

Paysafe:

Second Quarter 2021 Earnings Presentation

August 16, 2021



Forward Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Paysafe Limited’s (“Paysafe,” “PSFE” or the “Company”) actual results may differ from their expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as “anticipate,” “appear,” “approximate,” “believe,” “budget,” “continue,” “could,” “estimate,” “expect,” “forecast,” “foresee,” “goal,” “guidance,” “intends,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “seek,” “should,” “would” and variations of such words and similar expressions (or the negative version of such words or expressions) may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements include, without limitation, Paysafe’s expectations with respect to future performance.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially, and potentially adversely, from those expressed or implied in the forward-looking statements. While the Company believes its assumptions concerning future events are reasonable, a number of factors could cause actual results to differ materially from those projected, including, but not limited to: cyberattacks and security vulnerabilities; complying with and changes in money laundering regulations, financial services regulations, consumer and business privacy and data use regulations or other regulations in Bermuda, the UK, Ireland, Switzerland, the United States, Canada and elsewhere; changes in our relationships with banks, payment card networks, issuers and financial institutions; risk related to processing online payments for merchants and customers engaged in the online gambling and foreign exchange trading sectors; risks related to our ability to satisfy closing conditions with respect to our acquisitions; risks related to our focus on specialized and high-risk verticals; risks related to becoming an unwitting party to fraud or be deemed to be handling proceeds of crimes being committed by customers; the effects of chargebacks, merchant insolvency and consumer deposit settlement risk; changes to our continued financial institution sponsorship; failure to hold, safeguard or account accurately for merchant or customer funds; risks related to the availability, integrity and security of internal and external IT transaction processing systems and services; failure of third parties to comply with contractual obligations; changes and compliance with payment card network operating rules; substantial and increasingly intense competition worldwide in the global payments industry; the COVID-19 pandemic, including the resulting global economic uncertainties; risks related to developing and maintaining effective internal controls over financial reporting; managing our growth effectively, including growing our revenue pipeline; any difficulties maintaining a strong and trusted brand; keeping pace with rapid technological developments; risks associated with the significant influence of our principal shareholders; terrorism; and other factors included in the “Risk Factors” in our Form 20-F and in other filings we make with the SEC, which are available at <https://www.sec.gov>. Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with respect thereto or any change in events, conditions, or circumstances on which any statement is based, except as required by law.

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Statement Regarding Non-GAAP Financial Measures

This presentation also contains non-GAAP financial information. Paysafe management believes the presentation of these non-GAAP financial measures, when considered together with the Company’s results presented in accordance with GAAP, provide users with useful supplemental information regarding Paysafe’s operating performance. Reconciliations of these non-GAAP financial measures to their most directly comparable GAAP measures are set forth in the Appendix. These non-GAAP measures exclude items that are significant in understanding and assessing Paysafe’s financial results or position. Therefore, these measures should not be considered in isolation or as alternatives to measures under GAAP.

Introduction

Strong Q2 volume
and
revenue growth

Delivering on our strategy
with exciting wins across
iGaming and specialized
digital commerce and
continued execution
on transformation

Beginning to lap digital
wallet headwinds, while
direct marketing absorbs
impacts in 2021 (strong
recovery expected 2022)

Announced acquisitions of
PagoEfectivo and
SafetyPay, creating the
leading open banking
solution in Latin America

+41% YoY

Q2 volume growth

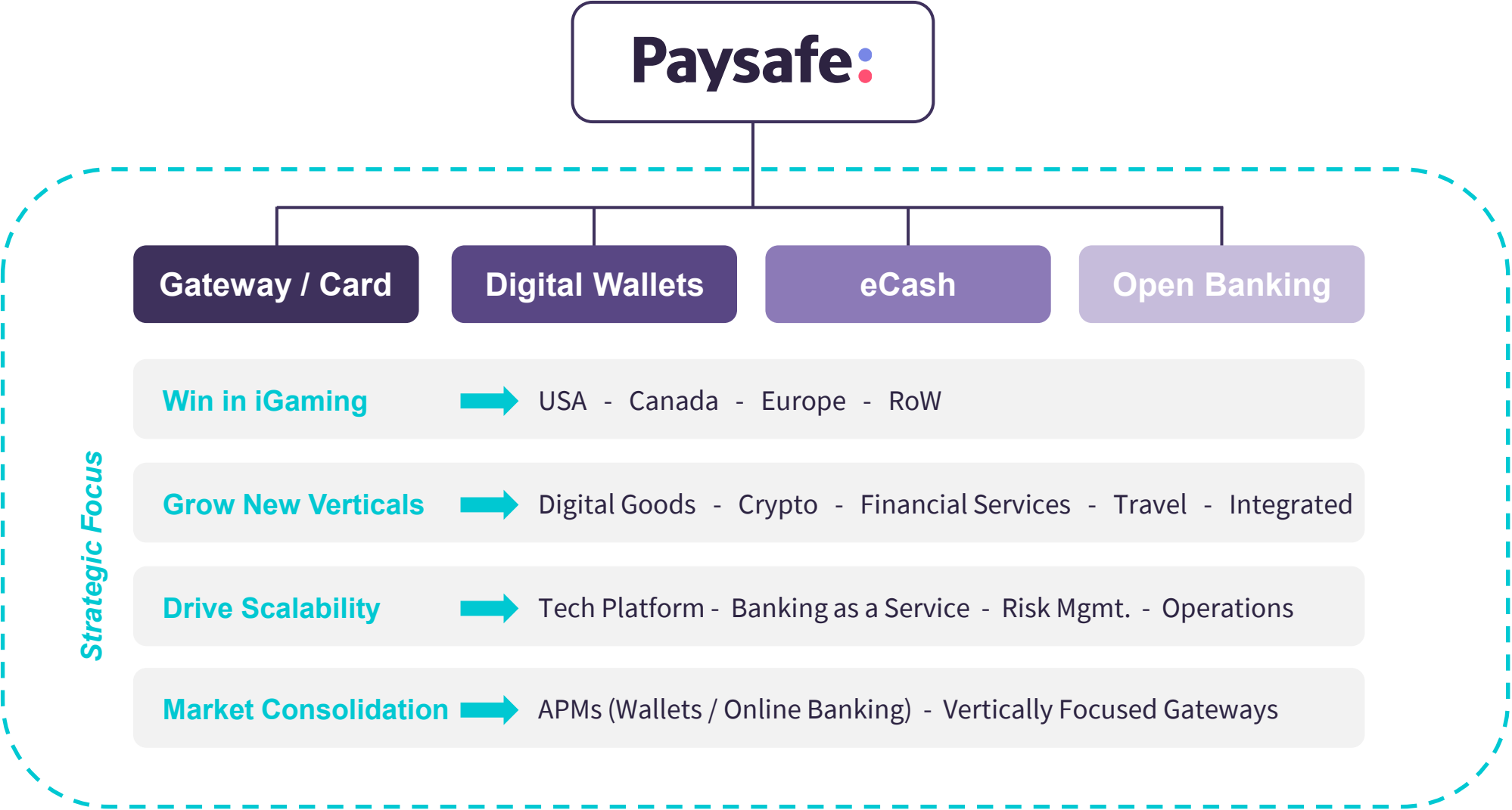
+16% YoY

Q2 revenue growth
pro forma⁽¹⁾ (+13% reported)

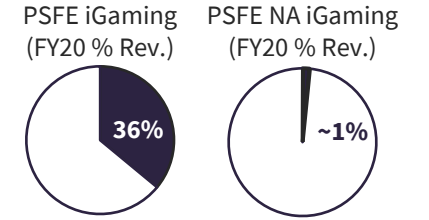
+23% YoY⁽²⁾

Q2 revenue growth *pro forma*⁽¹⁾
and excl. Direct Marketing

The leading specialized payments platform



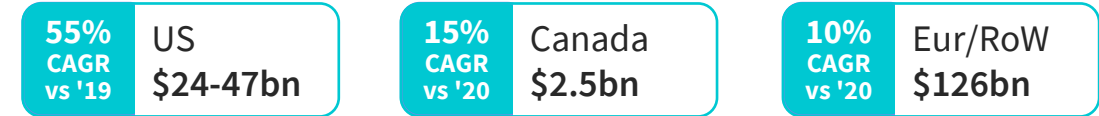
Leading in iGaming and well positioned to capitalize on the expanding North America market...



North America iGaming Market Today



Large, Growing TAM (2025P)⁽¹⁾



Broadest Offering

- ✓ Single integration
- ✓ End-to-end payments platform
- ✓ Connectivity into all available payment options
- ✓ Global risk/regulatory expertise
- ✓ Single solution for consumers and operators

Positioned to Win

- Serving >1,000 operators globally
- The trusted partner for regulated brands in Canada since 2010
- Connections to ~75% of US operators

Paysafe: **Skrill** **NETELLER** **paysafecard** **INCOME access**

(1) Projected deposit volumes.
 Europe and RoW – Management estimates based on EDC, H2 Gambling Capital and Eilers & Krejci market sizing research.
 Canada – EDC - Market Opportunity Overview, Online Gambling.
 US – Management estimates based on EDC, H2 Gambling Capital and Eilers & Krejci market sizing research. Assumes certain further legalization of US iGaming. United States upside case assumes further legalization of US iGaming in all states and sports betting levels are the same as the UK market.

...and we're delivering

Q2 and current highlights – North America iGaming

1 Growing

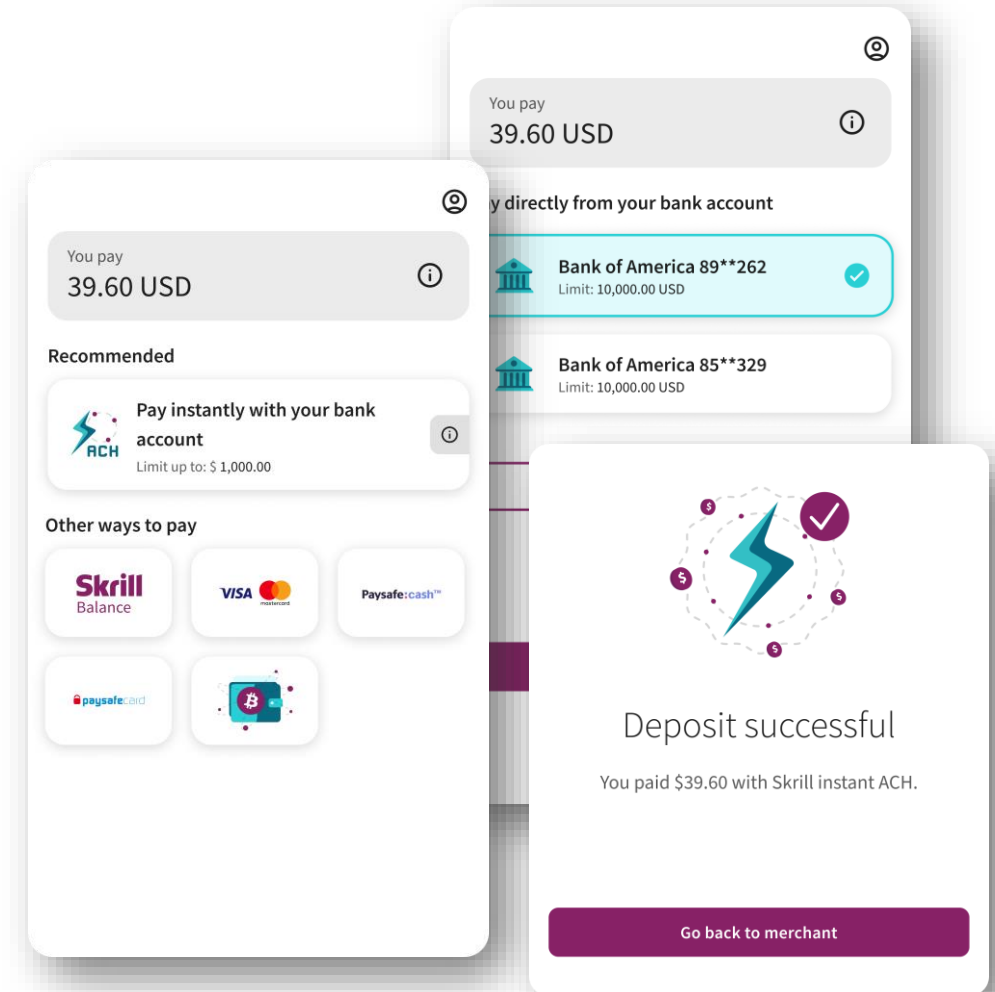
- NA iGaming: **volume growth +72%**, revenue growth +48% Q2 YoY

2 Winning

- **WynnBET** plugging into Paysafe gateway across 4 U.S. states; affiliate program powered by Paysafe Income Access
- Further expansion in Michigan:
 - Live with **Golden Nugget**
 - Expanded partnership with **FOX Bet**, integrating Skrill Digital Wallet and paysafecard
 - Connecting **Parx Interactive**® to full suite of payment methods (through integration with Playtech platform)

3 Innovating

- Executing **enhancements to Skrill** Digital Wallet (instant deposits & payouts) – **piloting 8 operators**



Growing digital commerce in attractive verticals

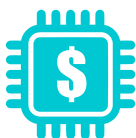
Targeted Digital Commerce Verticals & TAM

(2020e Volume)



Digital Goods

\$500bn+(¹)



FinTech Services

\$2.9tn+(²)



Travel & Entertainment

\$1.5tn+(³)

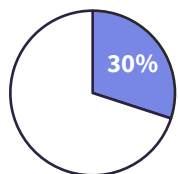


Integrated Payments

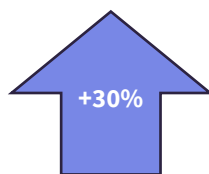
\$2.2tn+(⁴)

Paysafe Emerging Verticals

(Excl. Direct Marketing)



% of 2020 Total PSFE Revenue



Q2 Revenue YoY growth

Q2 and current highlights

Digital Goods

- Live in **22 countries with Microsoft**; enabling online cash transactions on **Xbox**
- Skrill live with **Riot Games** (League of Legends)
- Collaboration with **Wix** (leading SaaS eComm platform) – integrating Skrill gateway

Crypto

- Digital Wallet **live on 30 crypto exchanges** (8 live for Processing) and >80 markets; **added 22 new cryptocurrencies** available for trading (since Q1), now 37 total

Financial Services

- New eCash wins **Exeter Finance** and **REPAY**
- Expanded relationship with **IntelliPay** to include eCash (existing Processing customer)

Travel

- Launched **safeguarding solution** for travel industry (**Ambassador Cruise** partnership)
- Innovating US airline ticket payments (**ARC**)

(1) Newzoo 2019 global gaming report, EDC market analysis and annual reports and Wall Street Research of Amazon, Apple, Google, Facebook, Netflix, Spotify.

(2) Management estimates based on EDC, BIS, WFOE, Forbes, Visual Capitalist, Deutsche Borse Group, ESMA, Deutsche Bank WorldPay, Allied Market Research, reportsanddata.com, Challenger Bank investor presentations and company financial statements / annual reports.

(3) Euromonitor and Grandview Market Research.

(4) Glenbrook, Strawhecker TSG, IBIS, EDC and relevant annual reports from companies in the sector.

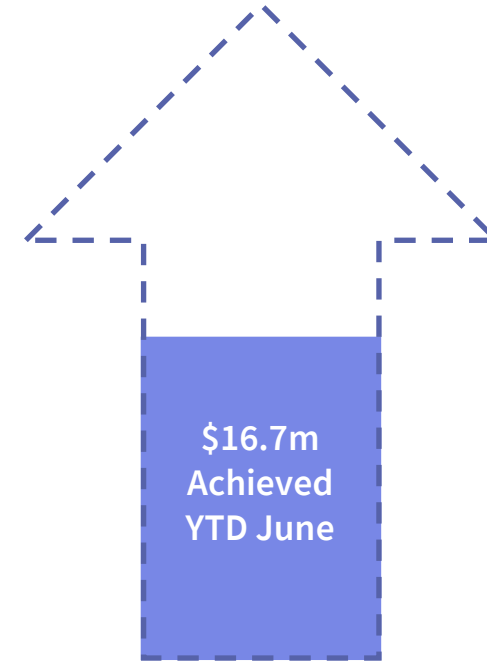
Progressing transformation and Foley playbook

- Strong YTD cost savings across Banking, Risk (improving loss rates), Operations and Procurement
- Migration to New Tech incl. cloud migration and global platforms on track
- Advancing Banking as a Service and broadening our network of relationships with leading banks; announced collaboration with Bankable



- Investing for growth
 - NA iGaming
 - eCash/bank funding option
 - eCommerce salesforce
 - InfoSec

**\$30m+ FY21
Cost Savings Target**
(**\$45m+ annualized**)



Acquisitions of PagoEfectivo and SafetyPay: Creating the leading open banking solution for Latin America

Consolidating leading LATAM eCash and online banking solutions that allow merchants to offer alternative payment methods at check-out, enabling more consumers in the region to transact online



Founded: 2009 **Countries:** 2 (HQ: Peru) **Online:** 100%

Distribution points: ~140K **Merchants:** ~660

Verticals:



iGaming



vGaming



Digital
G&S



eComm



Travel



Founded: 2007 **Countries:** 19 (HQ: Miami) **Online:** 100%

Distribution points: ~200K **Merchants:** ~380

Verticals:



iGaming



vGaming



Financial
Services



eComm



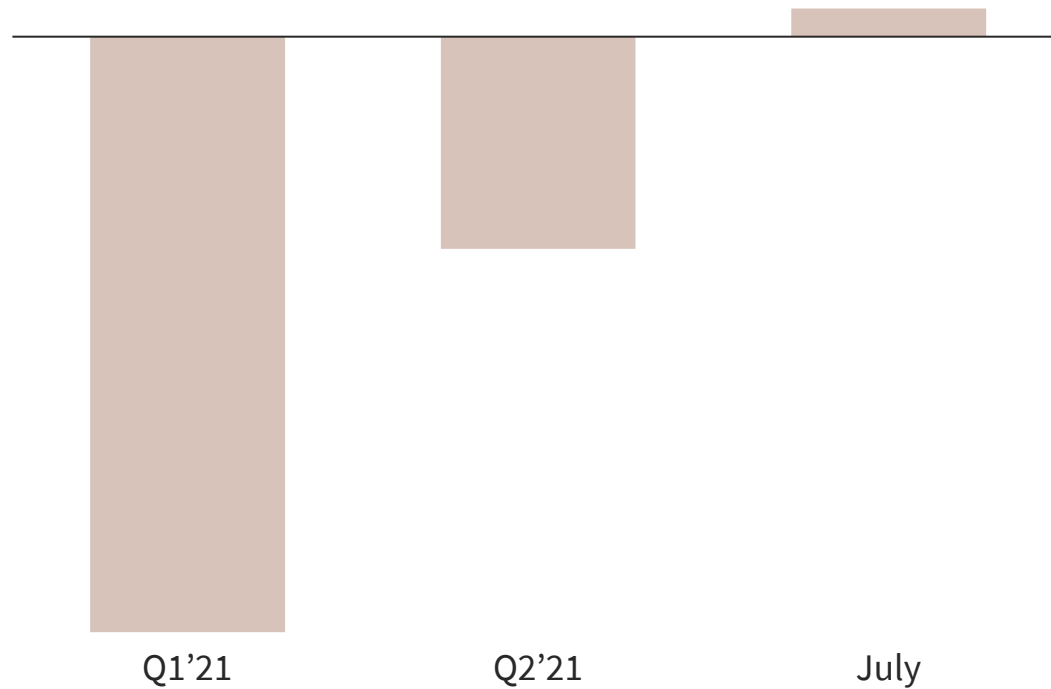
Travel

- ✓ Establishes a strategic foothold in Latin America and creates the leading open banking solution for the region
- ✓ Focused on complementary, attractive verticals in Latin America where eCommerce is growing rapidly
- ✓ Material synergies: (1) expands reach of Paysafe eCash, (2) augments our leading PSP and Digital Wallets with open banking, and (3) cross sell opportunities across our international merchant bases

- ✓ ~55% revenue CAGR (combined PagoEfectivo + SafetyPay) 2018-2020
- ✓ Expect PagoEfectivo + SafetyPay to add ~\$60m to Paysafe's revenue and ~\$20m to Adj. EBITDA in 2022
- ✓ >80% bank account coverage across Latin America and 240 bank integrations
- ✓ Presence in 60+ countries with 1m+ distribution points and 3,700+ merchants (Paysafe eCash segment + PagoEfectivo + SafetyPay)

Direct Marketing beginning to stabilize; expect strong recovery 1Q'22

Paysafe Direct Marketing - Net New Merchants



Backdrop

- Took decisive actions beginning of year to exit a discrete set of clients
- Overall market experiencing temporary contraction as market adjusts to new compliance
- Market remains attractive for Paysafe as a specialized provider

Recovery

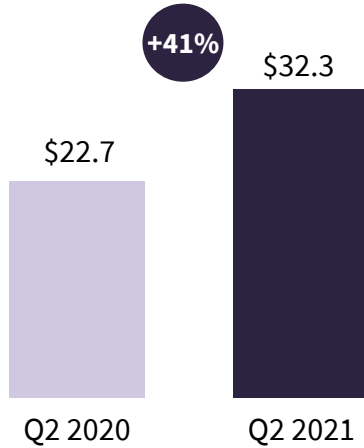
- Net new merchants turned positive June
- June attrition reached two-year low
- Salesforce enhancements to improve approval rate
- Well positioned with broadest capability set; largest banks/CRM backing

Q2 Revenue and Adj. EBITDA performance at high end of guidance

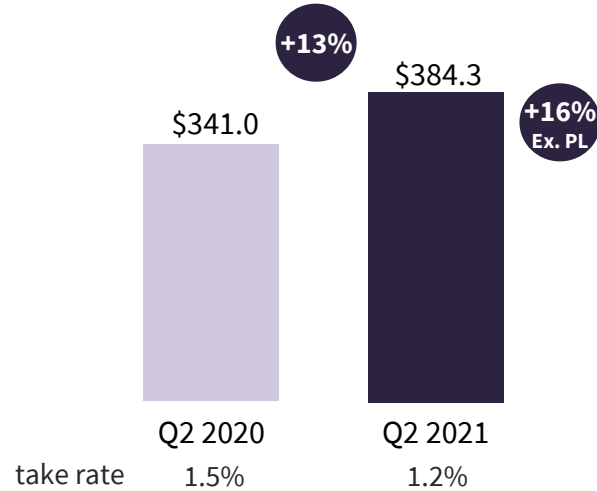
\$millions	Q2 2021	
	Guidance	Actual
Revenue	\$365 – \$385	✓ \$384
Gross Profit (excl. D&A)	\$225 – \$235	✓ \$229
Adj. EBITDA	\$110 – \$120	✓ \$119
Cost of Services (excl. D&A) + SG&A (excl. SBC)	\$250 – \$275	✓ \$266

Q2 financial highlights

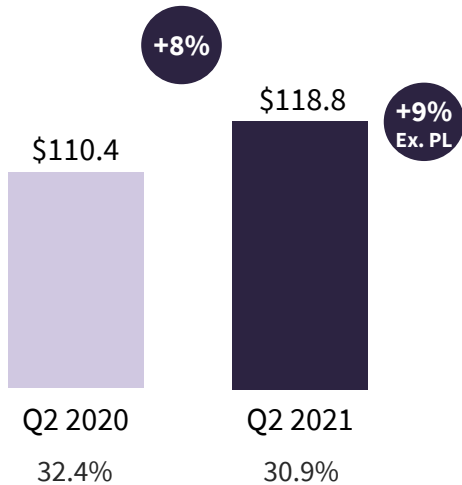
Volume (\$bn)



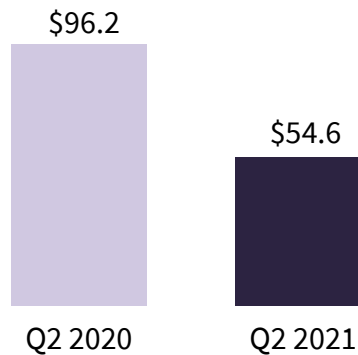
Revenue (\$m)



Adj. EBITDA⁽¹⁾ (\$m)



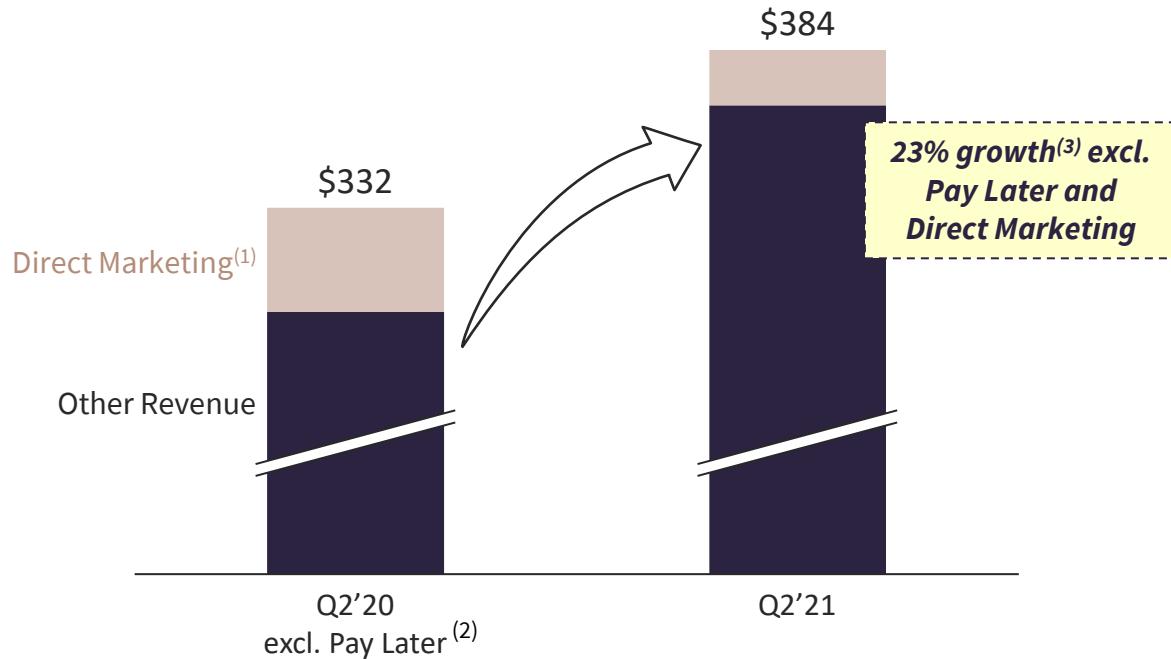
FCF⁽¹⁾ (\$m)



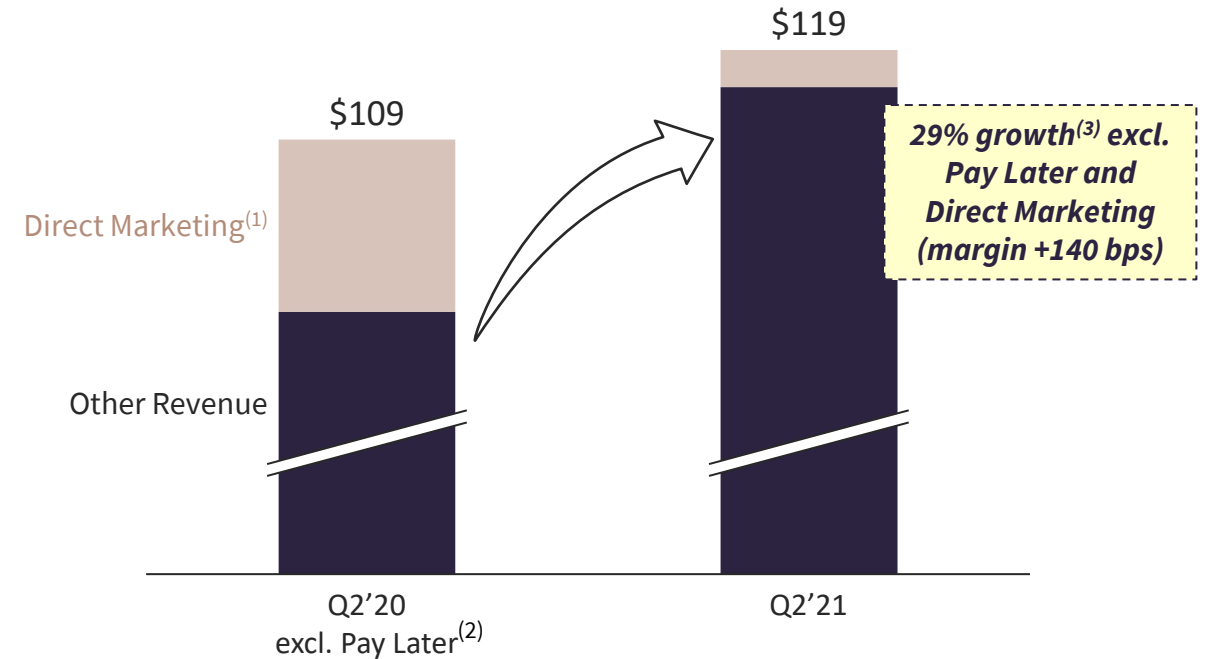
- **Volume.** YoY growth across all segments; sequential growth across Integrated Processing and Digital Wallet
- **Revenue.** Strong growth led by eCash and Integrated Processing; take rate compression reflects mix
 - eCash revenue +37% YoY
 - NA iGaming revenue +48%; volume +72% YoY
 - Strong growth across US Acquiring and eCommerce
 - Integrated Processing absorbing Direct Marketing impacts and FY'20 Pay Later divestiture
 - Digital Wallet beginning to lap market/channel exits
- **Adj. EBITDA.** Margin versus prior year reflects mix, 2020 temporary cost reductions, and investment, partially offset by cost optimization
- **FCF.** 46% conversion (FCF/AEBITDA) reflecting timing of tax payments Q2'21; YTD conversion 70%
- **Excluding Pay Later⁽²⁾.** Revenue growth of 16% and Adj. EBITDA growth of 9%

Delivered strong underlying growth (excl. direct marketing impact)

Q2 Revenue \$m



Q2 Adj. EBITDA \$m



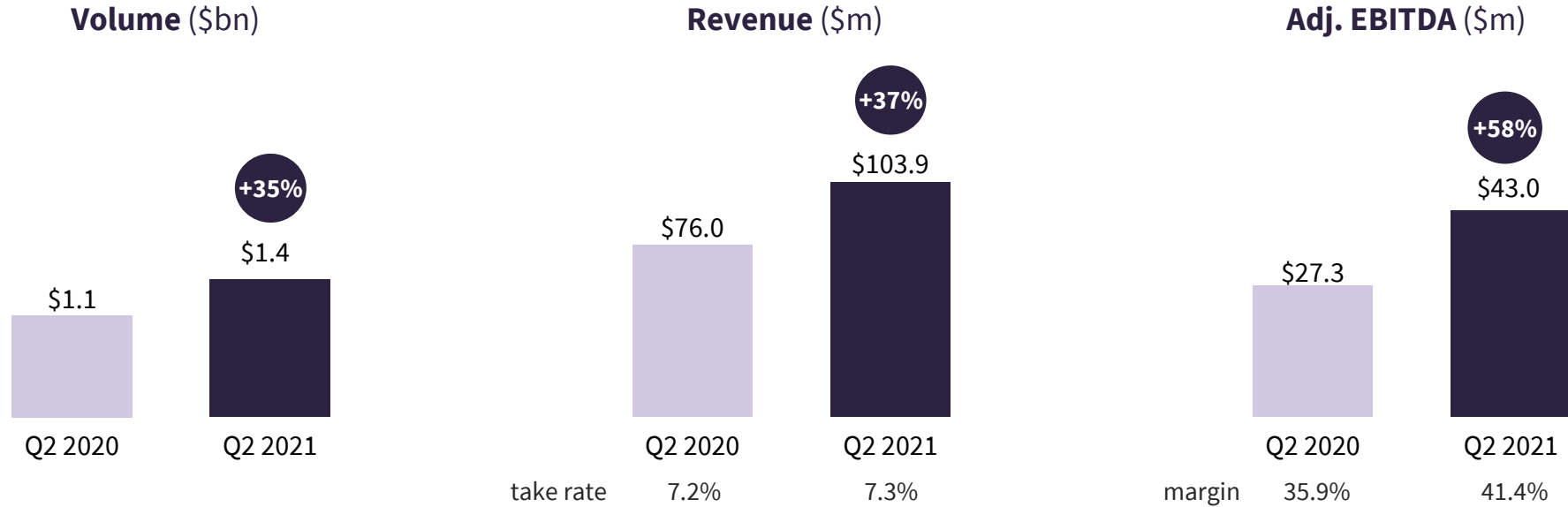
(1) Amounts predominately consist of direct marketing, but also includes additional card not present volumes in verticals with higher regulation and credit risk profiles including but not limited to insurance, multi-level marketing, credit monitoring and repair, membership and dating as well as retail low risk volume primarily in automotive, restaurant, and retail industries.
 (2) Figures exclude Pay Later, which was divested in October 2020. See appendix for a reconciliation of this non-GAAP financial measure.
 (3) Reflects Paysafe total revenue minus Direct Marketing. Amounts totaled \$366 million in Q2'21 and \$298 million in Q2'20. For Adjusted EBITDA, amounts totaled \$114.4 million in Q2'21 and \$88.8 million in Q2'20. Direct Marketing Adj. EBITDA amounts do not include allocation of shared costs.

Q2 summary of consolidated results

<i>\$ in millions, except volume</i>	Q2'20⁽¹⁾	Q2'21	Change
Volume	\$22.7bn	\$32.3bn	41%
Revenue	\$341.0	\$384.3	13%
Gross Profit (excluding D&A)	\$214.8	\$228.6	6%
Margin %	63.0%	59.5%	
Adj. EBITDA	\$110.4	\$118.8	8%
Margin %	32.4%	30.9%	
Depreciation and amortization	\$67.5	\$70.1	4%
Interest expense, net	\$42.5	\$62.7	47%
Net income (loss) attributable to Paysafe	(\$15.9)	\$6.6	NM

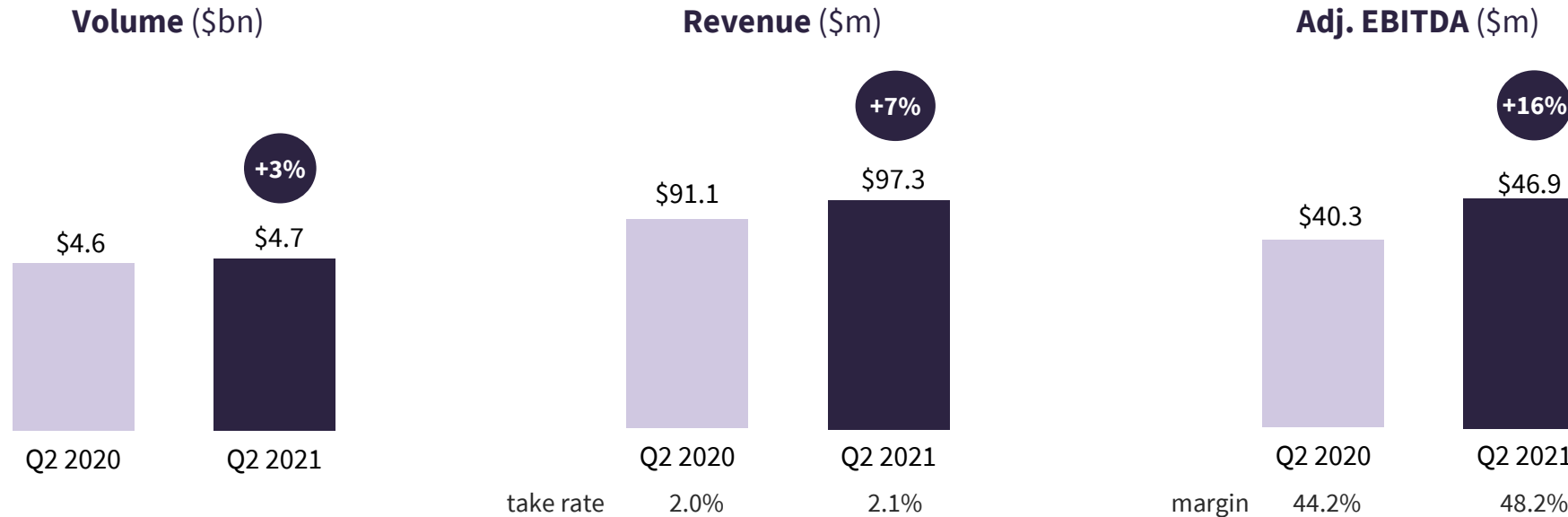
- Interest expense reflects expensing of capitalized debt fees as a result of debt repayment
- Net income benefited by fair value gain on measurement of warrant liability at period-end

eCash segment



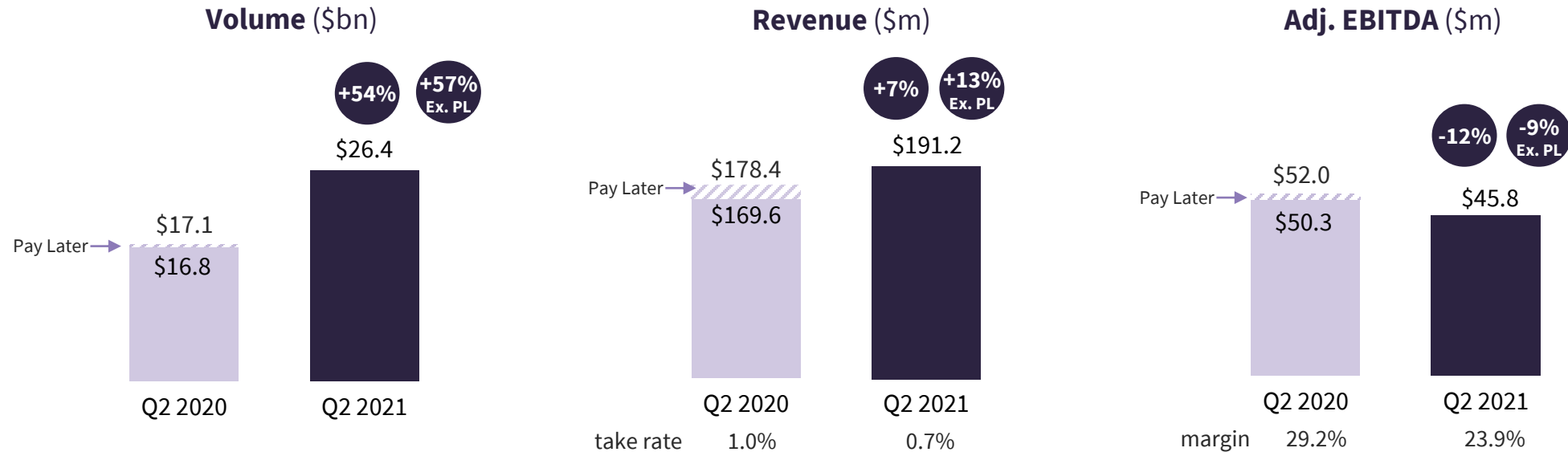
- Continued strong growth driven by extended lockdowns in Europe and return of sporting events
- Take rate expansion reflects business mix; expect return to historical levels in 2H
- Adj. EBITDA margin expansion primarily driven by revenue growth and overall high scalability of the business
- Overall active users 12.1m⁽¹⁾; registered users (my paysafecard) continues to grow, reaching >3 million⁽¹⁾

Digital Wallet segment



- Performance YoY improved as we begin to lap targeted actions/exits that occurred in 2020, higher crypto/trading activity, return of sporting events and favorable FX, partially offset by impact of market exits
- Adj. EBITDA margin primarily reflects higher crypto/trading activity and cost optimization
- Active users 3.4m⁽¹⁾

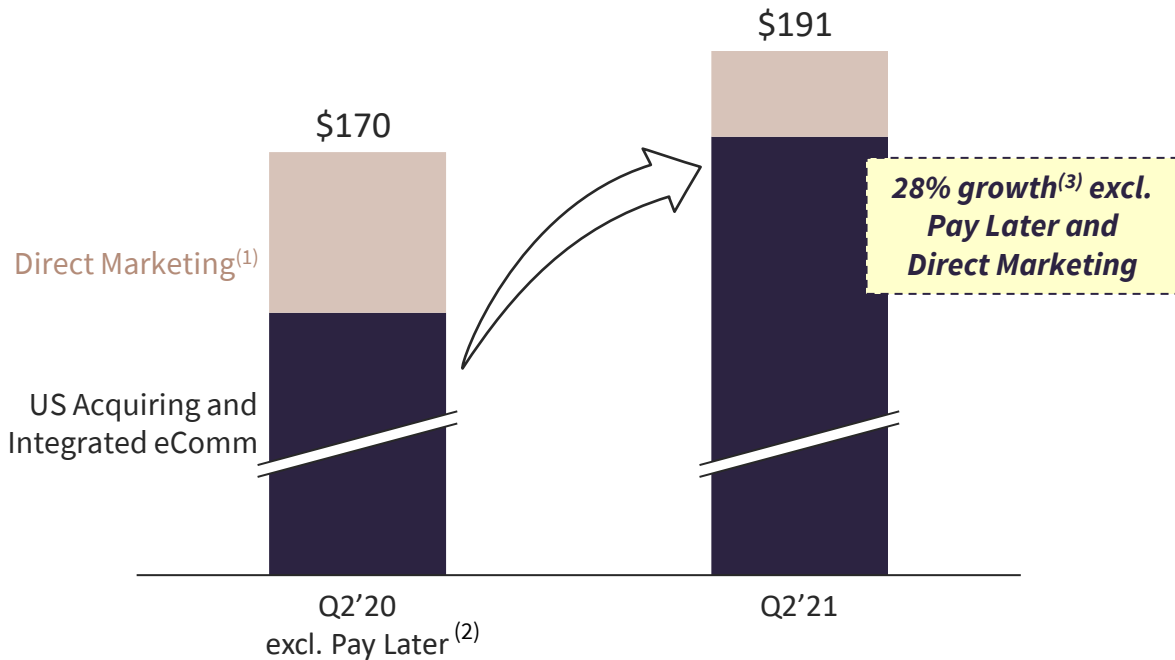
Integrated Processing segment



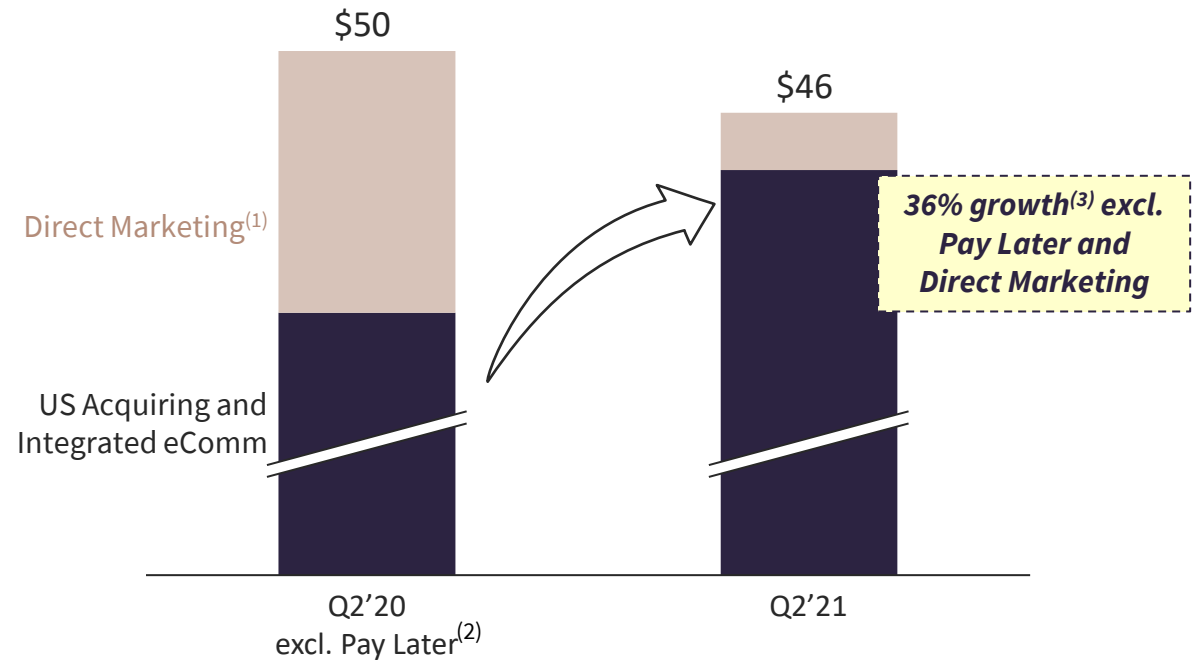
- Robust volume growth across U.S. and Europe underpinned by continued economic improvement
- Solid revenue growth across integrated eCommerce verticals (iGaming, specialized eComm, and ISV)
- Take rate compression reflects mix — lower volume from Direct Marketing (high take rate) and strong volume growth in ISO and ISV channels (lower take rate)
- Q2 prior year included Pay Later (divested Oct 2020): volume \$335m, revenue \$8.8m and Adj. EBITDA \$1.7m
- Excluding Direct Marketing and Pay Later, Revenue and Adj. EBITDA would have increased ~28% and ~36%, respectively (see next slide)

Integrated Processing: absorbing direct marketing headwind in 2021

Integrated Processing Q2 Revenue \$m

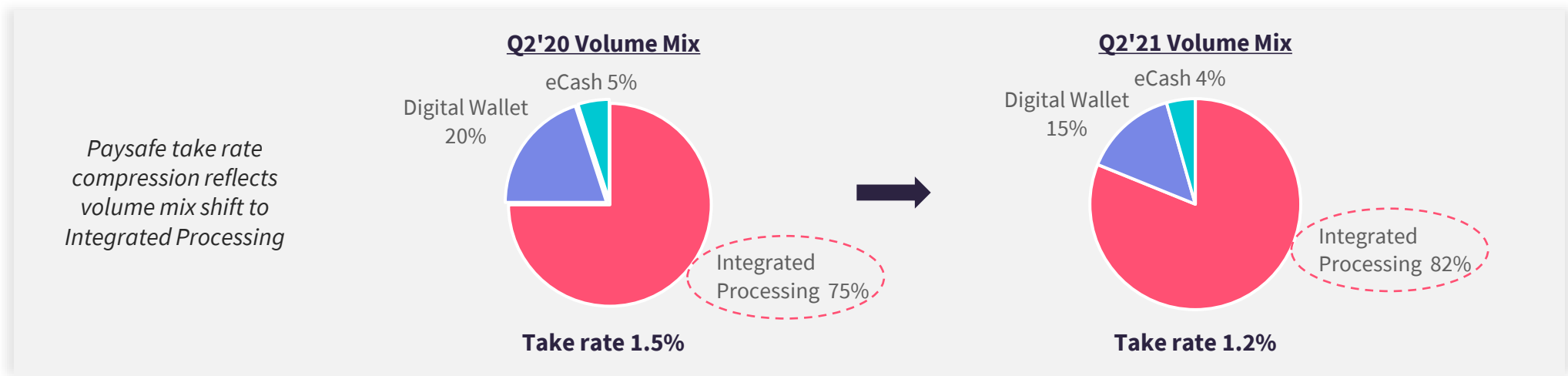
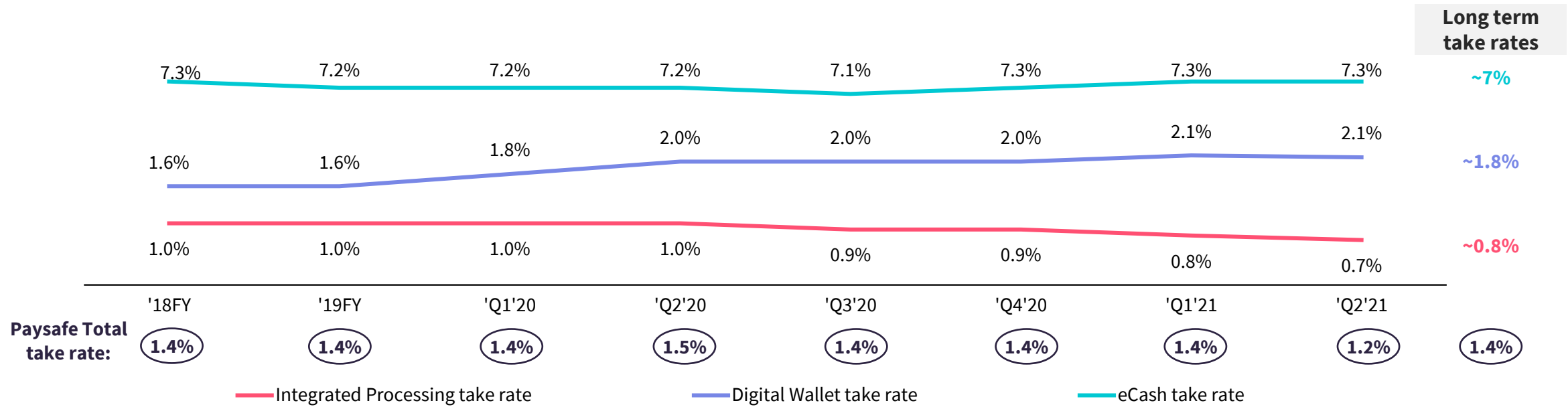


Integrated Processing Q2 Adj. EBITDA \$m



(1) Amounts predominately consist of direct marketing, but also includes additional card not present volumes in verticals with higher regulation and credit risk profiles including but not limited to insurance, multi-level marketing, credit monitoring and repair, membership and dating as well as retail low risk volume primarily in automotive, restaurant, and retail industries
 (2) Figures exclude Pay Later, which was divested in October 2020. See appendix for a reconciliation of this non-GAAP financial measure.
 (3) Reflects Integrated Processing segment revenue minus Direct Marketing. Amounts totaled \$172.9 million in Q2'21 and \$135.3 million in Q2'20. For Adjusted EBITDA, amounts totaled \$41.3 million in Q2'21 and \$30.5 million in Q2'20. Direct Marketing Adj. EBITDA amounts do not include allocation of shared costs.

Sustained take rates across Digital Wallet and eCash segments



Integrated Processing take rate variance driven by mix

\$bn	Q2'21 Volume	YoY	Take Rate Range
US Acquiring	\$19.6	+68%	0.7% to 0.9%
Integrated eCommerce	\$5.8	+48%	0.5% to 0.6%
Direct Marketing	\$0.9	-19%	2.0% to 3.0%

- Integrated Processing segment volume \$26.4 billion (+57% YoY excl. Pay Later)
- Take rate compression (0.7% Q2'21 vs 1.0% Q2'20) driven by mix
 - Robust volumes from lower take rate US Acquiring, fueled by economic recovery (some YoY take rate compression)
 - Strong integrated eCommerce growth (stable take rate)
 - Direct Marketing (high take rate) headwind in 2021 (transitional year)

Strong balance sheet – Debt restructuring enhances financial flexibility

Liquidity summary (\$m)	6/30/21
Cash and cash equivalents	\$248
Undrawn amounts under revolving credit facility ⁽¹⁾	\$270

Leverage (\$m)	6/30/21
Total Debt ⁽¹⁾	\$2,095
Cash and cash equivalents	\$248
Net debt ⁽¹⁾	\$1,847
Net debt-to-LTM Adj. EBITDA ⁽²⁾	4.3x

- Refinanced existing senior secured loan facility (\$2.1bn) with combination of new senior secured loan facility (\$1.1bn) and senior secured notes (\$0.9bn)
- Extended debt maturity from 2024 to 2028 / 2029
- Expanded revolver and extended maturity from 2023 to 2027
- Improved pricing (~50 bps) and significant covenant headroom
- B+ credit rating (reflects 2-notch de-SPAC upgrade)
- Expect debt financing to be completed in Q3 to fund SafetyPay acquisition
- Committed to long-term leverage goal of ~3.5x

Reaffirming 2021 guidance

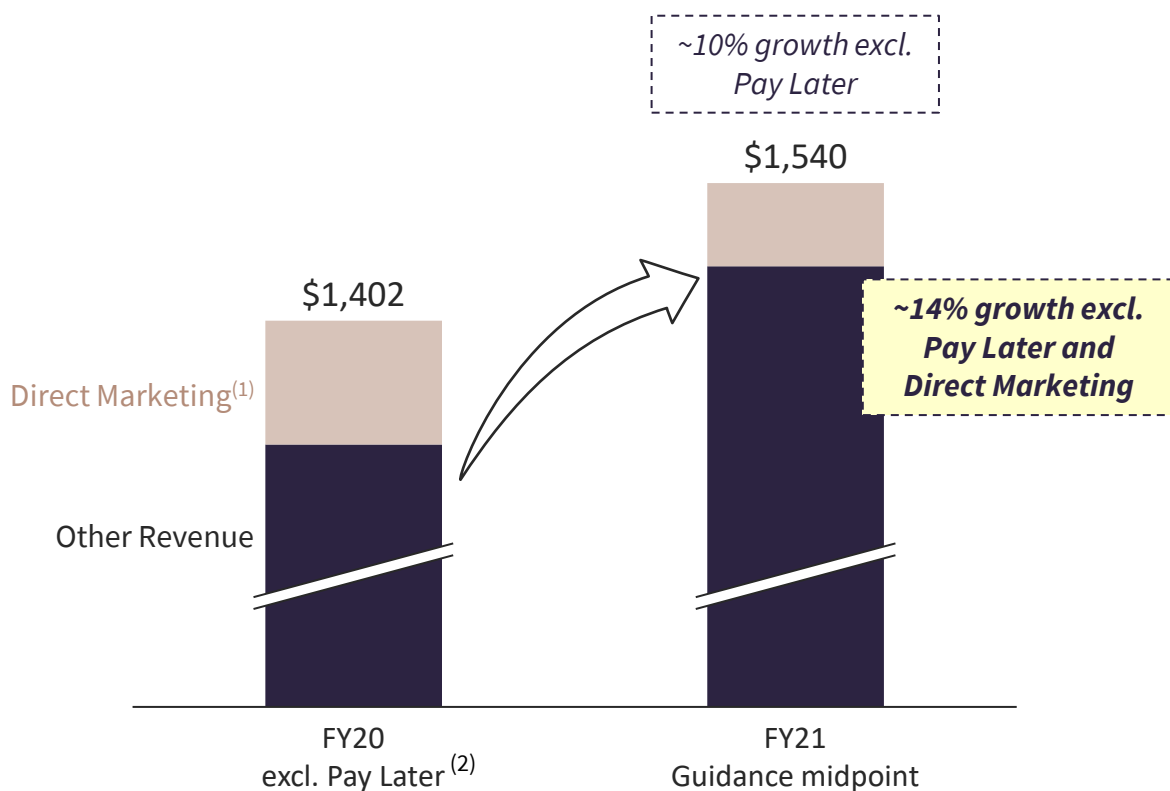
	2021 FY
\$millions	Guidance
Revenue	\$1,530 – \$1,550
<i>Year-over-year growth⁽¹⁾</i>	<i>9% – 10%</i>
Gross Profit (excl. D&A)	\$930 – \$970
<i>Gross Margin</i>	<i>61% – 63%</i>
Adj. EBITDA	\$480 – \$495
<i>Adj. EBITDA Margin</i>	<i>~32%</i>
Cost of Services (excl. D&A) + SG&A (excl. SBC)	\$1,030 – \$1,070
<i>% of Revenue</i>	<i>67% – 69%</i>

2021FY Expectations

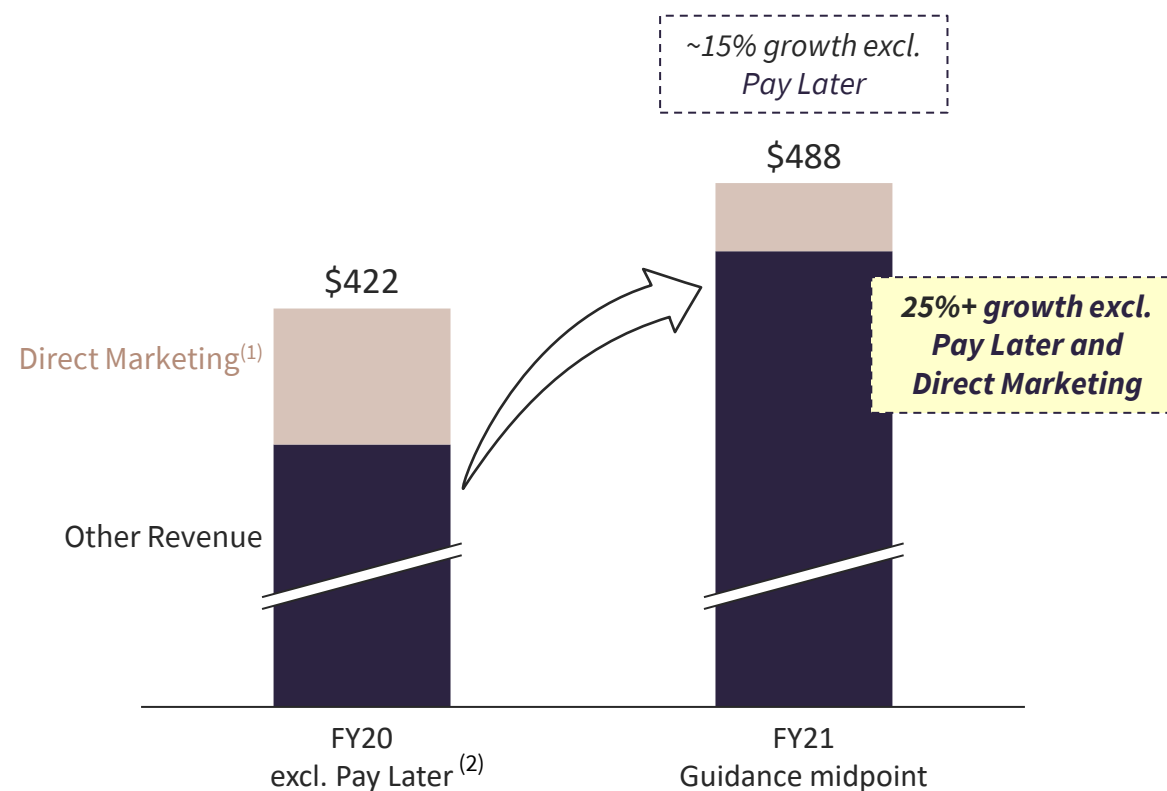
- Robust volume >\$125bn (up >25% YoY)
- Continued strong momentum in Integrated Processing
- Seasonally quieter summer gaming activity in Europe impacting eCash and Digital Wallets (Digital Wallet improvement in Q4)
- Absorption of Direct Marketing headwind (2H improvement; recovery expected 1Q'22)
- Guidance not updated for acquisitions⁽²⁾: PagoEfectivo and SafetyPay expected to add ~\$10-12m in revenue and ~\$3-4M in Adj. EBITDA in 2021

2021 supplemental view (excluding direct marketing impact)

FY Revenue \$m



FY Adj. EBITDA \$m



Q3 Guidance

\$millions	Q3 2021 Guidance
Revenue	\$360 – \$375
Gross Profit (excl. D&A)	\$210 – \$220
Adj. EBITDA	\$95 – \$110
Cost of Services (excl. D&A) + SG&A (excl. SBC)	~\$265

Q3 Expectations

- Continued strong growth across eCommerce and US Acquiring
- Absorption of Direct Marketing client exits
- Seasonally quieter summer gaming activity in Europe (eCash and Digital Wallets)

Closing

The global leader in iGaming; growing digital commerce in attractive verticals

The Specialized Payments Platform: powerful combination of gateway, digital wallets, eCash and open banking solutions

Driving global scale and positioned to win in market consolidation

Long-term double digit organic growth



Sustained operating leverage



Mid to high-teens long-term EBITDA growth potential

Paysafe:

Appendix



Statement Regarding Non-GAAP Financial Measures

To supplement the Company's condensed consolidated financial statements presented in accordance with generally accepted accounting principles, or GAAP, the company uses non-GAAP measures of certain components of financial performance. This includes Gross Profit (excluding depreciation and amortization), Gross Profit Margin (excluding depreciation and amortization), Adjusted EBITDA, Adjusted EBITDA margin, Free cash flow and Free cash flow conversion, which are supplemental measures that are not required by, or presented in accordance with, accounting principles generally accepted in the United States ("U.S. GAAP").

Gross Profit (excluding depreciation and amortization) is defined as revenue less cost of services (excluding depreciation and amortization). Gross Profit Margin (excluding depreciation and amortization) is defined as Gross Profit (excluding depreciation and amortization) as a percentage of revenue. Management believes Gross Profit to be a useful profitability measure to assess the performance of our businesses and ability to manage cost.

Adjusted EBITDA is defined as net income/(loss) before the impact of income tax (benefit)/expense, interest expense, net, depreciation and amortization, share based compensation, impairment expense on intangible assets, restructuring and other costs, loss/(gain) on disposal of a subsidiaries and other assets, net, and other income/(expense), net. These adjustments also include certain costs and transaction items that are not reflective of the underlying operating performance of the Company. Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of Revenue. Management believes Adjusted EBITDA to be a useful profitability measure to assess the performance of our businesses and improves the comparability of operating results across reporting periods.

Free cash flow is defined as net cash flows provided by/used in operating activities, adjusted for the impact of capital expenditure, payments relating to restructuring and other costs, cash paid for interest and movements in customer accounts and other restricted cash. Capital expenditure includes purchases of property plant & equipment and purchases of other intangible assets, including software development costs. Capital expenditure does not include purchases of merchant portfolios. Free cash flow conversion is defined as free cash flow as a percentage of Adjusted EBITDA. Management believes free cash flow to be a liquidity measure that provides useful information about the amount of cash generated by the business

Management believes the presentation of these non-GAAP financial measures, including Gross Profit, Gross Profit Margin, Adjusted EBITDA and Adjusted EBITDA margin, when considered together with the Company's results presented in accordance with GAAP, provide users with useful supplemental information in comparing the operating results across reporting periods by excluding items that are not considered indicative of Paysafe's core operating performance. In addition, management believes the presentation of these non-GAAP financial measures provides useful supplemental information in assessing the Company's results on a basis that fosters comparability across periods by excluding the impact on the Company's reported GAAP results of acquisitions and dispositions that have occurred in such periods. However, these non-GAAP measures exclude items that are significant in understanding and assessing Paysafe's financial results or position. Therefore, these measures should not be considered in isolation or as alternatives to revenue, net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP.

You should be aware that Paysafe's presentation of these measures may not be comparable to similarly titled measures used by other companies. In addition, the forward-looking non-GAAP financial measures of Adjusted EBITDA, Free Cash Flow conversion and Gross Profit provided herein have not been reconciled to comparable GAAP measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations. We have reconciled the historical non-GAAP financial measures presented herein to their most directly comparable GAAP financial measures. A reconciliation of our forward-looking non-GAAP financial measures to their most directly comparable GAAP financial measures cannot be provided without unreasonable effort because of the inherent difficulty of accurately forecasting the occurrence and financial impact of the adjusting items necessary for such reconciliations that have not yet occurred, are out of our control, or cannot be reasonably predicted. For the same reasons, we are unable to address the probable significance of the unavailable information, which could be material to future results.

GAAP Net Income to Adjusted EBITDA Reconciliation

	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
(\$ in thousands) (unaudited)				
Net Income (loss)	\$ 6,785	\$ (15,829)	\$ (53,744)	\$ (85,080)
Income tax expense (benefit)	16,690	(2,714)	10,754	(23,768)
Interest expense, net	62,650	42,531	125,019	80,754
Depreciation and amortization	70,114	67,492	135,576	136,991
Share based compensation expense	3,276	—	84,117	—
Impairment expense on intangible assets	1,357	5,038	1,935	79,403
Restructuring and other costs	4,518	4,359	7,488	10,006
(Gain) / loss on disposal of subsidiaries and other assets, net	(28)	—	(28)	261
Other (income) / expense, net	(46,558)	9,498	(79,083)	24,578
Adjusted EBITDA	\$ 118,804	\$ 110,375	\$ 232,034	\$ 223,145
Adjusted EBITDA Margin	30.9%	32.4%	30.5%	31.8%

Note: As of December 31, 2020, an out of period adjustment related to the period ended March 31, 2020 was identified and corrected for the impairment of certain Digital Wallet's intangible assets. This resulted in the overstatement of Intangible assets, net and understatement of Impairment expense on intangible, assets, net of \$21.4 million (\$15.8 million net of tax), respectively, as of March 31, 2020. The prior period results have been revised to reflect the correction of this misstatement.

GAAP to Non-GAAP Reconciliation – Growth Excluding Business Disposal

\$'000, unaudited	Q2 2020	Q2 2021	Change	2020FY
Paysafe Total Revenue	\$ 341,031	\$ 384,343	13%	\$ 1,426,489
Adjustment for disposed business (Pay Later)	8,769			24,030
Paysafe Total Revenue Excluding Pay Later	\$ 332,262	\$ 384,343	16%	\$ 1,402,459
Integrated Processing Segment Revenue	178,397	191,242	7%	719,982
Adjustment for disposed business (Pay Later)	8,769			
Integrated Processing Segment Revenue Excluding Pay Later	\$ 169,628	\$ 191,242	13%	\$ 719,982
\$'000, unaudited	Q2 2020	Q2 2021		2020FY
Net Income (Loss)	\$ (15,829)	\$ 6,785		\$ (126,714)
Income tax (benefit)/expense	(2,714)	16,690		(59,199)
Interest expense, net	42,531	62,650		164,788
Depreciation and amortization	67,492	70,114		268,166
Share based compensation	-	3,276		-
Impairment expense on intangible assets	5,038	1,357		130,420
Restructuring and acquisition related costs	4,359	4,518		20,640
(Gain) / loss on disposal of subsidiaries and other assets, net	-	(28)		(13,137)
Other (income)/expense, net	9,498	(46,558)		40,805
Total Paysafe Adjusted EBITDA	\$ 110,375	\$ 118,804	8%	\$ 425,769
Adjustment for disposed business (Pay Later)	1,718			4,031
Total Paysafe Adjusted EBITDA Excluding Pay Later	\$ 108,657	\$ 118,804	9%	\$ 421,738
Integrated Processing Segment Adjusted EBITDA	\$ 52,050	\$ 45,761	-12%	\$ 203,707
Adjustment for disposed business (Pay Later)	1,718			4,031
Integrated Processing Segment Adjusted EBITDA Excluding Pay Later	\$ 50,332	\$ 45,761	-9%	\$ 199,676

Operating Cash Flow to Free Cash Flow Reconciliation

(\$ in thousands) (unaudited)	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Net cash (outflows)/ inflows from operating activities	\$ (7,730)	\$ 123,463	\$ 41,010	\$ 135,042
Capital Expenditure ⁽¹⁾	(23,215)	(14,848)	(38,621)	(29,756)
Cash paid for interest	19,011	19,560	55,864	57,846
Payments relating to Restructuring and other costs ⁽²⁾	725	7,282	4,180	12,124
Movement in Customer Accounts and other restricted cash ⁽³⁾	65,805	(39,219)	100,691	5,369
Free Cash Flow	\$ 54,596	\$ 96,238	\$ 163,124	\$ 180,625
Adjusted EBITDA	118,804	110,375	232,034	223,145
Free Cash Flow Conversion	46%	87%	70%	81%

(1) Includes purchases of property plant & equipment and purchases of other intangible assets, including software development costs. Capital expenditure does not include purchases of merchant portfolios.

(2) Restructuring and other costs include acquisition costs related to the Company's merger and acquisition activity, restructuring costs, strategic transformation costs resulting from value creation initiatives following business acquisitions and professional consulting and advisory fees related to public company readiness activities. This includes certain professional advisory costs, office closure costs and resulting severance payments to employees.

(3) In accordance with ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash, the Company includes customer accounts and other restricted cash in the Cash and Cash Equivalents balance reported in the Consolidated Statements of Cash Flows. Management consider the movement in Customer accounts and other restricted cash as settlement related, and have therefore offset against movements in Settlement Receivables and Funds payable and amounts due to customers. The movement stated is net of foreign exchange movements on translation of non-USD subsidiaries to USD at the reporting date, as well as realized foreign exchange movements.

GAAP Gross Profit to Gross Profit (excl. D&A) Reconciliation

(\$ in thousands) (unaudited)	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenue	\$ 384,343	\$ 341,034	\$ 761,767	\$ 700,699
Cost of services (excluding depreciation and amortization)	155,778	126,245	306,815	255,633
Depreciation and amortization	70,114	67,492	135,576	136,991
Gross Profit ⁽¹⁾	\$ 158,451	\$ 147,297	\$ 319,376	\$ 308,075
Depreciation and amortization	70,114	67,492	135,576	136,991
Gross Profit (excluding depreciation and amortization)	\$ 228,565	\$ 214,789	\$ 454,952	\$ 445,066

(1) Gross Profit has been calculated as revenue, less cost of services and depreciation and amortization. Gross profit is not presented within the Company's consolidated financial statements.