



# Transforming What Payments Can Do for Your Business

Sidoti Micro-Cap Conference • 8.16–8.17.2023



# Important Notices

## Forward-Looking Statements and Use of Non-GAAP Financial Information

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# Paysign®

## A Payments Partner You Can Rely On

Paysign provides **prepaid card programs** and **integrated payment processing** services designed to reward consumers, clients, partners, and employees. We create customized, **innovative payment solutions** for businesses across all industries, including **pharmaceutical, healthcare, hospitality, and retail**.

Our **end-to-end technologies** securely enable digital payout solutions and facilitate the distribution of funds for customer incentives, employee rewards, travel expenses, per diem, as well as reimbursements and rebates. Paysign's solutions **lower administrative costs, streamline operations, and drive revenue**.





# Company Overview

- Paysign was incorporated in 1995 and is headquartered in Henderson, Nevada.
- We are a leading financial services provider uniquely positioned to provide technology solutions tailored to the healthcare industry. As an early innovator in prepaid card programs, comprehensive patient affordability offerings, digital banking services, and integrated payment processing, Paysign enables countless exchanges of value for businesses, consumers, and government agencies across all industry types.
- For more than 20 years, Paysign has been a trusted partner for major pharmaceutical and healthcare companies, as well as multinational corporations, delivering fully managed programs built to meet their individual business goals. The company's suite of offerings includes solutions for corporate rewards, prepaid gift cards, general purpose reloadable debit cards, employee incentives, consumer rebates, donor compensation, clinical trials, healthcare reimbursement payments, and copay assistance.
- Through our direct connections for processing and program management, the company navigates all aspects of the prepaid card lifecycle completely in house – from concept and card design to inventory, fulfillment, and launch. Our 24/7/365 in-house, bilingual customer service is facilitated through live agents, interactive voice response (IVR), and two-way SMS alerts, reflecting the company's commitment to world-class consumer support.



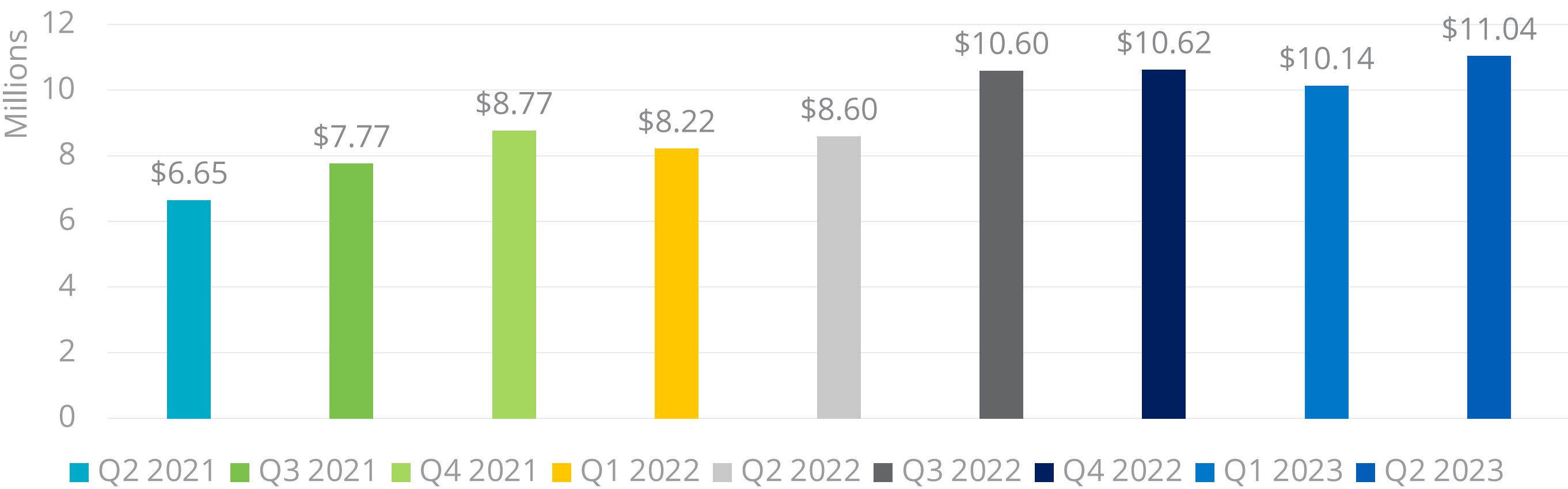
# Financial Snapshot

## Overview

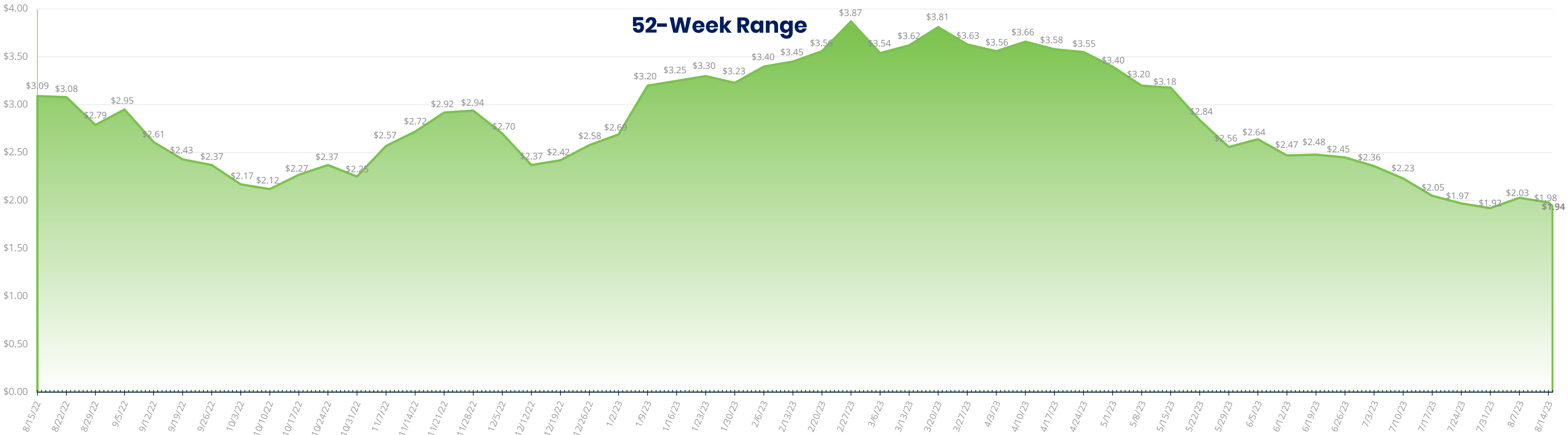
Stock Price (8/15/23)	\$1.94
Market Cap	\$105.7M
Diluted Shares Outstanding	54.5M
TTM Revenue	\$42.4M
Cash	\$7.7M / \$86.0M <sup>1</sup>
Debt	\$0

<sup>1</sup> Total including restricted cash

## Quarterly Revenue



## 52-Week Range

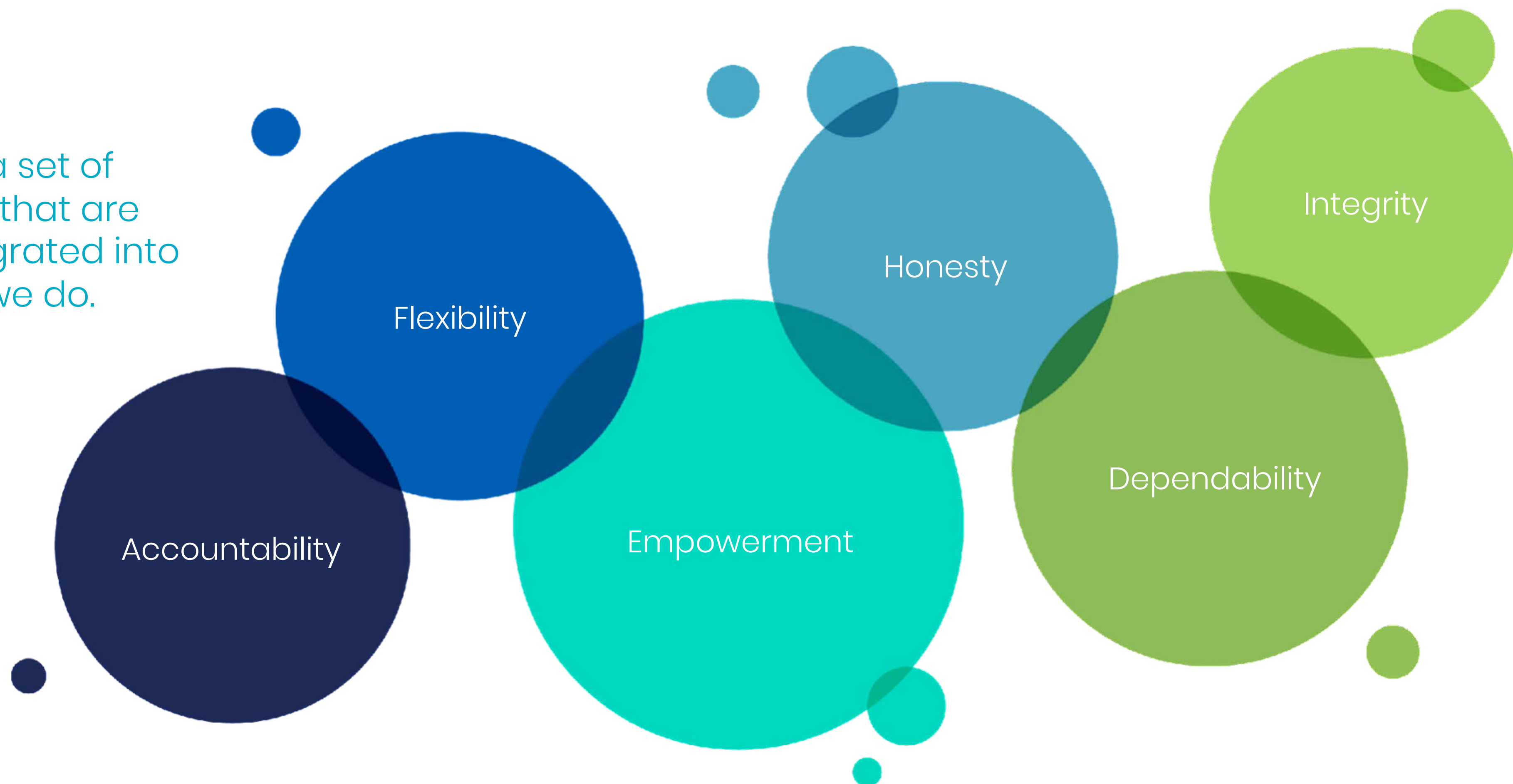




# Our Mission and Values

Our mission is to deliver prepaid card solutions and payment processing services that allow businesses and organizations to reduce costs, streamline operations, and increase revenue. We strive each day to bring new efficiencies to the payments landscape to better serve our clients.

Paysign has developed a set of core values that are heavily integrated into everything we do.



# Investment Highlights

## Revenue Growth

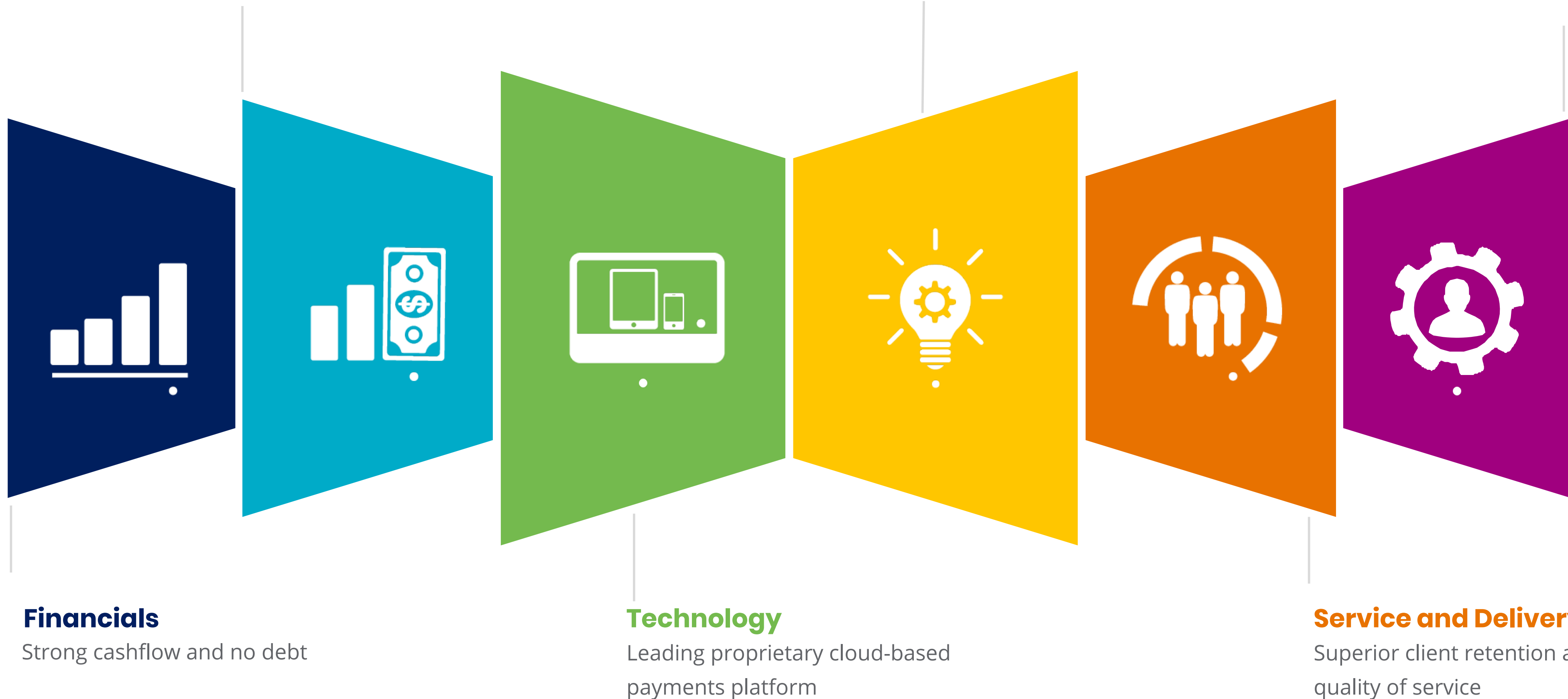
Fast-growing, high-margin, profitable business with predictable recurring revenues

## Products and Solution

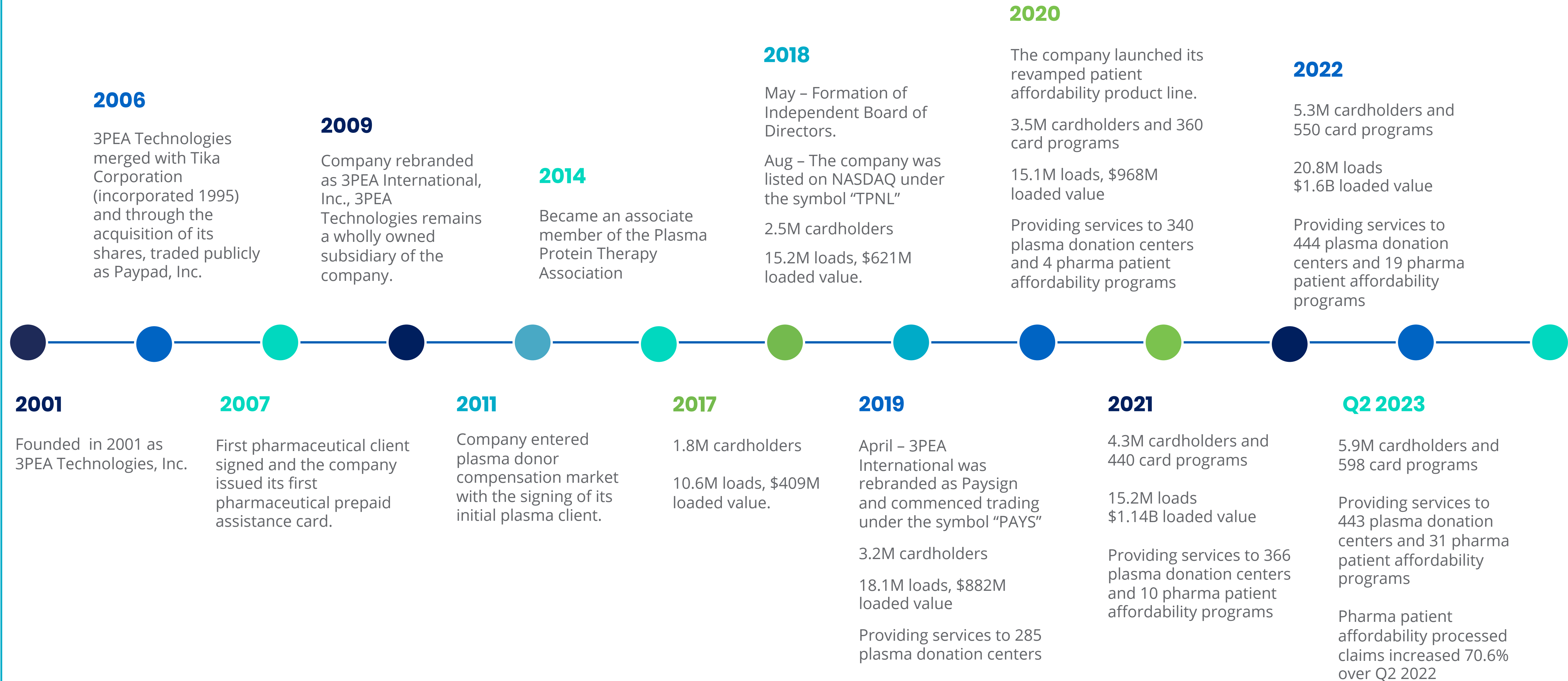
Large market opportunity in B2B prepaid solutions and B2C prepaid solutions with high barriers to entry

## Leadership

Highly accomplished and experienced management team and board



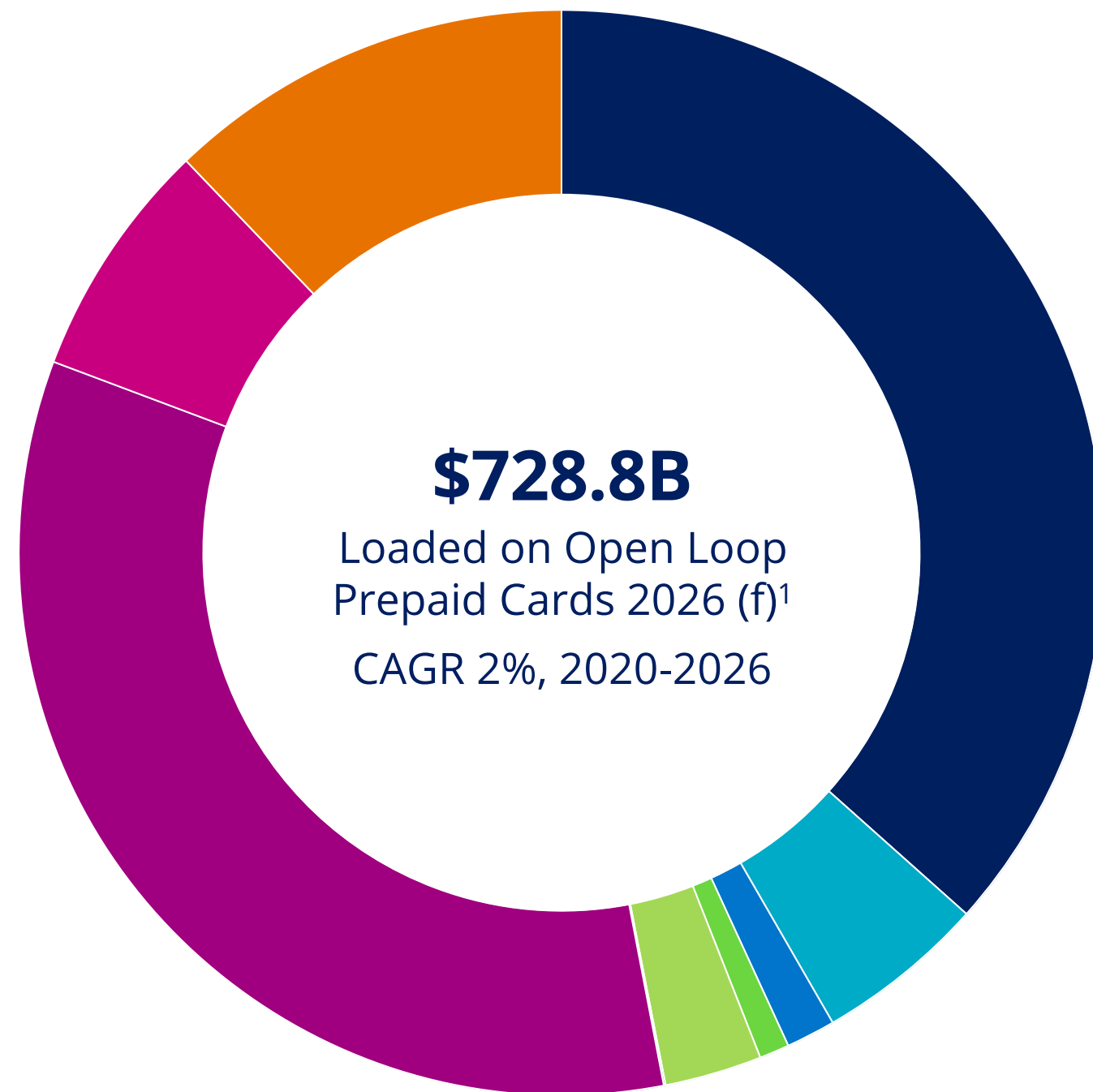
# Company Milestones



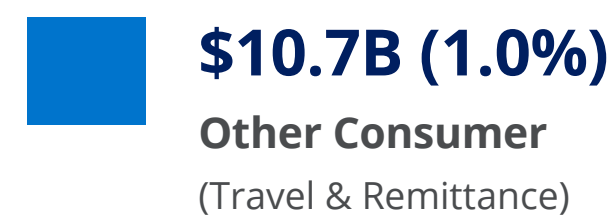


# 2026 U.S. Open-Loop Prepaid Market Forecast

## Total Prepaid Market

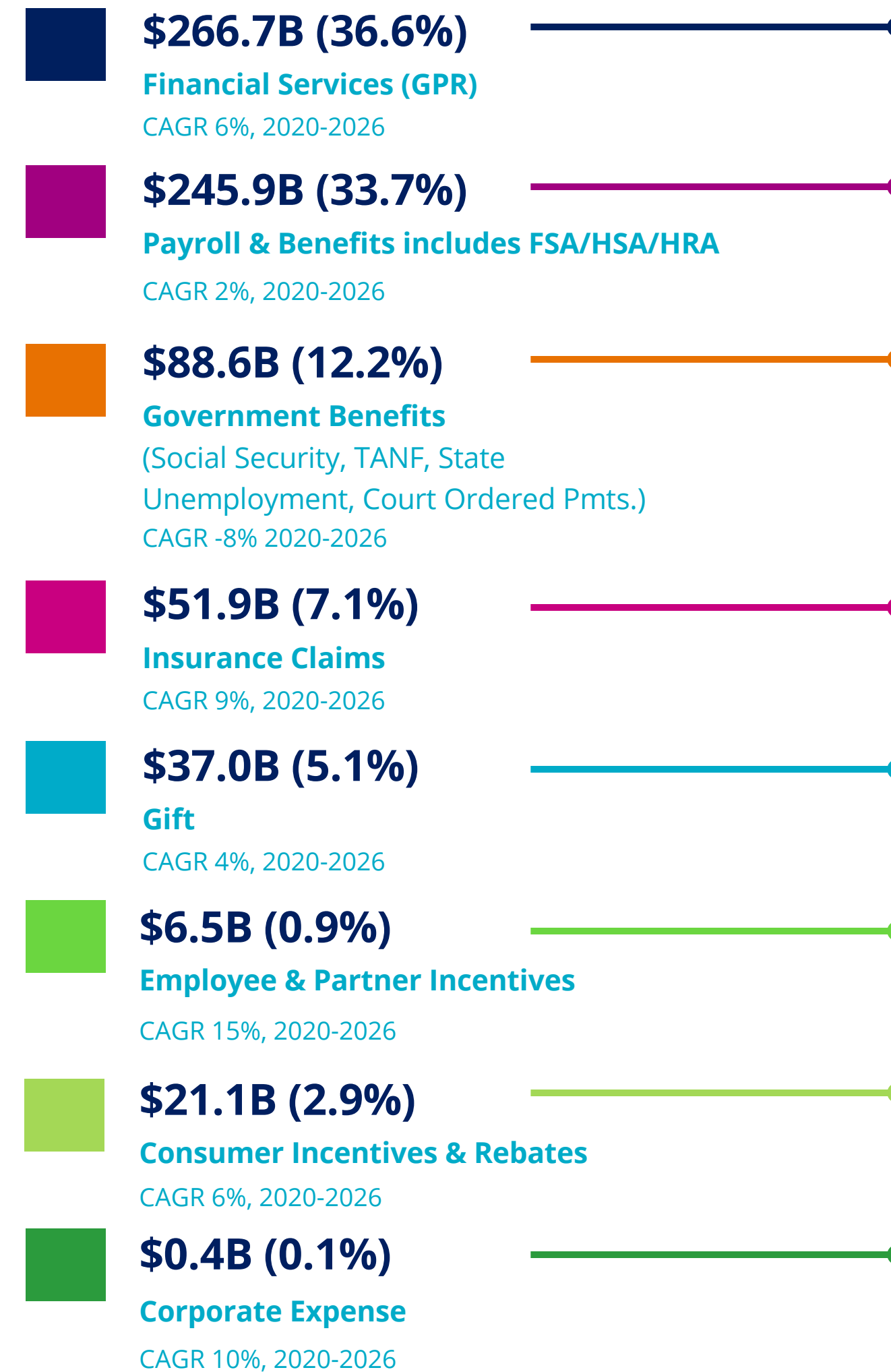


## Other Segments



<sup>1</sup>2023 Prepaid Card Data Book: 11 Essential Metrics, Javelin, February 2023

## Paysign Market Segments



## Paysign Products

Paysign Premier Digital Bank Account  
Paysign GPR Card

Paysign Payroll Card  
Paysign Healthcare Benefit Card

Paysign Government Benefit Card

Paysign Insurance Claim Card

Paysign Gift Card

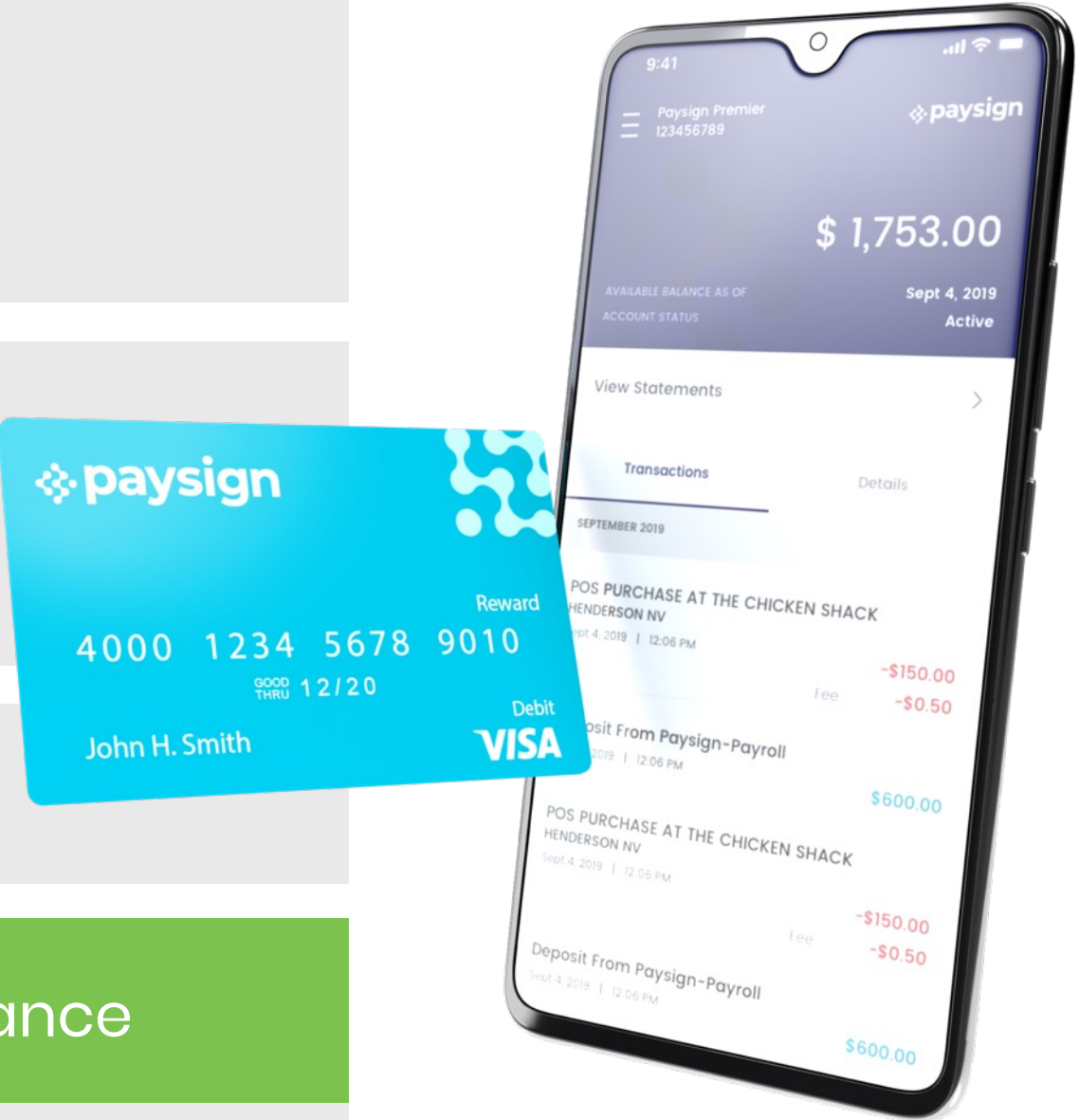
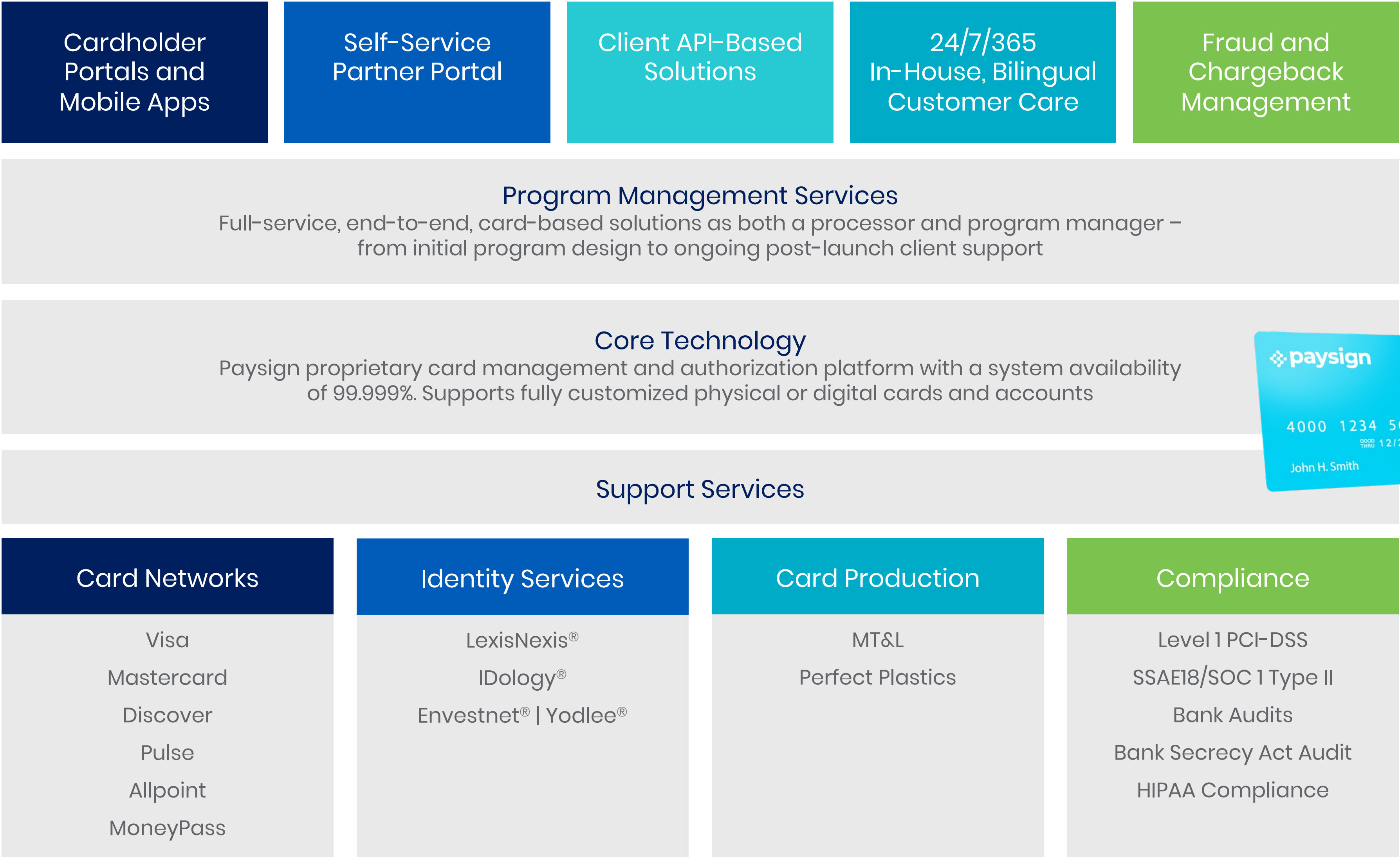
Paysign Reward Card

Paysign Plasma Card  
Paysign Pharma Copay Card  
Paysign Reward Card

Paysign Business Prepaid



# A Full-Service Provider





# Plasma Donor Solutions

Because of our extensive experience servicing the plasma collection industry, we've built and perfected donor compensation programs that give our clients the tools they need to streamline their operations, while increasing donor frequency and donor retention.

Our programs also include several features that enhance the donor experience, such as a network of no-surcharge ATMs, mobile app, interactive voice response line, and live bilingual customer care.

We proudly offer Paysign Pays Cashback Rewards, the Paysign Premier digital bank account, and Pharmacy Discount programs to all our cardholders.



# Paysign Patient Affordability Solutions

## Powering the Convergence of Fintech and Healthcare

- Pharmacy Benefit Copay Solutions

This includes our copay programs that process claims using the the National Council for Prescription Drug Programs (NCPDP) transmission standard.

- Medical Benefit Copay Solutions

These programs utilize the same medical billing and payment system as hospitals and healthcare providers to deliver the fastest claims payments in the industry, arriving in days instead of months.

- Accumulator Mitigation and Alternative Solutions

Paysign has developed advanced technology to identify accumulator-impacted claims and apply dynamic business rules to reduce the patient's financial burden. We have also implemented alternative program models outside the pharmacy claims process that can help patients remain on their prescribed therapy.

- Centralized Billing Solutions

We partner with hub service providers and pharmaceutical companies to empower them to get patients *to* therapy, not just *on* therapy. Our wrap-around debit card services include:

- Patient Travel Services
- Per Diem and Lodging Solutions
- Records Management

- Pharmaceutical Data + Analytics





# Additional Prepaid Solutions

1. Digital Banking Solutions
2. Corporate Disbursement Solutions
3. Reward and Incentive Solutions
4. GPR and Payroll Solutions
5. Open-Loop Gift Card Solutions



# Key Differentiators



**End-to-End Solutions:** Paysign is both the processor *and* program manager.

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**Superior Service:** Paysign offers 24/7/365 in-house, bilingual customer service.

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**Unmatched Uptime:** Paysign's back-end processing capability means no reliance on a third party, dramatically increasing uptime.

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**Timely Solution Delivery:** Paysign is expedient and nimble when creating solutions, and is dedicated to providing clients with programs and changes in the shortest possible time frame.

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**Client-Tailored Services:** Paysign creates customized, innovative payment solutions unique to the client's needs.



**Extended Services:** Paysign is proud to offer a suite of extended, value-added services.





# Investment by the Numbers



**Q2 2023 TTM Revenue**  
**\$42.4M**



**Q2 2023 TTM Adjusted EBITDA**  
**\$5.5M**

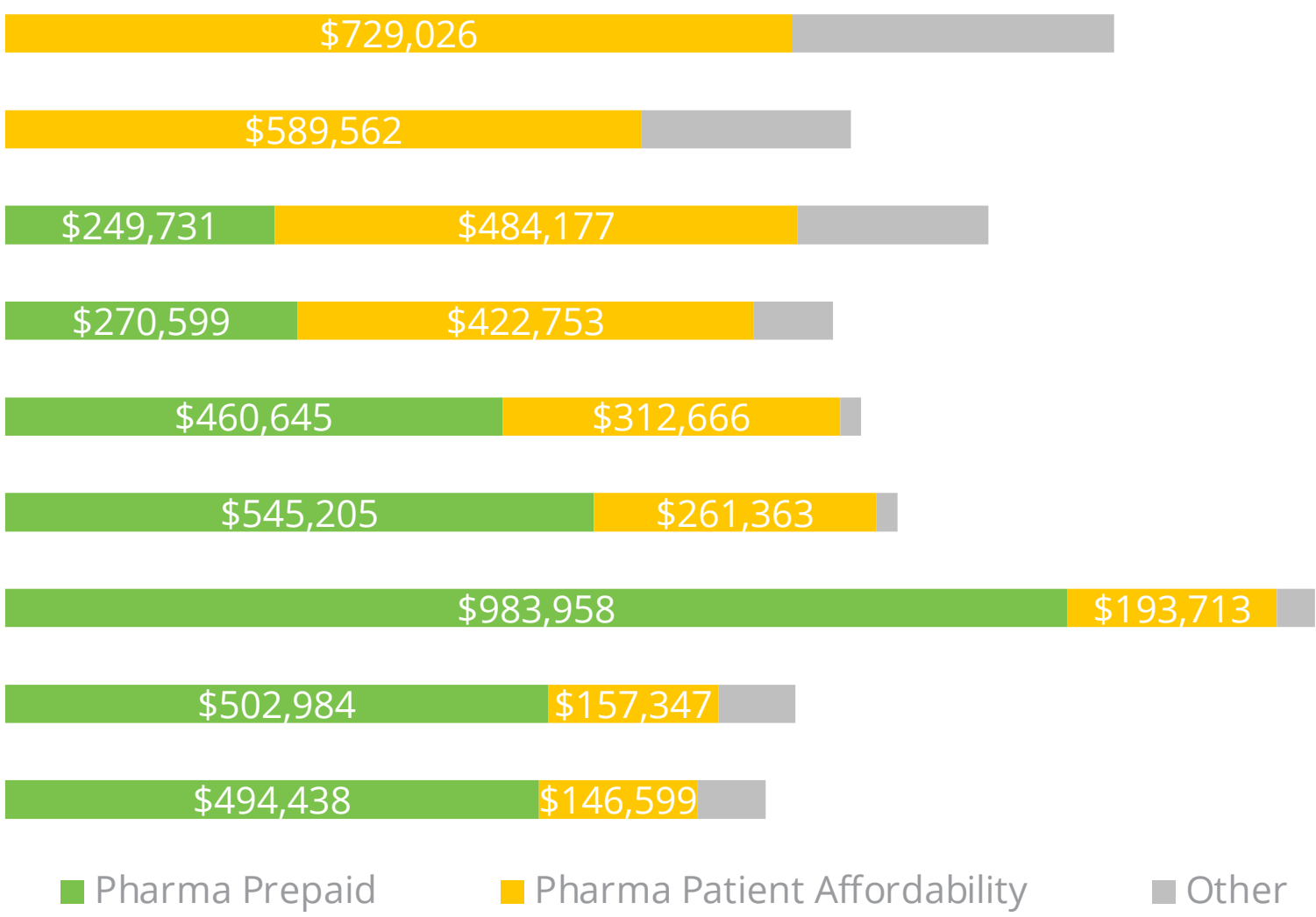
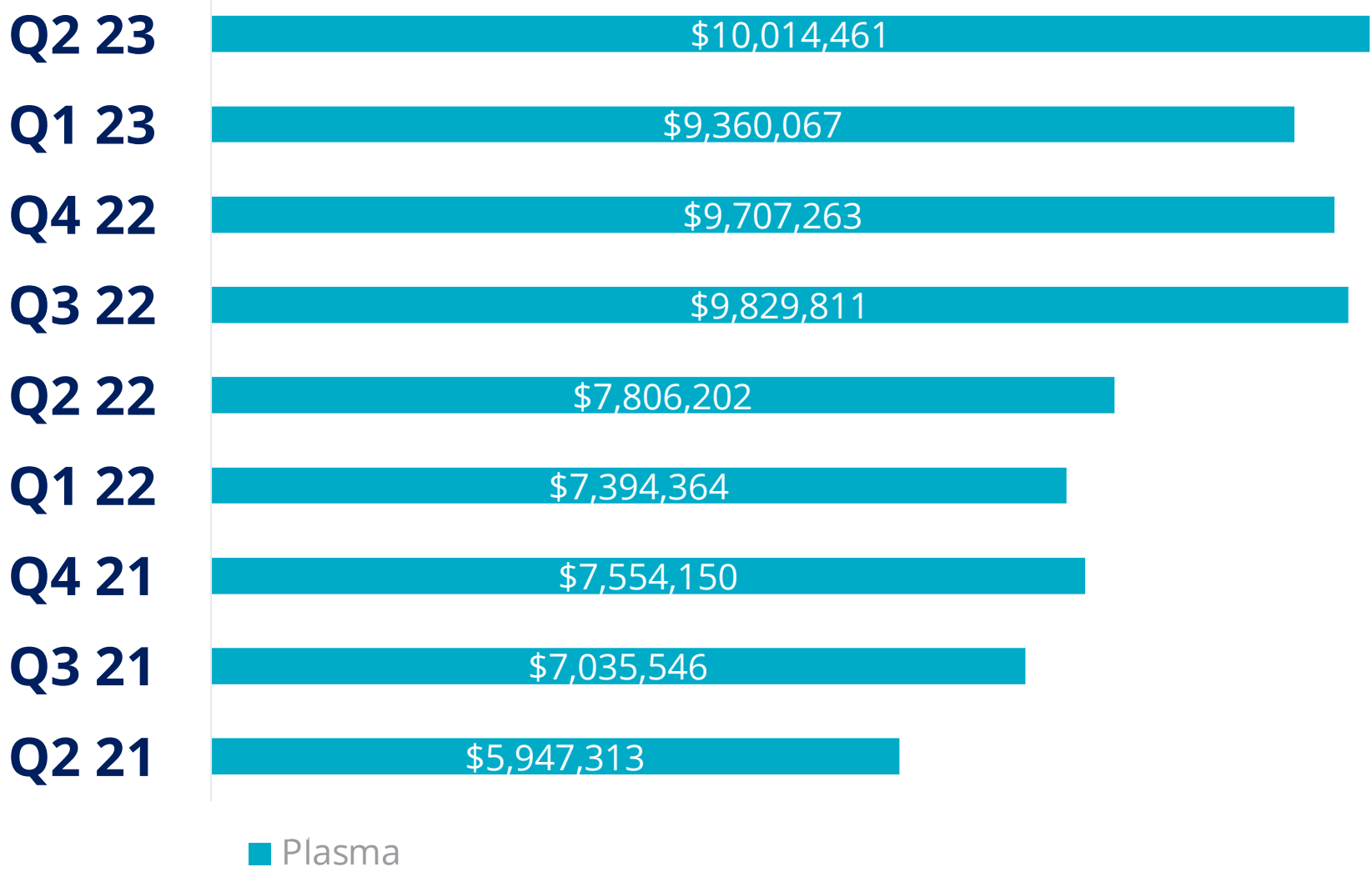


**Debt**  
**\$0**

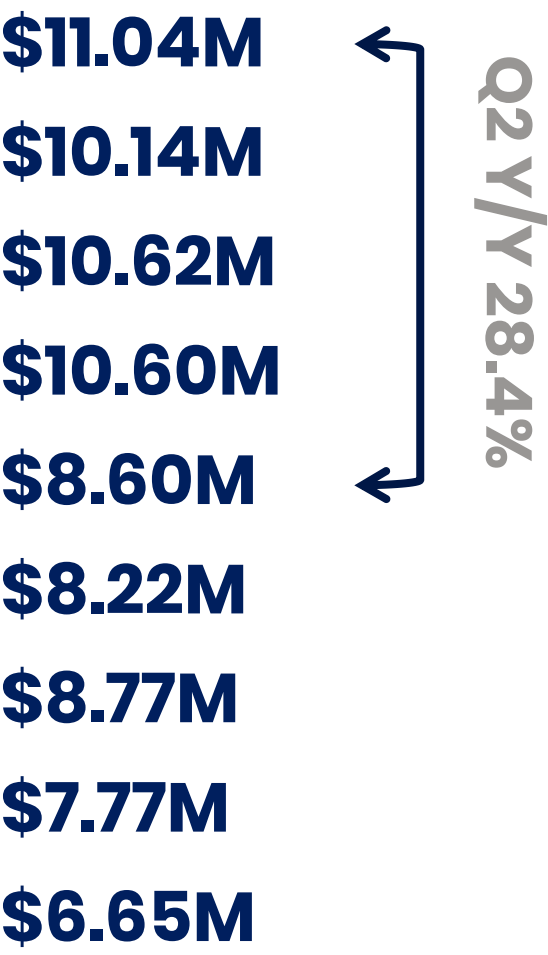


**Q2 2023 Total Assets**  
**\$108.9M**

## Revenue by Segment



## Total Revenue



## Revenue Drivers

Cardholder Fees

Interchange

Program Management Fees

Claim Fees

Other Fees

# Financial Highlights

## Income Statement Summary

Revenue and Reconciliation of Net Income to Adjusted EBITDA

	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
Revenues	6,651,290	7,767,190	8,766,942	8,220,639	8,598,776	10,596,428	10,617,824	10,143,290	11,041,051
Net Income (Loss)	(931,967)	(271,005)	111,292	(309,395)	(228,034)	852,109	713,095	(160,130)	(104,156)
Income Tax Provision (benefit)	800	–	1,673	1,897	26,916	36,183	42,480	1,530	58,137
Interest Income	5,010	6,119	10,067	14,336	70,227	265,284	441,070	584,197	600,868
Depreciation and Amortization	614,183	628,324	659,564	679,171	713,180	738,883	778,377	845,016	958,001
EBITDA	(321,994)	351,200	762,462	357,337	441,835	1,361,891	1,092,883	102,220	311,114
Stock-Based Compensation	540,921	603,591	500,204	569,502	488,287	566,205	653,723	618,244	830,426
Adjusted EBITDA	218,927	954,791	1,262,666	926,839	930,122	1,928,096	1,746,606	720,646	1,141,540





# Leadership Team



## Mark Newcomer

Co-Founder, Chairman & Chief Executive Officer

Newcomer has been the face, voice, and backbone of Paysign since 2006. For nearly 20 years, Newcomer has also served as chairman and CEO of 3PEA Technologies, Inc. (a subsidiary of Paysign Inc.), the payment solutions company he co-founded in 2001.

Today, Newcomer continues to expertly guide the company's growth through technology investments, acquisitions, new product lines, and strategic partnerships.



## Matt Lanford

Director, President & Chief Operating Officer

Lanford joined Paysign in 2019 with more than 30 years of experience in the payments industry. Before joining Paysign, he was the SVP/GM of the financial services division of InComm Payments.



## Jeff Baker

Chief Financial Officer

Baker joined Paysign in 2021 and has over 20 years of experience in the payments industry. Prior to Paysign, he held senior positions with Global Payments and InComm Payments primarily running mergers and acquisitions.



## Robert Strobo

General Counsel, CLO, and Secretary

Strobo joined Paysign in 2018. He served as deputy general counsel for Republic Bank & Trust, and has specialized experience with prepaid card issuance and non-traditional banking.



## Brad Cunningham

Chief Technology Officer

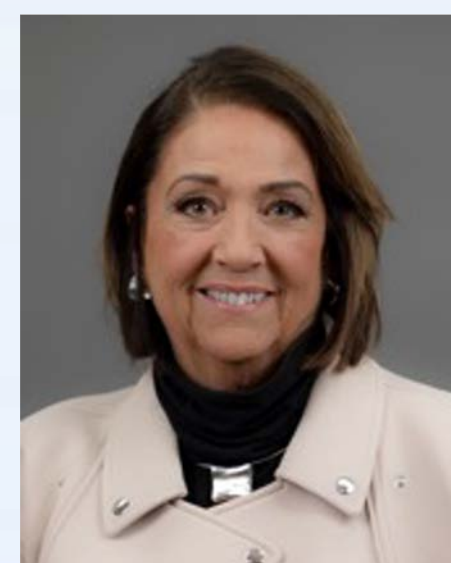
Cunningham joined Paysign in 2021 and brings more than 17 years of experience in financial technology. Prior to joining Paysign, he was SVP of IT at Republic Bank & Trust Company.



## Eric Trudeau

Chief Compliance Officer

Trudeau joined Paysign in 2018. Prior to that, he held positions at Global Cash Card, Inc., Sunrise Banks, and Meta Payment Systems.



## Joan Herman

Director and EVP, Business Development

Herman joined Paysign in 2017, bringing nearly 30 years of experience in the payments industry to the team.



## Matt Turner

President, Patient Affordability Services

Turner joined Paysign in 2019. Prior to that, he served as director of product management, patient affordability and pharmacy at TrialCard.



## Alicia Ches

VP, Marketing

Ches joined Paysign in 2020 and brings more than 10 years of experience in the payments industry. Before joining Paysign, she was director of marketing for Shift4 Payments.



# Independent Directors

**Dan Henry**

Director  
Compensation Committee Chair

- Former CEO and President of Green Dot Corporation (NYSE: GDOT)
- Former CEO of NetSpend (2008-2013); Grew annual revenue from \$129M to \$351M, with over 2.4 million cardholder accounts; NetSpend acquired by Total System Services: (NYSE: TSS) for \$1.4B
- Co-founder, former president, and COO and director at Euronet Worldwide (NASDAQ: EEFT)

**Dennis Triplett**

Director

- 35+ years in the banking industry including serving as the President and CEO of two banks in the Midwest
- Former CEO of Healthcare Services at UMB Bank, N.A, a leading provider of healthcare payment solutions including health savings accounts (HSAs), healthcare spending accounts, and payments technology

**Jeffrey Newman**

Director  
Nominating Committee Chair

- EVP and General Counsel of Euronet Worldwide (NASDAQ: EEFT) from 1997 to 2020
- Former partner at Arent Fox LLP, a Washington D.C.-based law firm specializing in international M&A.

**Bruce A. Mina**

Director  
Audit Committee Chair

- 30+ years of experience as a certified public accountant
- Founder and managing member of Mina Llano Higgins Group, LLP
- Former CFO of Coal Brick Oven Pizzeria, Inc.
- Currently CFO for Academy of Aviation in Long Island, NY





# Thank you!



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