



Realtime Electronic Payments

## REPAY Reports First Quarter 2025 Financial Results

May 12, 2025 8:05 PM EDT

*Company Provides 2025 Outlook Including Accelerating Growth*

*Announced Conclusion of Strategic Review Process*

*Announced Increased Share Repurchase Program Authorization to \$75 million*

ATLANTA--(BUSINESS WIRE)--May 12, 2025-- Repay Holdings Corporation (NASDAQ: RPAY) ("REPAY" or the "Company"), a leading provider of vertically-integrated payment solutions, today reported financial results for its first quarter ended March 31, 2025.

### First Quarter 2025 Financial Highlights

<i>(in \$ millions)</i>	<u>Q1 2024</u>	<u>Q2 2024</u>	<u>Q3 2024</u>	<u>Q4 2024</u>	<u>Q1 2025</u>
Revenue	\$ 80.7	\$ 74.9	\$ 79.1	\$ 78.3	\$ 77.3
Gross profit <sup>(1)</sup>	61.5	58.6	61.6	59.7	58.7
<i>Net (loss) income</i>	(5.4)	(4.2)	3.2	(4.0)	(8.2)
Adjusted EBITDA <sup>(2)</sup>	35.5	33.7	35.1	36.5	33.2
<i>Net cash provided by operating activities</i>	24.8	31.0	60.1	34.3	2.5
Free Cash Flow <sup>(2)</sup>	13.7	19.3	48.8	23.5	(8.0)
Free Cash Flow Conversion <sup>(2)</sup>	38%	57%	139%	64%	(24%)

(1) Gross profit represents revenue less costs of services (exclusive of depreciation and amortization).

(2) Adjusted EBITDA, Free Cash Flow and Free Cash Flow Conversion are non-GAAP financial measures. See "Non-GAAP Financial Measures" and the reconciliation of Adjusted EBITDA, Free Cash Flow and Free Cash Flow Conversion to their most comparable GAAP measure provided below for additional information.

"REPAY is focused on executing on core growth, which continues to reinforce the ongoing secular tailwinds and resiliency of our business model. Our Business Payments segment normalized gross profit growth<sup>1</sup> accelerated to 12% year-over-year, driven by the strength of our core accounts payable business, the onboarding of new enterprise customers, and the success of recent monetization efforts. Free cash flow was impacted by one-time working capital impacts as well as previously announced client losses. We believe the reported first quarter growth rates do not fully reflect our underlying business trends, and in fact, our 2025 outlook includes sequential quarterly normalized gross profit growth<sup>1</sup> resulting in a high single-digit to low double-digit fourth quarter growth rate, as well as free cash flow conversion accelerating throughout the year. Our core growth strategy remains robust, with a relentless focus on profitable growth, optimized payment flows, and operational efficiency to create lasting value for our shareholders," said John Morris, Chief Executive Officer of REPAY.

"The Board has made the decision to conclude our strategic review process at this time. I am confident in REPAY's ability to deliver growth and value for our shareholders in the near term and believe that we will be well positioned for positive organic results as we move through 2025. Additionally, we separately announced that our Board of Directors approved an increase in our share repurchase authorization by \$25 million. I also want to express our heartfelt gratitude to Tim Murphy, our Chief Financial Officer, for his 11 years of dedicated service and partnership. Tim will be leaving REPAY in the coming days, and we all wish him every success in his future endeavors."

### First Quarter 2025 Business Highlights

The Company's achievements in the quarter, including those highlighted below, reinforce management's belief in the ability of the Company to drive durable and long-term growth across REPAY's diversified business model.

- Reported and normalized gross profit<sup>1</sup> declines of 5% and 4% year-over-year due to impacts from previously announced client losses, which include certain losses due to consolidation
- Consumer Payments gross profit declined approximately 5% year-over-year, which was impacted by the previously announced client losses
- Business Payments normalized gross profit growth<sup>1</sup> of approximately 12% year-over-year
- Accelerated AP supplier network to over 390,000, an increase of approximately 40% year-over-year
- Added three new integrated software partners to bring the total to 283 software relationships as of the end of the first quarter
- Instant funding volumes increased by approximately 19% year-over-year
- Added 14 new credit unions bringing total credit union clients to 343

## 2025 Outlook

For fiscal year 2025, the Company now expects:

- Sequential quarterly acceleration of normalized gross profit growth<sup>1</sup>, including a fourth quarter year-over-year growth rate of high-single digits to low double-digits;
- Free cash flow conversion expected to exceed 50% in the second quarter, accelerating above 60% by the fourth quarter of 2025

REPAY does not provide quantitative reconciliation of forward-looking, non-GAAP financial measures, such as forecasted normalized gross profit growth and Free Cash Flow Conversion, to the most directly comparable GAAP financial measure, because it is difficult to reliably predict or estimate the relevant components without unreasonable effort due to future uncertainties that may potentially have a significant impact on such calculations, and providing them may imply a degree of precision that would be confusing or potentially misleading.

<sup>1</sup> Normalized gross profit growth is a non-GAAP financial measure that accounts for cyclical political media spending contributions. See “Non-GAAP Financial Measures” and the reconciliation to their most comparable GAAP measure provided below for additional information.

## Segments

The Company reports its financial results based on two reportable segments.

**Consumer Payments** – The Consumer Payments segment provides payment processing solutions (including debit and credit card processing, Automated Clearing House (“ACH”) processing and other electronic payment acceptance solutions, as well as REPAY’s loan disbursement product) that enable REPAY’s clients to collect payments from and disburse funds to consumers and includes its clearing and settlement solutions (“RCS”). RCS is REPAY’s proprietary clearing and settlement platform through which it markets customizable payment processing programs to other ISOs and payment facilitators. The strategic vertical markets served by the Consumer Payments segment primarily include personal loans, automotive loans, receivables management, credit unions, mortgage servicing, consumer healthcare and diversified retail.

**Business Payments** – The Business Payments segment provides payment processing solutions (including accounts payable automation, debit and credit card processing, virtual credit card processing, ACH processing and other electronic payment acceptance solutions) that enable REPAY’s clients to collect payments from or send payments to other businesses. The strategic vertical markets served within the Business Payments segment primarily include retail automotive, education, field services, governments and municipalities, healthcare, media, homeowner association management and hospitality.

### Segment Revenue, Gross Profit, and Gross Profit Margin

(\$ in thousands)	Three Months Ended March 31,		
	2025	2024	% Change
<b>Revenue</b>			
Consumer Payments	\$ 71,942	\$ 76,136	(6%)
Business Payments	10,988	9,677	14%
Elimination of intersegment revenues	(5,605)	(5,093)	
<b>Total revenue</b>	<b>\$ 77,325</b>	<b>\$ 80,720</b>	<b>(4%)</b>
<b>Gross profit (1)</b>			
Consumer Payments	\$ 56,709	\$ 59,591	(5%)
Business Payments	7,557	7,047	7%
Elimination of intersegment revenues	(5,605)	(5,093)	
<b>Total gross profit</b>	<b>\$ 58,661</b>	<b>\$ 61,545</b>	<b>(5%)</b>
<b>Total gross profit margin (2)</b>	<b>76%</b>	<b>76%</b>	

(1) Gross profit represents revenue less costs of services (exclusive of depreciation and amortization).

(2) Gross profit margin represents total gross profit / total revenue.

## Conference Call

REPAY will host a conference call to discuss first quarter financial results today, May 12, 2025 at 5:00 pm ET. Hosting the call will be John Morris, CEO, and Tim Murphy, CFO. The call will be webcast live from REPAY’s investor relations website at <https://investors.repay.com/investor-relations>. The conference call can also be accessed live over the phone by dialing (877) 407-3982, or for international callers (201) 493-6780. A replay will be available one hour after the call and can be accessed by dialing (844) 512-2921 or (412) 317-6671 for international callers; the conference ID is 13752562. The replay will be available at <https://investors.repay.com/investor-relations>.

## Non-GAAP Financial Measures

This report includes certain non-GAAP financial measures that management uses to evaluate the Company’s operating business, measure performance, and make strategic decisions. Adjusted EBITDA is a non-GAAP financial measure that represents net income prior to interest expense, tax expense, depreciation and amortization, as adjusted to add back certain charges deemed to not be part of normal operating expenses, non-cash charges and/or non-recurring charges, such as gain on extinguishment of debt, non-cash change in fair value of assets and liabilities, share-based compensation charges, transaction expenses, restructuring and other strategic initiative costs and other non-recurring charges. Adjusted Net Income is a non-GAAP financial measure that represents net income prior to amortization of acquisition-related intangibles, as adjusted to add back certain charges deemed to not be part of normal operating expenses, such as non-cash change in fair value of assets and liabilities, share-based compensation expense, transaction expenses, restructuring and other strategic initiative costs, other non-recurring charges, non-cash interest

expense and net of tax effect associated with these adjustments. Adjusted Net Income is adjusted to exclude amortization of all acquisition-related intangibles as such amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. Management believes that the adjustment of acquisition-related intangible amortization supplements GAAP financial measures because it allows for greater comparability of operating performance. Although REPAY excludes amortization from acquisition-related intangibles from its non-GAAP expenses, management believes that it is important for investors to understand that such intangibles were recorded as part of purchase accounting and contribute to revenue generation. Adjusted Net Income per share is a non-GAAP financial measure that represents Adjusted Net Income divided by the weighted average number of shares of Class A common stock outstanding (on an as-converted basis assuming conversion of the outstanding units exchangeable for shares of Class A common stock) for the three months ended March 31, 2025 and 2024 (excluding shares subject to forfeiture). Free Cash Flow is a non-GAAP financial measure that represents net cash flow provided by operating activities less total capital expenditures. Free Cash Flow Conversion represents Free Cash Flow divided by Adjusted EBITDA. Normalized gross profit growth represents year-over-year gross profit growth that excludes incremental gross profit attributable to political media spending associated with the 2024 election cycle in our media payments business. REPAY believes that Adjusted EBITDA, Adjusted Net Income, Adjusted Net Income per share, Free Cash Flow, Free Cash Flow Conversion and Normalized gross profit growth provide useful information to investors and others in understanding and evaluating its operating results in the same manner as management. However, these non-GAAP financial measures are not financial measures calculated in accordance with GAAP and should not be considered as a substitute for net income, operating profit, net cash provided by operating activities, or any other operating performance measure calculated in accordance with GAAP. Using these non-GAAP financial measures to analyze REPAY's business has material limitations because the calculations are based on the subjective determination of management regarding the nature and classification of events and circumstances that investors may find significant. In addition, although other companies in REPAY's industry may report measures titled as the same or similar measures, such non-GAAP financial measures may be calculated differently from how REPAY calculates its non-GAAP financial measures, which reduces their overall usefulness as comparative measures. Because of these limitations, you should consider REPAY's non-GAAP financial measures alongside other financial performance measures, including net income, net cash provided by operating activities and REPAY's other financial results presented in accordance with GAAP.

### Forward-Looking Statements

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future financial and operating results, including 2025 outlook, REPAY's plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "guidance," "will likely result," "are expected to," "will continue," "should," "is anticipated," "estimated," "believe," "intend," "plan," "projection," "outlook" or words of similar meaning. These forward-looking statements include, but are not limited to, statements regarding the strategic review process, REPAY's market and growth opportunities, REPAY's business strategy and the plans and objectives of management for future operations and the allocation of capital. Such forward-looking statements are based upon the current beliefs and expectations of REPAY's management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond REPAY's control.

In addition to factors disclosed in REPAY's reports filed with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2024 and those identified elsewhere in this communication, the following factors, among others, could cause actual results and the timing of events to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: risks or uncertainties relating to the outcome or timing of REPAY's strategic review process, exposure to economic conditions and political risk affecting the consumer loan market, the receivables management industry and consumer and commercial spending, including bank failures or other adverse events affecting financial institutions, inflationary pressures, evolving U.S. trade policies, general economic slowdown or recession; changes in the payment processing market in which REPAY competes, including with respect to its competitive landscape, technology evolution or regulatory changes; changes in the vertical markets that REPAY targets, including the regulatory environment applicable to REPAY's clients; the ability to retain, develop and hire key personnel; risks relating to REPAY's relationships within the payment ecosystem; risk that REPAY may not be able to execute its growth strategies, including identifying and executing acquisitions; risks relating to data security; changes in accounting policies applicable to REPAY; and the risk that REPAY may not be able to maintain effective internal controls.

Actual results, performance or achievements may differ materially, and potentially adversely, from any projections and forward-looking statements and the assumptions on which those forward-looking statements are based. There can be no assurance that the data contained herein is reflective of future performance to any degree. You are cautioned not to place undue reliance on forward-looking statements as a predictor of future performance. All information set forth herein speaks only as of the date hereof in the case of information about REPAY or the date of such information in the case of information from persons other than REPAY, and REPAY disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication. Forecasts and estimates regarding REPAY's industry and end markets are based on sources it believes to be reliable, however there can be no assurance these forecasts and estimates will prove accurate in whole or in part. Pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

### About REPAY

REPAY provides integrated payment processing solutions to verticals that have specific transaction processing needs. REPAY's proprietary, integrated payment technology platform reduces the complexity of electronic payments for clients, while enhancing the overall experience for consumers and businesses.

### Consolidated Statement of Operations

	<b>Three Months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<i>(in \$ thousands, except per share data)</i>		
<b>Revenue</b>	<b>\$ 77,325</b>	<b>\$ 80,720</b>
<b>Operating expenses</b>		
Costs of services (exclusive of depreciation and amortization shown separately below)	18,664	19,175
Selling, general and administrative	36,987	37,021
Depreciation and amortization	25,294	27,028
<b>Total operating expenses</b>	<b>80,945</b>	<b>83,224</b>
<b>Loss from operations</b>	<b>(3,620)</b>	<b>(2,504)</b>
<b>Other income (expense)</b>		
Interest income	1,356	1,292
Interest expense	(3,107)	(912)
Change in fair value of tax receivable liability	(3,022)	(2,913)
Other income (loss), net	(227)	(26)

Total other income (expense)	(5,000)	(2,559)
<b>Loss before income tax expense</b>	<b>(8,620)</b>	<b>(5,063)</b>
Income tax benefit (expense)	452	(302)
<b>Net loss</b>	<b>\$ (8,168)</b>	<b>\$ (5,365)</b>
Net loss attributable to non-controlling interest	(221)	(153)
<b>Net loss attributable to the Company</b>	<b>\$ (7,947)</b>	<b>\$ (5,212)</b>
Weighted-average shares of Class A common stock outstanding - basic and diluted	89,005,725	91,218,208
<b>Loss per Class A share - basic and diluted</b>	<b>\$ (0.09)</b>	<b>\$ (0.06)</b>

### Consolidated Balance Sheets

<i>(in \$ thousands)</i>	<b>March 31, 2025 (Unaudited)</b>	<b>December 31, 2024</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 165,466	\$ 189,530
Current restricted cash	31,184	35,654
Accounts receivable	36,831	32,950
Prepaid expenses and other	16,646	17,114
<b>Total current assets</b>	<b>250,127</b>	<b>275,248</b>
Property, plant and equipment, net	1,778	2,383
Noncurrent restricted cash	12,541	11,525
Intangible assets, net	374,615	389,034
Goodwill	716,793	716,793
Operating lease right-of-use assets, net	10,713	11,142
Deferred tax assets	163,846	163,283
Other assets	4,979	2,500
<b>Total noncurrent assets</b>	<b>1,285,265</b>	<b>1,296,660</b>
<b>Total assets</b>	<b>\$ 1,535,392</b>	<b>\$ 1,571,908</b>
<b>Liabilities</b>		
Accounts payable	\$ 24,136	\$ 28,912
Accrued expenses	41,573	55,501
Current operating lease liabilities	1,266	1,230
Current tax receivable agreement (\$0 and \$2,413 held for related parties as of March 31, 2025 and December 31, 2024, respectively)	—	16,337
Other current liabilities	457	267
<b>Total current liabilities</b>	<b>67,432</b>	<b>102,247</b>
Long-term debt	497,588	496,778
Noncurrent operating lease liabilities	10,043	10,507
Tax receivable agreement, net of current portion (\$25,518 and \$25,134 held for related parties as of March 31, 2025 and December 31, 2024, respectively)	190,441	187,308
Other liabilities	2,690	1,899
<b>Total noncurrent liabilities</b>	<b>700,762</b>	<b>696,492</b>
<b>Total liabilities</b>	<b>\$ 768,194</b>	<b>\$ 798,739</b>
Commitments and contingencies		
<b>Stockholders' equity</b>		
Class A common stock, \$0.0001 par value; 2,000,000,000 shares authorized; 94,565,875 issued and 89,073,142 outstanding as of March 31, 2025; 93,732,227 issued and 88,239,494 outstanding as of December 31, 2024	9	9
Class V common stock, \$0.0001 par value; 1,000 shares authorized and 100 shares issued and outstanding as of March 31, 2025 and December 31, 2024	—	—
Treasury stock, 5,492,733 as of March 31, 2025 and December 31, 2024	(53,782)	(53,782)
Additional paid-in capital	1,151,265	1,148,871
Accumulated deficit	(341,773)	(333,826)
<b>Total Repay stockholders' equity</b>	<b>\$ 755,719</b>	<b>\$ 761,272</b>
<b>Non-controlling interests</b>	<b>11,479</b>	<b>11,897</b>
<b>Total equity</b>	<b>767,198</b>	<b>773,169</b>
<b>Total liabilities and equity</b>	<b>\$ 1,535,392</b>	<b>\$ 1,571,908</b>

## Consolidated Statements of Cash Flows

<i>(in \$ thousands)</i>	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities</b>		
Net loss	\$ (8,168)	\$ (5,365)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	25,294	27,028
Stock based compensation	5,344	6,282
Amortization of debt issuance costs	810	712
Other loss	267	—
Fair value change in tax receivable agreement liability	3,022	2,913
Deferred tax expense	(452)	302
Change in accounts receivable	(3,881)	(3,967)
Change in prepaid expenses and other	468	(520)
Change in operating lease ROU assets	429	2,084
Change in other assets	(2,479)	—
Change in accounts payable	(4,776)	1,679
Change in accrued expenses and other	(13,928)	(4,982)
Change in operating lease liabilities	(428)	(2,201)
Change in other liabilities	981	836
<b>Net cash provided by operating activities</b>	<b>2,503</b>	<b>24,801</b>
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(146)	(87)
Capitalized software development costs	(10,391)	(11,042)
<b>Net cash used in investing activities</b>	<b>(10,537)</b>	<b>(11,129)</b>
<b>Cash flows from financing activities</b>		
Payments for tax withholding related to shares vesting under Incentive Plan	(3,147)	(2,407)
Payment of Tax Receivable Agreement	(16,337)	(580)
<b>Net cash used in financing activities</b>	<b>(19,484)</b>	<b>(2,987)</b>
<b>Increase in cash, cash equivalents and restricted cash</b>	<b>(27,518)</b>	<b>10,685</b>
<b>Cash, cash equivalents and restricted cash at beginning of period</b>	<b>\$ 236,709</b>	<b>\$ 144,145</b>
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 209,191</b>	<b>\$ 154,830</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the period for:		
Interest	\$ 4,525	\$ 200
Income taxes (net of refunds received)	\$ (25)	\$ 4

### Reconciliation of GAAP Net Income (Loss) to Non-GAAP Adjusted EBITDA For the Three Months Ended March 31, 2025 and 2024 (Unaudited)

<i>(in \$ thousands)</i>	<b>Three Months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Revenue</b>	<b>\$ 77,325</b>	<b>\$ 80,720</b>
<b>Operating expenses</b>		
Costs of services (exclusive of depreciation and amortization shown separately below)	\$ 18,664	\$ 19,175
Selling, general and administrative	36,987	37,021
Depreciation and amortization	25,294	27,028
Total operating expenses	\$ 80,945	\$ 83,224
<b>Loss from operations</b>	<b>\$ (3,620)</b>	<b>\$ (2,504)</b>
<b>Other income (expense)</b>		
Interest income	1,356	1,292
Interest expense	(3,107)	(912)
Change in fair value of tax receivable liability	(3,022)	(2,913)
Other income (loss), net	(227)	(26)
Total other income (expense)	(5,000)	(2,559)

<b>Loss before income tax expense</b>	<b>(8,620)</b>	<b>(5,063)</b>
Income tax benefit (expense)	452	(302)
<b>Net loss</b>	<b>\$ (8,168)</b>	<b>\$ (5,365)</b>
<b>Add:</b>		
Interest income	(1,356)	(1,292)
Interest expense	3,107	912
Depreciation and amortization <sup>(a)</sup>	25,294	27,028
Income tax benefit	(452)	302
<b>EBITDA</b>	<b>\$ 18,425</b>	<b>\$ 21,585</b>
Non-cash change in fair value of assets and liabilities <sup>(b)</sup>	3,022	2,913
Share-based compensation expense <sup>(c)</sup>	6,045	6,923
Transaction expenses <sup>(d)</sup>	782	677
Restructuring and other strategic initiative costs <sup>(e)</sup>	3,511	2,184
Other non-recurring charges <sup>(f)</sup>	1,390	1,231
<b>Adjusted EBITDA</b>	<b>\$ 33,175</b>	<b>\$ 35,513</b>

**Quarterly Reconciliation of GAAP Net Income (Loss) to Non-GAAP Adjusted EBITDA  
(Unaudited)**

<i>(in \$ thousands)</i>	<b>Three Months ended</b>		
	<b>June 30, 2024</b>	<b>September 30, 2024</b>	<b>December 31, 2024</b>
<b>Net income (loss)</b>	<b>\$ (4,237)</b>	<b>\$ 3,215</b>	<b>\$ (3,958)</b>
<b>Add:</b>			
Interest income	\$ (1,463)	\$ (1,608)	\$ (1,629)
Interest expense	909	2,918	3,134
Depreciation and amortization <sup>(a)</sup>	26,771	25,529	24,382
Income tax (benefit) expense	(1,975)	1,524	(426)
<b>EBITDA</b>	<b>\$ 20,005</b>	<b>\$ 31,578</b>	<b>\$ 21,503</b>
Gain on extinguishment of debt <sup>(k)</sup>	—	(13,136)	—
Non-cash change in fair value of assets and liabilities <sup>(b)</sup>	3,366	6,479	1,785
Share-based compensation expense <sup>(c)</sup>	5,874	6,477	5,921
Transaction expenses <sup>(d)</sup>	414	937	297
Restructuring and other strategic initiative costs <sup>(e)</sup>	2,584	2,202	5,524
Other non-recurring charges <sup>(f)</sup>	1,485	562	1,440
<b>Adjusted EBITDA</b>	<b>\$ 33,728</b>	<b>\$ 35,099</b>	<b>\$ 36,470</b>

**Reconciliation of GAAP Net Income (Loss) to Non-GAAP Adjusted Net Income  
For the Three Months Ended March 31, 2025 and 2024  
(Unaudited)**

<i>(in \$ thousands)</i>	<b>Three Months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Revenue</b>	<b>\$ 77,325</b>	<b>\$ 80,720</b>
Operating expenses		
Costs of services (exclusive of depreciation and amortization shown separately below)	\$ 18,664	\$ 19,175
Selling, general and administrative	36,987	37,021
Depreciation and amortization	25,294	27,028
Total operating expenses	\$ 80,945	\$ 83,224
<b>Loss from operations</b>	<b>\$ (3,620)</b>	<b>\$ (2,504)</b>
Interest income	1,356	1,292
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<b>Loss before income tax expense</b>	<b>(8,620)</b>	<b>(5,063)</b>

Income tax benefit (expense)	452	(302)
<b>Net loss</b>	<b>\$ (8,168)</b>	<b>\$ (5,365)</b>
<b>Add:</b>		
Amortization of acquisition-related intangibles (g)	19,329	19,736
Non-cash change in fair value of assets and liabilities (b)	3,022	2,913
Share-based compensation expense (c)	6,045	6,923
Transaction expenses (d)	782	677
Restructuring and other strategic initiative costs (e)	3,511	2,184
Other non-recurring charges (f)	1,390	1,231
Non-cash interest expense (h)	845	712
Pro forma taxes at effective rate (i)	(6,442)	(6,633)
<b>Adjusted Net Income</b>	<b>\$ 20,314</b>	<b>\$ 22,378</b>
Shares of Class A common stock outstanding (on an as-converted basis) (i)	94,358,268	97,062,303
<b>Adjusted Net Income per share</b>	<b>\$ 0.22</b>	<b>\$ 0.23</b>

**Reconciliation of Operating Cash Flow to Free Cash Flow**  
**For the Three Months and Years Ended December 31, 2024 and 2023**  
(Unaudited)

<i>(in \$ thousands)</i>	<u>Three Months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
<b>Net cash provided by operating activities</b>	<b>\$ 2,503</b>	<b>\$ 24,801</b>
Capital expenditures		
Cash paid for property and equipment	(146)	(87)
Capitalized software development costs	(10,391)	(11,042)
Total capital expenditures	(10,537)	(11,129)
<b>Free cash flow</b>	<b>\$ (8,034)</b>	<b>\$ 13,672</b>
<b>Free cash flow conversion</b>	<b>(24%)</b>	<b>38%</b>

**Quarterly Reconciliation of Operating Cash Flow to Free Cash Flow**  
(Unaudited)

<i>(in \$ thousands)</i>	<u>Three Months ended</u>		
	<u>June 30, 2024</u>	<u>September 30, 2024</u>	<u>December 31, 2024</u>
<b>Net cash provided by operating activities</b>	<b>\$ 30,979</b>	<b>\$ 60,058</b>	<b>\$ 34,252</b>
Capital expenditures			
Cash paid for property and equipment	(484)	(211)	(207)
Capitalized software development costs	(11,207)	(11,029)	(10,586)
Total capital expenditures	(11,691)	(11,240)	(10,793)
<b>Free cash flow</b>	<b>\$ 19,288</b>	<b>\$ 48,818</b>	<b>\$ 23,459</b>
<b>Free cash flow conversion</b>	<b>57%</b>	<b>139%</b>	<b>64%</b>

**Reconciliation of Gross Profit Growth to Normalized Gross Profit Growth by Segment**  
**For the Year-over-Year Change Between the Three Months Ended March 31, 2025 and 2024**  
(Unaudited)

	<u>Consumer Payments</u>	<u>Business Payments</u>	<u>Total</u>
Gross profit growth	(5%)	7%	(5%)
Less: Growth from contributions related to political media	—	(5%)	(1%)
Normalized gross profit growth (l)	(5%)	12%	(4%)

(a) See footnote (g) for details on amortization and depreciation expenses.

(b) Reflects the changes in management's estimates of the fair value of the liability relating to the Tax Receivable Agreement.

(c) Represents compensation expense associated with equity compensation plans.

(d) Primarily consists of professional service fees incurred in connection with prior transactions.

(e) Reflects costs associated with reorganization of operations, consulting fees related to processing services and other operational improvements, including restructuring and integration activities related to acquired businesses, that were not in the ordinary course.

(f) For the three months ended March 31, 2025, the three months ended December 31, 2024, the three months ended September 30, 2024, the three months ended June 30, 2024 and the three months ended March 31, 2024, , reflects franchise taxes and other non-income based taxes, non-recurring legal and other litigation expenses and payments made to third-parties in connection with our IT security and personnel.

(g) Reflects amortization of client relationships, non-compete agreement, software, and channel relationship intangibles acquired through the business combination with Thunder Bridge, and client relationships, non-compete agreement, and software intangibles acquired through REPAY's acquisitions of TriSource Solutions, APS Payments, Ventanex, cPayPlus, CPS Payments, BillingTree, Kontrol Payables and Payix. This adjustment excludes the amortization of other intangible assets which were acquired in the regular course of business, such as capitalized internally developed software and purchased software. See additional information below for an analysis of amortization expenses:

	<b>Three Months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<i>(in \$ thousands)</i>		
Acquisition-related intangibles	\$ 19,329	\$ 19,736
Software	5,482	6,713
Amortization	<b>\$ 24,811</b>	<b>\$ 26,449</b>
Depreciation	483	579
<b>Total Depreciation and amortization <sup>(1)</sup></b>	<b>\$ 25,294</b>	<b>\$ 27,028</b>

	<b>Three Months ended</b>		
	<b>June 30, 2024</b>	<b>September 20, 2024</b>	<b>December 31, 2024</b>
<i>(in \$ thousands)</i>			
Acquisition-related intangibles	\$ 19,702	\$ 19,111	\$ 18,595
Software	6,856	6,008	5,249
Amortization	<b>\$ 26,558</b>	<b>\$ 25,119</b>	<b>\$ 23,844</b>
Depreciation	213	410	538
<b>Total Depreciation and amortization <sup>(1)</sup></b>	<b>\$ 26,771</b>	<b>\$ 25,529</b>	<b>\$ 24,382</b>

(1) Adjusted Net Income is adjusted to exclude amortization of all acquisition-related intangibles as such amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions (see corresponding adjustments in the reconciliation of net income to Adjusted Net Income presented above). Management believes that the adjustment of acquisition-related intangible amortization supplements GAAP financial measures because it allows for greater comparability of operating performance. Although REPAY excludes amortization from acquisition-related intangibles from its non-GAAP expenses, management believes that it is important for investors to understand that such intangibles were recorded as part of purchase accounting and contribute to revenue generation. Amortization of intangibles that relate to past acquisitions will recur in future periods until such intangibles have been fully amortized. Any future acquisitions may result in the amortization of additional intangibles.

(h) Represents amortization of non-cash deferred debt issuance costs.

(i) Represents pro forma income tax adjustment effect associated with items adjusted above.

(j) Represents the weighted average number of shares of Class A common stock outstanding (on an as-converted basis assuming conversion of outstanding Post-Merger Repay Units) for the three months ended March 31, 2025 and 2024. These numbers do not include any shares issuable upon conversion of the Company's convertible senior notes. See the reconciliation of basic weighted average shares outstanding to the non-GAAP Class A common stock outstanding on an as-converted basis for each respective period below:

	<b>Three Months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Weighted average shares of Class A common stock outstanding - basic	89,005,725	91,218,208
Add: Non-controlling interests		
Weighted average Post-Merger Repay Units exchangeable for Class A common stock	5,352,543	5,844,095
<b>Shares of Class A common stock outstanding (on an as-converted basis)</b>	<b>94,358,268</b>	<b>97,062,303</b>

(k) Reflects a gain on the repurchase of 2026 Notes principal, net of a write-off of debt issuance costs relating to the repurchased principal.

(l) Represents year-over-year gross profit growth that excludes incremental gross profit attributable to political media spending in Q1 2024 associated with the 2024 election cycle in our media payments business.

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