

4th Quarter 2023 Earnings Presentation

February 27, 2024

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INTERNATIONAL MONEY EXPRESS

Safe Harbor Statement / Non-GAAP Financial Measures

This presentation 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, changes in applicable laws or regulations; factors relating to our business, operations and financial performance, including: loss of, or reduction in business with, key sending agents; our ability to effectively compete in the markets in which we operate; economic factors such as inflation, the level of economic activity, recession risks and labor market conditions, as well as rising interest rates; international political factors, political instability, tariffs, border taxes or restrictions on remittances or transfers from the outbound countries in which we operate or plan to 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; public health conditions, responses thereto and the economic and market effects thereof; consumer confidence in our brands and in consumer money transfers generally; expansion into new geographic markets or product markets; our ability to successfully execute, manage, integrate and obtain the anticipated financial benefits of key acquisitions and mergers; the ability of our risk management and compliance policies, procedures and systems to mitigate risk related to transaction monitoring; consumer fraud and other risks relating to the authenticity of customers’ orders or the improper or illegal use of our services by consumers; cybersecurity-attacks or disruptions to our information technology, computer network systems, data centers and mobile devices apps; new technology or competitors that disrupt the current money transfer and payment ecosystem, including the introduction of new digital platforms; our success in developing and introducing new products, services and infrastructure; our ability to maintain favorable banking and paying agent relationships necessary to conduct our business; bank failures, sustained financial illiquidity, or illiquidity at the clearing, cash management or custodial financial institutions with which we do business; changes to banking industry regulation and practice; credit risks from our agents and the financial institutions with which we do business; our ability to recruit and retain key personnel; our ability to maintain compliance with applicable laws and regulatory requirements, including those intended to prevent use of our money remittance services for criminal activity, those related to data and cyber-security protection, and those related to new business initiatives; enforcement actions and private litigation under regulations applicable to the money remittance services; changes in immigration laws and their enforcement; changes in tax laws in the countries in which we operate; our ability to protect intellectual property rights; our ability to satisfy our debt obligations and remain in compliance with our credit facility requirements; our use of third-party vendors and service providers; weakness in U.S. or international economic conditions; and other economic, business, and/or competitive 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 of certain intangibles 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 core 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 Free Cash Generated is defined as Net Income before provision for credit losses and depreciation and amortization adjusted to add back certain non-cash charges and expenses, such as non-cash compensation costs, and reduced by cash used in investing activities and servicing of our debt obligations.

A quantitative reconciliation of projected Adjusted EBITDA and Adjusted Diluted Earnings per Share 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.

Fourth Quarter 2023 Highlights

\$171.8M

Revenue
11.2% YoY Growth

\$17.5M

Net Income
33.9% YoY Growth

\$19.9M

Adjusted Net Income⁽¹⁾
13.5% YoY Growth

\$33.3M

Adjusted EBITDA⁽¹⁾
14.5% YoY Growth

\$0.49

Diluted EPS
40% YoY Growth

\$0.56

Adjusted Diluted EPS⁽¹⁾
21.7% YoY Growth

Full Year 2023 Highlights

\$658.7M

Revenue
20.5% YoY Growth

\$59.5M

Net Income
3.8% YoY Growth

\$71.0M

Adjusted Net Income⁽¹⁾
1.5% YoY Growth

\$120.0M

Adjusted EBITDA⁽¹⁾
14.0% YoY Growth

\$1.63

Diluted EPS
10.1% YoY Growth

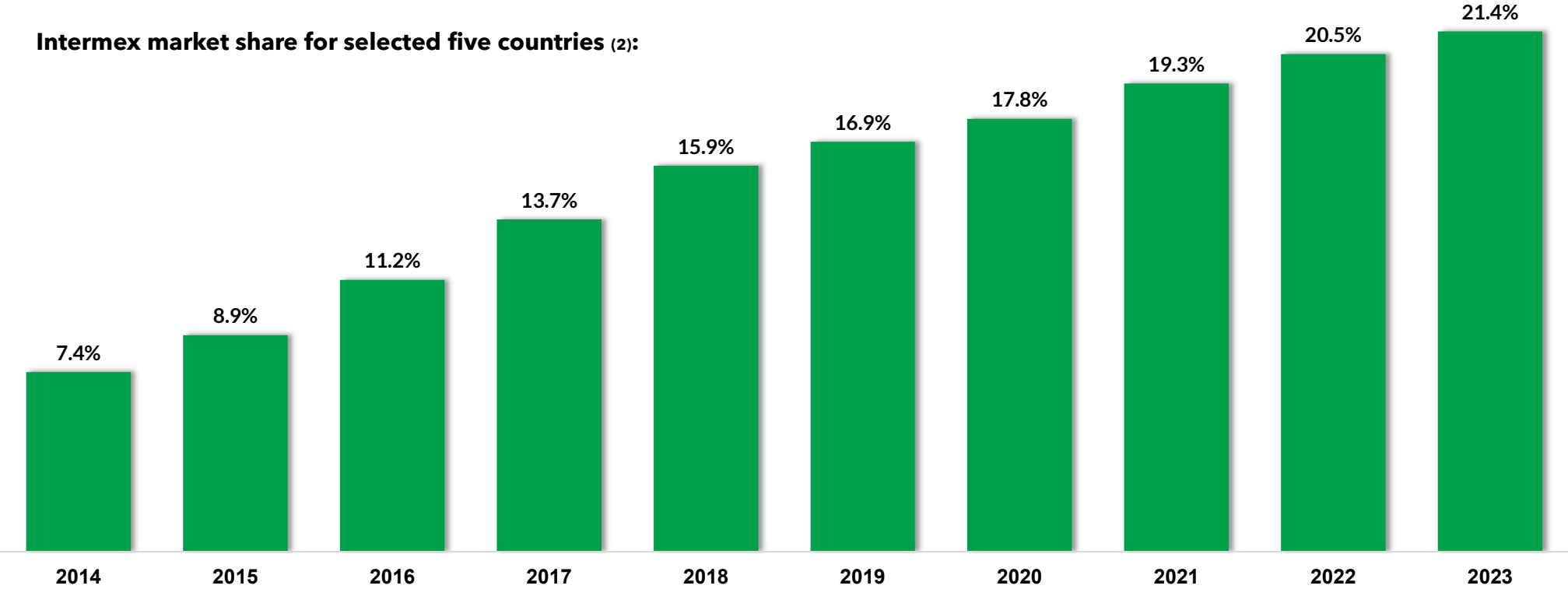
\$1.95

Adjusted Diluted EPS⁽¹⁾
7.7% YoY Growth

Steady Growth in Market Share

Selected five countries represent 82% of all money sent to LACA (1)

Intermex market share for selected five countries (2):

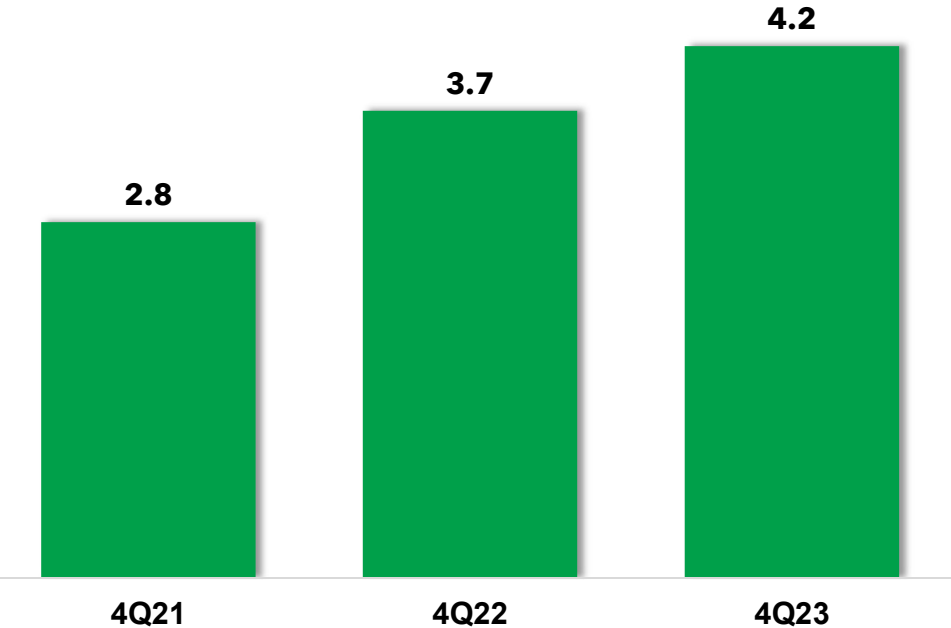


(1) Selected five countries are Mexico, Guatemala, Dominican Republic, Honduras, and El Salvador. 82% estimate is for 2022. LACA stand for Latin America and Caribbeans.
(2) Intermex market share is estimated using inbound remittances data published by Banco de Mexico, Banco de Guatemala, Banco Central Republica Dominicana, Banco Central de Reserva de El Salvador, Banco Central de Honduras and using 2017 World Bank Bilateral Matrix, US Country Shares percentages to determine US-based remittance volume.

Customers and Transactions up Double-digits

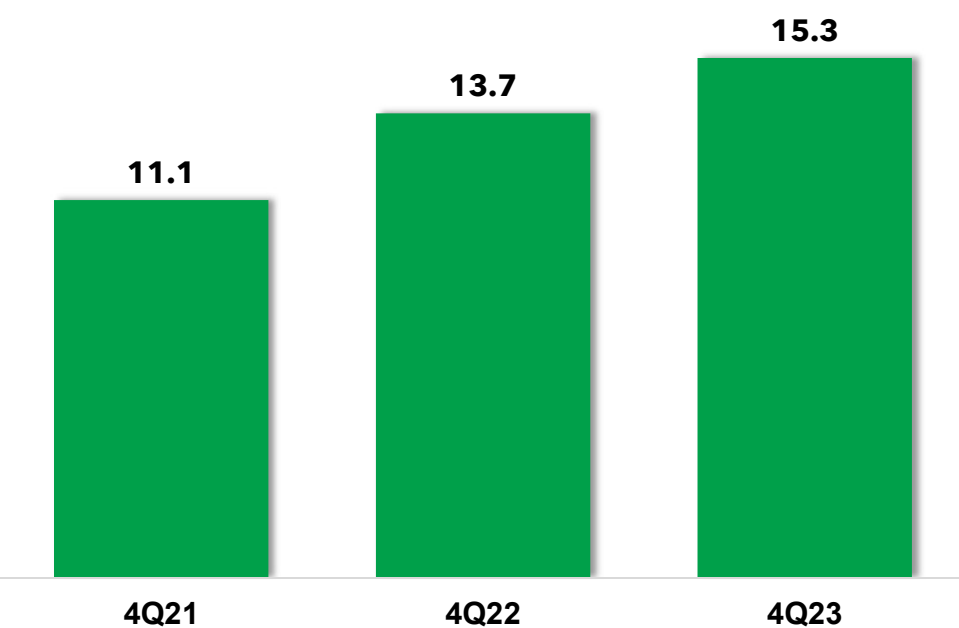
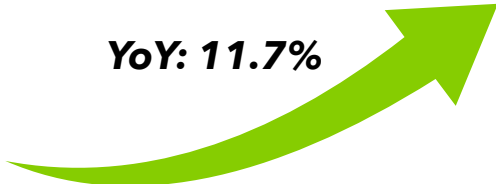
Active, Unique Customers at Quarter End

(in Millions)



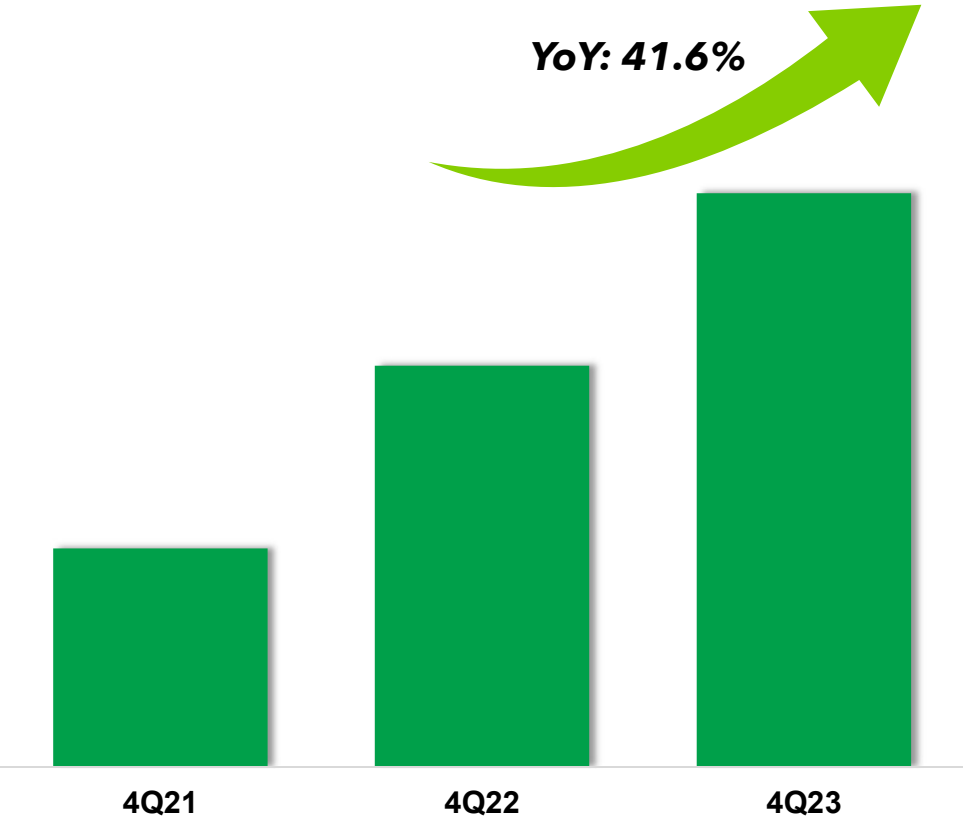
Money Transfer Transactions

(in Millions)

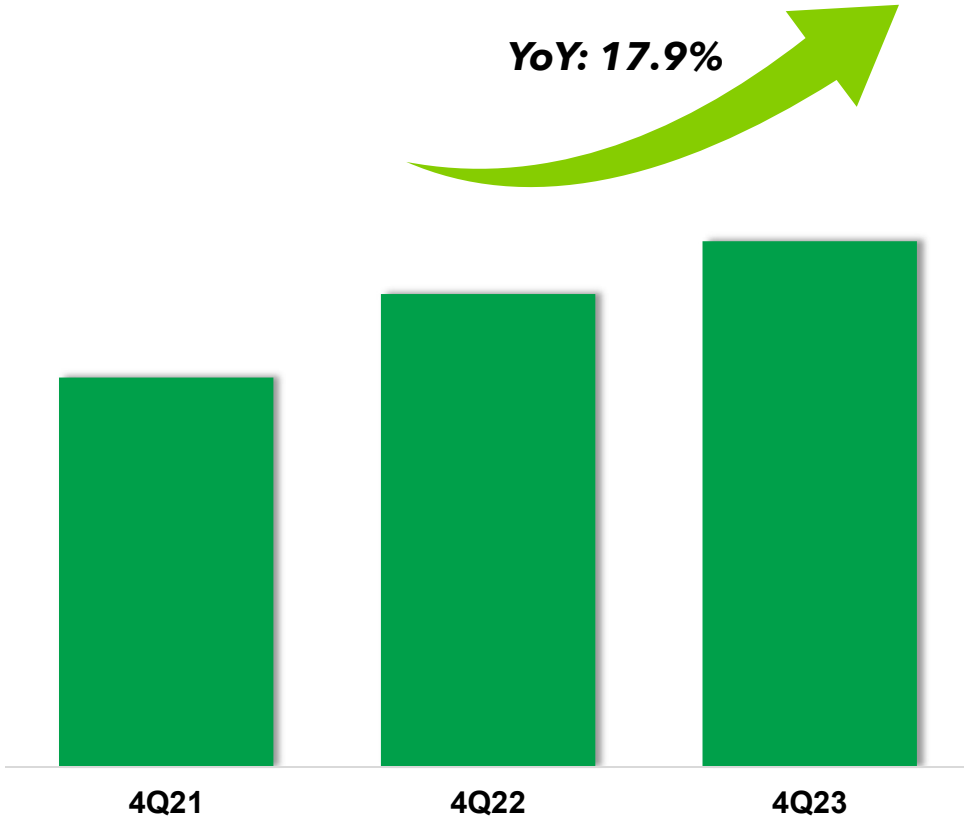


Strong and Sustained Growth in Digital

Digitally Originated Transactions



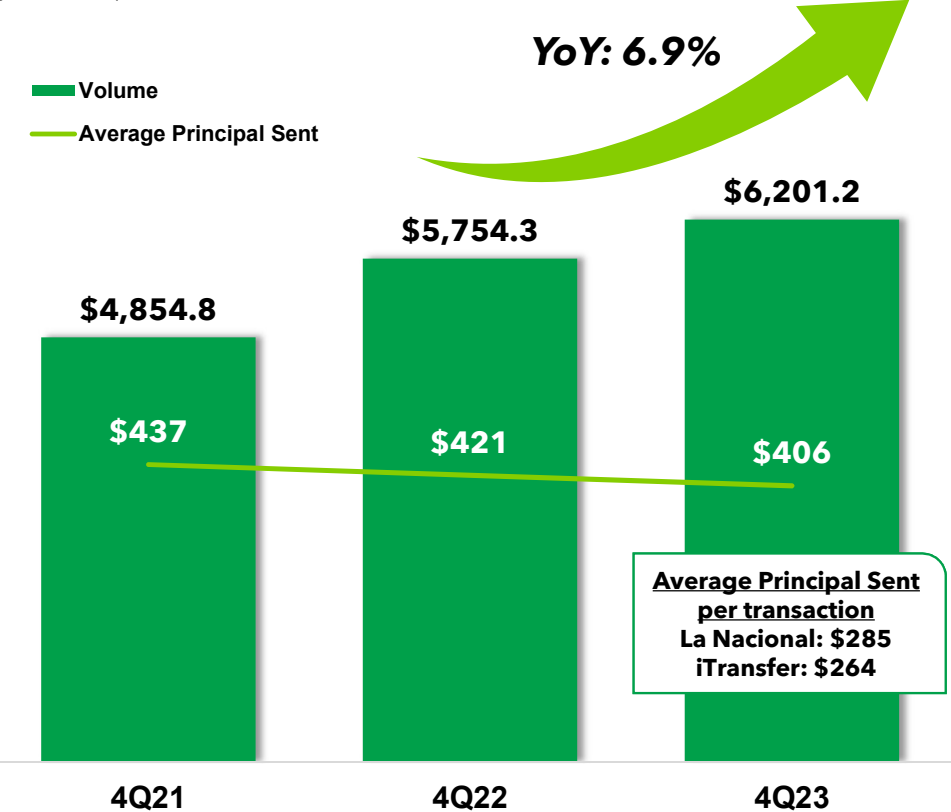
Digital Send / Receive as a % of Transactions



Trends in Principal and Volumes

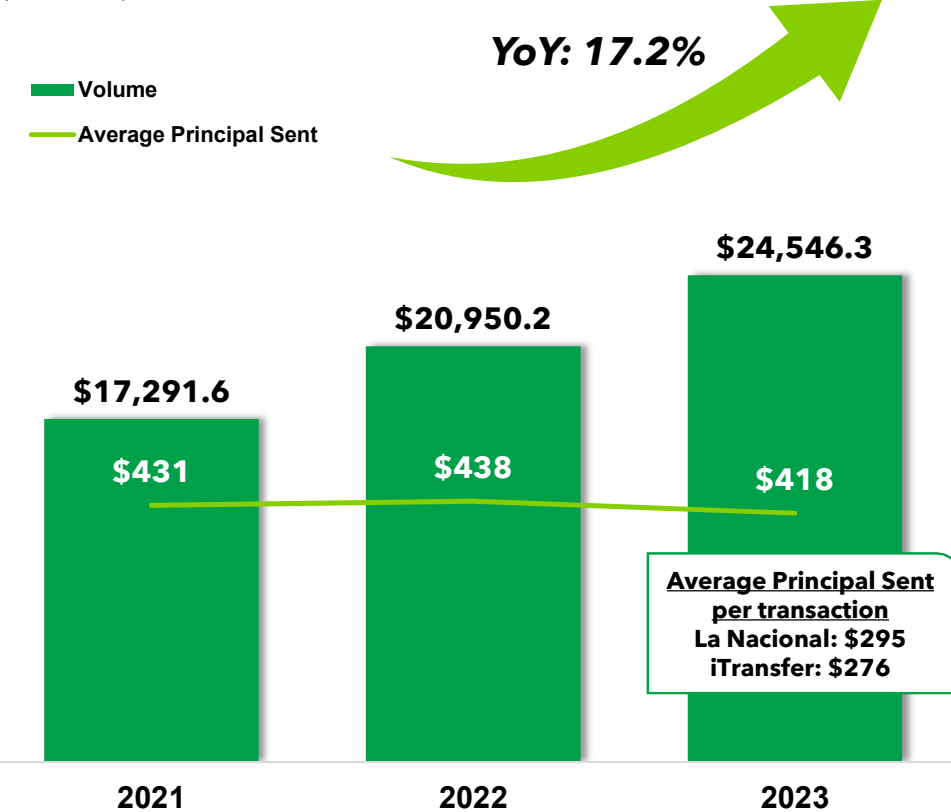
4th Quarter 2023

(in Millions)



Full Year 2023

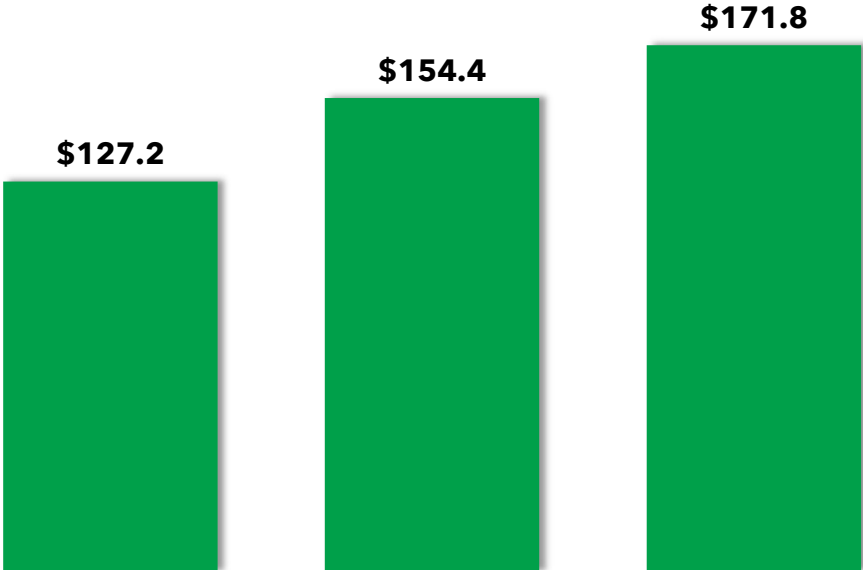
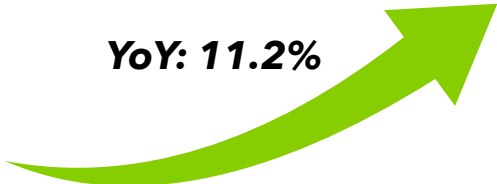
(in Millions)



Revenue up Double-digits

Revenue - 4th Quarter 2023

(in Millions)



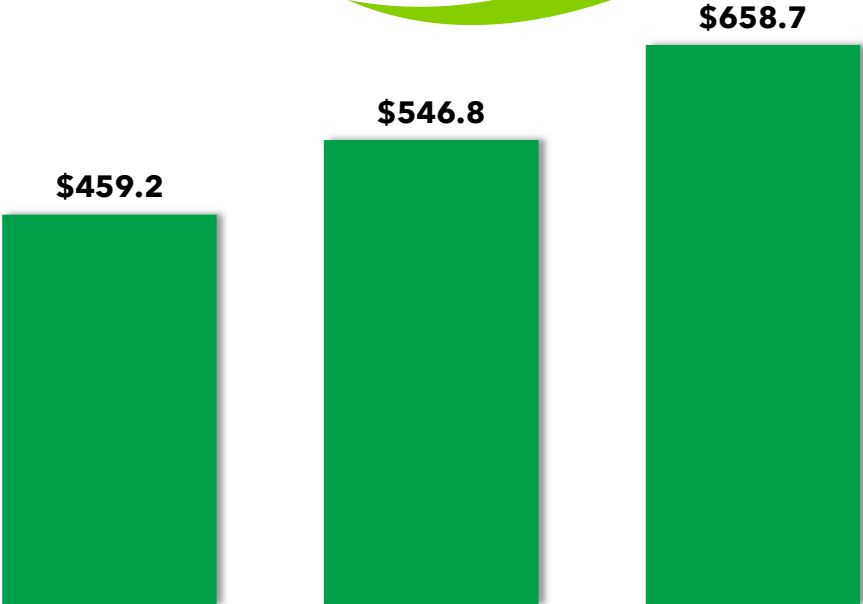
4Q21

4Q22

4Q23

Revenue - Full Year 2023

(in Millions)



2021

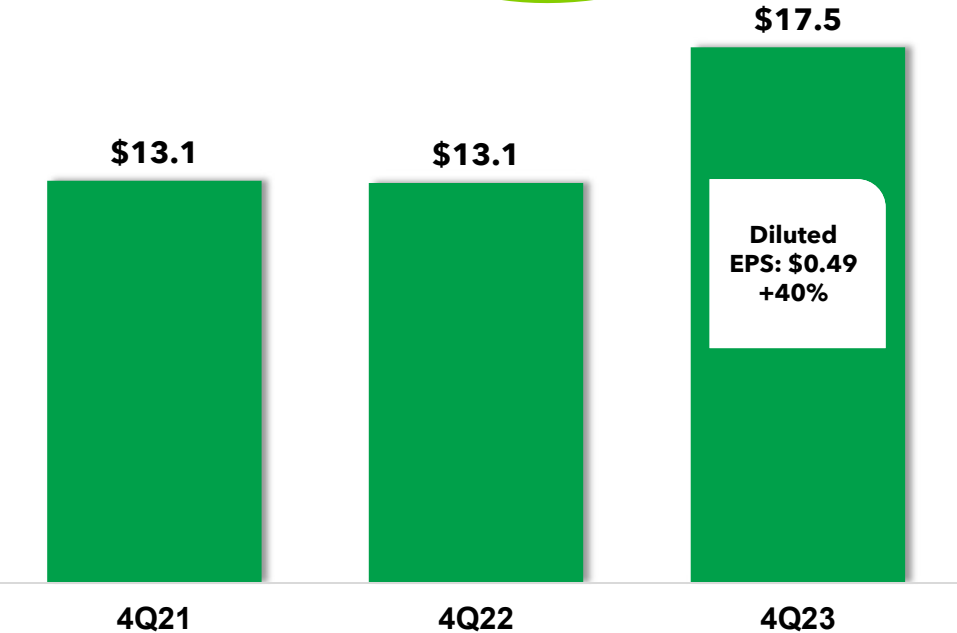
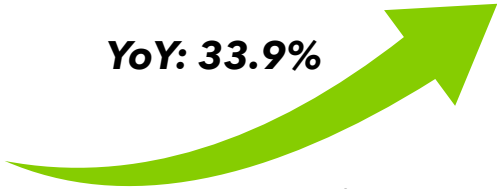
2022

2023

Net Income and EPS

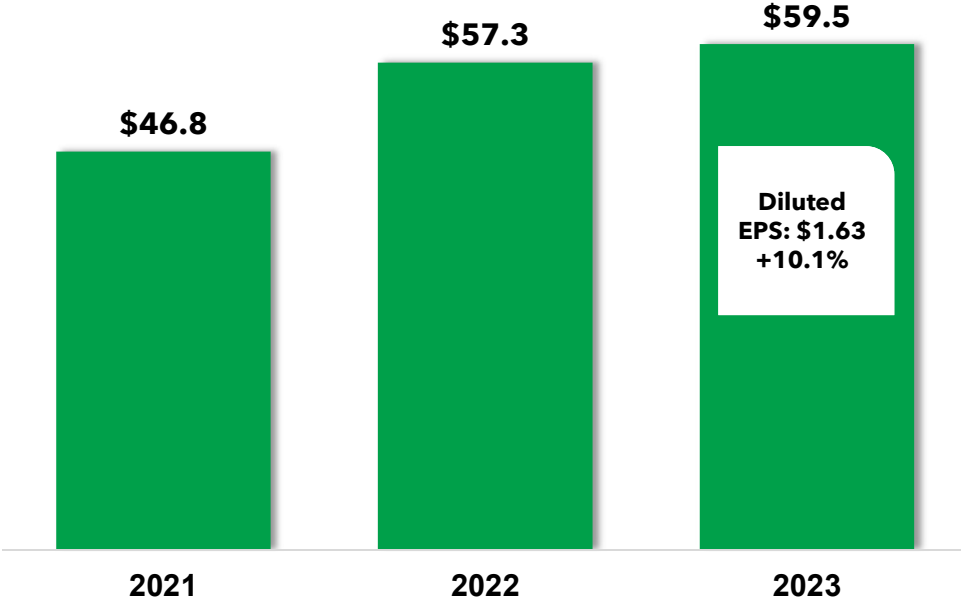
Net Income - 4th Quarter 2023

(in Millions)



Net Income - Full Year 2023

(in Millions)

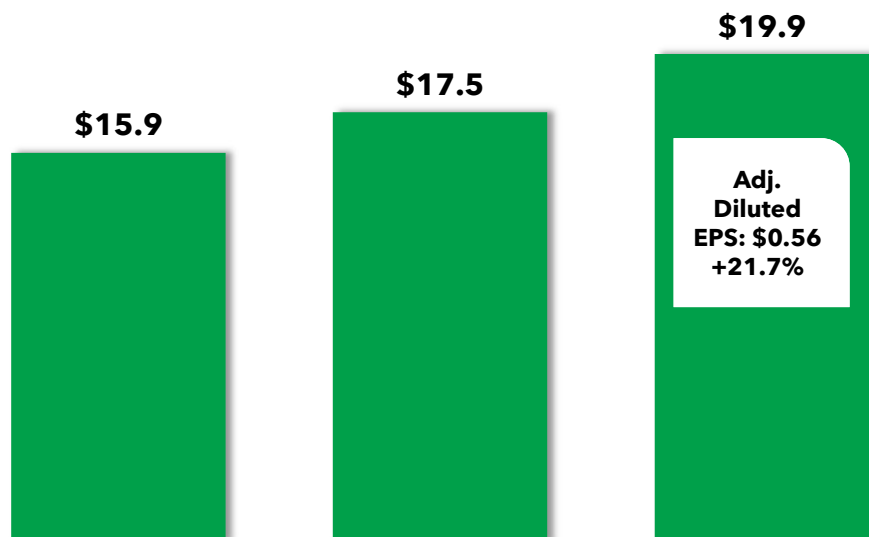


Adjusted Net Income and Adjusted EPS

Adjusted Net Income - 4th Quarter 2023⁽¹⁾

(in Millions)

YoY: 13.5%



4Q21

4Q22

4Q23

Adjusted Net Income - Full Year 2023⁽¹⁾

(in Millions)

YoY: 1.5%



2021

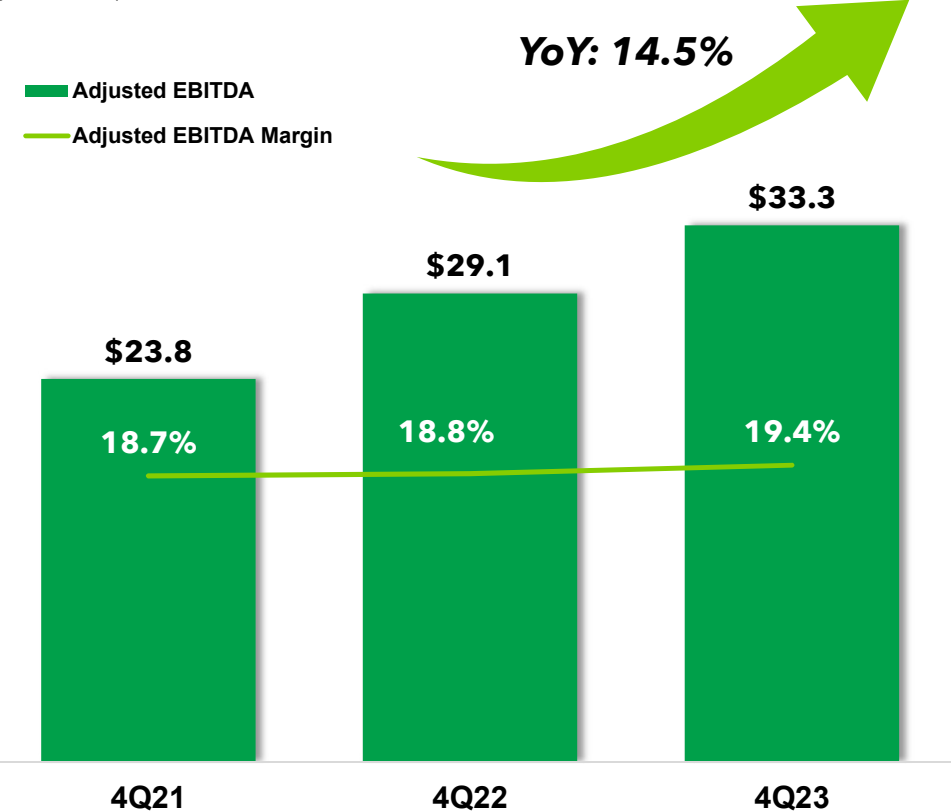
2022

2023

Strong Adjusted EBITDA Growth at Robust Margins

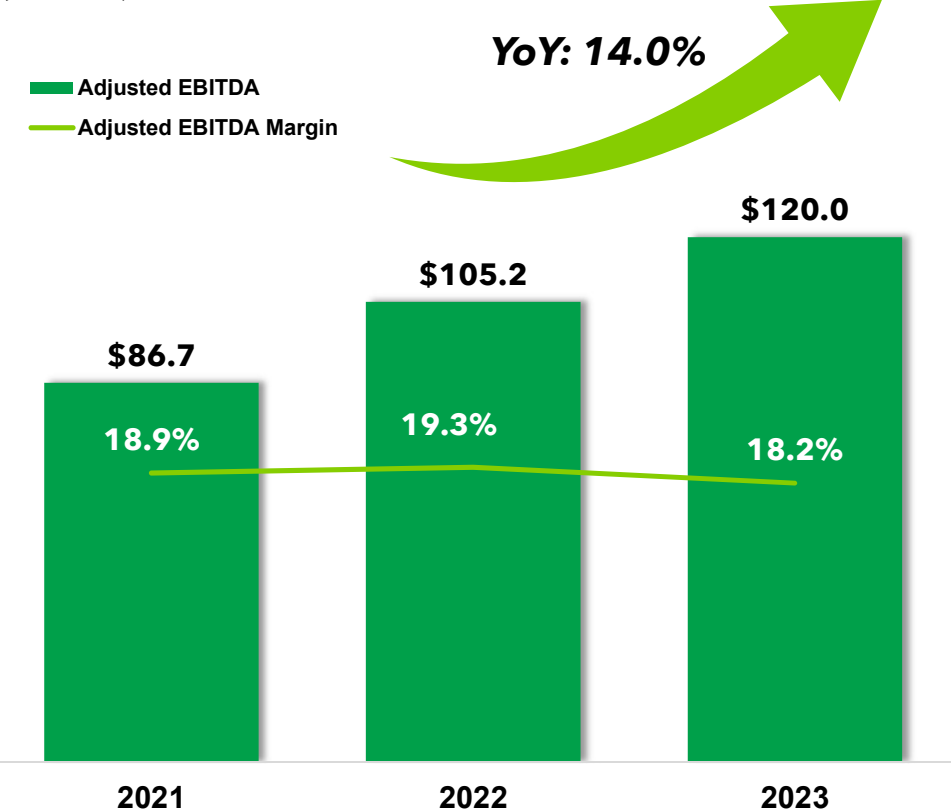
Adjusted EBITDA - 4th Quarter 2023⁽¹⁾

(in Millions)



Adjusted EBITDA- Full Year 2023⁽¹⁾

(in Millions)



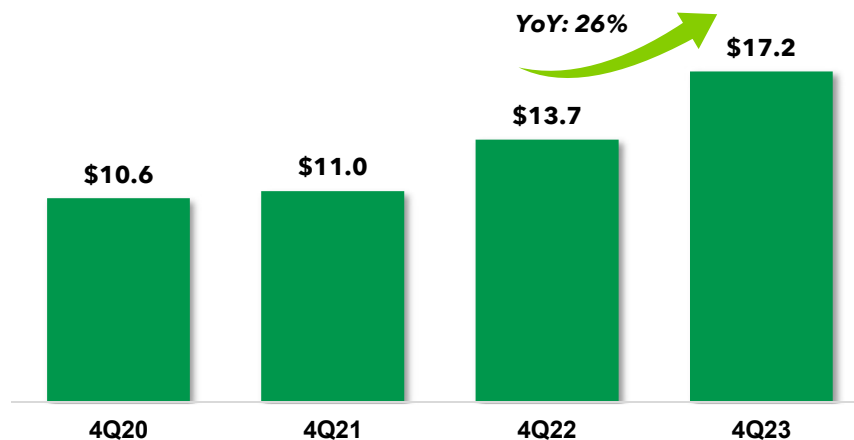
(1) Non-GAAP measure. See Appendix for reconciliations to the most directly comparable GAAP measures.

Note: percentage calculations may contain differences due to rounding.

Strong Cash Generation & Balance Sheet

Net Free Cash Generated⁽¹⁾

(\$ in Millions)



Free Cash Generated Calculation

	4Q20 (Unaudited)	4Q21 (Unaudited)	4Q22 (Unaudited)	4Q23 (Unaudited)
Net income for the period	\$ 9,620	\$13,132	\$13,067	\$17,499
Depreciation and amortization	2,749	2,450	2,758	3,355
Stock compensation expense	1,028	1,219	1,560	1,894
Provision for credit losses	381	529	550	1,227
Cash used in investing activities	(1,346)	(5,250)	(3,149)	(5,092)
Term loan pay downs	(1,915)	(1,094)	(1,094)	(1,641)
Net free cash generated during the period	\$10,628	\$10,986	\$13,692	\$17,242



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

* Total revolver capacity: \$220 million

Liquidity Summary

- Cash & Equivalents: \$239.2M
- Undrawn Revolver* at Dec. 31: \$106M

Leverage

- Total Debt at 12/31: \$188.2M (\$114M revolver)
- Debt to Adj. EBITDA at 12/31: 1.6x
- 2023 avg. daily Debt to Adj. EBITDA: 0.94

Capital Allocation Priorities

- Highly accretive retail incentives
- More aggressive buyback program
- M&A: selective, value-focused (ie: La Nacional)

Share Repurchases

- 4Q 2023: \$25M
- Inception to 12/31: \$125M

2024 Guidance

Full Year 2024

Revenue

\$681.0M - \$701.8M

Diluted EPS

\$1.81-\$1.96

Adjusted Diluted EPS ⁽¹⁾

\$2.13-\$2.31

Adjusted EBITDA ⁽¹⁾

\$124.0M - \$127.7M

First Quarter 2024

Revenue

\$150.4M-155.0M

Diluted EPS

\$0.32-\$0.35

Adjusted Diluted EPS ⁽¹⁾

\$0.39-0.42

Adjusted EBITDA ⁽¹⁾

\$24.4M-25.1M

(1) A quantitative reconciliation of projected Adjusted EBITDA Adjusted Diluted EPS 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

Consolidated Balance Sheets

<i>(in thousands of dollars)</i>	December 31, 2023	December 31, 2022
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 239,203	\$ 149,493
Accounts receivable, net	155,237	129,808
Prepaid wires, net	28,366	90,386
Prepaid expenses and other current assets	<u>10,068</u>	<u>12,749</u>
Total current assets	432,874	382,436
Property and equipment, net	31,656	28,160
Goodwill	53,986	49,774
Intangible assets, net	18,143	19,826
Other assets	<u>40,153</u>	<u>31,876</u>
Total assets	<u>\$ 576,812</u>	<u>\$ 512,072</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt, net	\$ 7,163	\$ 4,975
Accounts payable	36,507	25,686
Wire transfers and money orders payable, net	125,042	112,251
Accrued and other liabilities	<u>54,661</u>	<u>41,855</u>
Total current liabilities	223,373	184,767
Long-term liabilities:		
Debt, net	181,073	150,235
Lease liabilities, net	22,670	23,272
Deferred tax liability, net	<u>659</u>	<u>3,892</u>
Total long-term liabilities	204,402	177,399
Stockholders' equity:		
Total stockholders' equity	149,037	149,906
Total liabilities and stockholders' equity	<u>\$ 576,812</u>	<u>\$ 512,072</u>

Consolidated Statements of Income

	Three Months Ended December 31,		Year Ended December 31,		
	2023	2022	2023	2022	2021
	(Unaudited)		(Unaudited)		
<i>(in thousands of dollars, except for share data)</i>					
Revenues:					
Wire transfer and money order fees, net	\$ 145,185	\$ 132,822	\$ 561,540	\$ 469,162	\$ 393,241
Foreign exchange gain, net	23,669	20,201	87,908	72,920	62,832
Other income	2,929	1,414	9,287	4,723	3,133
Total revenues	171,783	154,437	658,735	546,805	459,206
Operating expenses:					
Service charges from agents and banks	110,882	102,087	430,865	364,804	307,458
Salaries and benefits	18,675	15,313	71,090	52,224	43,065
Other selling, general and administrative expenses	11,181	9,904	47,979	34,394	30,334
Transaction costs	33	2,531	445	3,005	1,006
Depreciation and amortization	3,355	2,758	12,866	9,470	9,491
Total operating expenses	144,126	132,593	563,245	463,897	391,354
Operating income	27,657	21,844	95,490	82,908	67,852
Interest expense	2,783	2,099	10,426	5,629	4,537
Income before income taxes	24,874	19,745	85,064	77,279	63,315
Income tax provision	7,375	6,678	25,549	19,948	16,472
Net income	\$ 17,499	\$ 13,067	\$ 59,515	\$ 57,331	\$ 46,843
Earnings per common share:					
Basic	\$ 0.51	\$ 0.35	\$ 1.67	\$ 1.52	\$ 1.22
Diluted	\$ 0.49	\$ 0.35	\$ 1.63	\$ 1.48	\$ 1.20
Weighted-average common shares outstanding:					
Basic	34,638,245	36,941,754	35,604,582	37,733,047	38,474,040
Diluted	35,426,435	37,788,404	36,429,714	38,625,390	39,103,450

Recon. from NI to Adjusted NI

	Three Months Ended December 31,		Year Ended December 31,		
	2023	2022	2023	2022	2021
<i>(in thousands of dollars, except for per share data)</i>					
	(Unaudited)		(Unaudited)		
Net income	\$ 17,499	\$ 13,067	\$ 59,515	\$ 57,331	\$ 46,843
Adjusted for:					
Share-based compensation (a)	1,894	1,560	8,111	7,118	4,601
Restructuring costs (b)	69	—	1,214	—	—
Transaction costs (c)	34	2,531	445	3,005	1,006
Loss on bank closure (d)	—	—	—	1,583	2,000
Other charges and expenses (e)	294	382	1,850	1,141	1,705
Amortization of intangibles (f)	1,178	1,186	4,740	4,102	5,052
Income tax benefit related to adjustments (g)	(1,042)	(1,176)	(4,914)	(4,376)	(3,738)
Adjusted net income	\$ 19,926	\$ 17,550	\$ 70,961	\$ 69,904	\$ 57,469
Adjusted earnings per common share					
Basic	\$ 0.58	\$ 0.48	\$ 1.99	\$ 1.85	\$ 1.49
Diluted	\$ 0.56	\$ 0.46	\$ 1.95	\$ 1.81	\$ 1.47

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

(b) Represents primarily severance, write-off of fixed assets and professional fees related to the restructuring of La Nacional.

(c) Represents primarily financial advisory, professional and legal fees related to business acquisition transactions.

(d) Represents losses related to the closure of a financial institution in Mexico during 2021.

(e) Represents primarily loss on disposal of fixed assets.

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

(g) 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 Net Income to Adjusted EBITDA

	Three Months Ended December 31,		Year Ended December 31,		
	2023	2022	2023	2022	2021
<i>(in thousands of dollars)</i>					
	(Unaudited)		(Unaudited)		
Net income	\$ 17,499	\$ 13,067	\$ 59,515	\$ 57,331	\$ 46,843
Adjusted for:					
Interest expense	2,783	2,099	10,426	5,629	4,537
Income tax provision	7,375	6,678	25,549	19,948	16,472
Depreciation and amortization	3,355	2,758	12,866	9,470	9,491
EBITDA	31,012	24,602	108,356	92,378	77,343
Share-based compensation (a)	1,894	1,560	8,111	7,118	4,601
Restructuring costs (b)	69	—	1,214	—	—
Transaction costs (c)	34	2,531	445	3,005	1,006
Loss on bank closure (d)	—	—	—	1,583	2,000
Other charges and expenses (e)	294	383	1,850	1,141	1,705
Adjusted EBITDA	\$ 33,303	\$ 29,076	\$ 119,976	\$ 105,225	\$ 86,655

Recon. from GAAP Basic EPS to Adjusted Basic EPS

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
GAAP Basic Earnings per Share	\$ 0.51	\$ 0.35	\$ 1.67	\$ 1.52
Adjusted for:				
Share-based compensation	0.05	0.04	0.23	0.19
Restructuring costs	—	—	0.03	—
Transaction costs	—	0.07	0.01	0.08
Loss on bank closure	—	—	—	0.04
Other charges and expenses	0.01	0.01	0.05	0.03
Amortization of intangibles	0.03	0.03	0.13	0.11
Income tax benefit related to adjustments	(0.03)	(0.03)	(0.14)	(0.12)
Non-GAAP Adjusted Basic Earnings per Share	\$ 0.58	\$ 0.48	\$ 1.99	\$ 1.85

The table above may contain slight summation differences due to rounding

Recon. from GAAP Diluted EPS to Adjusted Diluted EPS

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
GAAP Diluted Earnings per Share	\$ 0.49	\$ 0.35	\$ 1.63	\$ 1.48
Adjusted for:				
Share-based compensation	0.05	0.04	0.22	0.18
Restructuring costs	—	—	0.03	—
Transaction costs	—	0.07	0.01	0.08
Loss on bank closure	—	—	—	0.04
Other charges and expenses	0.01	0.01	0.05	0.03
Amortization of intangibles	0.03	0.03	0.13	0.11
Income tax benefit related to adjustments	(0.03)	(0.03)	(0.13)	(0.11)
Non-GAAP Adjusted Diluted Earnings per Share	\$ 0.56	\$ 0.46	\$ 1.95	\$ 1.81

Recon. of NI Margin to Adj. EBITDA Margin

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
Net Income Margin	10.2 %	8.5 %	9.0 %	10.5 %
Adjusted for:				
Interest expense	1.6 %	1.4 %	1.6 %	1.0 %
Income tax provision	4.3 %	4.3 %	3.9 %	3.6 %
Depreciation and amortization	2.0 %	1.8 %	2.0 %	1.7 %
EBITDA	18.1 %	15.9 %	16.4 %	16.9 %
Share-based compensation	1.1 %	1.0 %	1.2 %	1.3 %
Restructuring costs	— %	— %	0.2 %	— %
Transaction costs	— %	1.6 %	0.1 %	0.5 %
Loss on bank closure	— %	— %	— %	0.3 %
Other charges and expenses	0.2 %	0.2 %	0.3 %	0.2 %
Adjusted EBITDA Margin	19.4 %	18.8 %	18.2 %	19.3 %

Recon. of NI to Net Free Cash Generated

<i>(in thousands of dollars)</i>	Three Months Ended December 31,		Year Ended December 31,		
	2023	2022	2023	2022	2021
	(Unaudited)		(Unaudited)		
Net income for the period	\$ 17,499	\$ 13,067	\$ 59,515	\$ 57,331	\$ 46,843
Depreciation and amortization	3,355	2,758	12,866	9,470	9,491
Share-based compensation	1,894	1,560	8,111	7,118	4,601
Provision for credit losses	1,227	550	4,997	2,572	1,537
Cash used in investing activities	(5,092)	(3,149)	(18,280)	(12,529)	(10,773)
Term loan pay downs	(1,641)	(1,094)	(5,469)	(4,375)	(4,103)
Net free cash generated during the period	\$ 17,242	\$ 13,692	\$ 61,740	\$ 59,587	\$ 47,596

**Questions or request for conference
call please contact:**

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