

2nd Quarter 2022 Earnings Presentation

August 3, 2022



Safe Harbor Statement / Non-GAAP Financial Measures

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, which reflect our current views concerning certain events that are not historical facts but could affect our future performance, including but without limitation, statements regarding our plans, objectives, financial performance, business strategies, projected results of operations, and expectations for the Company. These statements may include and be identified by words or phrases such as, without limitation, “would,” “will,” “should,” “expects,” “believes,” “anticipates,” “continues,” “could,” “may,” “might,” “plans,” “possible,” “potential,” “predicts,” “projects,” “forecasts,” “intends,” “assumes,” “estimates,” “approximately,” “shall,” “our planning assumptions,” “future outlook,” “currently,” “target,” “guidance” and similar expressions (including the negative and plural forms of such words and phrases). Our forward-looking statements are based largely on information currently available to our management and our current expectations, assumptions, plans, estimates, judgments, projections about our business and our industry, and macroeconomic conditions, and are subject to various risks, uncertainties, estimates, contingencies and other factors, many of which are beyond our control, that could cause actual results to differ from those expressed or implied by the forward-looking statements and could materially adversely affect our business, financial condition, results of operations, cash flows and liquidity. Such factors include, among others, our ability to successfully execute, manage, and integrate key acquisitions and mergers; the public health conditions, responses thereto and the economic and market effects thereof; competition in the markets in which we operate; volatility in foreign exchange rates that could affect the volume of consumer remittance activity and/or affect our foreign exchange related gains and losses; our ability to maintain favorable agent relationships; credit risks from our agents and the financial institutions with which we do business; bank failures, sustained financial market illiquidity or financial institution illiquidity; new technology or competitors such as digital platforms; cyber-attacks or disruptions to our information technology, computer network systems, data centers and phone apps; our ability to satisfy our debt obligations and remain in compliance with our credit facility requirements; customer confidence in our brand and in consumer money transfers generally; our ability to maintain compliance with applicable regulatory requirements; international political factors, political stability, tariffs, border taxes or restrictions on remittances or transfers; currency restrictions and volatility in countries in which we operate or plan to operate; consumer fraud and other risks relating to the authenticity of customers’ orders; changes in immigration laws and their enforcement; our ability to protect intellectual property rights; our ability to recruit and retain key personnel; and other factors, risks and uncertainties, including those described in the “Risk Factors” and other sections of periodic reports that we file with the Securities and Exchange Commission. Accordingly, we caution investors and all others not to place undue reliance on any forward-looking statements. Any forward-looking statement speaks only as of the date such statement is made and we undertake no obligation to update any of the forward-looking statements.

This presentation includes certain non-GAAP financial measures, including Adjusted Net Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Earnings per Share (Basic and Diluted) and Net Free Cash Generated. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with U.S. GAAP. Please refer to the Appendix of this presentation for a reconciliation of Net Income, our closest GAAP measure, to Adjusted Net Income, Adjusted EBITDA, and Net Free Cash Generated; Earnings per Share to Adjusted Earnings per Share, and Net Income Margin to Adjusted EBITDA Margin. Adjusted Net Income is defined as Net Income adjusted to add back certain charges and expenses, such as non-cash amortization resulting from business acquisition transactions, non-cash compensation costs and other items set forth in the reconciliation table to the Appendix, as these charges and expenses are not considered a part of our business operations and are not an indicator of ongoing, future Company performance. Adjusted Earnings per Share-Basic and Diluted is calculated by dividing Adjusted Net Income by GAAP weighted-average common shares outstanding (basic and diluted). Adjusted EBITDA is defined as Net Income before depreciation and amortization, interest expense, income taxes, and also adjusted to add back certain charges and expenses, such as non-cash compensation costs and other items set forth in the reconciliation table to the Appendix, as these charges and expenses are not considered a part of our business operations and are not an indicator of ongoing, future Company performance. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by Revenues. Net Free Cash Generated is defined as Net income for the period, plus depreciation and amortization, plus stock compensation expense, plus provision for credit losses, less cash used in investing activities, less term loan pay downs.

A quantitative reconciliation of projected Adjusted Net Income and Adjusted EBITDA to the most comparable GAAP measure is not available without unreasonable efforts because of the inherent difficulty in forecasting and quantifying the amounts necessary under GAAP guidance for operating or other adjusted items including, without limitation, costs and expenses related to acquisitions and other transactions, share-based compensation, tax effects of certain adjustments and losses related to legal contingencies or disposal of assets.

Second Quarter 2022 Record Highlights

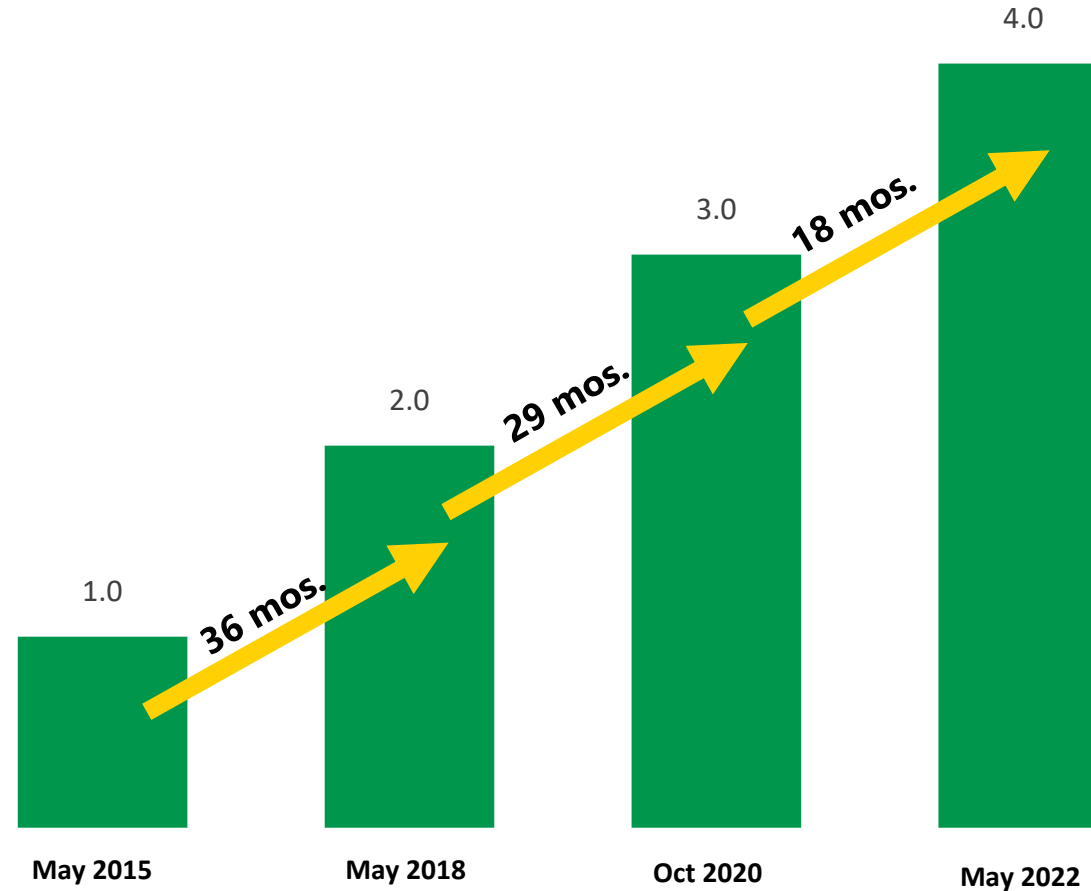
	2Q'22 vs. 2Q21
Transactions	11.9M, up 18.1%
Revenue	\$136.9M, up 17.3%
Net Income	\$16.0M, up 20.8%
Adjusted EBITDA⁽¹⁾	\$27.7M, up 19.3%

(1) Non-GAAP measure. See Appendix for reconciliations to the most directly comparable GAAP measures.

Record Transaction Milestones

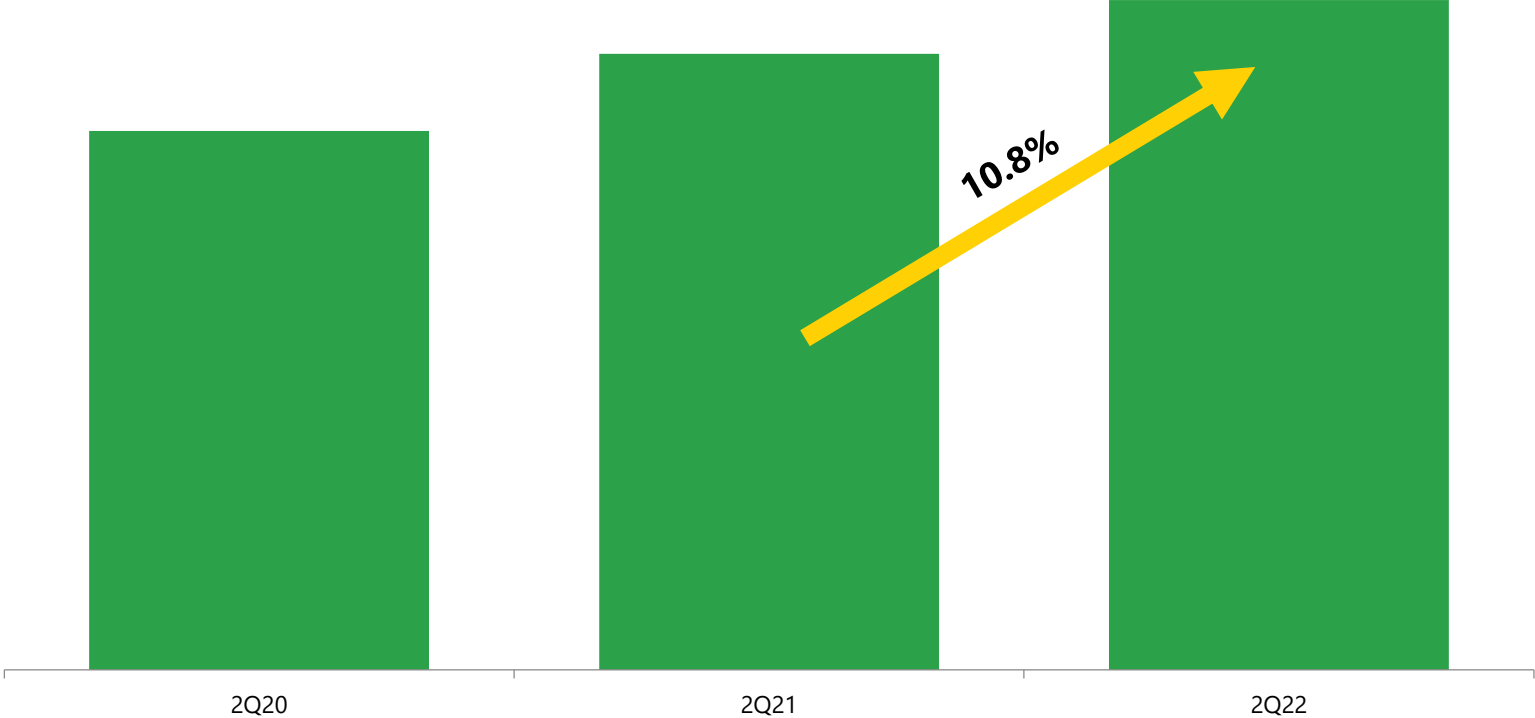
Money Transfer Transactions

(in Millions)



Agent Growth

Active Agents at the end of the Quarter



Digital Leadership



Marcelo Theodoro - Chief Digital Officer

- Will lead our online and card products
 - Bring additional focus to these critical and strategic business priorities
 - Continue to improve the value proposition to our agents and consumers
- 20 years in Financial Services & FinTechs
 - Recently served as EVP & Partner with XP Inc. (NASDAQ: XP) leading their Digital Banking business (cards, BaaS, open finance, FX, and credit & enterprise products)
- Served in innovation, product and marketing roles with Citi, Santander, and Mastercard

Leader in the Top LACA Markets

24M Total Potential Consumers
Born in LACA living in the US (1)

Top 5 remittance receiving markets
is 83% of total LACA market

Including La Nacional, Intermex will
have more than a 20% market share
in the top 5 LACA markets for all
remittance dollars from the US



Mexico (2)
Market size: \$50.1 B



Guatemala (2)
Market size: \$13.8 B



DR (2)
Market size: \$8.8 B



El Salvador (2)
Market size: \$6.8 B



Honduras (2)
Market size: \$6.4 B

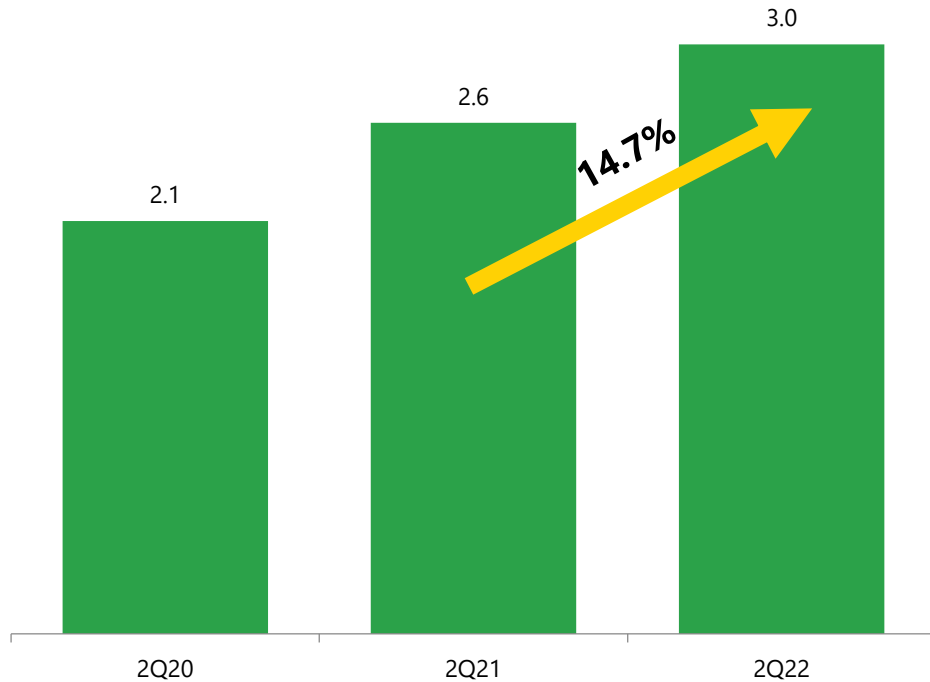
1) Claritas Latin America & Caribbean (LACA) Foreign Born Results 2020.

2) Market size inbound remittances per Banco de Mexico, Banco de Guatemala, Banco Central Republica Dominicana, Banco Central de Reserva de El Salvador, Banco Central de Honduras, using 2017 World Bank Bilateral Matrix, US Country Shares percentages to calculate US-based remittance volume.

Customer & Transaction Growth Drives Revenue

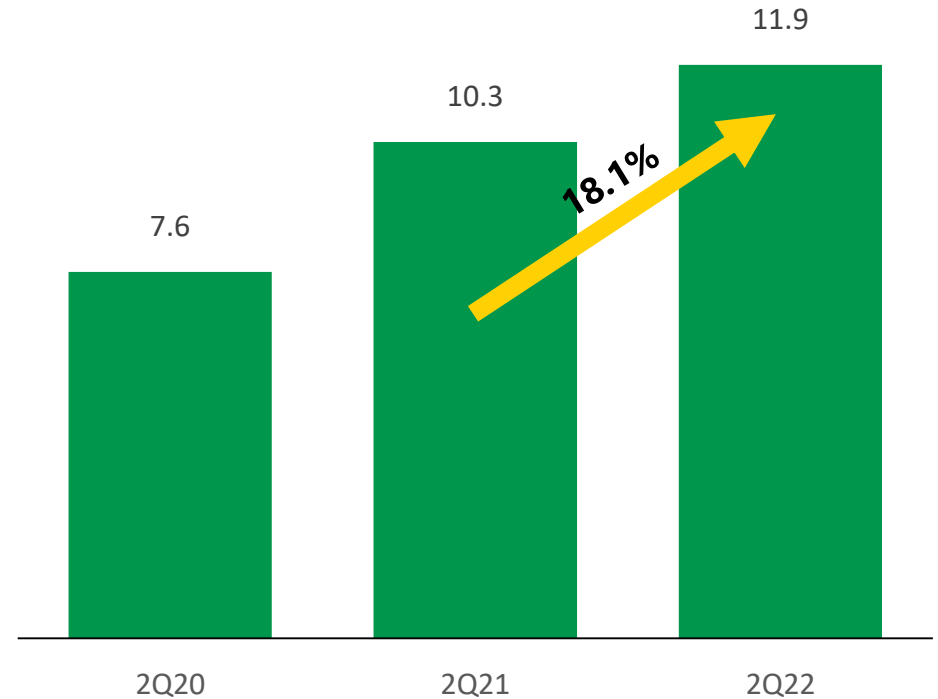
Active Customers at the end of the Quarter

(In millions)



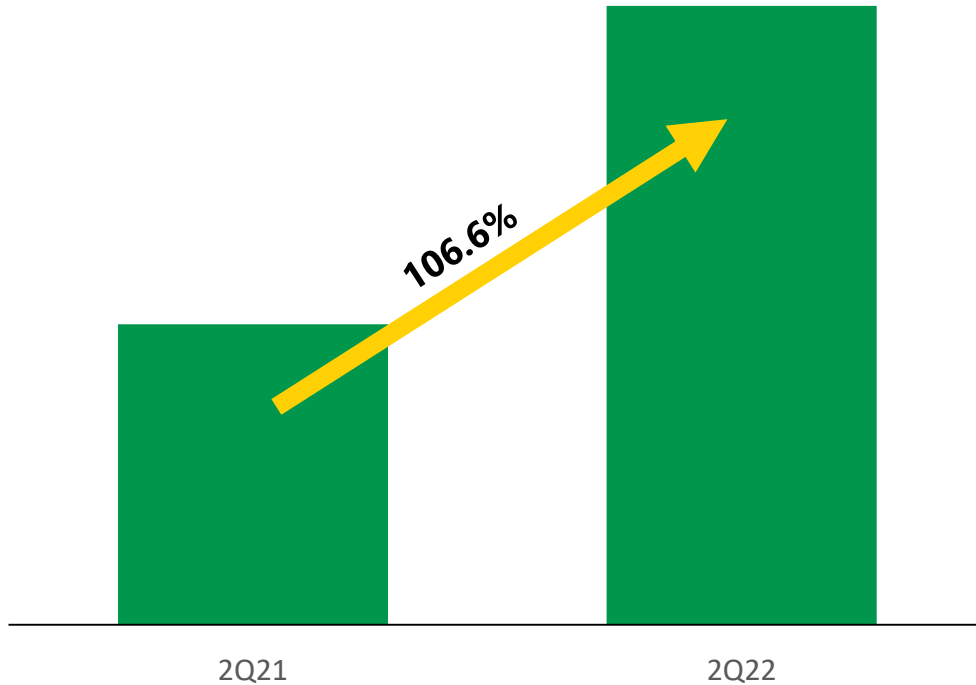
Money Transfer Transactions

(in Millions)

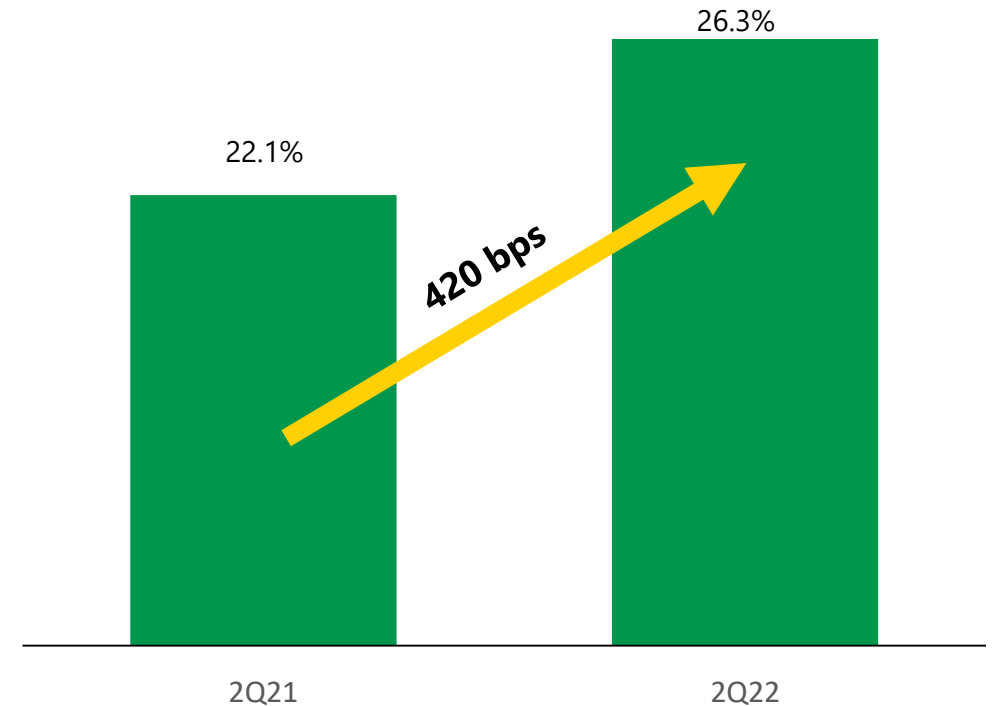


Digital Transaction Growth

Digitally Originated Transactions



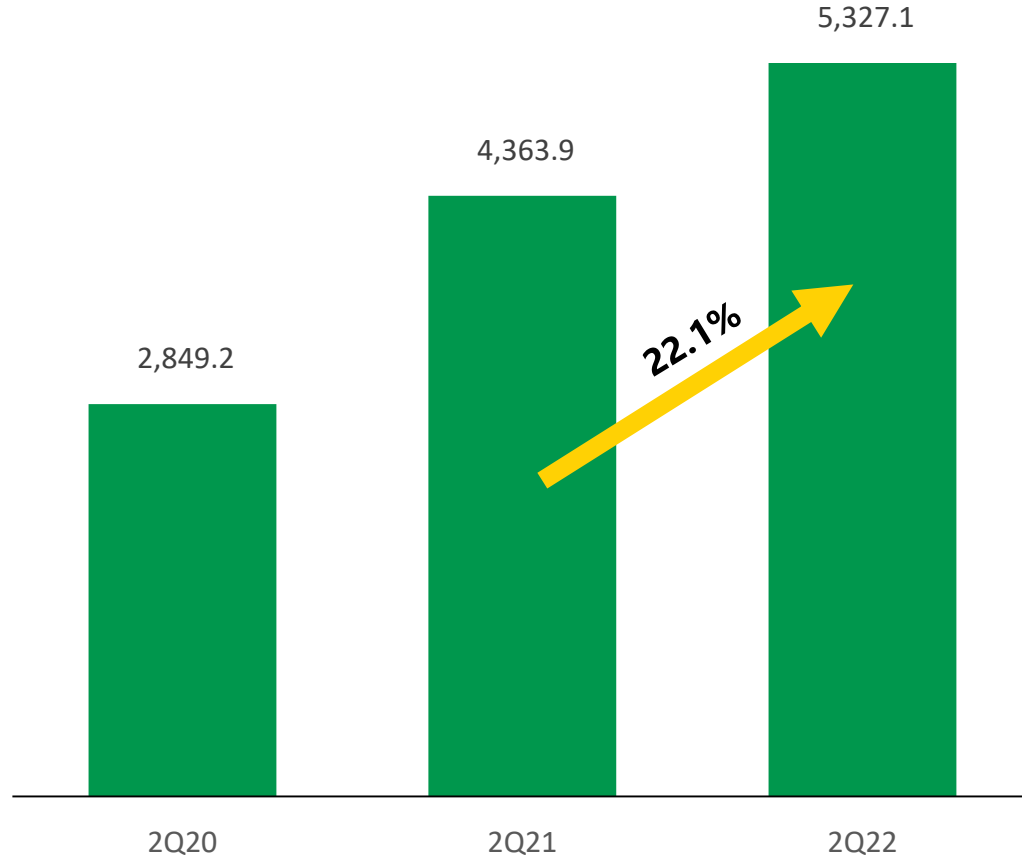
Total Digital Send or Receive as a % of Total Transactions



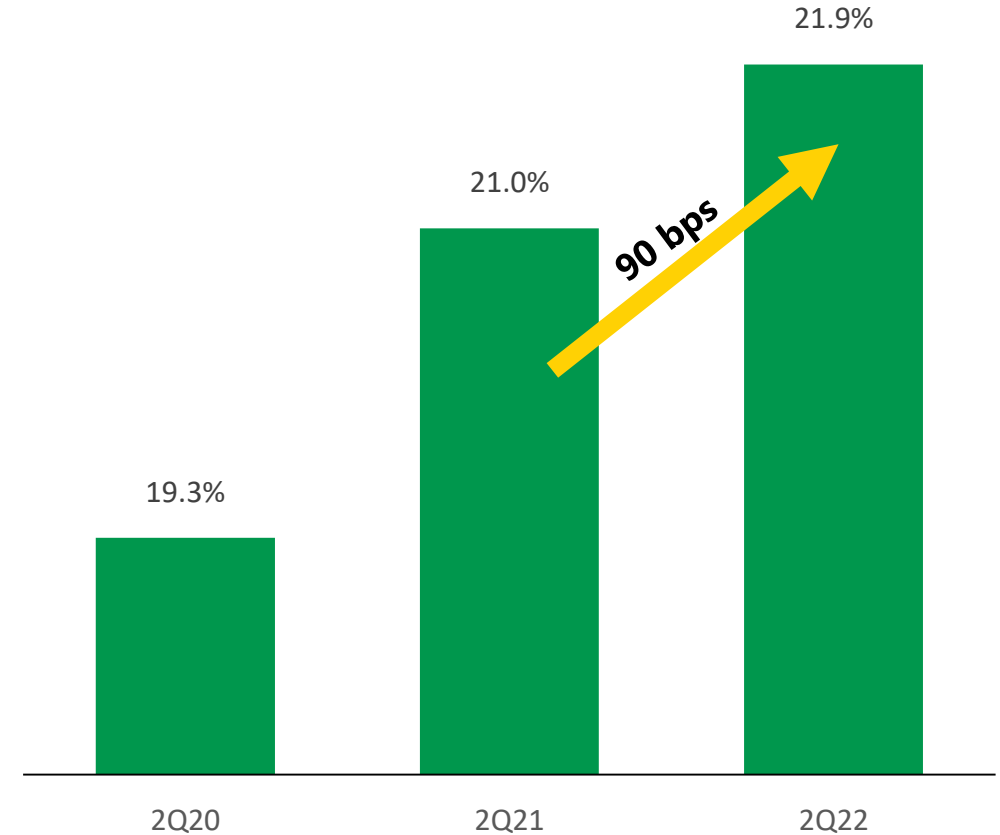
Principal Growth Drives Market Share

Principal Sent

(in Millions)



Tier I and Tier II Market Share ⁽¹⁾⁽²⁾



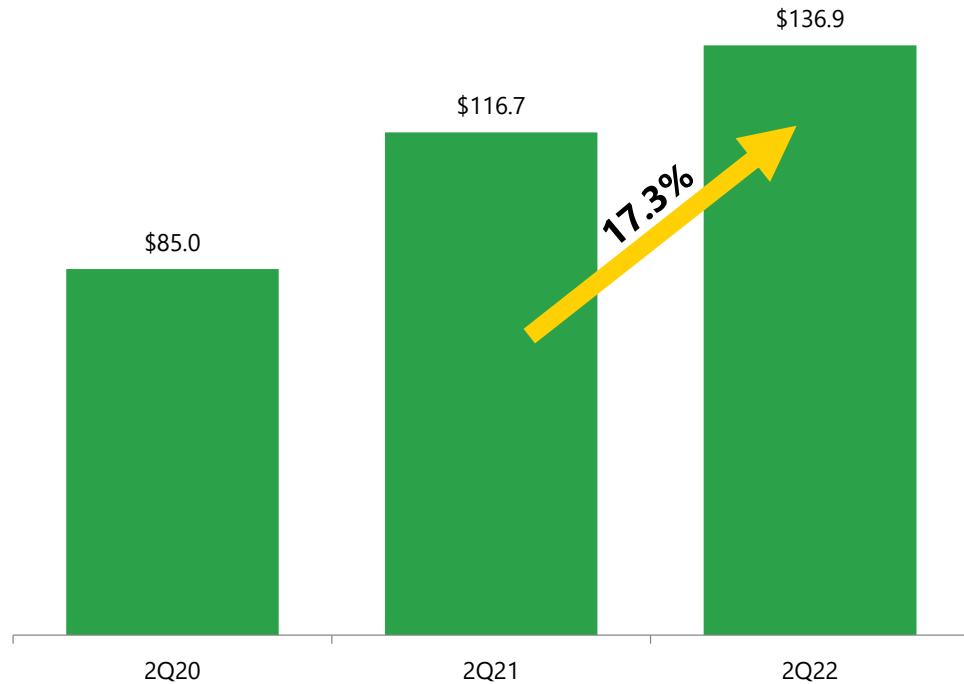
1) Market size inbound remittances per Banco de Mexico, Banco de Guatemala, Banco Central de Reserva de El Salvador, and Banco Central de Honduras, using 2017 World Bank Bilateral Matrix, US Country Shares percentages to calculate US-based remittance volume.

2) Tier I and Tier II include Mexico, Guatemala, Honduras and El Salvador.

Profitable Growth 2Q 2022

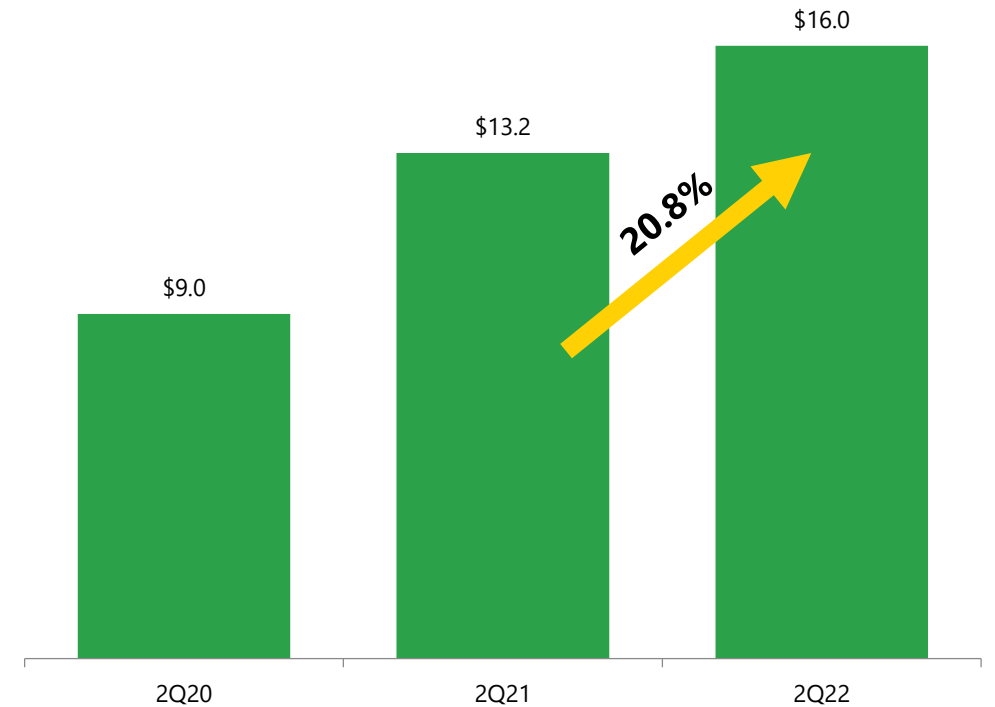
Revenue

(\$ In millions)



Net Income

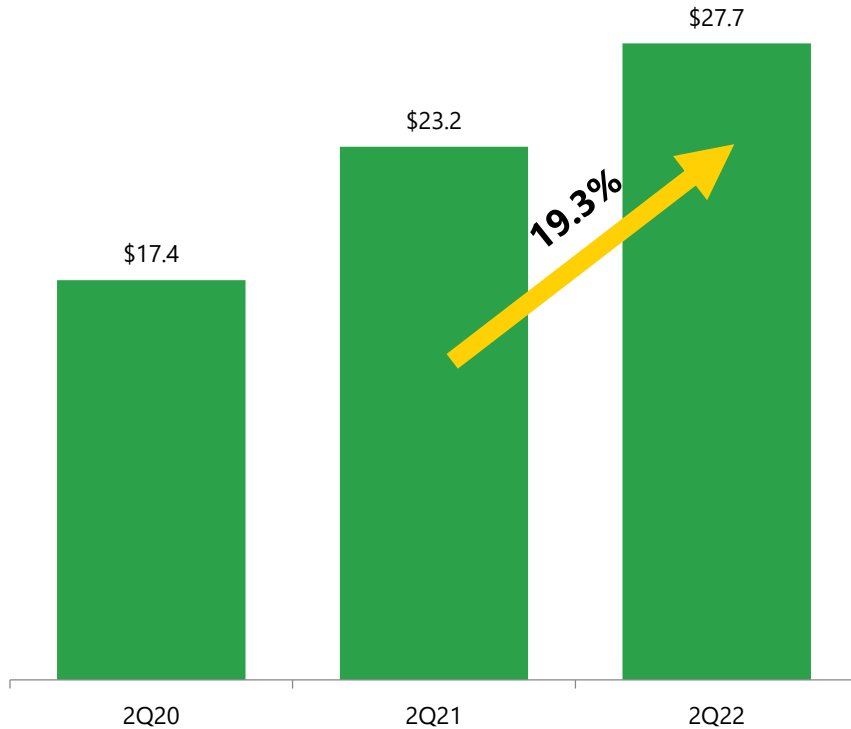
(\$ In millions)



Profitable Growth 2Q 2022

Adjusted EBITDA⁽¹⁾

(\$ in millions)



Adj. EBITDA
Margin

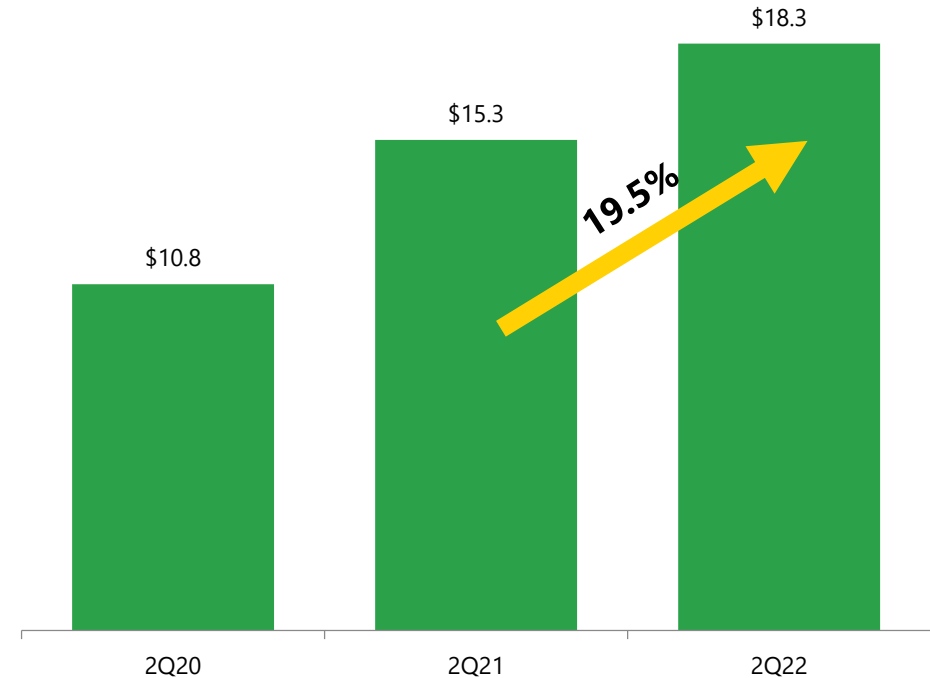
20.4%

19.9%

20.2%

Adjusted Net Income⁽¹⁾

(\$ in millions)

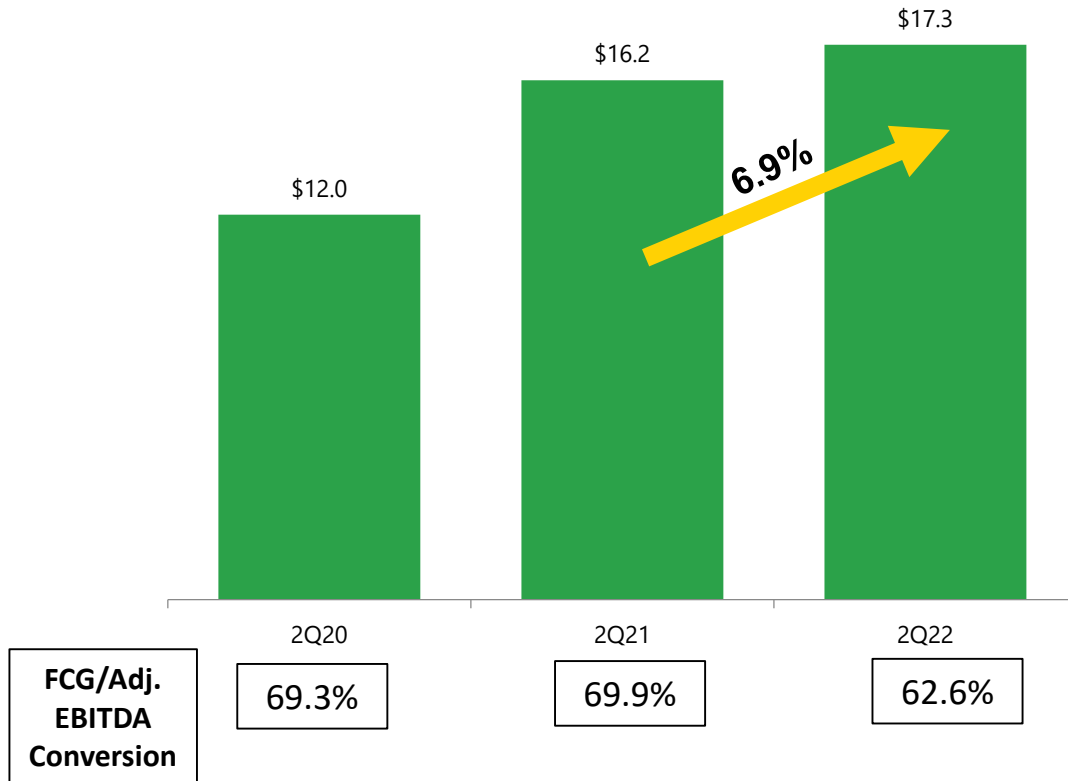


(1) Non-GAAP measure. See Appendix for reconciliations to the most directly comparable GAAP measures.

Strong Cash Generation & Balance Sheet

Net Free Cash Generated⁽¹⁾

(\$ In millions)



Liquidity Summary

Cash & Equivalents 6/30/2022	\$114.6M
Revolver Capacity	\$150.0M

Leverage

Total Debt	\$81.2M
Debt to Adj. EBITDA (FY2021)	0.9x
Net Debt to Adj. EBITDA	~neg~

Capital Allocation Priorities

- Reinvest in Business: Exceptional IMXI ROE
- Inorganic Growth: Value-Focused (ie: La Nacional)
- Returning Capital: Meaningful Buyback

Share Repurchases

2Q2022	504,000 Shares	\$10.0M
Inception to date	1.1M	\$19.2M
Average purchase price		\$17.95

(1) Non-GAAP measure. See Appendix for reconciliations to the most directly comparable GAAP measures.

2022 Updated Guidance

- Revenue of \$542M – \$551M, up 18% - 20%
- Net Income of \$60M - \$61M, up 28% - 30%
- Adjusted Net Income of \$68M - \$69M⁽¹⁾, up 19% - 20%
- Adjusted EBITDA of \$104M - \$106M⁽¹⁾, up 20% - 22%

Note: 2022 updated guidance does not include any impact from La Nacional because the closing has not yet occurred.

(1) A quantitative reconciliation of projected Adjusted Net Income and Adjusted EBITDA to the most comparable GAAP measure is not available without unreasonable efforts because of the inherent difficulty in forecasting and qualifying the amounts necessary under GAAP guidance for one-time, non-recurring items including, without limitation, costs related to acquisitions and the registration of the Company's securities, and losses related to legal contingencies or disposal of assets.

Appendix

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Condensed Consolidated Balance Sheets

<i>(in thousands of dollars)</i>	June 30, 2022	December 31, 2021
ASSETS	(Unaudited)	
Current assets:		
Cash	\$ 114,600	\$ 132,474
Accounts receivable, net	97,154	67,317
Prepaid wires, net	56,818	56,766
Prepaid expenses and other current assets	5,686	6,988
Total current assets	<u>274,258</u>	<u>263,545</u>
Property and equipment, net	21,698	17,905
Goodwill	36,260	36,260
Intangible assets, net	13,607	15,392
Other assets	12,798	7,434
Total assets	<u>\$ 358,621</u>	<u>\$ 340,536</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt, net	\$ 3,882	\$ 3,882
Accounts payable	15,375	23,151
Wire transfers and money orders payable, net	61,878	56,066
Accrued and other liabilities	35,792	33,760
Total current liabilities	<u>116,927</u>	<u>116,859</u>
Long-term liabilities:		
Debt, net	77,270	79,211
Lease liabilities, net	3,130	-
Deferred tax liability, net	1,096	1,426
Total long-term liabilities	<u>81,496</u>	<u>80,637</u>
Stockholders' equity:		
Total stockholders' equity	160,198	143,040
Total liabilities and stockholders' equity	<u>\$ 358,621</u>	<u>\$ 340,536</u>

Condensed Consolidated Statements of Income

<i>(in thousands of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
Revenues:				
Wire transfer and money order fees, net	\$ 117,622	\$ 99,306	\$ 215,621	\$ 180,218
Foreign exchange gain, net	18,195	16,655	33,868	29,703
Other income	1,118	786	2,111	1,402
Total revenues	<u>136,935</u>	<u>116,747</u>	<u>251,600</u>	<u>211,323</u>
Operating expenses:				
Service charges from agents and banks	92,066	77,864	169,060	141,237
Salaries and benefits	11,748	10,175	23,058	20,050
Other selling, general and administrative expenses	7,663	7,079	14,730	12,582
Depreciation and amortization	2,251	2,345	4,434	4,679
Total operating expenses	<u>113,728</u>	<u>97,463</u>	<u>211,282</u>	<u>178,548</u>
Operating income	23,207	19,284	40,318	32,775
Interest expense	<u>1,112</u>	<u>1,254</u>	<u>2,064</u>	<u>2,594</u>
Income before income taxes	22,095	18,030	38,254	30,181
Income tax provision	<u>6,111</u>	<u>4,803</u>	<u>10,616</u>	<u>7,977</u>
Net income	<u>\$ 15,984</u>	<u>\$ 13,227</u>	<u>\$ 27,638</u>	<u>\$ 22,204</u>
Earnings per common share:				
Basic	\$ 0.42	\$ 0.34	\$ 0.72	\$ 0.58
Diluted	\$ 0.41	\$ 0.34	\$ 0.71	\$ 0.57
Weighted-average common shares outstanding:				
Basic	38,257,156	38,433,748	38,309,295	38,336,977
Diluted	39,228,991	39,027,414	39,153,039	38,937,699

Reconciliation from NI to Adjusted NI

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<i>(in thousands of dollars, except for per share data)</i>				
	(Unaudited)		(Unaudited)	
Net income	\$ 15,984	\$ 13,227	\$ 27,638	\$ 22,204
Adjusted for:				
Share-based compensation (a)	1,665	1,374	2,933	2,270
Transaction costs (b)	216	-	216	-
Other charges and expenses (c)	317	176	458	293
Amortization of certain intangibles (d)	972	1,263	1,944	2,525
Income tax benefit related to adjustments (e)	(899)	(763)	(1,566)	(1,382)
Adjusted net income	\$ 18,255	\$ 15,277	\$ 31,623	\$ 25,910
Adjusted earnings per common share				
Basic	\$ 0.48	\$ 0.40	\$ 0.83	\$ 0.68
Diluted	\$ 0.47	\$ 0.39	\$ 0.81	\$ 0.67

(a) Represents shared-based compensation relating to equity awards granted to employees and independent directors of the Company.

(b) Represents primarily professional and legal fees related to business acquisition transactions.

(c) Represents primarily loss on disposal of fixed assets and foreign currency (gains) losses.

(d) Represents the amortization of certain intangible assets that resulted from business acquisition transactions.

(e) Represents the current and deferred tax impact of the taxable adjustments to net income using the Company's blended federal and state tax rate for each period. Relevant tax-deductible adjustments include all adjustments to net income.

Recon. from GAAP Basic EPS to Adjusted Basic EPS

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
GAAP Basic Earnings per Share	\$ 0.42	\$ 0.34	\$ 0.72	\$ 0.58
Adjusted for:				
Share-based compensation	0.04	0.04	0.08	0.06
Transaction costs	0.01	-	0.01	-
Other charges and expenses	0.01	NM	0.01	0.01
Amortization of certain intangibles	0.03	0.03	0.05	0.07
Income tax benefit related to adjustments	(0.02)	(0.01)	(0.04)	(0.04)
Non-GAAP Adjusted Basic Earnings per Share	\$ 0.48	\$ 0.40	\$ 0.83	\$ 0.68

NM—Amount is not meaningful

The table above may contain slight summation differences due to rounding

Recon. from GAAP Diluted EPS to Adjusted Diluted EPS

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
GAAP Diluted Earnings per Share	\$ 0.41	\$ 0.34	\$ 0.71	\$ 0.57
Adjusted for:				
Share-based compensation	0.04	0.04	0.07	0.06
Transaction costs	0.01	-	0.01	-
Other charges and expenses	0.01	NM	0.01	0.01
Amortization of certain intangibles	0.02	0.03	0.05	0.07
Income tax benefit related to adjustments	(0.02)	(0.02)	(0.04)	(0.04)
Non-GAAP Adjusted Diluted Earnings per Share	\$ 0.47	\$ 0.39	\$ 0.81	\$ 0.67

NM—Amount is not meaningful

Recon. from NI to Adjusted EBITDA

<i>(in thousands of dollars)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Net income	\$ 15,984	\$ 13,227	\$ 27,638	\$ 22,204
Adjusted for:				
Interest expense	1,112	1,254	2,064	2,594
Income tax provision	6,111	4,803	10,616	7,977
Depreciation and amortization	2,251	2,345	4,434	4,679
EBITDA	25,458	21,629	44,752	37,454
Share-based compensation (a)	1,665	1,374	2,933	2,270
Transaction costs (b)	216	-	216	-
Other charges and expenses (c)	317	176	458	293
Adjusted EBITDA	\$ 27,656	\$ 23,179	\$ 48,359	\$ 40,017

(a) Represents share-based compensation relating to equity awards granted to employees and independent directors of the Company.

(b) Represents primarily professional and legal fees related to business acquisition transactions.

(c) Represents primarily loss on disposal of fixed assets and foreign currency (gains) losses.

Recon. of NI Margin to Adj. EBITDA Margin

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
Net Income Margin	11.7%	11.3%	11.0%	10.5%
Adjusted for:				
Interest expense	0.8%	1.1%	0.8%	1.2%
Income tax provision	4.5%	4.1%	4.2%	3.8%
Depreciation and amortization	1.6%	2.0%	1.8%	2.2%
EBITDA	18.6%	18.5%	17.8%	17.7%
Share-based compensation	1.2%	1.2%	1.2%	1.1%
Transaction costs	0.2%	0.0%	0.1%	0.0%
Other charges and expenses	0.2%	0.2%	0.2%	0.1%
Adjusted EBITDA Margin	20.2%	19.9%	19.2%	18.9%

Recon. of NI to Net Free Cash Generated

<i>(in thousands of dollars)</i>	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
Net income for the period	\$ 15,984	\$ 13,227	\$ 27,638	\$ 22,204
Depreciation and amortization	2,251	2,345	4,434	4,679
Share-based compensation expense	1,665	1,374	2,933	2,270
Provision for credit losses	1,056	505	1,498	667
Cash used in investing activities	(2,551)	(1,251)	(6,867)	(3,181)
Term loan pay downs	(1,094)	-	(2,188)	(1,915)
Net free cash generated during the period	\$ 17,311	\$ 16,200	\$ 27,448	\$ 24,724

Questions or request for conference call
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