

PAYMENTUS

POWERING THE NEXT GENERATION OF BILL PAYMENTS

**April 2024
(NYSE: PAY)**



DISCLAIMER

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. Forward-looking statements contained in this presentation include, but are not limited to, statements about our market opportunity and our ability to continue to expand our market share or expand into new markets. Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other factors. Some of these risks are described in greater detail under the captions “Special Note Regarding Forward-Looking Statements” and “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 5, 2024, and in our future filings with the SEC. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. These factors may cause our actual results, performance or achievements to differ materially and adversely from those anticipated or implied by our forward-looking statements. Furthermore, our forward-looking statements may prove to be materially inaccurate. In light of the significant uncertainties in these forward-looking statements, you should not place undue reliance on them or regard them as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

In addition, forward-looking statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this presentation, and although we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted a thorough inquiry into, or review of, all potentially available relevant information.

Market data and industry information used throughout this presentation are based on management’s knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management’s review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information.

In addition to the GAAP financial measures presented in our consolidated financial statements, this presentation includes key performance indicators and non-GAAP measures that our management uses to help us evaluate our business, identify trends affecting our business, formulate business plans and make strategic decisions. There are limitations to contribution profit, adjusted gross profit, adjusted EBITDA, and adjusted EBITDA margin, the non-GAAP measures included in this presentation. These non-GAAP measures may not be comparable to similarly titled measures of other companies; other companies, including companies in our industry, may calculate non-GAAP measures differently than we do, limiting the usefulness of those measures for comparative purposes. These non-GAAP measures should not be considered in isolation from or as a substitute for GAAP financial measures. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are included in the Appendix to this presentation.

Unless otherwise indicated, all references in this presentation to “Paymentus,” “we,” “our,” “us”, or similar terms refer to Paymentus Holdings, Inc. and its subsidiaries.

ABOUT US

We simplify how bills are paid....

By equipping businesses, banks and partners with a unified and comprehensive bill presentment and payment platform that integrates with the existing ERP, digital banking and customer information systems to modernize user experiences and optimize payment operations

Paymentus

PAYMENTUS BY THE NUMBERS – FY 2023

Strong, Profitable Financial Profile



\$614 M
Revenue

\$241 M
Contribution Profit¹

\$199 M
Adjusted Gross Profit¹

\$58 M
Adjusted EBITDA¹



25%
Revenue Growth

20%
Contribution Profit Growth¹

23%
Adjusted Gross Profit Growth¹

24%
Adjusted EBITDA Margin¹

Tremendous Scale



458 M
Transactions Processed
2023

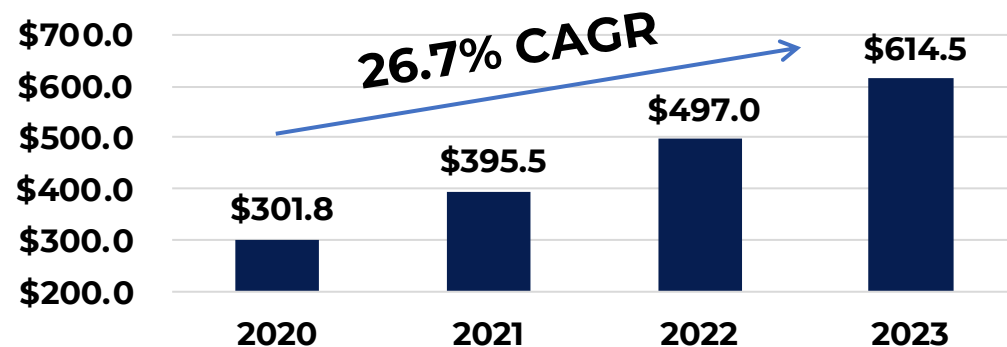


>2,200
Clients
As of 12/31/2023

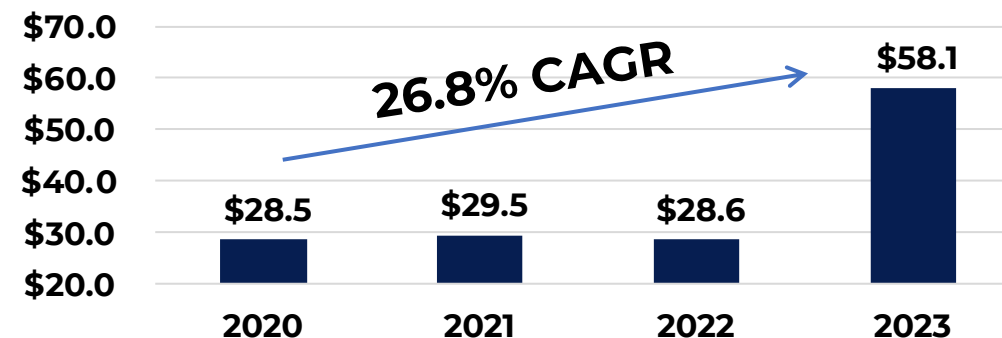
⁽¹⁾ Non-GAAP financial measures: For definitions, reconciliation to the nearest GAAP measures and additional information regarding our use of these non-GAAP measures, please refer to the Appendix.

FOCUS ON PROFITABLE GROWTH

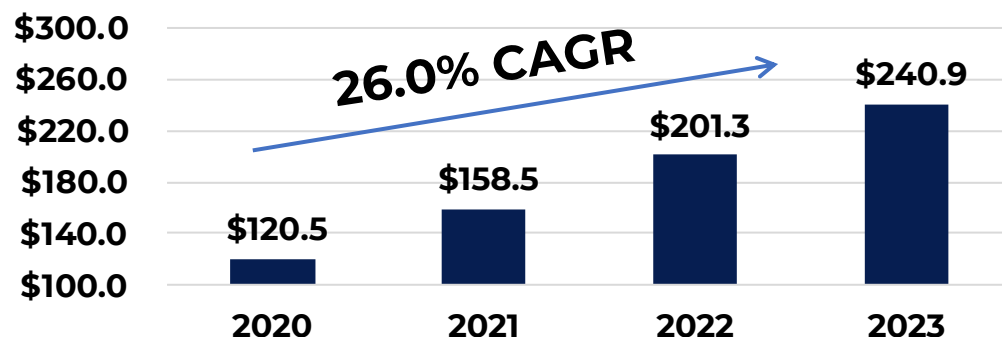
Gross Revenue (\$ Millions)



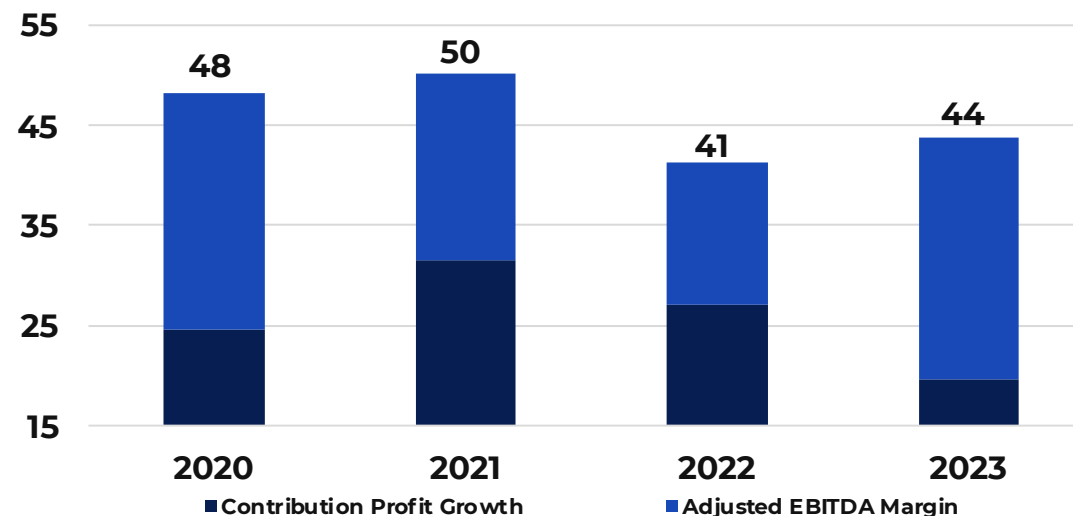
Adjusted EBITDA¹ (\$ Millions)



Contribution Profit¹ (\$ Millions)



Rule of 40²



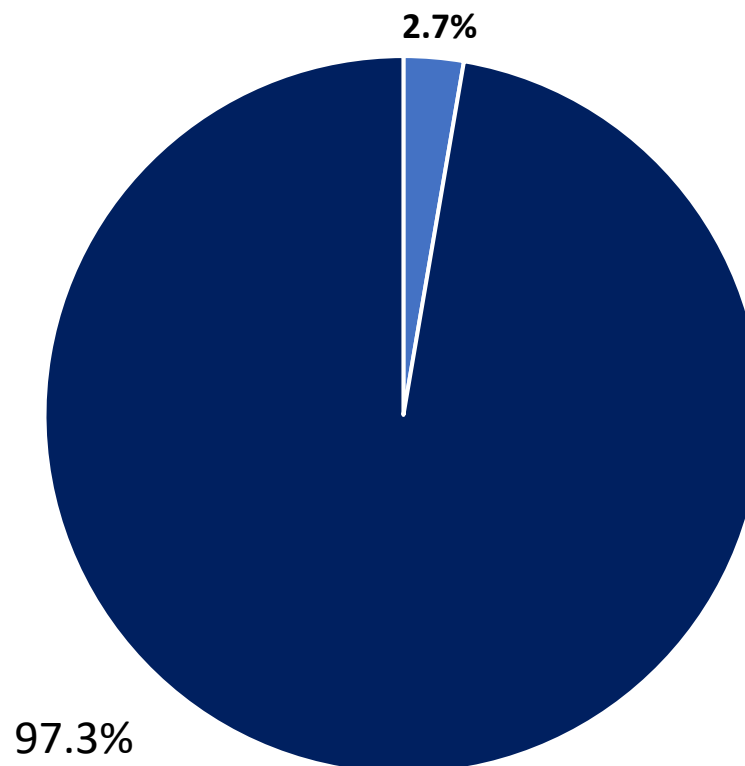
(1) Non-GAAP financial measures: For definitions, reconciliation to the nearest GAAP measures and additional information regarding our use of these non-GAAP measures, please refer to the Appendix.

(2) We define Rule of 40 as the combination of Contribution Profit growth rate and Adjusted EBITDA margin, approximated to nearest percentage.

MASSIVE MARKET OPPORTUNITY

of bills paid annually in the United States **16.8B¹**

Paymentus Market Share Of U.S. Bill Payment Market (%)



U.S. Bill Pay Remaining
Addressable Market

of bills paid annually in
the United States through
non-Paymentus channels
and billers
16.4B

of bills paid annually on Paymentus
platform (2023)
458M

Current Market Share
2.7%















(1) Datos Insights: How Americans Pay Their Bills (2023 Update)

WHAT WE DO: MODERNIZE AND SIMPLIFY HOW BILLS ARE PAID


We modernize bill pay for over 2,200 businesses through a fully unified, integrated and advanced platform that is proven to:

- **Improve customer satisfaction scores** after implementing our platform
- **Reduce operational expenses and cost to serve** through process automation, digital adoption and elimination of disparate systems
- Provide more payment methods and channels and **workflow automation with minimal to no development** and consumer/business disruption
- **Comply with ever-changing payment rules and regulations** (e.g., Visa, PCI, NACHA, GDPR, CFPB)
- **Deliver actionable insights** on how users interact and make payments
- **Increase availability** of critical payment infrastructure
- Enable businesses to **efficiently deploy innovations** without needing to change ERP, billing or accounting systems

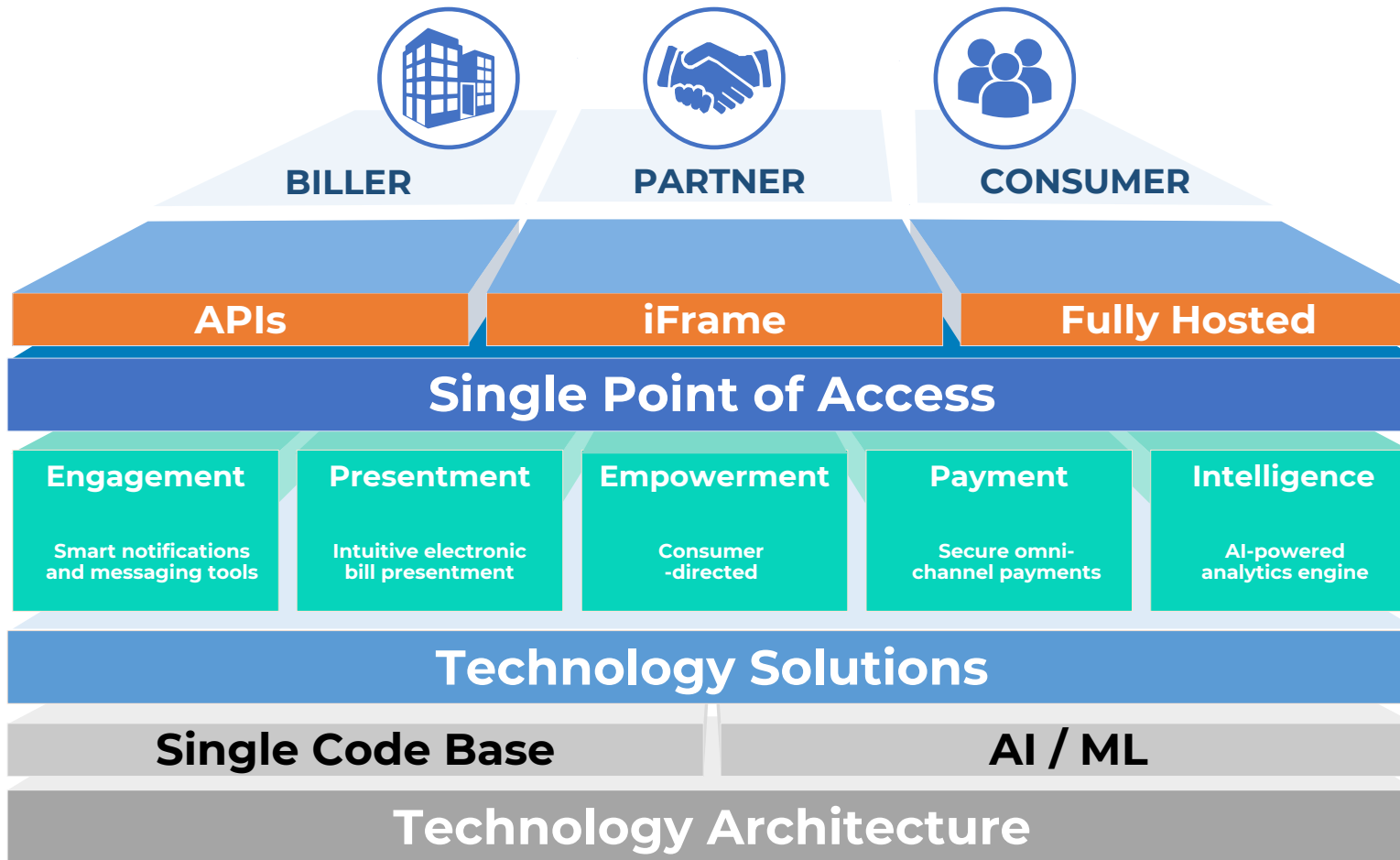
Payment Method

<input type="radio"/>	 **** * 1111	
<input type="radio"/>	   	Credit Card
<input type="radio"/>	 	Debit Card
<input type="radio"/>		eCheck / Bank Account
<input type="radio"/>		PayPal
<input type="radio"/>		PayPal Credit
<input type="radio"/>		Venmo
<input type="radio"/>	 About Amazon Pay ?	Amazon Pay
<input type="radio"/>		Google Pay
<input type="radio"/>	 ?	Pay with cash at a local retailer

[BACK](#) [CONTINUE](#)

 [Want to use Apple Pay? Sign in from Safari on your iPhone, iPad, or Mac.](#)

BUILT ON AN INTEGRATED, MODERN TECHNOLOGY STACK



Powered by a significant and broad library of **integrations** built over **10 years**

CIS Systems

ERP Systems

Accounting Systems

Vertical Software

OUR OMNI-CHANNEL PLATFORM

FOR CONSUMERS: MORE WAYS TO INTERACT, VIEW BILLS
AND MAKE AND RECEIVE PAYMENTS

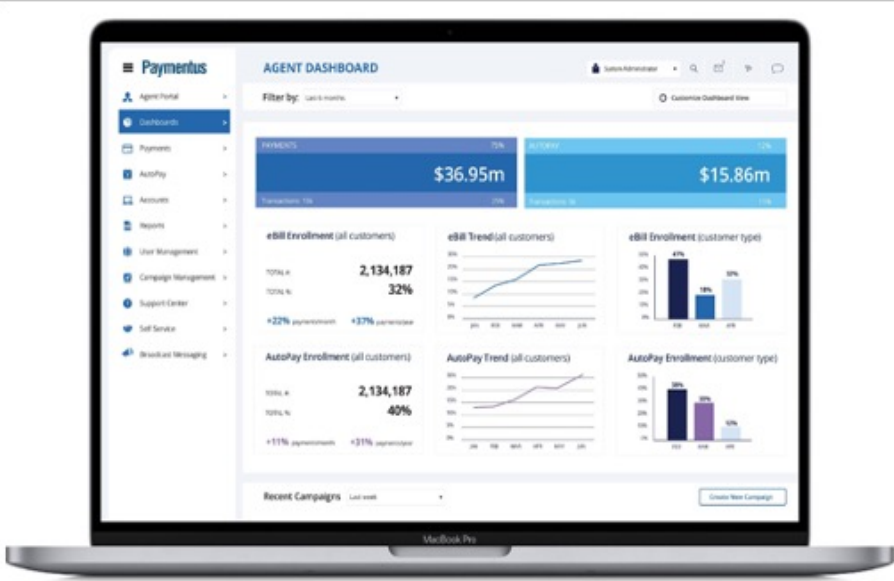
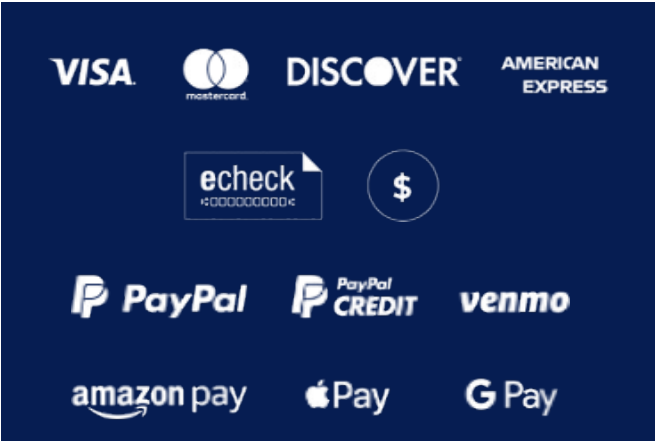
FOR BUSINESSES: IMPROVED OPERATIONS AND
REDUCED COSTS TO SERVE

ALL PAYMENT METHODS

ALL PAYMENT CHANNELS

AGENT DASHBOARD REPORTING

Admin users get complete picture in real-time – visibility into every payment in all channels



PLATFORM HIGHLIGHTS

Tremendous Scale

Architected for maximum uptime with triple layer redundancy, hot/hot data storage, no single point of failure and robust intrusion detection systems



Patented And Proprietary

From Secure Service™ to the Instant Payment Network™, Paymentus innovations are unique and difficult to replicate



Unified And Modern Architecture

SaaS-based, multi-tenant platform is fully unified on a single code base and no versioning enabling rapid innovation and reliability



Highly Configurable

Advanced configuration engine enables complex workflow automation without custom development



Widely Integrated

Bi-directional, real-time connectivity powered by a significant and broad library of unique systems to streamline data migrations and implementations



Maximum Flexibility

Entire omni-channel platform is accessible through APIs, SDKs, tokenized iFrames and/or hosted solutions



BUSINESS HIGHLIGHTS

The #1 Electronic Bill Payment Platform¹

Independently rated as industry's top electronic bill presentment and payment platform



(1) Named the industry's best-in-class provider of EBPP solutions by Aite-Novarica in February 2022.

Trusted By Leading Businesses

Trusted by over 25 Fortune 500 companies to modernize electronic bill pay capabilities



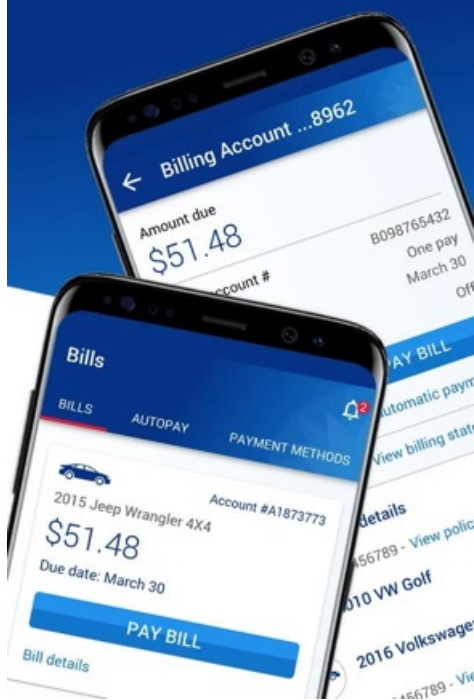
In Major Electronic Payment Verticals

Differentiated solutions that solve vertically-specific challenges



MODERNIZING PAYMENT ECOSYSTEM CASE STUDY: LARGE INSURANCE COMPANY

Paymentus Ecosystem Modernization

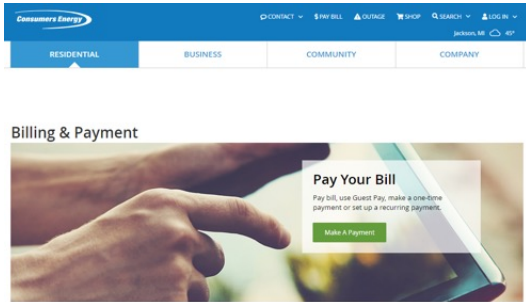


- Eliminated disparate systems and deployed single payment hub across divisions
- Deployed MDM data warehousing solution
- Data migration of > 20M policyholders
- Developed hybrid connectivity model for speed and reliability optimization; API and batch-based transfer
- Established globally unique identifiers and real-time access to shared wallet across multiple lines of business
- Deployed multi-party digital disbursement engine and UI that has resulted in millions of dollars of savings and improved customer experiences

COST TO SERVE CASE STUDY: Fortune 500 Electric and Gas Utility

Paymentus was selected to help this electric and gas utility modernize bill payment experiences and reduce cost to serve

Benefits Realized After Implementing Paymentus



Fortune 500 electric and gas utility with over 5M customers

Primary ERP:



• Project Objective

- Establish a global wallet that can be used across all interaction channels
- Minimize PCI burden while modernizing experiences
- Optimize digital payment experiences to reduce in-person and call center traffic
- Significantly reduce inbound call center traffic
- Deploy interaction channel enhancements in multiple phases
- Ensure end-to-end data encryption and bi-directional integration with company systems

- This utility won CS Week's Top Award For Digital Innovation
- CX scores improved by over 500bps
- 30% reduction in in-person payments
- 65% reduction in call times for payment interactions
- Eliminated over 100K calls reaching the call center
- The company realized over \$1M of op ex savings in first 12 months

WE ARE AT THE CENTER OF MODERN BILL PAY

Paymentus connects consumers, businesses and our strategic partners through a unified customer engagement, bill presentment and payment platform

Partners seek to drive consumer engagement by offering bill pay in their product suites

J.P.Morgan



Banks

ORACLE



Strategic Partners

Consumers

Consumers have bills to pay and want options for when, how and where to pay



Businesses

Businesses need to efficiently engage with their customers, present bills and get paid



- Utilities (gas, electric, water)
- Insurers
- Lenders
- Healthcare providers
- Municipalities
- Property managers
- Others

Paymentus

We are the ecosystem that powers the next generation of electronic bill payments

MULTIPLE GROWTH DRIVERS

Direct - Industries



Growth through our proven direct sales engine in existing and new industries

Channel Partners

ORACLE

PayPal

J.P.Morgan

Referrals through existing strategic software, fintech and bank partners

SMBs



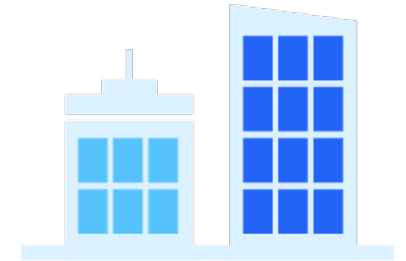
Configurations that enable small businesses to self-onboard and benefit from our unified AR and Expense Management platform

Banks



Continued bank bill pay modernization through our Instant Payment Network™ and BillCenter™

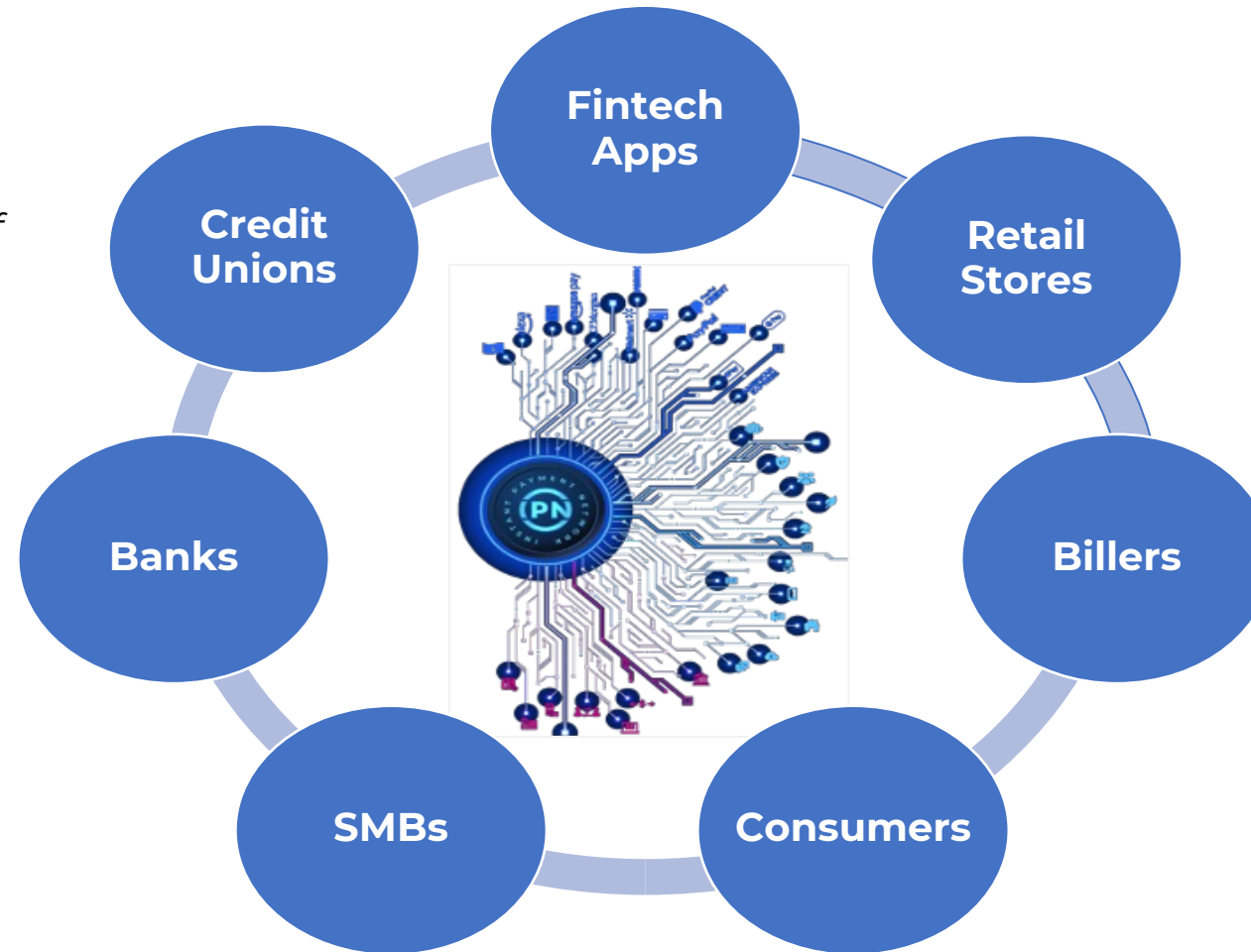
Same Store Sales



Activating adoption optimization features and deploying platform to additional lines of business and geographies within existing biller portfolio

KEY GROWTH DRIVER: THE INSTANT PAYMENT NETWORK™

The Instant Payment Network™ (IPN) is a foundational component of Paymentus' differentiated payment ecosystem. Through IPN, billers can present bills electronically and capture payments with real-time data exchange and posting that extends their digital reach without any additional effort or integrations



Regardless of whether the consumer or business chooses to interact biller website, through pay-by-text, the IVR, call center, through their bank's bill pay, at Walmart or popular retailers or in the PayPal app, the experience is consistent, streamlined and real-time

Unlocking Value For Each Participant Like Never Before

BANKS - A MULTIFACETED GROWTH OPPORTUNITY



Billers

- Credit cards
- Mortgages
- Auto
- Personal Loans

**Gain Access to Next-Gen
Bill Payment Technology**

Resellers

Strategic partners to leverage their treasury relationships to offer Paymentus biller platform acting as a reseller

**Expand Biller Network
At a Low CAC**

IPN Partners

Direct integration with Paymentus to enable consumers to pay bills through their bank

**Drive Consumer Network
and Engagement**

Substantial opportunity for Paymentus to drive expansion and engagement across its network of billers and consumers

WHY CUSTOMERS AND PARTNERS SELECT US

Broad Scope Served

Modern, cloud-based platform with a single code base and no versioning that uniquely serves almost any business size, business vertical, B2C, B2B, pay-out, biller direct and bank bill pay use case

Comprehensive and Innovative Platform

One integration to Paymentus equips billers and partners access to a fully unified, highly configurable and omni-channel platform with real-time payment posting and simplified reconciliation for traditional and emerging payment methods

Patented and Proprietary Capabilities

Key patents and proprietary technology for centralized bill payment experiences, call center, chat and contextual commerce payments and bill management ensure sustainable differentiation

Instant Payment Network®

We believe our network of integrated billers, tens of millions of consumers, and partners grows and strengthens with every interaction

Integrations

Our platform is integrated with numerous ERP, billing and customer information systems, including real-time connectivity with market share leaders in the largest bill pay verticals

Partners

As a result of our proprietary capabilities, modern platform and leading bill payment network, we have preferred or exclusive collaborations and referral relationships with consumer platforms, software providers and top banks that enable us to reach over 100 M U.S. consumers

STRAIGHTFORWARD REVENUE MODEL

Number of Transactions

Transaction Drivers

- ❖ Grow Existing Billers and Partners
- ❖ Win New Billers and Partners
- ❖ Expand the IPN
- ❖ Platform and Product Innovation
- ❖ Global Expansion



Fee per Transaction

(1) Convenience Fee

- ❖ Fee is paid by the consumer – the biller passes through the charge
- ❖ Paymentus pays interchange fee

(2) Absorbed Fee

- ❖ Fee is paid by the biller
- ❖ Paymentus typically pays interchange fee

FOUNDER-LED, VISIONARY MANAGEMENT TEAM



Dushyant Sharma
Founder, CEO



Sanjay Kalra
CFO



Jerry Portocalis
*Chief Commercial
Officer*



Andrew Gerber
General Counsel

PAYMENTUS - SIMPLIFYING ELECTRONIC BILL PAYMENT

1

Strategy Built on a Cloud-based Tech Stack to Empower Billers

2

Next-Gen Platform and IPN

3

Massive Market Opportunity

4

Diversified and Growing Biller and Financial Institution Base

5

Founder-Led, Visionary and Seasoned Management Team



Appendix

USE AND DEFINITIONS OF NON-GAAP MEASURES

In addition to disclosing financial measures in accordance with accounting principles generally accepted in the United States, or GAAP, this presentation contains certain non-GAAP financial measures set forth below. We use non-GAAP measures to supplement financial information presented on a GAAP basis. We believe that excluding certain items from our GAAP results allows management and our board of directors to more fully understand our consolidated financial performance from period to period and helps management project our future consolidated financial performance as forecasts are developed at a level of detail different from that used to prepare GAAP-based financial measures.

Contribution profit: We define contribution profit as gross profit plus other cost of revenue. Other cost of revenue equals cost of revenue less interchange and assessment fees paid by us to our payment processors.

Adjusted gross profit: We define adjusted gross profit as gross profit adjusted for non-cash items, primarily stock-based compensation and amortization.

Adjusted EBITDA: We define adjusted EBITDA as net income before other income (expense) (which consists of interest income (expense), net and foreign exchange gain (loss)), depreciation and amortization and income taxes, adjusted to exclude the effects of stock-based compensation expense and certain nonrecurring expenses that management believes are not indicative of ongoing operations, consisting primarily of professional fees and other indirect charges associated with our initial public offering.

Adjusted EBITDA margin or %: Adjusted EBITDA margin or % is a non-GAAP financial measure defined as adjusted EBITDA as a percentage of contribution profit.

CONTRIBUTION PROFIT AND ADJUSTED GROSS PROFIT

Gross profit
 Plus: other cost of revenue
Contribution profit

Year Ended December 31,			
2023	2022	2021	2020
(in thousands)			
\$ 182,342	\$ 149,678	\$ 121,380	\$ 92,627
58,606	51,622	37,098	27,876
\$ 240,948	\$ 201,300	\$ 158,478	\$ 120,503

Gross profit
 Stock-based compensation
 Amortization of capitalized software development costs
 Amortization of acquisition-related intangibles
Adjusted gross profit

Year Ended December 31,			
2023	2022	2021	2020
(in thousands)			
\$ 182,342	\$ 149,678	\$ 121,380	\$ 92,627
156	—	—	—
13,341	8,761	4,900	3,513
3,314	3,316	1,105	—
\$ 199,153	\$ 161,755	\$ 127,385	\$ 96,140

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

	Year Ended December 31,			
	2023	2022	2021	2020
	(in thousands)			
Net income (loss) — GAAP	\$ 22,322	\$ (513)	\$ 9,300	\$ 13,711
Interest income, net	(7,019)	(1,663)	6	(52)
Provision for (benefit from) income taxes	2,802	(795)	1,066	4,653
Amortization of capitalized software development costs	21,349	14,621	9,376	6,496
Amortization of acquisition-related intangibles	8,380	8,176	2,812	618
Depreciation	871	1,266	1,107	955
EBITDA	48,705	21,092	23,667	26,381
<i>Adjustments</i>				
Foreign exchange loss (gain)	(12)	(5)	1	116
Stock-based compensation	9,390	6,736	3,136	1,994
Other nonrecurring expense ⁽¹⁾	—	769	2,711	—
Adjusted EBITDA	\$ 58,083	\$ 28,592	\$ 29,515	\$ 28,491
Adjusted EBITDA margin	24.1%	14.2%	18.6%	23.6%