



Investor Presentation

May 2023

dlx Cautionary Statement

Statements made in this presentation concerning Deluxe, the company's or management's intentions, expectations, outlook or predictions about future results or events are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements reflect management's current intentions or beliefs and are subject to risks and uncertainties that could cause actual results or events to vary from stated expectations, which variations could be material and adverse. Factors that could produce such a variation include, but are not limited to, the following: potential continuing negative impacts from pandemic health issues, such as the coronavirus / COVID-19, along with the impact of related government restrictions or similar directives on our future results of operations and our future financial condition; changes in local, regional, national and international economic or political conditions, including those resulting from heightened inflation, rising interest rates, a recession, or intensified international hostilities, and the impact they may have on the company, its customers or demand for the company's products and services; the effect of proposed and enacted legislative and regulatory actions affecting the company or the financial services industry as a whole; continuing cost increases and/or declines in the availability of materials and other services; the company's ability to execute its transformational strategy and to realize the intended benefits; the inherent unreliability of earnings, revenue and cash flow predictions due to numerous factors, many of which are beyond the company's control; declining demand for the company's checks, check-related products and services and business forms; risks that the company's strategies intended to drive sustained revenue and earnings growth, despite the continuing decline in checks and forms, are delayed or unsuccessful; intense competition; continued consolidation of financial institutions and/or bank failures, thereby reducing the number of potential customers and referral sources and increasing downward pressure on the company's revenue and gross profit; risks related to acquisitions, including integration-related risks and risks that future acquisitions will not be consummated; risks that any such acquisitions do not produce the anticipated results or synergies; risks that the company's cost reduction initiatives will be delayed or unsuccessful; risks related to any divestitures contemplated or undertaken by the company; performance shortfalls by one or more of the company's major suppliers, licensors or service providers; continuing supply chain and labor supply issues; unanticipated delays, costs and expenses in the development and marketing of products and services, including web services and financial technology and treasury management solutions; the failure of such products and services to deliver the expected revenues and other financial targets; risks related to security breaches, computer malware or other cyber-attacks; risks of interruptions to the company's website operations or information technology systems; and risks of unfavorable outcomes and the costs to defend litigation and other disputes. The company's forward-looking statements speak only as of the time made, and management assumes no obligation to publicly update any such statements. Additional information concerning these and other factors that could cause actual results and events to differ materially from the company's current expectations are contained in the company's Form 10-K for the year ended December 31, 2022, and other filings made with the SEC. The company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.

Any references to non-GAAP financial measures are reconciled to the comparable GAAP financial measures as part of this presentation.

d1x Deluxe Platforms Help Businesses Succeed in 3 Core Areas

1. Pay with Ease



Payables as a Service (Deluxe Payment Exchange - DPX)

Send digital payouts and remittance data without friction



Security and Protection

Fraud-prevention services for digital payments and checks



Payroll and HR services

Digital hiring and onboarding and payroll and benefit administration



Personal Check Automated Ordering Systems

Easy automated process for check-ordering for customers

2. Get Paid Faster



Receivables as a Service

Automate payment processing and cash application for all receivables



Merchant Services

End-to-end omni-channel payment acceptance



Lockbox Services

Reliable, secure and scalable check processing solutions



Remote Deposit Capture

Single provider working with financial institutions (FIs) at every stage of the RDC lifecycle

3. Grow Profitably



Data-Driven Marketing

Actionable data, analytics and campaign solutions



Promotional Solutions

Accelerate growth, brand management through integrated platform



Banker's Dashboard

Anywhere, anytime access to financial performance for FIs



Incorporation Services

Incorporation and licensing services along with other new business set-up services

Trusted Payments & Data Company



Scale & Growth in Big Markets: Payments and Data

	OUR SOLUTIONS	WHERE & HOW WE WIN	WHY WE WIN	CURRENT SCALE
1. Pay with Ease	Payables as a Service (DPX) Send digital payouts and remittance data without friction	Selling to Enterprises and Small and medium sized businesses (SMBs) directly and through FIs and industry-specific partners.	» Non-disruptive to AP » Payment choice flexibility » Expanding use cases	\$24B in disbursements
	Payroll and HR Pay employees and streamline HR processes – all in one place	Selling to SMBs directly, through FIs, resellers, acquirers, and independent software vendors (ISVs)	» Trusted partner to SMBs » Next-Gen self-onboarding » Automated HR workflows	\$8.8B managed payroll funds ¹
2. Get Paid Faster	Receivables as a Service (RaaS) Automate payment processing and cash application	Selling to SMBs and Enterprises through FIs	» All-in-one AR cloud solution » Intelligent matching » 360-degree view of all data	\$3.0T in receivables processed ²
	Merchant Services End-to-end omni-channel payment acceptance	Selling to SMBs, directly, through FIs, ISV & partners	» Scaled and leading acquirer » Vertical specialty » ISV and bank strength	\$40B in card processing volume
3. Grow Profitably	Data-Driven Marketing (DDM) Acquire, grow, and retain customers with strategic campaigns using sourced data	Selling to FIs and Enterprise Verticals directly	» Full-service, omnichannel, B2B & B2C marketing » Multi-sourced data assets » Specialized campaign strategy + execution	30+ proprietary insight scores 1000+ marketing campaigns deployed annually

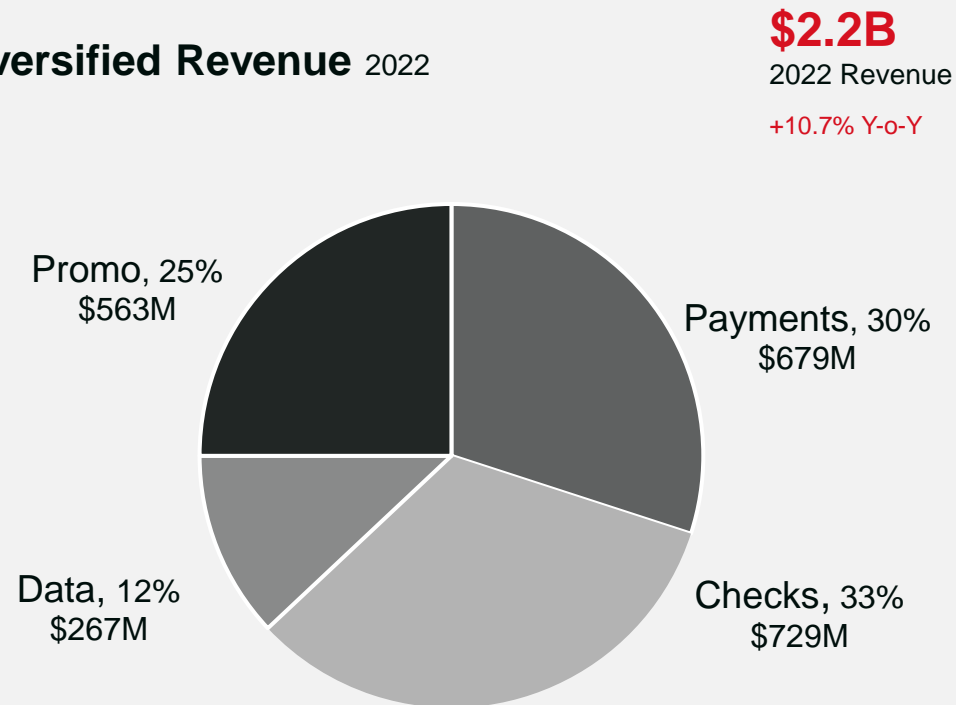
¹ Includes US and Canada

² Includes processed directly in outsourced model and indirectly through partners using our software

dlx 4 Clear Segments: Payments | Data | Promo | Checks

Diversification, Growth, and Strong, Predictable Cash Flow

DLX Diversified Revenue 2022



~80% Recurring Payments Revenue
~35% Total Business Recurring Revenue

Growth Drivers



Scaled distribution model and channels



Focused investments on innovation in Payments and Data



Continued cross-sell opportunities drives strong pipeline



Increasing recurring revenue model

¹ See Financial Information for the reconciliation of Adjusted EBITDA to Net Income.

dlx **Power of One Deluxe Model: Exceptional Reach**

Targeting Enterprises and Small Businesses



4,000 financial institution partners
Preferred partner for 180 of the top 200 banks



100+ integrated software providers
Integrated payment functionality into various vertical-specific solutions



Business partners
Vertical-Specific Affiliates and Independent Sales Organizations (ISOs), who market and sell Merchant Services



Direct-to-business
4M SMB customers and more than 200 enterprise customers through an extensive inside and national field sales team of more than 150 reps



Marketplaces and platform integrations
Embedding solutions into all-digital partner experiences and marketplaces

One Deluxe Model = Powerful Cross-Selling Engine

Solve customer problems with multiple Deluxe Solutions – not peddling one solution at a time

dlx One Deluxe Results & Opportunity

- » Sales-driven growth in FY 2022 – second year in a row
- » Merchant Services
 - First American continues to sign on additional bank customers
 - Since the acquisition, we have onboarded approximately 1100 new clients that were DLX relationships or referrals



- » 30-year customer - 1 product: Check
- » Listened to customer needs
- » Delivered solutions to meet challenges
- » >4 products sold - from each segment



- » Multi-year customer - 1 product: Data
- » Listened to customer needs
- » Delivered solutions to meet challenges
- » Largest sale in company history

Opportunity: Repeat with our 4,000 FI, 4 Million SMBs & 100s of global brands

dlx Driving Innovation Through Robust Technology Platforms

Pay with Ease

Get Paid Faster

Grow Profitably



Accessible

Easily access front and back-end portals anytime, anywhere



Elastic

Easily add or remove capabilities as needed



Fast Deployments

Integrated APIs to enable speedy implementations and access to infrastructure in minutes



Scalable

Access to effectively limitless capability



Connected Interfaces

Content, user interfaces, collaboration, communication, and identity management into single user experiences



Secure

A collection of tools to protect data and privacy



Strategic, cloud-based platforms support and enable our growth initiatives

dlx Successfully Executing Growth Strategy

Four Pillars Driving Future Growth

Sales



- Unified Go-To-Market sales approach
- Cross-sell to new and existing customers
- Continue to expand distribution model via sell-through partners

Growth Businesses



- Focus on growing Payments and Data
- Continue to innovate new products and services
- Continue moving to recurring revenue model

Promotional Solutions Profitability



- Continue to improve distribution cost model
- Continue moving to recurring revenue model

Checks



- Capture new market share
- Executing on investments to optimize the business
- Driving strong cash flow to invest in Payments and Data
- Strong lead generation

One Deluxe = *Trusted Payments & Data* Company

d1x Positioned for Long-Term Growth

Established Strong Foundation

Built sales organization

- Unified view of the customer
- Leverage existing customers to cross-sell additional products
- One Deluxe approach continues to drive new wins

Scaled and modernized technology

- Implemented new infrastructure
- Technology supports distribution

Product Innovation

- Established Innovation & Customer Experience Center
- Rolled out new products such as Digital Payments and HR/Payroll
- Implemented design thinking

What's Next

Continue to scale distribution model

- Sell-through partners
- Expand into new verticals
- Added customer success

Drive technology platform scale

- Increased efficiencies after ERP
- Building API capabilities

Sustained Innovation

- Payments and Data focused initiatives
- New products and features





deluxe®

Appendix



d1x Payments Growth Fueled by Innovation

2022 Revenue	\$679M
2022 % Company Revenue	30%
2022 Adjusted EBITDA Margin	21.3%
Expected 2023 Revenue Growth %	Mid-single digit

	Our Solutions	Where We Win	Why We Win
Pay with Ease	 Payables as a Service (DPX) Send digital payouts and remittance data without friction	Seamlessly converting ad-hoc B2B and B2C disbursements from paper to digital	» Non-disruptive to AP » Payment choice flexibility » Expanding use cases
	 Payroll and HR Pay employees and streamline HR processes – all in one place	Helping small businesses take back time-starved days with a complete hire-to-retain solution	» Trusted partner to SMBs » Next-Gen self-onboarding » Automated HR workflows
Get Paid Faster	 Receivables as a Service Automate payment processing and cash application	Partnering with banks to help businesses optimize liquidity and working capital	» All-in-one AR cloud solution » Intelligent matching » 360-degree view of all data » Scaled lockbox operation
	 Merchant Services End-to-end omni-channel payment acceptance	Powering payments for small and large merchants through diversified distribution	» Scaled and leading acquirer » Vertical specialty » ISV and bank strength

Fastest Growing Segment in Strong Secular Growth Industry
Enabling Businesses of all Sizes to Pay, Get Paid, and Grow Profitably

dlx Differentiation: Leading With Technology and Distribution

Platform Scale



\$3.0T

receivables transactions¹



\$40B+

processing volume



\$25B+

payments disbursed



4,000

financial institution partners

- » Unrivaled scale
- » End-to-end automation
- » Digital and paper receivables

- » Top 10 non-bank acquirer
- » 155,000 merchants
- » Omnichannel capabilities

- » 3 million suppliers and consumers paid
- » 5 million employees paid

- » 180 of the top 200 banks
- » One-to-many distribution
- » Natural product cross-selling
- » Additional partners and verticals
- » Internal sales force

¹ Includes processed directly in outsourced model and indirectly through partners using our software

d1x Strong Market Position Winning Against Point Solutions Providers



A **compelling product portfolio** showing a clear end vision for customers



A **partner-first strategy with Financial Institutions** unlike other Fintechs






























Strong market **momentum with expansion** into adjacent areas and new use cases

Deluxe Payments

Optimizing how businesses pay, get paid, and grow profitably

Our Competitors

Payables as a Service (DPX)	Payroll and HR	Receivables as a Service	Merchant Services	Lockbox Services
				
				
				
				
				
				

Selected Key Competitors – Not Exhaustive

Payments

dlx Market: Underpenetrated and Massive Opportunity

Pay with Ease

Payables as a Service

Convert paper to digital payouts and evolve to integrated payables for

\$25T

B2B payments volume
addressable market

\$11T

B2C payments volume
addressable market

Get Paid Faster

Receivables as a Service

Automating payment processing and cash application for all receivables is a

\$5-10B

addressable market

Payroll and HR

Pay employees and streamline HR processes is a

\$9B

addressable market

Merchant Services

End-to-end omni-channel payment acceptance is a

\$19B+

addressable market

dlx Transforming Into a Scaled Payments Company



The largest acquisition in Deluxe's 100+ year history

Scaled payment processor that provides partners and merchants with a full suite of **payment solutions**:



In-store



Online



Mobile

TRANSACTION HIGHLIGHTS

\$959M

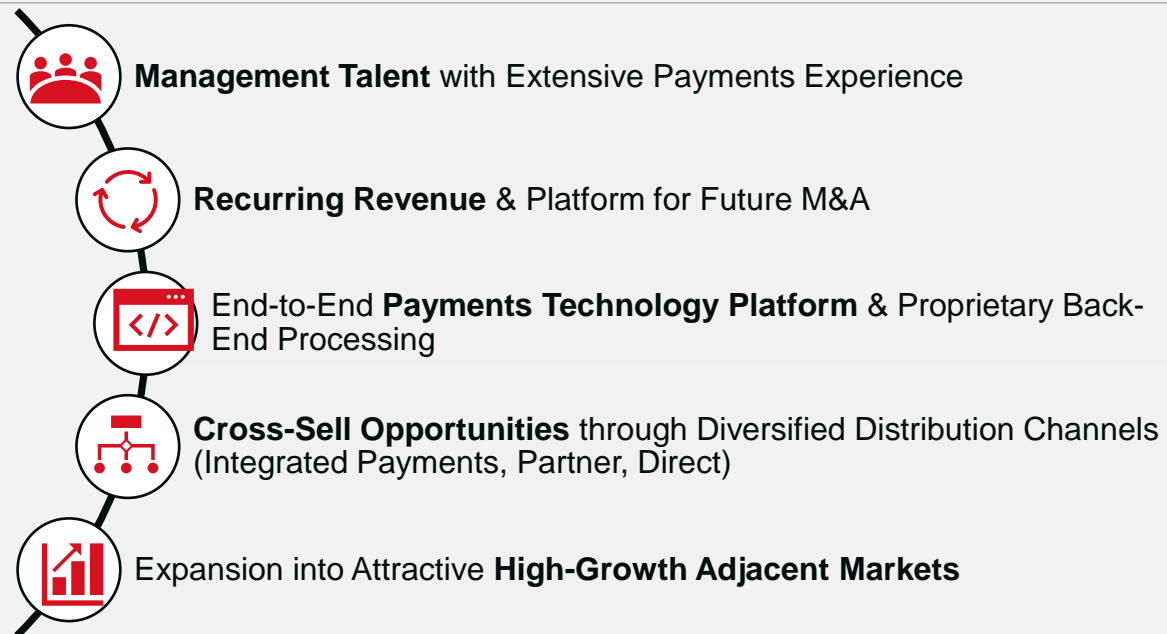
All Cash Transaction

2x

Expected to **double**
Deluxe's Payments
business

ACQUISITION RATIONALE

FAPS was selected out of **60+ potential acquisition** targets analyzed

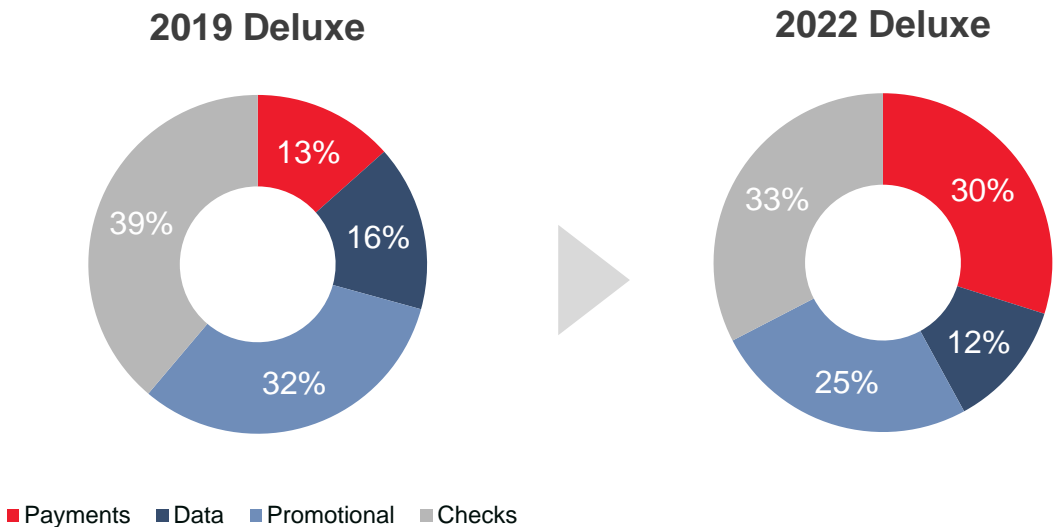


Driving meaningful revenue synergies, and building out scale

dlx Payments Becoming a Larger Portion of Revenue and Adjusted EBITDA

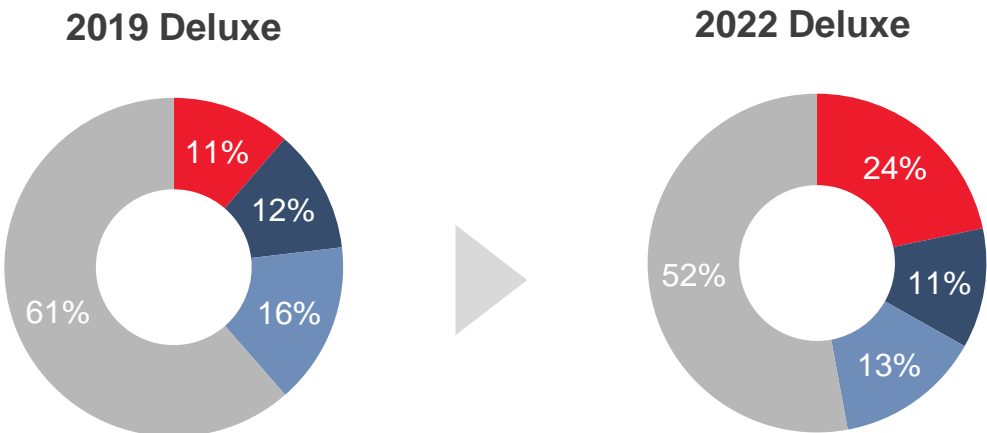
Revenue

Payments is ~30% of DLX 2022 Revenue



Total Segment Adjusted EBITDA¹



Payments is ~24% of DLX 2022 Total Segment Adjusted EBITDA



Payments' revenue expected to equal Checks in 2023

¹ Segment information calculated utilizing the methodology outlined in the Notes to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 where the reconciliation of Total Segment Adjusted EBITDA to Income before income taxes is also provided

dlx Data Solutions: Data-Driven Growth

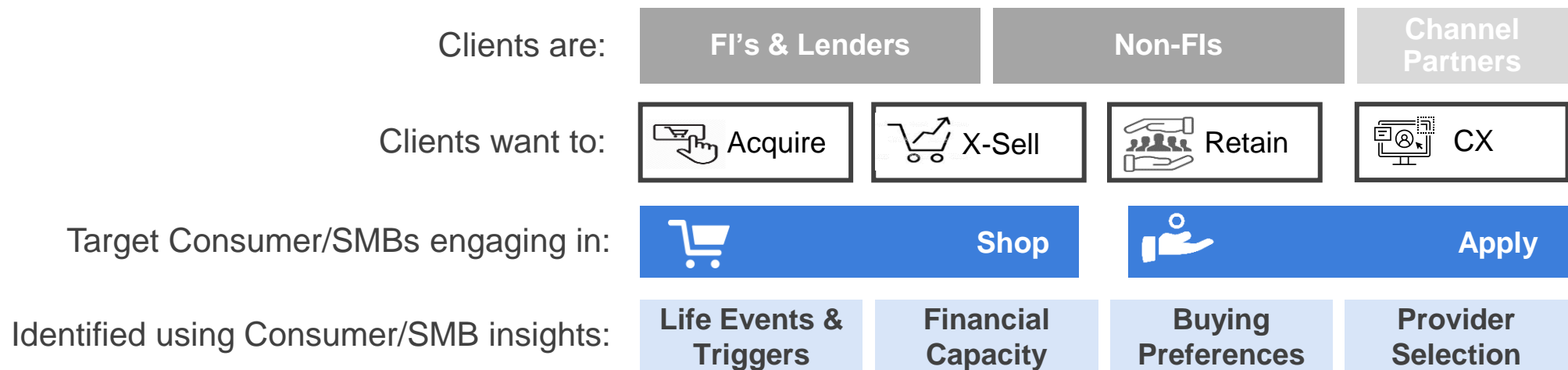
Our Solutions	Where We Win	Why We Win	
 Data Analytics Full-service, omni-channel, B2B & B2C marketing	FIs and Enterprises Shifting to highly targeted campaigns & digital integration for customer acquisition. Improving through new data sources.	<ul style="list-style-type: none"> • Sophisticated AI tools • Proprietary Data; custom solutions • Pay-for-Performance and/or Pay-For-Service • Billions of insights on consumers and small businesses • One of the largest super aggregators of consumer and small business marketing data 	2022 Revenue \$267M 2022 % Company Revenue 12% 2022 Adjusted EBITDA Margin 25.5%
 SaaS Solutions DIY and DIFM models, Incorporation services	SMBs and FIs Increasing need for digital tools and support to effectively set up and manage business operations	<ul style="list-style-type: none"> • Easy to use • Easy to find on-line • Competitively priced • Potential product bundling 	Expected 2023 Revenue Growth % Low single digits not including business exits¹

Moderate Growth Segment to Grow Enterprises and Start / Manage SMBs

¹ Expect approximately \$57 million revenue decline in 2023 from business exits

d1x Data Solutions: DDM Business Overview

DDM helps clients grow their business...





...through a comprehensive solution suite



Deluxe DDM offers clients multiple “buying models,” from data licensing and data-only engagements to full-service campaign design and execution

Promotional Solutions: Tech-Driven Platform

Our Solutions		Where We Win	Why We Win		
 Platform to Manage a Business's Physical Brand Impression <ul style="list-style-type: none"> • Customized • Ease of access • Reporting insights • Self-service platform 		<ul style="list-style-type: none"> • SMBs • Enterprises • Global Brands 	<ul style="list-style-type: none"> • Omni-channel distribution • Well-curated selection • Rapid innovation 	2022 Revenue	\$563M
			Turn-Key Business-Branded Product/Inventory Management <ul style="list-style-type: none"> • Managed Service • Branded merchandising • Recurring revenue streams 	2022 Company Revenue	25%
 Manufacturing Traditional Business Essentials <ul style="list-style-type: none"> • Branded forms • Branded direct mailing pieces • Branded physical products 		Market Growth <ul style="list-style-type: none"> • Flat • Continue to increase scale 	Support Rapidly Changing Market Demands <ul style="list-style-type: none"> • Rapid prototyping • Deep sources of supply • Meet unique needs • Ease of access • Reporting insights 	2022 Adjusted EBITDA Margin	14.1%
				Expected 2023 Revenue Growth %	Low-single digits not including business exits¹



Modest growth segment helping businesses manage their brand and physical corporate-branded merchandise

¹ Expect approximately \$12 million revenue decline in 2023 from business exits

Checks

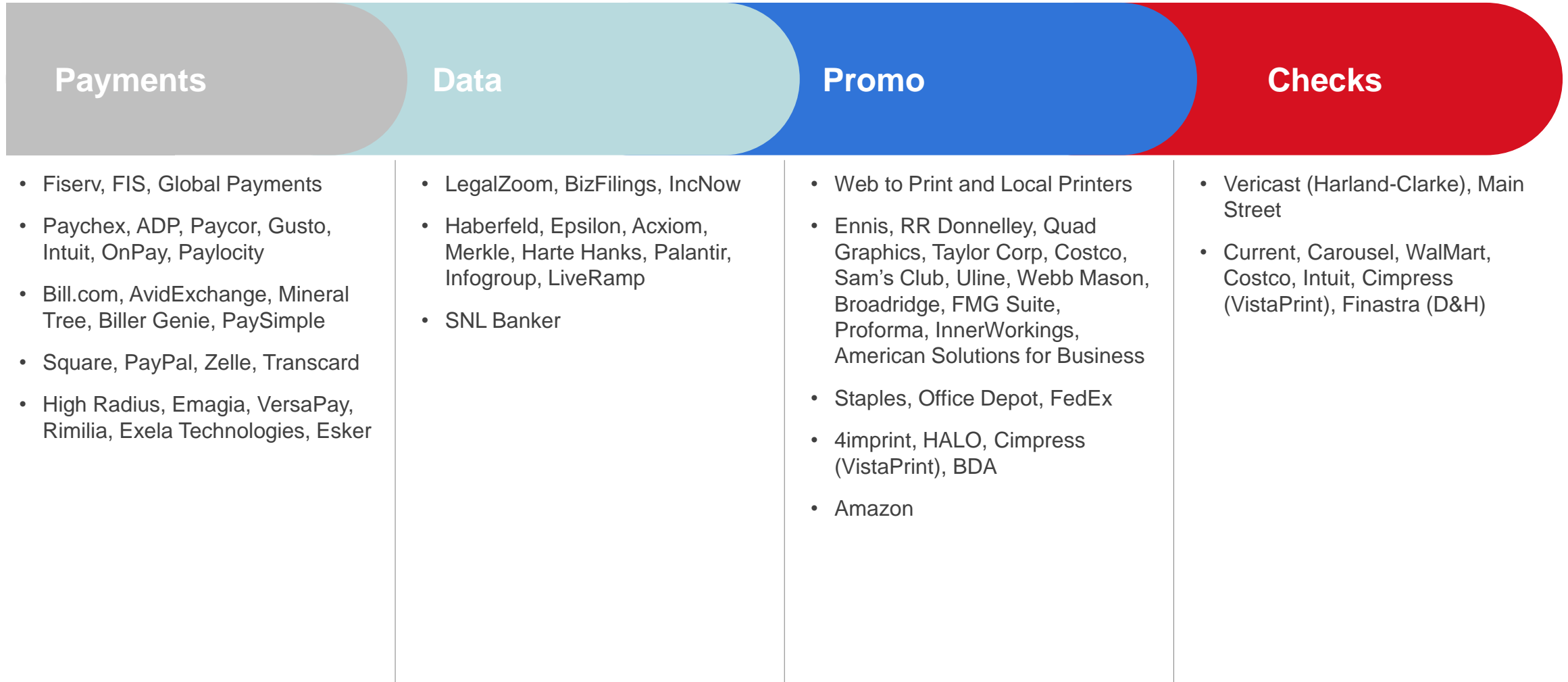
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Checks: Trusted, Long-Term Relationships Drive Cross-Sells

Solutions	Where We Win	Why We Win	
 Strong cash flow organically funds growth AND generates healthy return of capital to shareholders	Growing market share among FIs and other resellers of all sizes	<ul style="list-style-type: none">• Superior Product – appropriate continued investment; design and customization options• Superior Service – dedicated customer/account teams	<div>2022 Revenue\$729M</div> <div>2022 % Company Revenue33%</div>
 Lead generation source for cost-effective cross-selling other DLX solutions to existing customers		<ul style="list-style-type: none">• Superior Quality – minimal COVID-19 downtime/lost production• Trust – 100+ year history• Balance Sheet – DLX is financially sound, driving material competitive advantage	<div>2022 Adjusted EBITDA Margin44.0%</div> <div>Expected 2023 Revenue Decline %Mid-single digits</div>

Cash-Generating Segment Funding Deluxe’s Overall Growth

dlx Deluxe Competitive Landscape



dlx Investor Contact



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Financial Information



Consolidated Condensed Statements of Income

in millions, except per share amounts (Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Product revenue	\$329.5	\$336.9	\$1,286.2	\$1,244.5
Service revenue	234.5	233.7	951.8	777.7
Total revenue	564.0	570.6	2,238.0	2,022.2
Cost of products	(124.8)	(120.1)	(470.2)	(450.9)
Cost of services	(137.8)	(135.0)	(561.9)	(433.4)
Total cost of revenue	(262.6)	(255.1)	(1,032.1)	(884.3)
Gross profit	301.4	315.5	1,205.9	1,137.9
Selling, general and administrative expense	(240.1)	(255.4)	(993.3)	(941.0)
Restructuring and integration expense	(15.9)	(16.7)	(62.5)	(54.7)
Gain on sale of businesses and facility	—	—	19.3	—
Operating income	45.4	43.4	169.4	142.2
Interest expense	(29.0)	(20.0)	(94.4)	(55.6)
Other income	1.9	0.7	9.4	7.2
Income before income taxes	18.3	24.1	84.4	93.8
Income tax benefit (provision)	0.7	(10.3)	(18.9)	(31.0)
Net income	19.0	13.8	65.5	62.8
Non-controlling interest	—	—	(0.1)	(0.2)
Net income attributable to Deluxe	<u>\$19.0</u>	<u>\$13.8</u>	<u>\$65.4</u>	<u>\$62.6</u>
Weighted-average dilutive shares outstanding	43.4	43.1	43.3	42.8
Diluted earnings per share	\$0.44	\$0.32	\$1.50	\$1.45
Capital expenditures	31.1	28.1	104.6	109.1
Depreciation and amortization expense	43.6	45.8	172.6	148.8
EBITDA	90.9	89.9	351.3	298.0
Adjusted EBITDA	112.2	117.1	418.1	407.8

Segment Information

in millions (Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Revenue:				
Payments	\$171.4	\$167.3	\$678.6	\$510.4
Data Solutions	62.7	62.5	267.5	262.3
Promotional Solutions	154.3	156.7	562.9	546.5
Checks	175.6	184.1	729.0	703.0
Total	<u>\$564.0</u>	<u>\$570.6</u>	<u>\$2,238.0</u>	<u>\$2,022.2</u>
Adjusted EBITDA:				
Payments	\$37.0	\$34.5	\$144.6	\$105.6
Data Solutions	17.3	15.1	68.2	70.2
Promotional Solutions	29.8	28.6	79.5	85.4
Checks	74.7	83.2	320.5	324.2
Corporate	(46.6)	(44.3)	(194.7)	(177.6)
Total	<u>\$112.2</u>	<u>\$117.1</u>	<u>\$418.1</u>	<u>\$407.8</u>
Adjusted EBITDA Margin:				
Payments	21.6%	20.6%	21.3%	20.7%
Data Solutions	27.6%	24.2%	25.5%	26.8%
Promotional Solutions	19.3%	18.3%	14.1%	15.6%
Checks	42.5%	45.2%	44.0%	46.1%
Total	19.9%	20.5%	18.7%	20.2%

Reconciliation of GAAP to Non-GAAP Measures

EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin

in millions (Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net income	\$19.0	\$13.8	\$65.5	\$62.8
Non-controlling interest	—	—	(0.1)	(0.2)
Interest expense	29.0	20.0	94.4	55.6
Income tax (benefit) provision	(0.7)	10.3	18.9	31.0
Depreciation and amortization expense	43.6	45.8	172.6	148.8
EBITDA	90.9	89.9	351.3	298.0
Restructuring, integration and other costs	16.3	17.9	63.1	59.0
Share-based compensation expense	4.9	7.7	23.6	29.5
Acquisition transaction costs	—	0.1	0.1	18.9
Certain legal-related expense (benefit)	0.1	1.5	(0.7)	2.4
Gain on sale of businesses and facility	—	—	(19.3)	—
Adjusted EBITDA	<u>\$112.2</u>	<u>\$117.1</u>	<u>\$418.1</u>	<u>\$407.8</u>
Adjusted EBITDA margin	19.9 %	20.5 %	18.7%	20.2%

The image features the word "deluxe" in a black, lowercase, sans-serif font. The letter "x" is highlighted in red. A large, light gray "X" is superimposed over the entire image, with its arms extending from the corners towards the center. The background is white.

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