

Fourth Quarter & Full Year 2022 Earnings

MARCH 9, 2023

Paysafe:



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,” “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, cryptocurrency regulations, consumer and business privacy and data use regulations or other regulations in Bermuda, the UK, Ireland, Switzerland, the United States, Canada and elsewhere; geopolitical events and the economic and other impacts of such geopolitical events and the responses of governments around the world; acts of war and terrorism, including the conflict in Ukraine; the effects of global economic uncertainties, including inflationary pressure and rising interest rates, on consumer and business spending; risks associated with foreign currency exchange rate fluctuations; 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 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 sponsorships; 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; our ability to manage regulatory and litigation risks, and the outcome of legal and regulatory proceedings; 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; 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; the effect of the COVID-19 pandemic on our business; 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.

Key messages

- +9% 2H revenue growth YoY (CC)
- 2022 FCF of \$298m, reflecting strong 73% conversion
- Sales transformation driving multi-product/upsell wins and meaningful pipeline growth
- Driving stronger growth and margin improvement in 2023

Paysafe:

Q4'22

Volume¹
\$33bn
+5% YoY

Revenue
\$384m
+8 YoY cc²; +3%

Adj. EBITDA
\$108m
28.0% margin

Adj. Net Income
\$33m
\$0.54 per share

Full Year 2022

Volume¹
\$130bn
+6% YoY

Revenue
\$1,496m
+5% YoY cc²; +1%

Adj. EBITDA
\$410m
27.4% margin

Adj. Net Income
\$137m
\$2.25 per share

Note: Adj. EBITDA, Free Cash Flow (FCF), and Adj Net Income are non-GAAP financial measures. See appendix for reconciliation of non-GAAP financial measures.

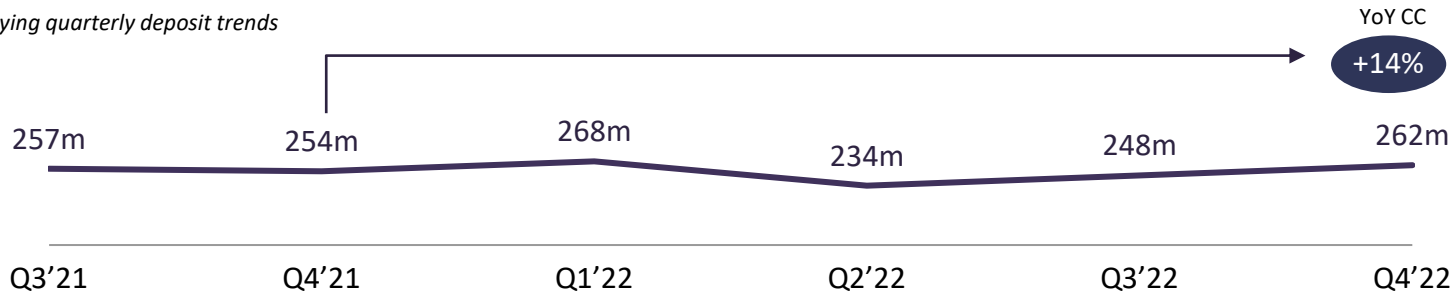
(1) 4Q22 and FY22 volume excludes embedded wallet-related volumes of ~\$9.2 billion and ~\$37.5 billion, respectively.

(2) 4Q22 constant currency growth excludes revenue and Adj. EBITDA headwinds of \$17.7 million and \$4.1 million, respectively, and FY22 constant currency growth excludes revenue and Adj. EBITDA headwinds of \$70.5 million and \$18.9 million, respectively, resulting from movement in foreign exchange rates.

Stabilization in classic Wallets despite market softness, European gambling regs

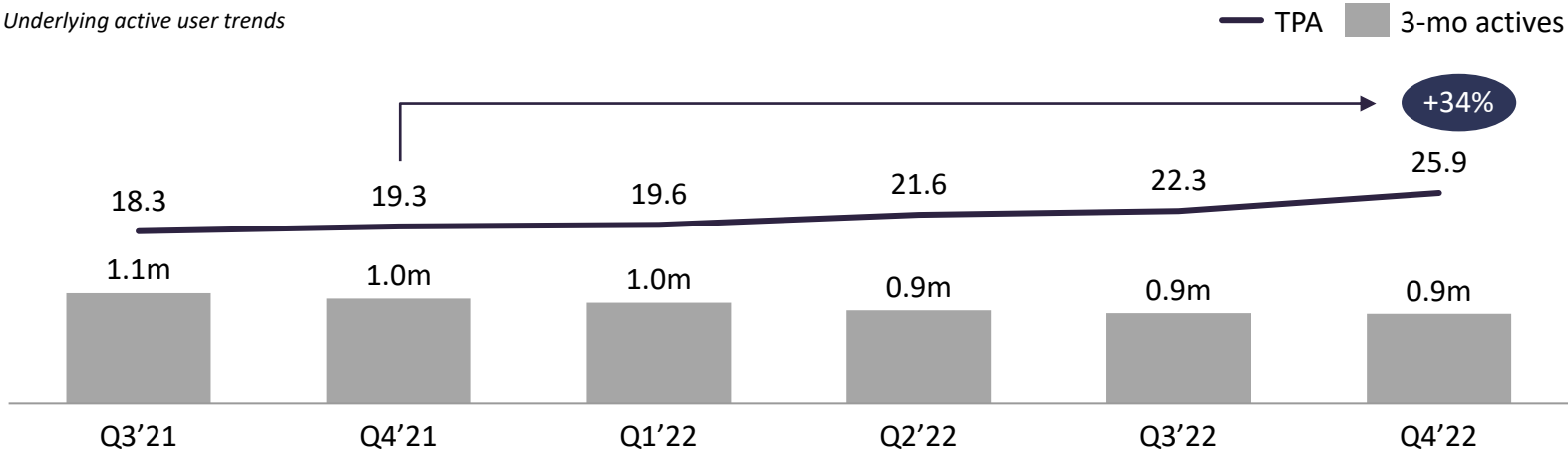
Deposits² (\$m)

Underlying quarterly deposit trends



Active users² and average transactions per active user

Underlying active user trends



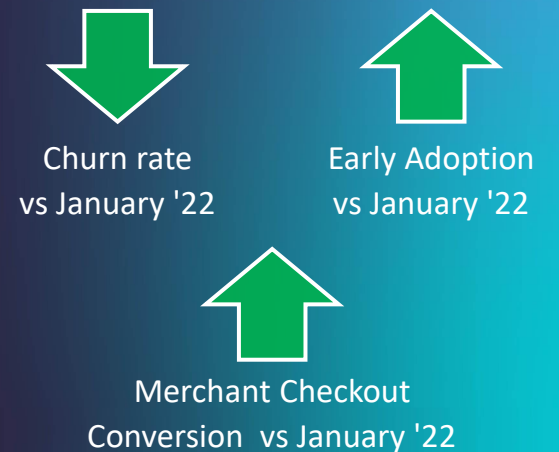
CC = constant currency. Reflects classic digital wallets (Skrill, NETELLER) and does not reflect the new reported segment, which combined digital wallets and eCash. Metrics exclude embedded wallet, with the exception of Revenue growth.

- (1) Revenue growth, excluding the impact of FX and Russia, Ukraine, Belarus.
- (2) Underlying deposits and 3-month active users exclude war impacted territories (Russia, Ukraine, Belarus) and Nigeria (one-off benefit in 4Q'21).

Rev¹ +7%cc

Q4 digital wallet revenue growth YoY excl. war-region

Improvements in consumer experience supporting improved funnel optimization



Well positioned in 2023 with immediate projects to drive in-year revenue growth



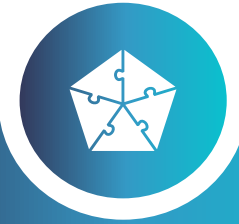
Client Experience

- **Merchant: #3 on J.D. Power U.S. Merchant Services Satisfaction Study**
- **Consumer:** Build upon recent improvement to **user experience**, benefiting activation and churn rate



Product Innovation

- **Improving authorization rates** to support both sides of the business
- Connecting North America, Europe and LatAm via **enterprise-wide APMs**
- **Embedded wallet** opportunities with current merchant base and pipeline



Sales Transformation

- Hired **new sales leadership** team
- **>1.6X enterprise pipeline¹ growth** from beginning of 2H'22 to today
- **>20 multi-product/cross-sell/geo-expansion** deals in Q4



New merchant acquisition

Sales Transformation focused on new customer acquisition, cross-selling and geographical expansion

Paysafe:

RUSH STREET
I N T E R A C T I V E

Paysafe solution:

- Card processing and APM integration in Ontario
- Additional products and expansion capabilities in both US and LatAm

Why we won:

- ✓ Trusted brand with strong service and iGaming leadership
- ✓ Integrated platform with single point of access to full payment offering
- ✓ Cross-regional presence to service customers across North America and LatAm

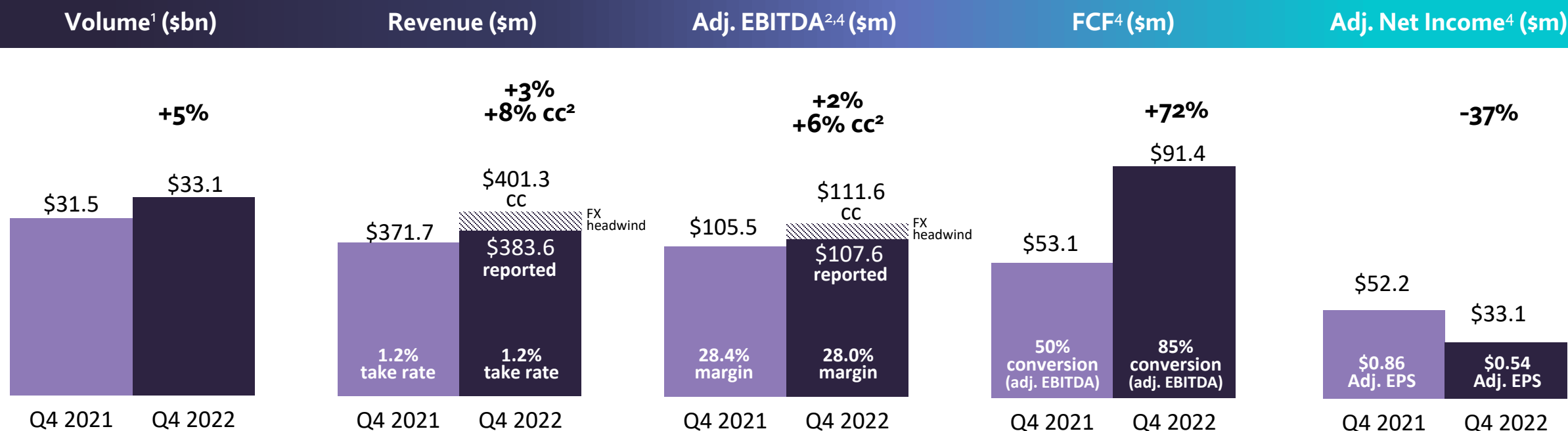
Q4 and 2022 Financial Results

Paysafe:

Revenue above guidance, Adj. EBITDA inline

\$millions	Q4 guidance (midpoint ¹)	Q4 Actual	FY guidance (midpoint ¹)	FY Actual
Revenue	\$374	✓ \$383.6	\$1,487	✓ \$1,496.1
Adj. EBITDA	\$107	✓ \$107.6	\$409	✓ \$410.0
Adj. EBITDA margin %	~28.5%	28.0%	~27.5%	27.4%

Q4 financial highlights



Growth led by Americas

- Strength in Merchant across US SMB; improvement in Europe from Digital Wallets

CC growth from both segments

- +9% CC growth excl. war region³

CC growth from Digital Wallets

- Lower margin reflects Merchant Solutions channel mix

FCF in line with expectations

- Cash tax refund in Q4

Increase in interest

- Adj. net income reflects higher interest expense
- GAAP loss \$33.7m vs. income of \$90.3m 4Q21, also reflects 4Q21 gain on warrant liability and SBC

Note: Volume = total payment volume. Take rate = total revenue divided by volume. CC = Constant Currency. LTM = Last Twelve Months

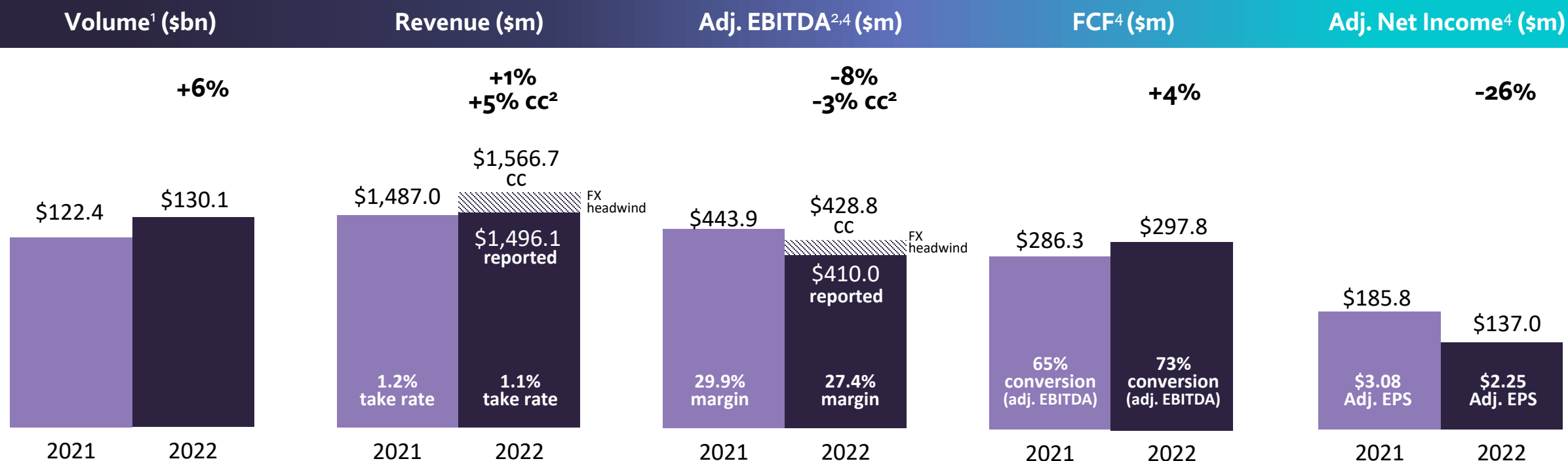
(1) Q4 volume excludes embedded wallet-related volumes of ~\$9.2 billion

(2) Q4 constant currency growth excludes revenue and Adj. EBITDA headwinds of \$17.7 million and \$4.1 million, respectively, resulting from movement in foreign exchange rates.

(3) War impact reflects Russia, Ukraine, and Belarus headwind of ~\$4 million.

(4) Adj. EBITDA, FCF, and Adj Net Income are non-GAAP financial measures. See the appendix of this presentation for a reconciliation to the most directly comparable GAAP financial measures.

2022 full year financial highlights



Growth led by Americas

- In Merchant, strength across US SMB
- In Digital Wallets, LatAm acquisitions partly offset softness in Eur iGaming

Strong improvement in 2H

- Revenue +9% YoY CC in 2H incl. growth from both segments
- +6% CC growth in FY22 excl. war region³ headwind (~\$14m)

Mix shift to Merchant Solutions

- Margin reflects segment mix and Merchant Solutions channel mix

Conversion inline with target

- Capex \$93.6m

Driven by lower EBITDA

- Adj. NI also reflects higher interest and D&A YoY
- GAAP net loss \$1.9bn vs. \$111.0m loss 2021 due to goodwill impairment 1H22

Note: Volume = total payment volume. Take rate = total revenue divided by volume. CC = Constant Currency. LTM = Last Twelve Months

(1) FY22 volume excludes embedded wallet-related volumes of ~\$37.5 billion

(2) FY22 constant currency growth excludes revenue and Adj. EBITDA headwinds of \$70.5 million and \$18.9 million, respectively, resulting from movement in foreign exchange rates.

(3) War impact reflects Russia, Ukraine, and Belarus

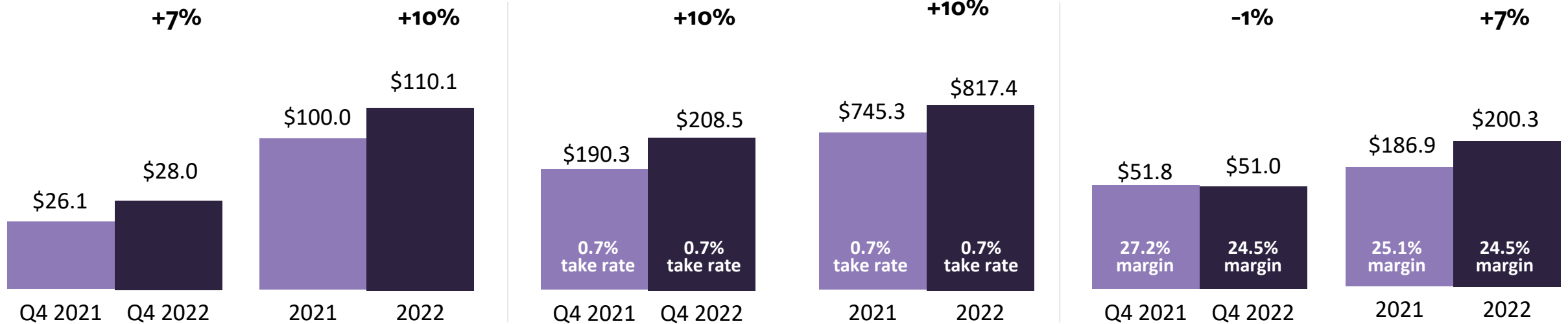
(4) Adj. EBITDA, FCF, and Adj Net Income are non-GAAP financial measures. See the appendix of this presentation for a reconciliation to the most directly comparable GAAP financial measures.

Merchant Solutions

Volume (\$bn)

Revenue (\$m)

Adj. EBITDA (\$m)

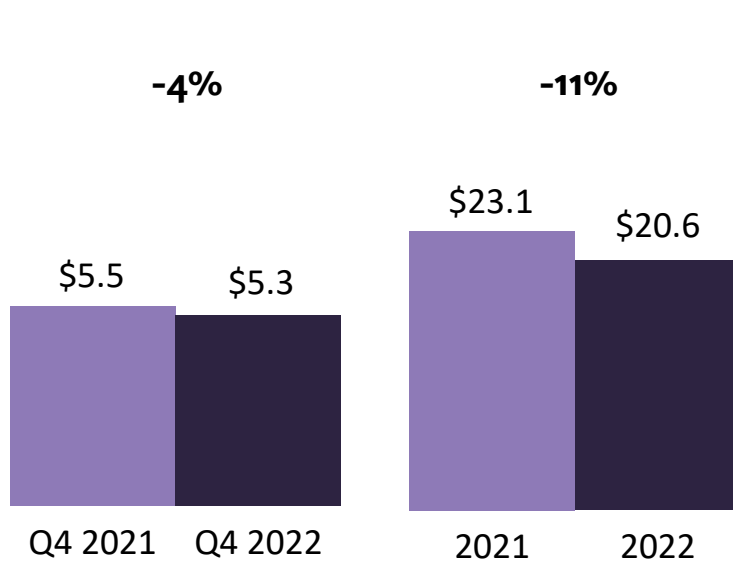


- Q4 and FY growth reflects continued resiliency in the US SMB market as well as Q4 improvement in eCommerce
- Adj. EBITDA margin reflects channel mix

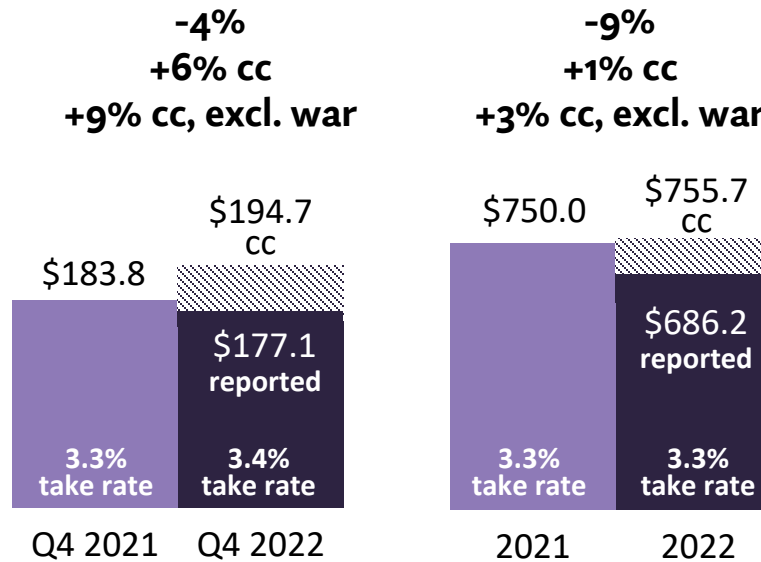
Digital Wallets

FX headwind

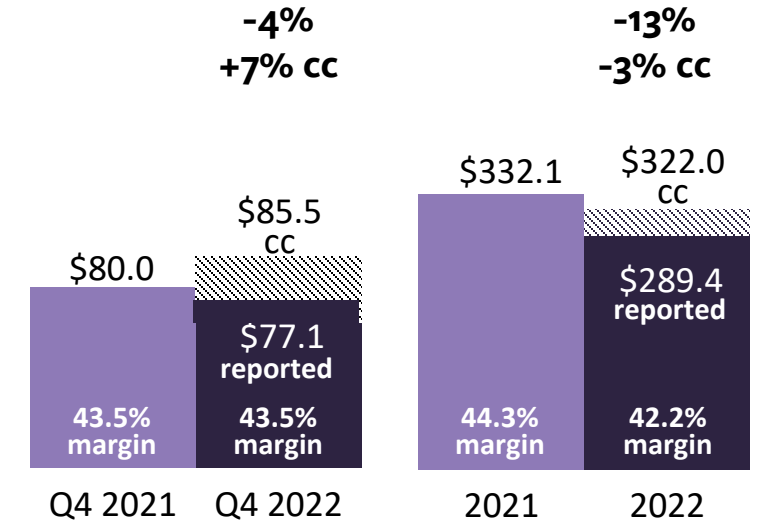
Volume (\$bn)



Revenue (\$m)



Adj. EBITDA (\$m)



- Continued improvement in Q4 including nominal sequential growth of 9%; 2H'22 constant currency growth of +8% YoY (+11% excl. war-region impact)
- 2022 performance reflects growth from acquisitions and embedded wallet, offset by market headwinds (FX, war-region, European gambling regulations)

(1) Volume excludes embedded wallet-related volumes of ~\$9.2 billion for Q4 and ~\$37.5 million FY 2022, respectively.

(2) Q4 constant currency growth excludes revenue and Adj. EBITDA headwinds \$17.6 million and \$8.3 million respectively, resulting from movement in foreign exchange rates. FY 2022 constant currency growth excludes revenue and Adj. EBITDA headwinds of \$69.5 million and \$32.6 million, respectively. Constant currency growth excluding war-region excludes the currency headwind and an impact of ~\$4 million for Q4 and ~\$14 million for FY 2022 from Russia, Ukraine, and Belarus.

Leverage profile

Liquidity position (\$m)	12/31/22	
Committed RCF ⁽¹⁾	\$305	
Amounts drawn	(21)	
Non-segregated cash	260	
Total	\$544	
		% total
Facility (as of 12/31/22) (\$m)		
Fixed rate SSN	\$821	
Interest rate swap (notional)	\$367	
Total fixed (excl. digital wallet deposits)	\$1,188	45%
Natural hedge from interest earning deposits in digital wallet	\$963	
Total fixed (incl. digital wallet deposits)	\$2,151	81%
Total floating	\$492	19%
Total Debt⁽¹⁾	\$2,643	100%
Net Debt⁽¹⁾	\$2,383	
Net Debt-to-LTM Adj. EBITDA⁽²⁾	5.8X	

- Total debt \$2.64bn vs. \$2.76bn Dec'21
- \$77m TLB & SSN (face value) paid down in FY'22
- No bond or term loan maturities until 2028 and 2029
- Avg. interest rate (incl. interest rate swap) at 5.0% as of 12/31/22

(1): Total debt includes the outstanding principal on the Company's borrowings. Total debt definition modified from previously presented calculation to include the drawn amounts of a local \$75m Credit Facility held in the US outside the Company's Senior Credit Facility. The nature of the facility is to draw on the facility daily and to prefund daily interchange and it acts as a source of working capital. This facility is not considered in total debt for covenant calculation purposes.

(2): Net debt-to-LTM Adj. EBITDA is defined as Net Debt (Total Debt less Cash and cash equivalents) divided by the Company's adjusted EBITDA as defined in the appendix for the last 12 months and does not represent the definition of adjusted EBITDA that is used for covenant calculation purposes.

2023 guidance

\$millions	2023 FY Guidance	Q1 Guidance	
Revenue	\$1,580 – \$1,600	\$375 – \$380	<ul style="list-style-type: none"> • Other: <ul style="list-style-type: none"> – Approximate FX sensitivity: 1% EUR weakening vs USD impacts annual revenue by (\$7m) and Adj. EBITDA by (\$2m) – Est. year-end net leverage 5.1x to 5.3x – Interest expense: Q1e ~\$35m
<i>Year-over-Year</i>	<i>6% to 7%</i>	<i>2% to 3% (approx. 4% CC)</i>	
Adj. EBITDA	\$452 – \$462	\$105 – \$108	
<i>Margin %</i>	<i>28.5% to 29%</i>	<i>28% to 28.4%</i>	

Appendix

Supplemental: summary of segment results

	2020					2021					2022				
	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4	FY2022
Volume (\$m)															
Merchant Solutions	\$ 18,476	\$ 17,095	\$ 20,203	\$ 20,062	\$ 75,836	\$ 21,565	\$ 26,356	\$ 25,953	\$ 26,127	\$ 100,001	\$ 25,862	\$ 28,392	\$ 27,826	\$ 28,000	\$ 110,080
Digital Wallets	7,130	5,630	5,993	6,305	25,058	6,151	6,130	5,263	5,526	23,070	5,444	5,095	4,786	5,278	20,603
Intersegment	(46)	(27)	(29)	(125)	(227)	(204)	(194)	(156)	(164)	(718)	(137)	(126)	(117)	(161)	(541)
Total	\$ 25,560	\$ 22,698	\$ 26,167	\$ 26,242	\$ 100,667	\$ 27,512	\$ 32,292	\$ 31,060	\$ 31,489	\$ 122,353	\$ 31,169	\$ 33,361	\$ 32,495	\$ 33,117	\$ 130,142
Take Rate															
Merchant Solutions	1.0%	1.0%	0.9%	0.9%	0.9%	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Digital Wallets	2.4%	2.9%	2.9%	3.1%	2.8%	3.3%	3.2%	3.2%	3.3%	3.3%	3.3%	3.3%	3.4%	3.4%	3.3%
Intersegment	8.9%	16.6%	19.2%	5.4%	9.2%	3.6%	4.1%	4.6%	3.5%	3.9%	5.8%	6.7%	5.8%	6.1%	6.1%
Total	1.4%	1.5%	1.4%	1.4%	1.4%	1.4%	1.2%	1.1%	1.2%	1.2%	1.2%	1.1%	1.1%	1.2%	1.1%
Revenue (\$m)															
Merchant Solutions	\$ 186.2	\$ 178.4	\$ 180.6	\$ 174.8	\$ 720.0	\$ 176.9	\$ 191.2	\$ 186.9	\$ 190.3	\$ 745.3	\$ 192.3	\$ 212.8	\$ 203.7	\$ 208.5	\$ 817.4
Digital Wallets	174.3	163.1	175.5	196.8	709.6	202.5	195.2	168.5	183.8	750.0	177.8	168.2	163.0	177.1	686.2
Intersegment	(0.9)	(0.4)	(0.5)	(1.3)	(3.1)	(2.0)	(2.1)	(1.8)	(2.5)	(8.4)	(2.5)	(2.1)	(0.7)	(2.1)	(7.4)
Total	\$ 359.7	\$ 341.0	\$ 355.5	\$ 370.3	\$ 1,426.5	\$ 377.4	\$ 384.3	\$ 353.6	\$ 371.7	\$ 1,487.0	\$ 367.7	\$ 378.9	\$ 366.0	\$ 383.6	\$ 1,496.1
Gross Profit, excl. D&A (\$m)															
Merchant Solutions	\$ 109.7	\$ 104.0	\$ 100.2	\$ 96.0	\$ 409.8	\$ 91.6	\$ 93.9	\$ 92.7	\$ 96.2	\$ 374.4	\$ 97.4	\$ 104.2	\$ 97.4	\$ 101.2	\$ 400.2
Digital Wallets	120.6	110.8	120.0	130.5	481.9	134.8	134.6	116.1	127.4	512.8	123.2	115.7	116.8	126.3	482.0
Total	\$ 230.3	\$ 214.8	\$ 220.2	\$ 226.4	\$ 891.7	\$ 226.4	\$ 228.6	\$ 208.7	\$ 223.5	\$ 887.2	\$ 220.6	\$ 219.9	\$ 214.2	\$ 227.5	\$ 882.1
Gross Profit Margin, excl. D&A															
Merchant Solutions	59%	58%	55%	55%	57%	52%	49%	50%	51%	50%	51%	49%	48%	49%	49%
Digital Wallets	69%	68%	68%	66%	68%	67%	69%	69%	69%	68%	69%	69%	72%	71%	70%
Total	64%	63%	62%	61%	63%	60%	59%	59%	60%	60%	60%	58%	59%	59%	59%
Adj. EBITDA (\$m)															
Merchant Solutions	\$ 55.2	\$ 52.1	\$ 48.7	\$ 47.7	\$ 203.6	\$ 44.9	\$ 45.8	\$ 44.4	\$ 51.8	\$ 186.9	\$ 48.5	\$ 55.1	\$ 45.6	\$ 51.0	\$ 200.3
Digital Wallets	76.6	67.6	79.0	71.6	294.8	85.8	90.0	76.3	80.0	332.1	74.5	69.6	68.1	77.1	289.4
Corporate	(19.0)	(9.3)	(20.4)	(24.0)	(72.6)	(17.5)	(16.9)	(14.3)	(26.3)	(75.1)	(19.1)	(21.8)	(18.3)	(20.6)	(79.8)
Total	\$ 112.8	\$ 110.4	\$ 107.3	\$ 95.3	\$ 425.8	\$ 113.2	\$ 118.8	\$ 106.4	\$ 105.5	\$ 443.9	\$ 104.0	\$ 103.0	\$ 95.5	\$ 107.6	\$ 410.0
Adj. EBITDA Margin															
Merchant Solutions	30%	29%	27%	27%	28%	25%	24%	24%	27%	25%	25%	26%	22%	24%	25%
Digital Wallets	44%	41%	45%	36%	42%	42%	46%	45%	44%	44%	42%	41%	42%	44%	42%
Total	31%	32%	30%	26%	30%	30%	31%	30%	28%	30%	28%	27%	26%	28%	27%

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, Adjusted net income and Adjusted net income per share, 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 goodwill and 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.

Adjusted net income excludes the impact of certain non-operational and non-cash items. Adjusted net income is defined as net income/(loss) attributable to the Company before the impact of other non-operating income / (expense), net, impairment expense on goodwill and intangible assets, restructuring and other costs, accelerated amortization of debt fees, amortization of acquired assets, loss/(gain) on disposal of subsidiaries and other assets, share based compensation, discrete tax items and the income tax (benefit)/expense on these non-GAAP adjustments. Adjusted net income per share is adjusted net income as defined above divided by adjusted weighted average dilutive shares outstanding. Management believes the removal of certain non-operational and non-cash items from net income enhances shareholders ability to evaluate the Company's business performance and profitability by improving 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, 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 (loss) income to Adjusted EBITDA reconciliation

(\$ in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net (loss) / income	\$ (33,711)	\$ 90,522	\$ (1,862,284)	\$ (110,328)
Income tax expense / (benefit)	247	(19,005)	(52,502)	(85,110)
Interest expense, net	37,615	21,536	126,628	165,827
Depreciation and amortization	67,723	63,964	266,819	261,372
Share based compensation expense	17,106	8,940	62,354	101,770
Impairment expense on goodwill and intangible assets	1,000	—	1,887,223	324,145
Restructuring and other costs	3,496	3,562	64,132	25,883
Loss on disposal of subsidiaries and other assets, net	—	28	1,359	—
Other expense / (income), net	14,085	(64,088)	(83,778)	(239,661)
Adjusted EBITDA	\$ 107,561	\$ 105,459	\$ 409,951	\$ 443,898
Adjusted EBITDA Margin	28.0%	28.4%	27.4%	29.9%

Reconciliation of GAAP Net (loss) income to Adjusted net income

(\$ in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net (loss) / income attributable to the Company	\$ (33,711)	\$ 90,296	\$ (1,862,655)	\$ (110,954)
Other non-operating expense / (income), net ⁽¹⁾	14,438	(65,210)	(89,383)	(252,512)
Impairment expense on goodwill and intangible assets	1,000	—	1,887,223	324,145
Accelerated amortization of debt fees ⁽²⁾	—	—	—	62,262
Amortization of acquired assets ⁽³⁾	40,317	41,975	167,345	187,343
Restructuring and other costs	3,496	3,562	64,132	25,883
Loss on disposal of subsidiaries and other assets, net	—	28	1,359	—
Share based compensation expense	17,106	8,940	62,354	101,770
Discrete tax items ⁽⁴⁾	24,672	(34,509)	36,311	(18,832)
Income tax (benefit) / expense on non-GAAP adjustments ⁽⁵⁾	(34,229)	7,114	(129,643)	(133,307)
Adjusted net income attributable to the Company	\$ 33,089	\$ 52,196	\$ 137,043	\$ 185,798
(in millions)				
Weighted average shares - diluted	60.7	60.3	60.5	60.3
Adjusted diluted impact	0.5	0.1	0.4	—
Adjusted weighted average shares - diluted	61.2	60.4	60.9	60.3

(1): Other non operating (income) /expense, net primarily consists of income and expenses outside of the Company's operating activities, including fair value gain on derivative instruments, fair value gain on warrant liabilities and (gain) / loss on contingent consideration payable and receivables and gain on foreign exchange. For the three months and twelve months ended December 31, 2022, this item includes the gain on the repurchase of secured notes.

(2): Accelerated amortization of debt fees represents the non-cash amortization of debt fees relating to the refinancing and debt reduction in 2021.

(3): Amortization of acquired asset represents amortization expense on the fair value of intangible assets acquired through various Company acquisitions, including brands, customer relationships, software and merchant portfolios.

(4): Discrete tax items represents certain amounts within income tax (benefit)/expense, including changes in uncertain tax positions and the remeasurement of certain deferred tax balances due to changes in the statutory tax rates in certain jurisdictions.

(5): Income tax (benefit) / expense on non-GAAP adjustments reflects the tax impact of the non-GAAP adjustments to net (loss)/income attributable to the Company to calculated adjusted net income.

Operating Cash Flow to Free Cash Flow reconciliation

(\$ in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net cash (outflows) / inflows from operating activities	\$ (449,141)	\$ 131,868	\$ 924,078	\$ 224,468
Capital Expenditure	(23,915)	(22,308)	(93,608)	(83,843)
Cash paid for interest	38,614	28,748	102,234	91,545
Payments relating to Restructuring and other costs	21,102	9,520	49,970	21,735
Movement in Customer Accounts and other restricted cash	504,795	(94,770)	(684,895)	32,429
Free Cash Flow	\$ 91,455	\$ 53,058	\$ 297,779	\$ 286,334
Adjusted EBITDA	107,561	105,459	409,951	443,898
Free Cash Flow Conversion	85%	50%	73%	65%

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

(\$ in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 383,568	\$ 371,661	\$ 1,496,137	\$ 1,487,013
Cost of services (excluding depreciation and amortization)	156,125	148,111	614,025	599,778
Depreciation and amortization	67,723	63,964	266,819	261,372
Gross Profit ⁽¹⁾	\$ 159,720	\$ 159,586	\$ 615,293	\$ 625,863
Depreciation and amortization	67,723	63,964	266,819	261,372
Gross Profit (excluding depreciation and amortization)	\$ 227,443	\$ 223,550	\$ 882,112	\$ 887,235

Adjusted Net Income per Share

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Numerator (\$ in thousands)				
Adjusted net income attributable to the Company - basic	\$ 33,089	\$ 52,196	\$ 137,043	\$ 185,798
Adjusted net income attributable to the Company - diluted	\$ 33,089	\$ 52,196	\$ 137,043	\$ 185,798
Denominator (in millions)				
Weighted average shares – basic	60.7	60.3	60.5	60.3
Adjusted weighted average shares – diluted ⁽¹⁾	61.2	60.4	60.9	60.3
Adjusted net income per share attributable to the Company				
Basic	\$ 0.55	\$ 0.87	\$ 2.26	\$ 3.08
Diluted	\$ 0.54	\$ 0.86	\$ 2.25	\$ 3.08

(1): The denominator used in the calculation of diluted adjusted net income per share attributable to the Company for the three months and years ended December 31, 2022 and December 31, 2021 has been adjusted to include the dilutive effect of the Company's restricted stock units.



Thank you

Paysafe:

