

4th Quarter 2022 Earnings Presentation

March 8, 2023



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, our ability to successfully execute, manage, and integrate key acquisitions and mergers; including the completed acquisition of Envios de Valores La Nacional Corp. and the pending acquisition of LAN Holdings, Corp.; economic factors such as inflation, recession risks, the level of economic activity and labor market conditions, as well as rising interest rates; 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 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 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.

Fourth Quarter 2022 Highlights

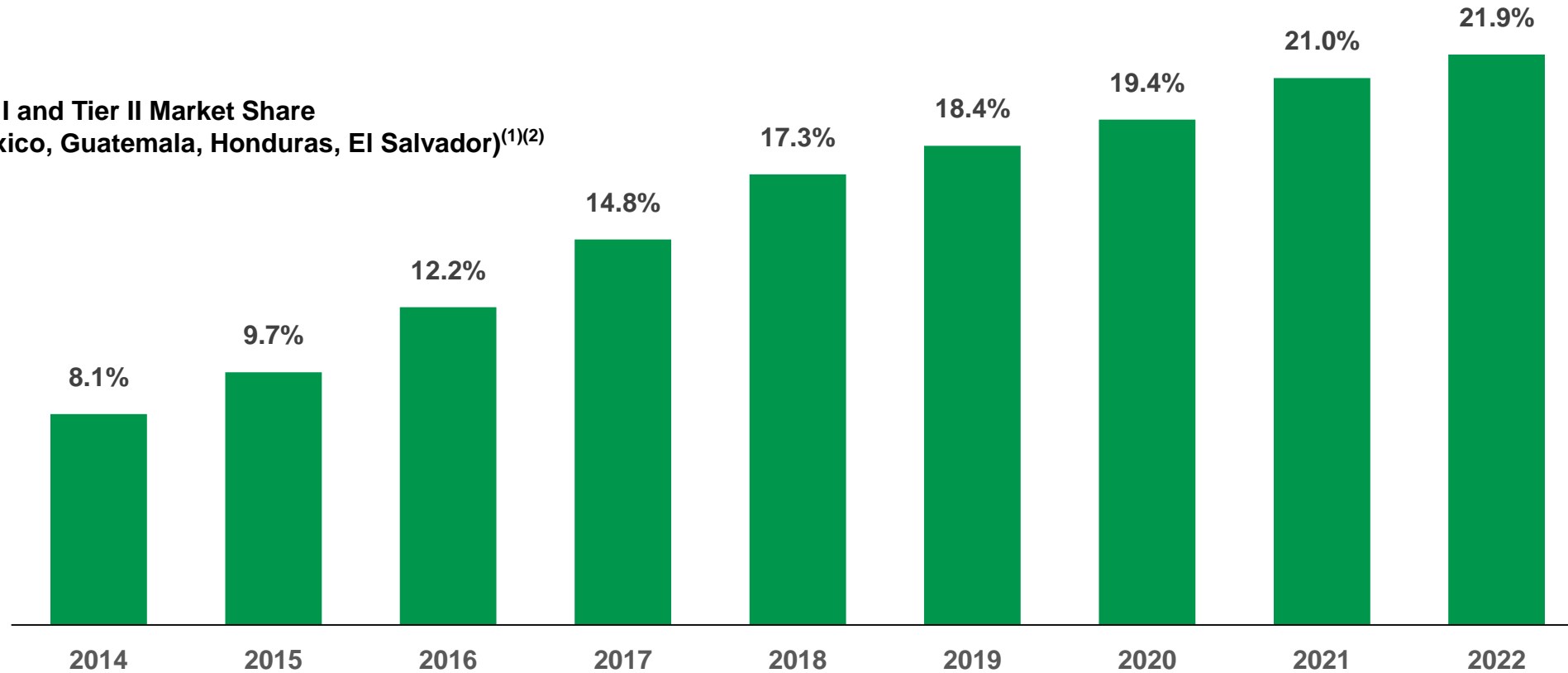
	4Q'22 vs 4Q'21	FY'22 vs FY'21
Revenue	\$154.4M, up 21.4%	\$546.8M, up 19.1%
Net Income	\$13.1M, down 0.5%	\$57.3M, up 22.4%
Diluted EPS	\$0.35, up 6.1%	\$1.48, up 23.3%
Adjusted Net Income⁽¹⁾	\$17.6M, up 10.4%	\$69.9M, up 21.6%
Adjusted Diluted EPS⁽¹⁾	\$0.46, up 15.0%	\$1.81, up 23.1%
Adjusted EBITDA⁽¹⁾	\$29.1M, up 22.4%	\$105.2M, up 21.4%

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

Driving Market Share Growth

Four countries represent 75% of all money sent to LACA*

Tier I and Tier II Market Share
(Mexico, Guatemala, Honduras, El Salvador)⁽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.

* LACA – Latin American and Caribbean

Leader in the Key LACA Markets

Key remittance receiving markets are 87% of total LACA market



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

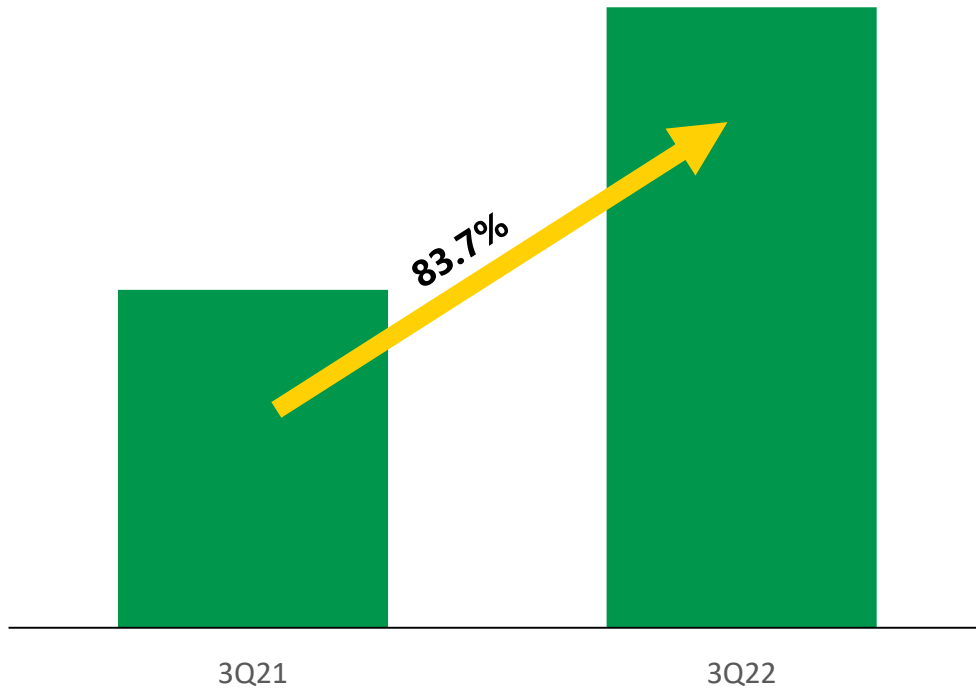
Including La Nacional, Intermex has a 21% market share in the five key LACA markets for all remittance dollars from the US

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

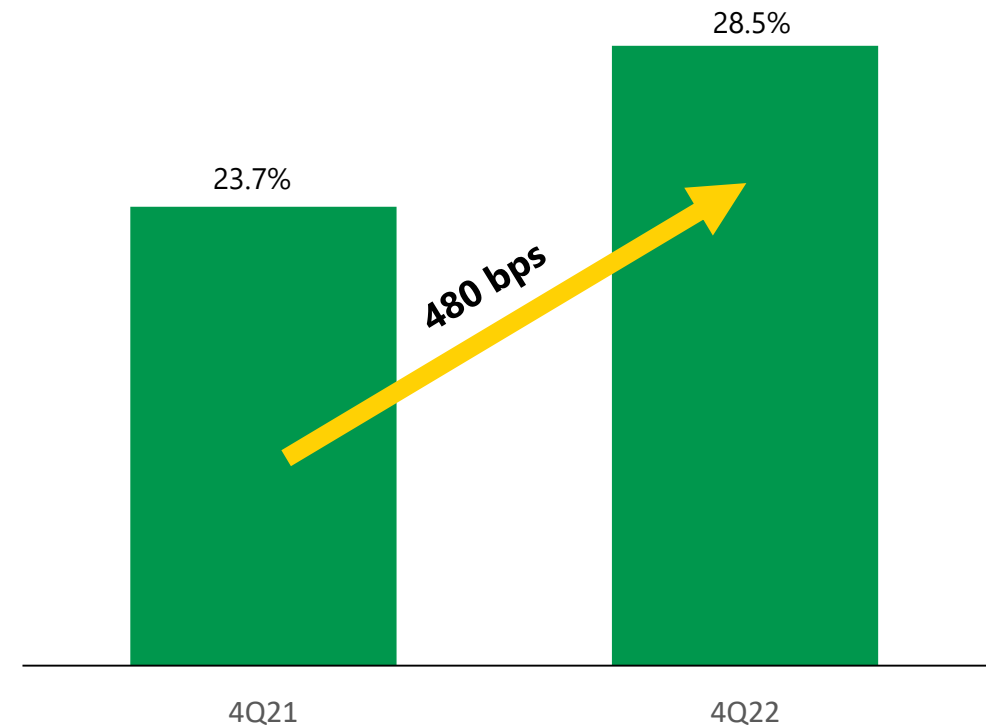
2) Market size inbound remittances per Banco de Mexico, Banco de Guatemala, Banco Central Republica Dominicana, Banco Central de Reserva de El Salvador, Banco Central de Honduras, using 2017 World Bank Bilateral Matrix, US Country Shares percentages to calculate US-based remittance volume.

Digital Transaction Growth

Digitally Originated Transactions



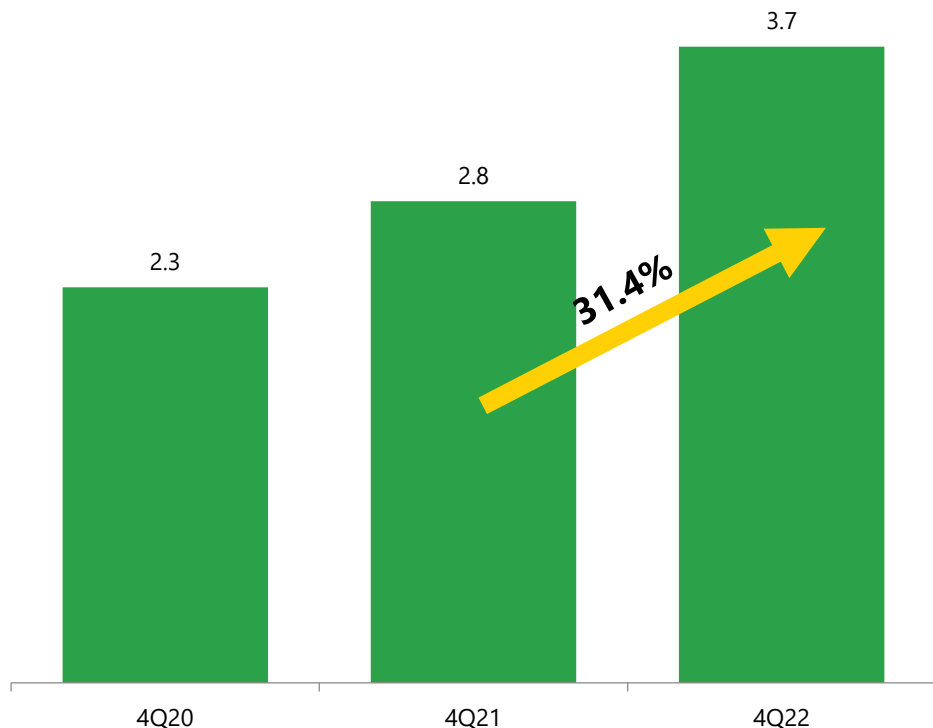
Total Digital Send or Receive as a % of Total Transactions



Customer & Transaction Growth Drives Revenue

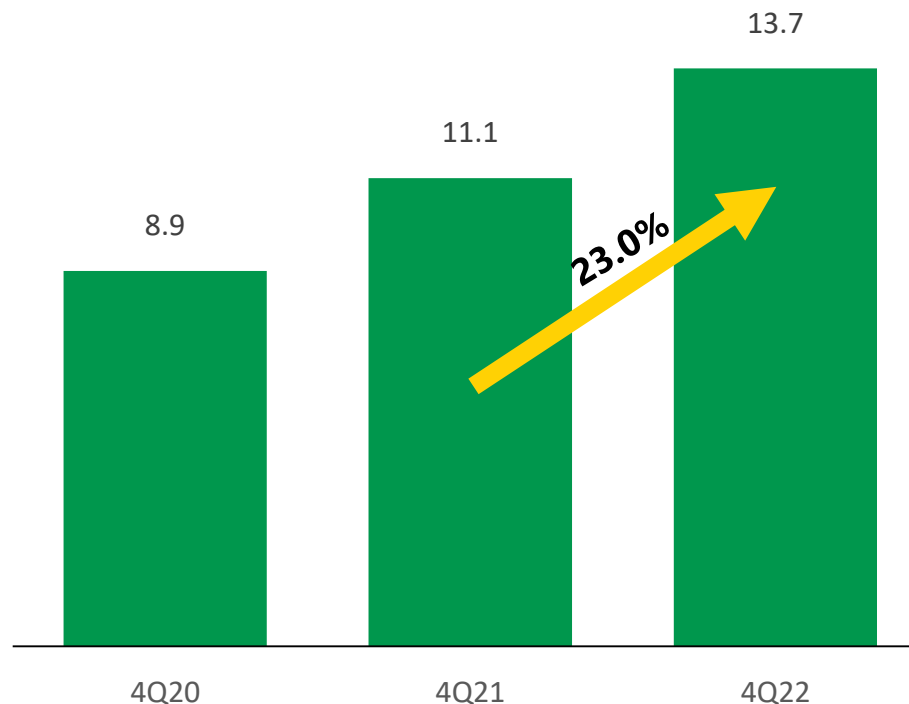
Active, Unique Customers at the end of the Quarter

(In millions)



Money Transfer Transactions

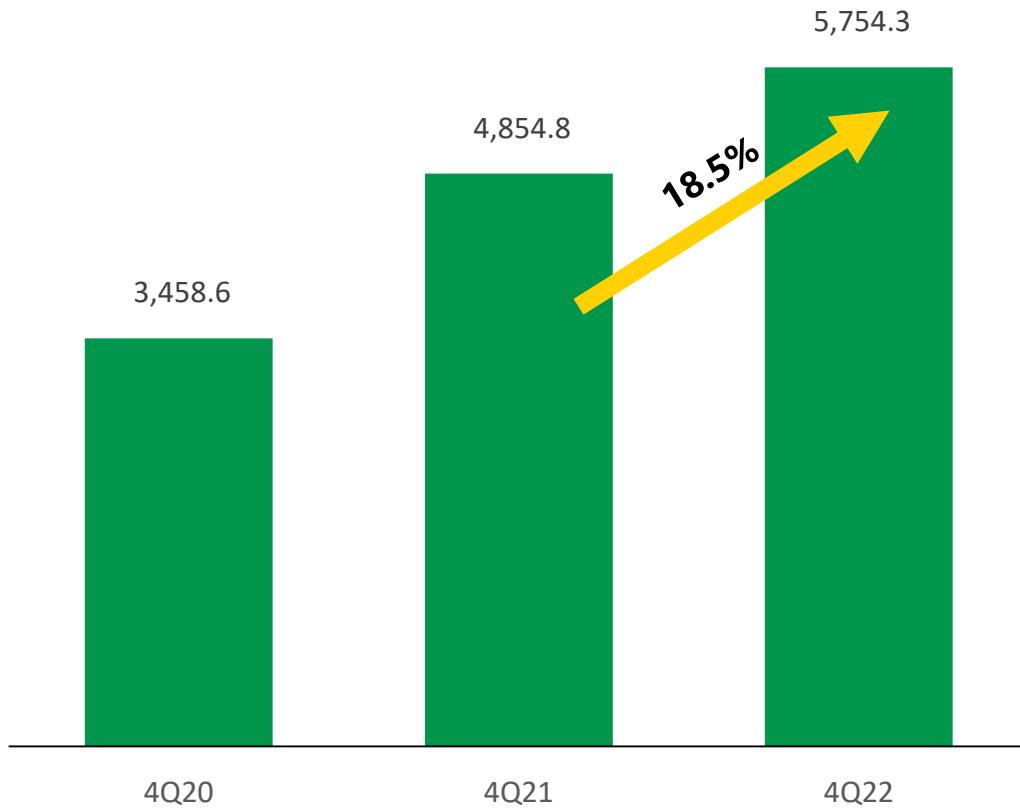
(in Millions)



Principal Growth Drives Market Share

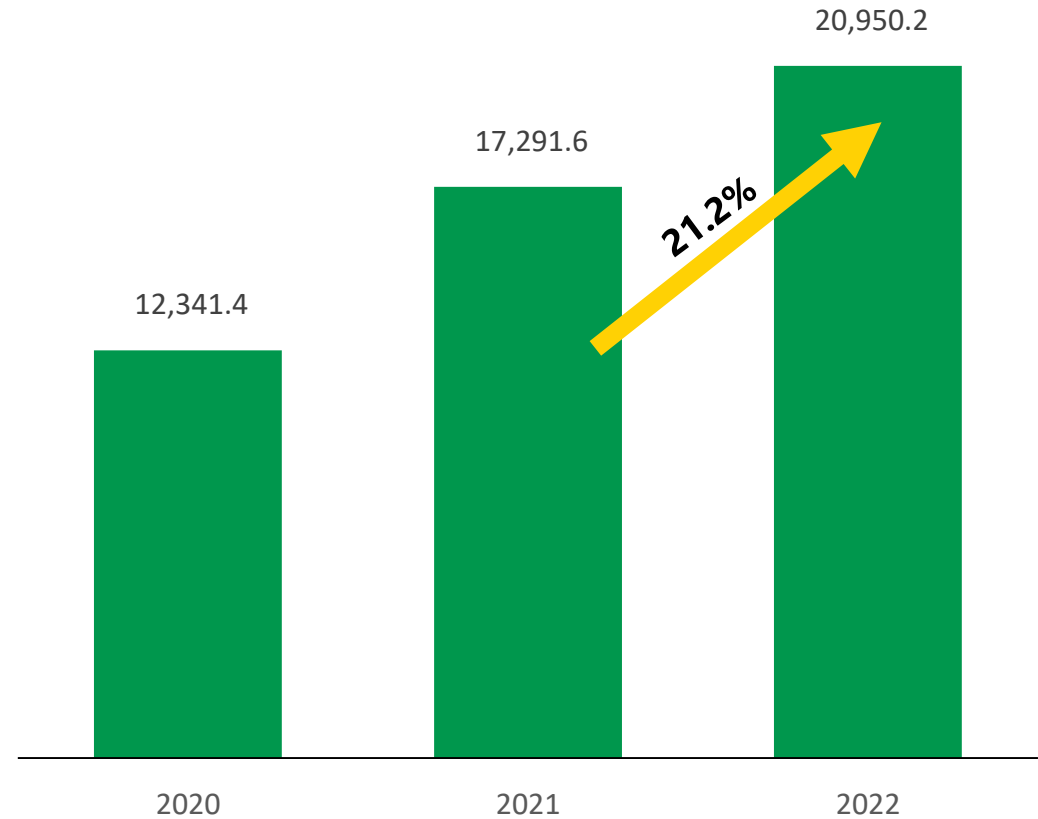
Principal Sent 4th Quarter 2022

(in Millions)



Principal Sent Full Year 2022

(in Millions)



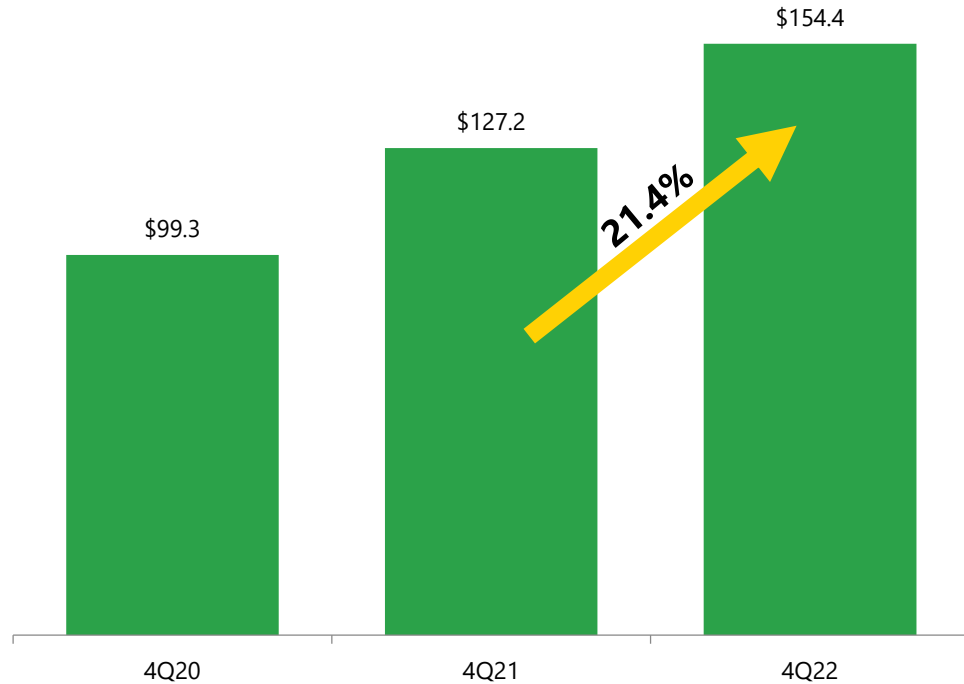
- 1) Market size inbound remittances per Banco de Mexico, Banco de Guatemala, Banco Central de Reserva de El Salvador, and Banco Central de Honduras, using 2017 World Bank Bilateral Matrix, US Country Shares percentages to calculate US-based remittance volume.
- 2) Tier I and Tier II include Mexico,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

Strong Revenue Growth

4th Quarter 2022

Revenue

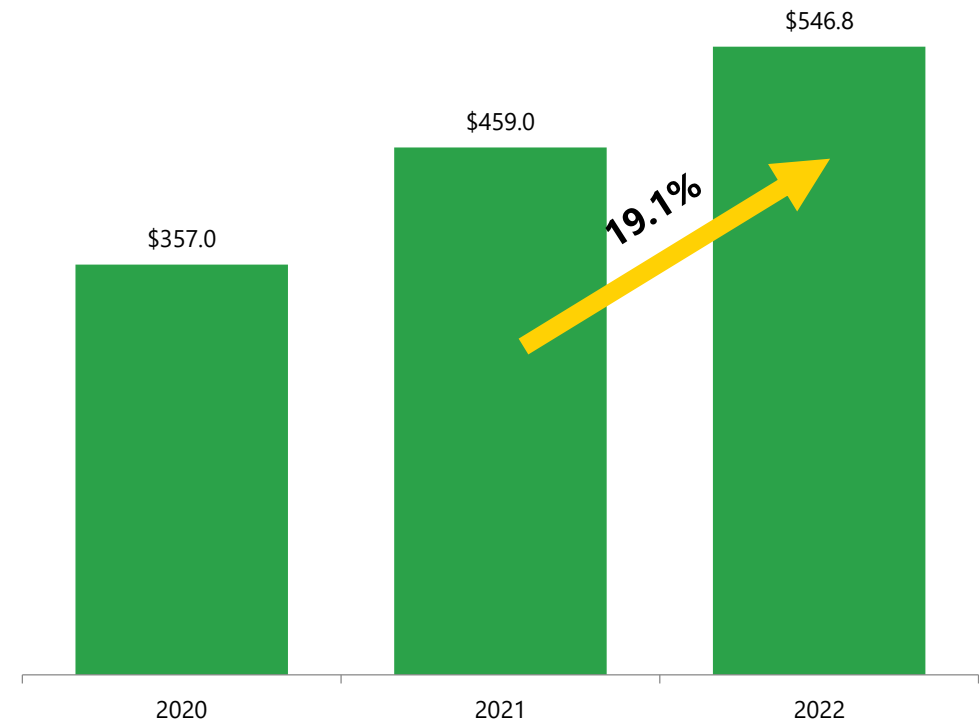
(\$ In millions)



Full Year 2022

Revenue

(\$ In millions)

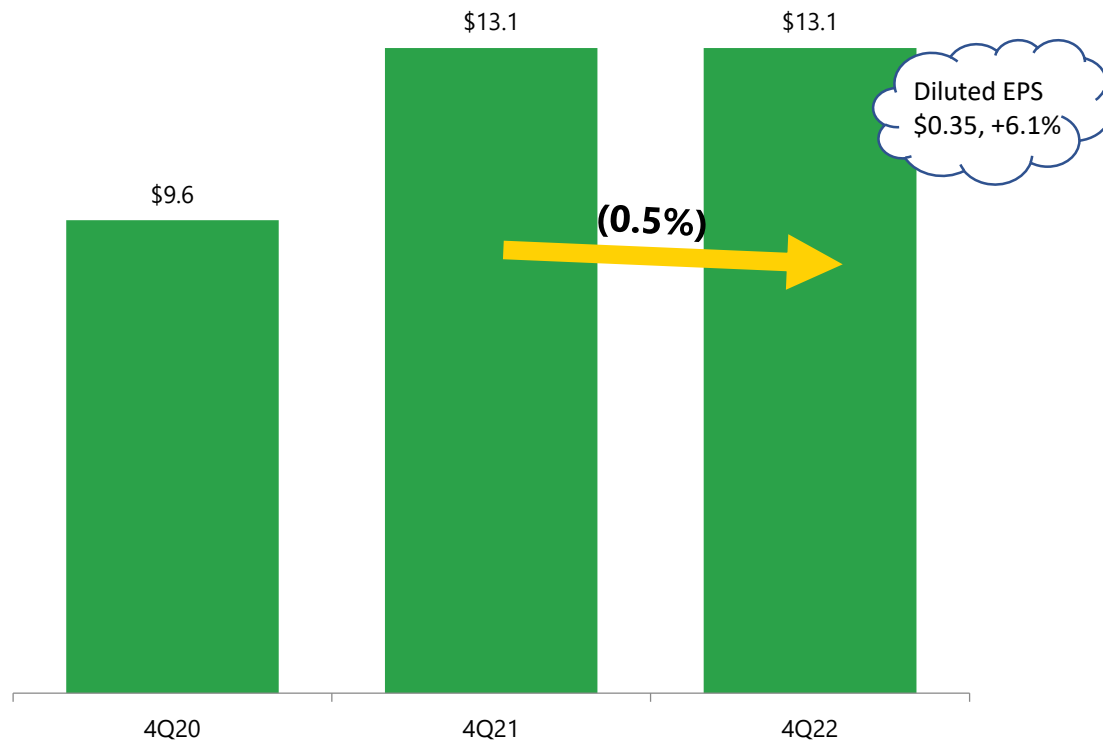


Profitable Growth – Net Income

4th Quarter 2022

Net Income

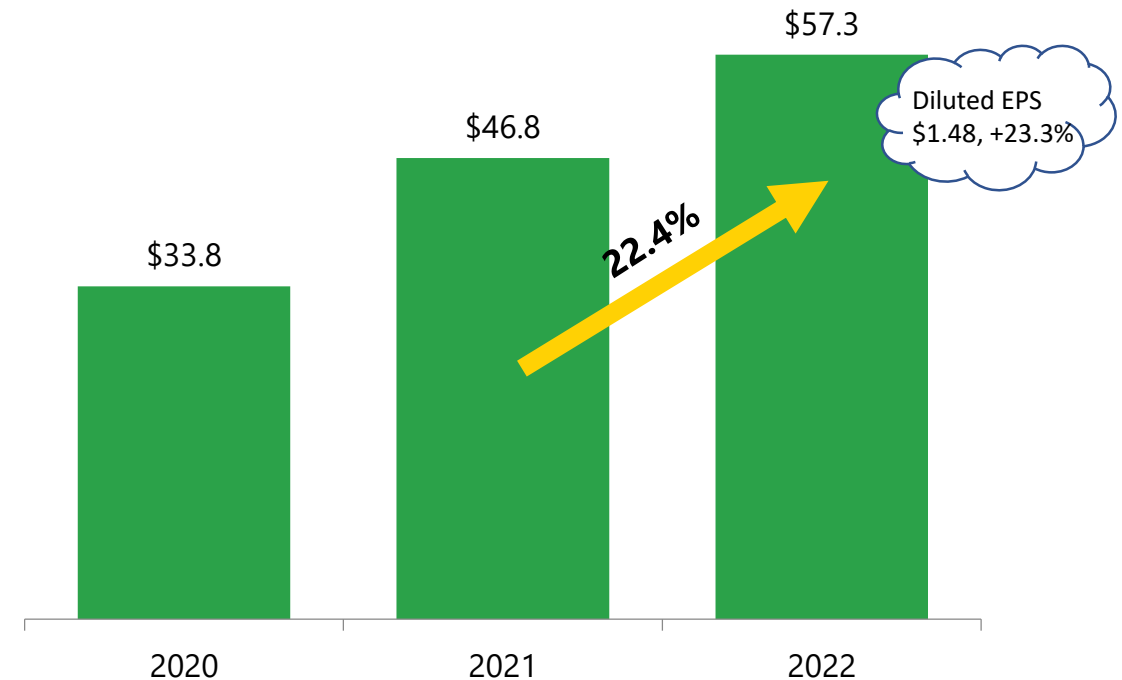
(\$ In millions)



Full Year 2022

Net Income

(\$ In millions)

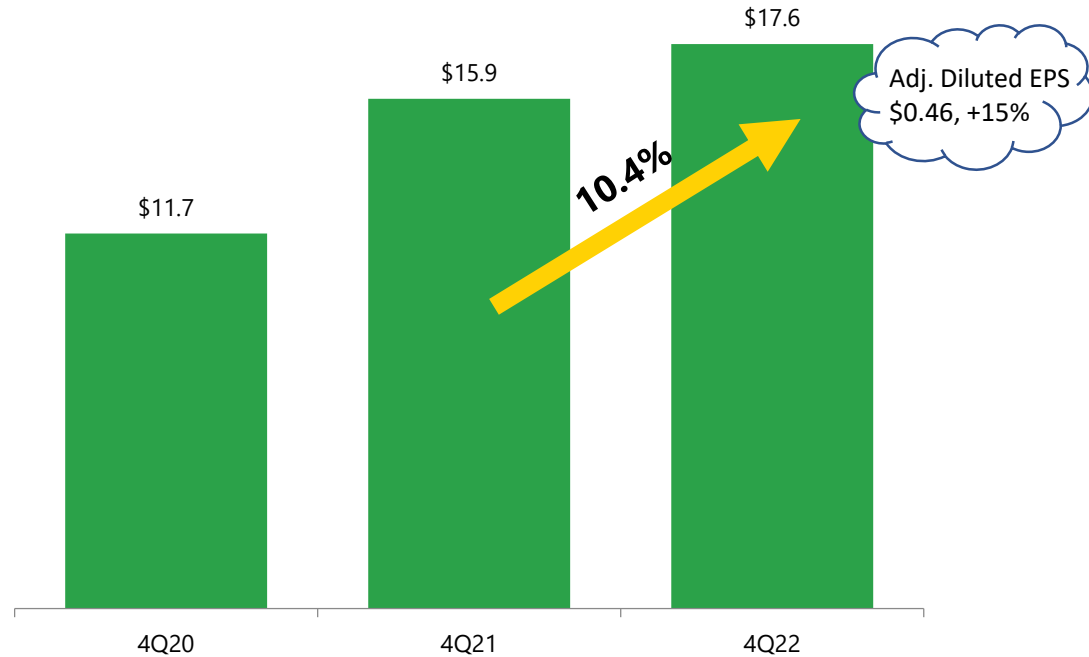


Profitable Growth – Adj. Net Income

4th Quarter 2022

Adjusted Net Income⁽¹⁾

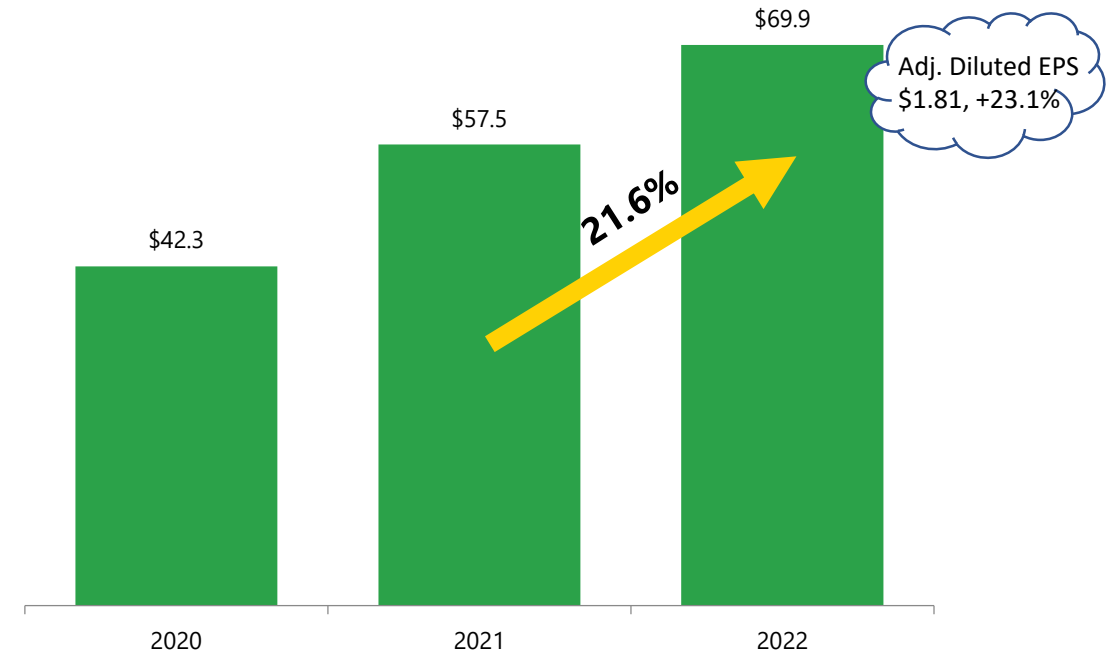
(\$ in millions)



Full Year 2022

Adjusted Net Income⁽¹⁾

(\$ in millions)



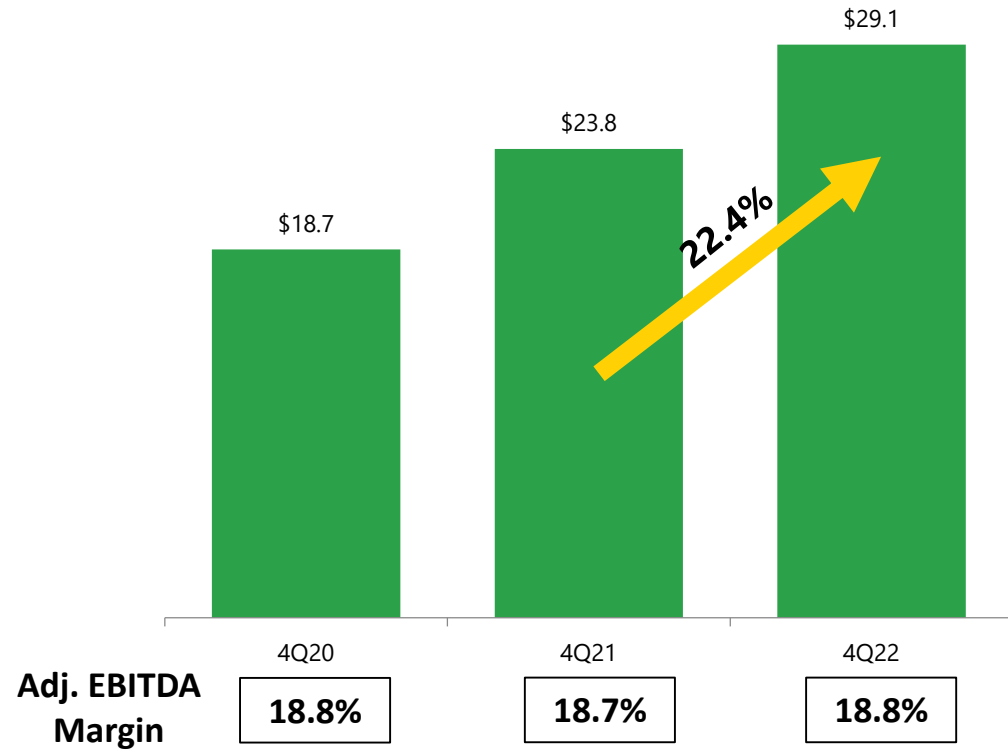
(1) Non-GAAP measure. See Appendix for reconciliations to the most directly comparable GAAP measures.

Profitable Growth – Adjusted EBITDA

4th Quarter 2022

Adjusted EBITDA⁽¹⁾

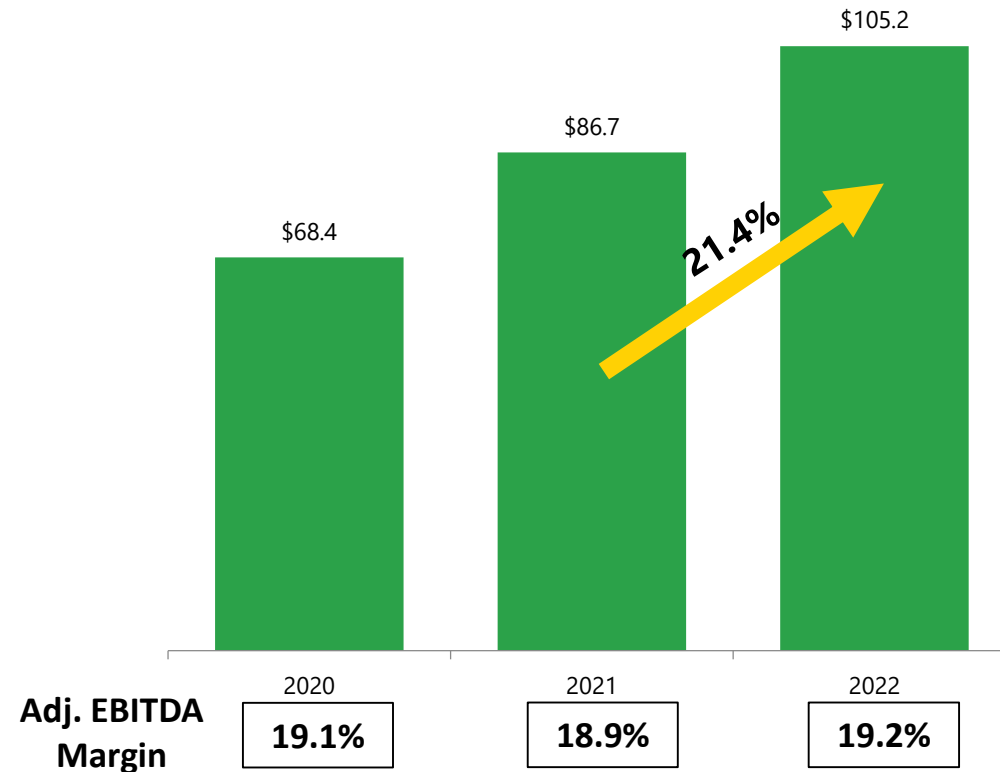
(\$ in millions)



Full Year 2022

Adjusted EBITDA⁽¹⁾

(\$ in millions)

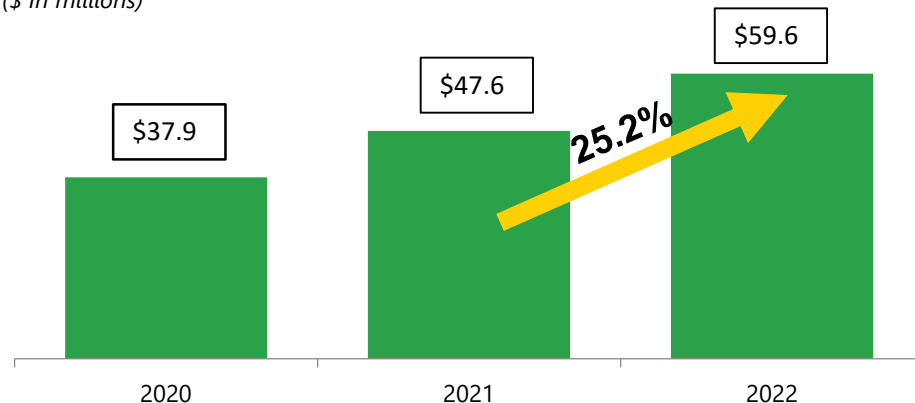


(1) Non-GAAP measure. See Appendix for reconciliations to the most directly comparable GAAP measures.

Strong Cash Generation & Balance Sheet

Net Free Cash Generated⁽¹⁾

(\$ In millions)



Reconciliation of Net Income to Net Free Cash Generated

(in thousands of dollars)

	For the year-ended December 31,		
	2020	2021 (Unaudited)	2022
Net income for the period	\$ 33,784	\$ 46,843	\$ 57,331
Depreciation and amortization	10,828	9,491	9,470
Stock compensation expense	3,237	4,601	7,118
Provision for credit losses	1,801	1,537	2,572
Cash used in investing activities	(4,062)	(10,773)	(12,529)
Term loan pay downs	(7,661)	(4,103)	(4,375)
Net free cash generated during the period	\$ 37,927	\$ 47,596	\$ 59,587

Liquidity Summary

Cash & Equivalents	\$149.5M
Undrawn Revolver* at Dec. 31	\$74.0M

Leverage

Total Debt	155.2M
Debt to Adj. EBITDA (ttm)	1.5x
Net Debt to Adj. EBITDA (ttm)	NM

Capital Allocation Priorities

- Reinvest in Business: Exceptional IMXI ROE
- M&A: Value-Focused (ie: La Nacional)
- Returning Capital: Meaningful Buyback

Share Repurchases

4Q2022	465,000 Shares	\$10.0M
Inception to 12/31:	2,822,266 Shares	\$59.3M
Average purchase price:		\$21.01

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

Ttm – trailing twelve months

* Total revolver capacity: \$150 million

2023 Guidance

	FY23	1Q23
Revenue	\$667.0M - \$688.5M, up 22% - 26%	\$140.9M - \$145.5M, up 23% - 27%
Net Income	\$66.5M - \$69.0M, up 16% - 20%	\$11.6M - \$11.7M, down (1%) - flat
Adjusted EBITDA⁽¹⁾	\$120.0M – \$124.5M, up 14% - 18%	\$22.5M – \$22.8M, up 9% - 10%

(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

intermex[®]
INTERNATIONAL MONEY EXPRESS

Condensed Consolidated Balance Sheets

	<u>December 31,</u>	
	<u>2022</u>	<u>2021</u>
<i>(in thousands of dollars)</i>		
ASSETS		
Current assets:		
Cash	\$ 149,493	\$ 132,474
Accounts receivable, net	129,808	67,317
Prepaid wires, net	90,386	56,766
Prepaid expenses and other current assets	12,749	6,988
Total current assets	<u>382,436</u>	<u>263,545</u>
Property and equipment, net	28,160	17,905
Goodwill	49,774	36,260
Intangible assets, net	19,826	15,392
Other assets	31,876	7,434
Total assets	<u>\$ 512,072</u>	<u>\$ 340,536</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt, net	\$ 4,975	\$ 3,882
Accounts payable	25,686	23,151
Wire transfers and money orders payable, net	112,251	56,066
Accrued and other liabilities	41,855	33,760
Total current liabilities	<u>184,767</u>	<u>116,859</u>
Long-term liabilities:		
Long-term debt, net	150,235	79,211
Lease liabilities, net	23,272	-
Deferred tax liability, net	3,892	1,426
Total long-term liabilities	<u>177,399</u>	<u>80,637</u>
Stockholders' equity:		
Total stockholders' equity	<u>149,906</u>	<u>143,040</u>
Total liabilities and stockholders' equity	<u>\$ 512,072</u>	<u>\$ 340,536</u>

Condensed Consolidated Statements of Income

	Three Months Ended December 31,		Year Ended December 31,		
	2022	2021	2022	2021	2020
	(Unaudited)				
<i>(in thousands of dollars, except for share data)</i>					
Revenues:					
Wire transfer and money order fees, net	\$ 132,822	\$ 108,832	\$ 469,162	\$ 393,241	\$ 307,909
Foreign exchange gain, net	20,201	17,485	72,920	62,832	46,763
Other income	1,414	858	4,723	3,133	2,537
Total revenues	154,437	127,175	546,805	459,206	357,209
Operating expenses:					
Service charges from agents and banks	102,087	84,806	364,804	307,458	238,597
Salaries and benefits	15,313	12,156	52,224	43,065	32,831
Other selling, general and administrative expenses	9,904	7,784	34,394	30,334	22,086
Transaction costs	2,531	1,006	3,005	1,006	-
Depreciation and amortization	2,758	2,449	9,470	9,491	10,828
Total operating expenses	132,593	108,201	463,897	391,354	304,342
Operating income	21,844	18,974	82,908	67,852	52,867
Interest expense	2,099	976	5,629	4,537	6,566
Income before income taxes	19,745	17,998	77,279	63,315	46,301
Income tax provision	6,678	4,866	19,948	16,472	12,517
Net income	\$ 13,067	\$ 13,132	\$ 57,331	\$ 46,843	\$ 33,784
Earnings per common share:					
Basic	\$ 0.35	\$ 0.34	\$ 1.52	\$ 1.22	\$ 0.89
Diluted	\$ 0.35	\$ 0.33	\$ 1.48	\$ 1.20	\$ 0.88
Weighted-average common shares outstanding:					
Basic	36,941,754	38,608,869	37,733,047	38,474,040	38,060,290
Diluted	37,788,404	39,236,948	38,625,390	39,103,450	38,358,171

Reconciliation from NI to Adjusted NI

<i>(in thousands of dollars, except for share data)</i>	Three Months Ended December 31,		Year Ended December 31,		
	2022	2021	2022	2021	2020
	(Unaudited)		(Unaudited)		
Net Income	\$ 13,067	\$ 13,132	\$ 57,331	\$ 46,843	\$ 33,784
Adjusted for:					
Share-based compensation (a)	1,560	1,219	7,118	4,601	3,237
Offering costs (b)	-	-	-	-	509
TCPA settlement (c)	-	-	-	-	60
Loss on bank closure (d)	-	-	1,583	2,000	252
Transaction costs (e)	2,531	1,006	3,005	1,006	-
Other charges and expenses (f)	382	112	1,141	1,705	637
Amortization of intangibles (g)	1,186	1,263	4,102	5,052	6,841
Income tax benefit related to adjustments (h)	(1,176)	(842)	(4,376)	(3,738)	(2,981)
Adjusted Net Income	\$ 17,550	\$ 15,890	\$ 69,904	\$ 57,469	\$ 42,339
Adjusted Earnings per share					
Basic	\$ 0.48	\$ 0.41	\$ 1.85	\$ 1.49	\$ 1.11
Diluted	\$ 0.46	\$ 0.40	\$ 1.81	\$ 1.47	\$ 1.10

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

(b) Represents expenses incurred for professional and legal fees in connection with secondary offerings for the Company's common stock.

(c) Represents legal fees for the settlement of a class action lawsuit related to the Telephone Consumer Protection Act.

(d) Represents losses related to the closure of financial institutions in Mexico.

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

(f) Represents primarily loss on disposal of fixed assets, including a write-off of software development expenditures in an amount of \$1.0 million during the year ended December 31, 2021 and foreign currency (gains) losses.

(g) Represents the amortization of intangible assets that resulted from business combination transactions.

(h) 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

	<u>Three months ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Unaudited)		(Unaudited)	
GAAP Basic Earnings per Share	\$ 0.35	\$ 0.34	\$ 1.52	\$ 1.22
Adjusted for:				
Share-based compensation	0.04	0.03	0.19	0.12
Loss on bank closure	-	-	0.04	0.05
Transaction costs	0.07	0.03	0.08	0.03
Other charges and expenses	0.01	NM	0.03	0.04
Amortization of intangibles	0.03	0.03	0.11	0.13
Income tax benefit related to adjustments	(0.03)	(0.02)	(0.12)	(0.10)
Non-GAAP Adjusted Basic Earnings per Share	<u>\$ 0.48</u>	<u>\$ 0.41</u>	<u>\$ 1.85</u>	<u>\$ 1.49</u>

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

	<u>Three months ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Unaudited)		(Unaudited)	
GAAP Diluted Earnings per Share	\$ 0.35	\$ 0.33	\$ 1.48	\$ 1.20
Adjusted for:				
Share-based compensation	0.04	0.03	0.18	0.12
Loss on bank closure	-	-	0.04	0.05
Transaction costs	0.07	0.03	0.08	0.03
Other charges and expenses	0.01	NM	0.03	0.04
Amortization of intangibles	0.03	0.03	0.11	0.13
Income tax benefit related to adjustments	(0.03)	(0.02)	(0.11)	(0.10)
Non-GAAP Adjusted Diluted Earnings per Share	\$ 0.46	\$ 0.40	\$ 1.81	\$ 1.47

NM—Amount is not meaningful

The table above may contain slight summation differences due to rounding

Recon. from NI to Adjusted EBITDA

<i>(in thousands of dollars)</i>	Three Months Ended December 31		Year Ended December 31,		
	2022	2021	2022	2021	2020
	(Unaudited)		(Unaudited)		
Net income	\$ 13,067	\$ 13,132	\$ 57,331	\$ 46,843	\$ 33,784
Adjusted for:					
Interest expense	2,099	976	5,629	4,537	6,566
Income tax provision	6,678	4,866	19,948	16,472	12,517
Depreciation and amortization	2,758	2,450	9,470	9,491	10,828
EBITDA	24,602	21,424	92,378	77,343	63,695
Share-based compensation (a)	1,560	1,219	7,118	4,601	3,237
Offering costs (b)	-	-	-	-	509
TCPA settlement (c)	-	-	-	-	60
Loss on bank closure (d)	-	-	1,583	2,000	252
Transaction costs (e)	2,531	1,006	3,005	1,006	-
Other charges and expenses (f)	383	112	1,141	1,705	637
Adjusted EBITDA	\$ 29,076	\$ 23,761	\$ 105,225	\$ 86,655	\$ 68,390

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

(b) Represents expenses incurred for professional and legal fees in connection with secondary offerings of the Company's common stock.

(c) Represents legal fees for the settlement of a class action lawsuit related to the Telephone Consumer Protection Act.

(d) Represents losses related to the closure of financial institutions in Mexico.

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

(f) Represents primarily loss on disposal of fixed assets, including a write-off of software development expenditures in an amount of \$1.0 million during the year ended December 31, 2021 and foreign currency (gains) losses.

Recon. of NI Margin to Adj. EBITDA Margin

	<u>Three Months Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Unaudited)		(Unaudited)	
Net Income Margin	8.5%	10.3%	10.5%	10.2%
Adjusted for:				
Interest expense	1.4%	0.8%	1.0%	1.0%
Income tax provision	4.3%	3.8%	3.6%	3.6%
Depreciation and amortization	1.8%	1.9%	1.7%	2.1%
EBITDA	15.9%	16.8%	16.9%	16.8%
Share-based compensation	1.0%	1.0%	1.3%	1.0%
Loss on bank closure	0.0%	0.0%	0.3%	0.4%
Transaction costs	1.6%	0.8%	0.5%	0.2%
Other charges and expenses	0.2%	0.1%	0.2%	0.4%
Adjusted EBITDA Margin	18.8%	18.7%	19.3%	18.9%

The table above may contain slight summation differences due to rounding

Recon. of NI to Net Free Cash Generated

<i>(in thousands of dollars)</i>	For the three months ended December 31,		For the year-ended December 31,		
	2022	2021	2022	2021	2020
	(Unaudited)			(Unaudited)	
Net income for the period	\$ 13,067	\$ 13,132	\$ 57,331	\$ 46,843	\$ 33,784
Depreciation and amortization	2,758	2,450	9,470	9,491	10,828
Stock compensation expense	1,560	1,219	7,118	4,601	3,237
Provision for credit losses	550	529	2,572	1,537	1,801
Cash used in investing activities	(3,149)	(5,250)	(12,529)	(10,773)	(4,062)
Term loan pay downs	(1,094)	(1,094)	(4,375)	(4,103)	(7,661)
Net free cash generated during the period	\$ 13,692	\$ 10,986	\$ 59,587	\$ 47,596	\$ 37,927

Questions or request for conference call

please contact:

Mike Gallentine, VP of IR

mgallentine@intermexusa.com

305-671-8005

intermex[®]
INTERNATIONAL MONEY EXPRESS