions that SmoothPay currently operates in.

PaySauce CEO Asantha Wijeyeratne said the SmoothPay purchase was a watershed moment. "This is noteworthy for several reasons - overnight, we've expanded into multiple overseas markets, grown our customer base of subscribers by 45%, and gained the expertise of one of the nation's foremost payroll software professionals."

"We couldn't be happier about this. As our first acquisition and an entirely new growth pathway, it's the beginning of something huge for all involved. The two businesses are well paired to complement each other's strengths and eliminate any product gaps. There's a lot of work ahead to integrate SmoothPay without any disruptions to our customers, but we're incredibly excited to get started."

The purchase price for SmoothPay is fully payable through the issue of 1,416,164 ordinary shares in PaySauce and represents approximately 1.5 times SmoothPay's annual revenue for FY2021. A capital change notice with further details accompanies this announcement.

ABOUT PAYSAUCE

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