



Third Quarter 2023 Financial Results

Michael J. Brown | Chairman & CEO
Rick L. Weller | EVP & CFO
Scott Claassen | General Counsel



Forward Looking Statements

Statements contained in this news release that concern Euronet's or its management's intentions, expectations, or predictions of future performance, are forward-looking statements. Euronet's actual results may vary materially from those anticipated in such forward-looking statements as a result of a number of factors, including: conditions in world financial markets and general economic conditions, including impacts from the COVID-19 pandemic; inflation; the war in the Ukraine and the related economic sanctions; our ability to successfully integrate any acquired operations; economic conditions in specific countries and regions; technological developments affecting the market for our products and services; our ability to successfully introduce new products and services; foreign currency exchange rate fluctuations; the effects of any breach of our computer systems or those of our customers or vendors, including our financial processing networks or those of other third parties; interruptions in any of our systems or those of our vendors or other third parties; our ability to renew existing contracts at profitable rates; changes in fees payable for transactions performed for cards bearing international logos or over switching networks such as card transactions on ATMs; our ability to comply with increasingly stringent regulatory requirements, including anti-money laundering, anti-terrorism, anti-bribery, consumer and data protection and privacy; changes in laws and regulations affecting our business, including tax and immigration laws and any laws regulating payments, including dynamic currency conversion transactions; changes in our relationships with, or in fees charged by, our business partners; competition; the outcome of claims and other loss contingencies affecting Euronet; the cost of borrowing (including fluctuations in interest rates), availability of credit and terms of and compliance with debt covenants; and renewal of sources of funding as they expire and the availability of replacement funding. These risks and other risks are described in the Company's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Copies of these filings may be obtained via the SEC's Edgar website or by contacting the Company. Any forward-looking statements made in this release speak only as of the date of this release. Except as may be required by law, Euronet does not intend to update these forward-looking statements and undertakes no duty to any person to provide any such update under any circumstances. The Company regularly posts important information to the investor relations section of its website.

Unless specifically noted otherwise within this presentation, the following terms are hereby defined as follows:

Constant currency measures are computed as if foreign currency exchange rates did not change from the prior period. This information is provided to illustrate the impact of changes in foreign currency exchange rates on the Company's results when compared to the prior period.

Adjusted EBITDA is defined as net income excluding, to the extent incurred in the period, interest, income tax expense, depreciation, amortization, share-based compensation expenses, non-cash purchase accounting adjustment and other non-operating or non-recurring items that are considered expenses or income under U.S. GAAP. Adjusted EBITDA represents a performance measure and is not intended to represent a liquidity measure.

Adjusted earnings per share (Adjusted EPS) is defined as diluted U.S. GAAP earnings (loss) per share excluding, to the extent incurred in the period, the tax-effected impacts of a) foreign currency exchange gains or losses b) share-based compensation, c) acquired intangible asset amortization, d) non-cash income tax expense, e) non-cash purchase accounting adjustment, (f) other non-operating or non-recurring items and g) dilutive shares related to the Company's convertible bonds. Adjusted earnings per share represents a performance measure and is not intended to represent a liquidity measure.

The reconciliation of non-GAAP items is included in the attached supplemental data.

The Company does not provide a reconciliation of its forward-looking non-GAAP measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for GAAP and the related GAAP to non-GAAP reconciliation, including adjustments that could be made for currency exchange rate fluctuations and other charges reflected in the Company's reconciliation of historic numbers, the amount of which, based on historical experience, could be significant.



Financial Highlights Third Quarter 2023

Rick L. Weller | EVP & CFO

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- **Revenue – \$1,004.0 million**
 - 8% increase from \$931.3 million for Q3 2022
 - 3% increase on a constant currency basis
- **Operating Income - \$167.0 million**
 - 1% decrease from \$168.5 million for Q3 2022
 - 6% decrease on a constant currency basis
- **Adjusted EBITDA - \$212.5 million**
 - 0% increase from \$211.6 million for Q3 2022
 - 4% decrease on a constant currency basis
- **Adjusted EPS \$2.72**
 - 1% decrease from \$2.74 for Q3 2022

USD (in millions)	6/30/2023	9/30/2023
Unrestricted Cash	\$ 1,137.5	\$ 1,074.4
ATM Cash	776.3	603.5
Settlement Assets	1,068.9	1,242.3
Total Assets	5,221.0	5,162.9
Total Debt	1,760.8	1,717.3
Total Debt to Trailing Twelve Month Adjusted EBITDA Multiple	2.9x	2.9x
Net Debt to Trailing Twelve Month Adjusted EBITDA Multiple	1.0x	1.1x

USD (in millions)	Revenue		Operating Income		Adjusted EBITDA	
	Q3 2022	Q3 2023	Q3 2022	Q3 2023	Q3 2022	Q3 2023
EFT Processing	\$ 319.5	\$ 345.8	\$ 116.4	\$ 104.8	\$ 139.5	\$ 128.7
<i>% Change</i>		8%		-10%		-8%
epay	248.9	264.5	29.1	28.3	30.5	30.1
<i>% Change</i>		6%		-3%		-1%
Money Transfer	364.9	395.9	40.7	53.7	48.9	60.7
<i>% Change</i>		8%		32%		24%
Subtotal	933.3	1,006.2	186.2	186.8	218.9	219.5
<i>% Change</i>		8%		0%		0%
Corporate, Eliminations & Other	(2.0)	(2.2)	(17.7)	(19.8)	(7.3)	(7.0)
Consolidated Total	\$ 931.3	\$ 1,004.0	\$ 168.5	\$ 167.0	\$ 211.6	\$ 212.5
<i>% Change</i>		8%		-1%		0%

Financial Highlights Third Quarter 2023

Same Quarter Prior Year Comparison – Constant Currency*

USD (in millions)	Revenue		Operating Income		Adjusted EBITDA	
	Q3 2022	Q3 2023*	Q3 2022	Q3 2023*	Q3 2022	Q3 2023*
EFT Processing	\$ 319.5	\$ 326.5	\$ 116.4	\$ 99.4	\$ 139.5	\$ 122.1
<i>% Change</i>		2%		-15%		-12%
epay	248.9	252.5	29.1	27.4	30.5	29.1
<i>% Change</i>		1%		-6%		-5%
Money Transfer	364.9	385.1	40.7	51.6	48.9	58.5
<i>% Change</i>		6%		27%		20%
Subtotal	933.3	964.1	186.2	178.4	218.9	209.7
<i>% Change</i>		3%		-4%		-4%
Corporate, Eliminations & Other	(2.0)	(2.2)	(17.7)	(19.8)	(7.3)	(7.0)
Consolidated Total	\$ 931.3	\$ 961.9	\$ 168.5	\$ 158.6	\$ 211.6	\$ 202.7
<i>% Change</i>		3%		-6%		-4%

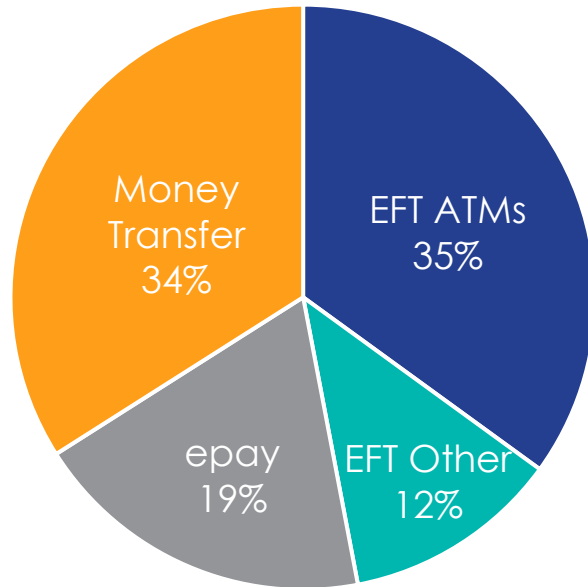


Business Update

Michael J. Brown | Chairman & CEO

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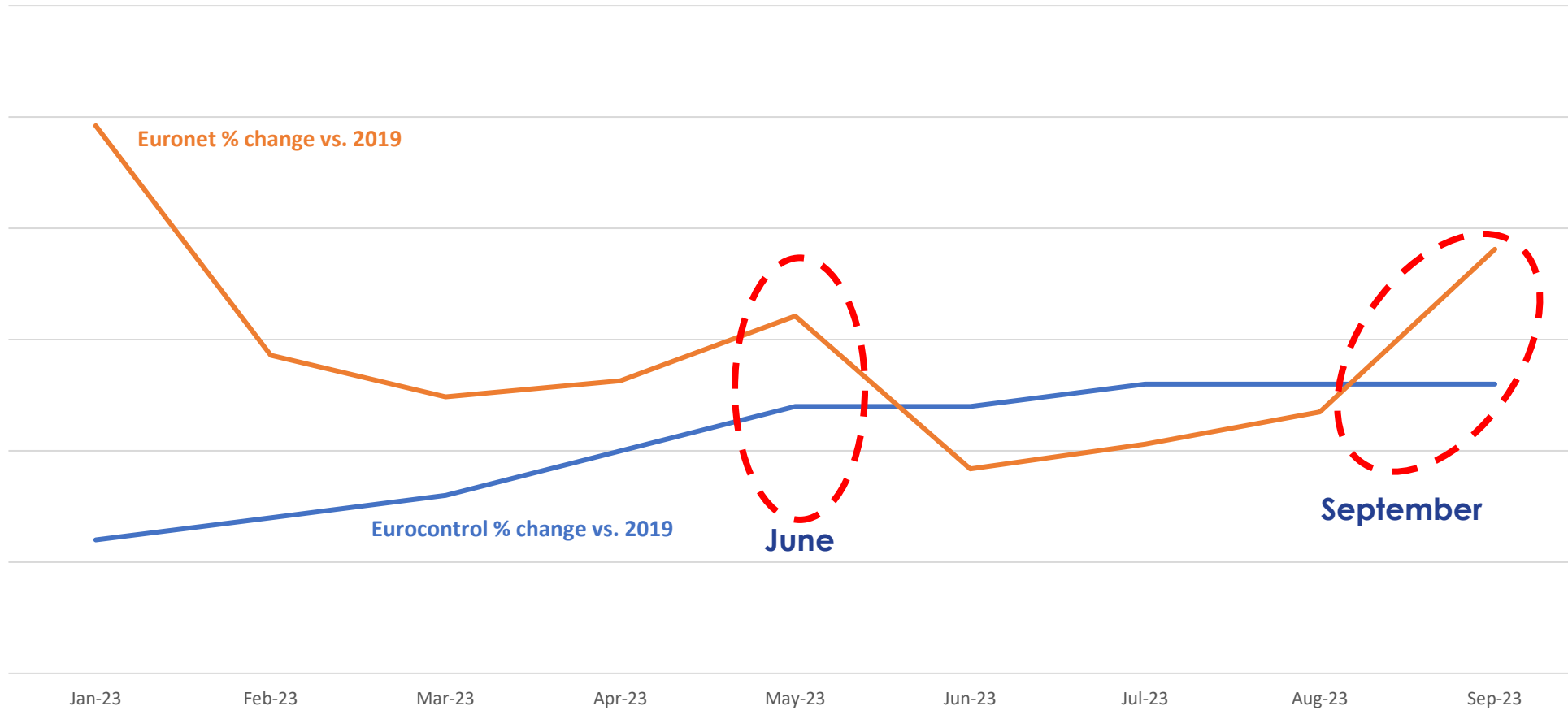
Adjusted EBITDA by Segment*



Digital Initiatives

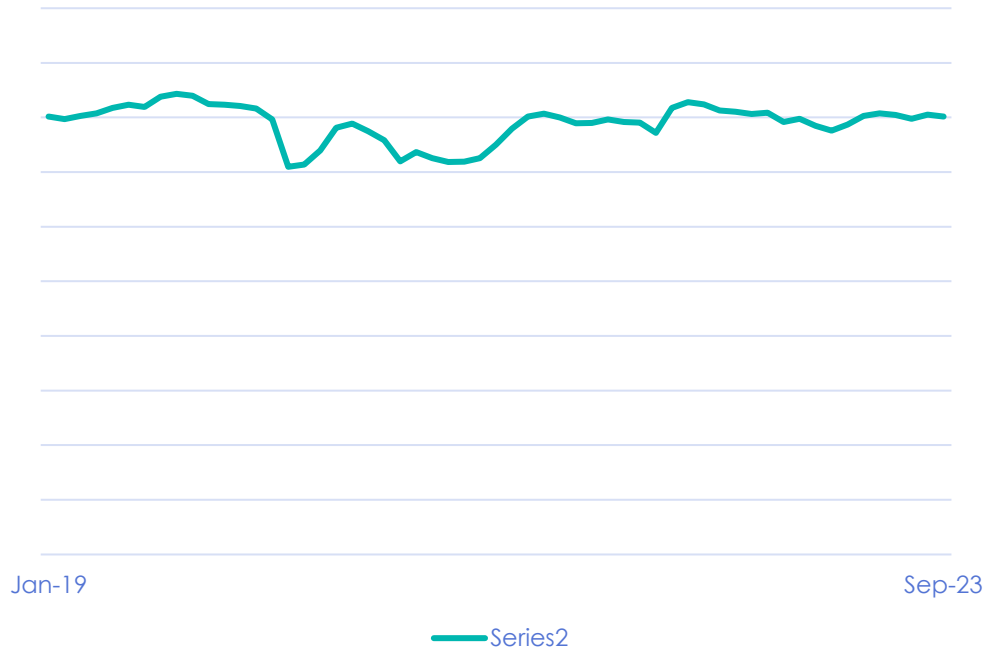
- POS Acquiring
- Digital money transfers
- Dandelion
- Ren
- Digital distribution of epay content

*Estimated full year 2023 Adjusted EBITDA % and excludes Corporate Expenses and Eliminations

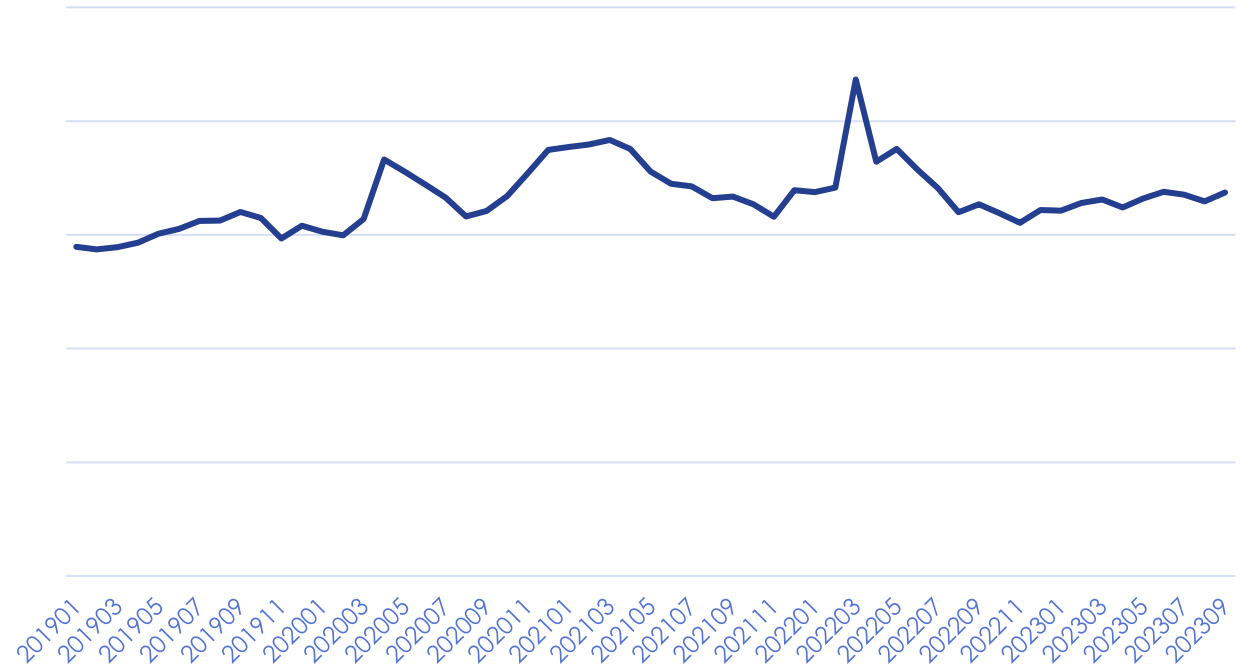


There is not an abrupt shift in consumer behavior from cash to card, but rather economic pressures have resulted in lower travel spend

DCC Opt-In Rates

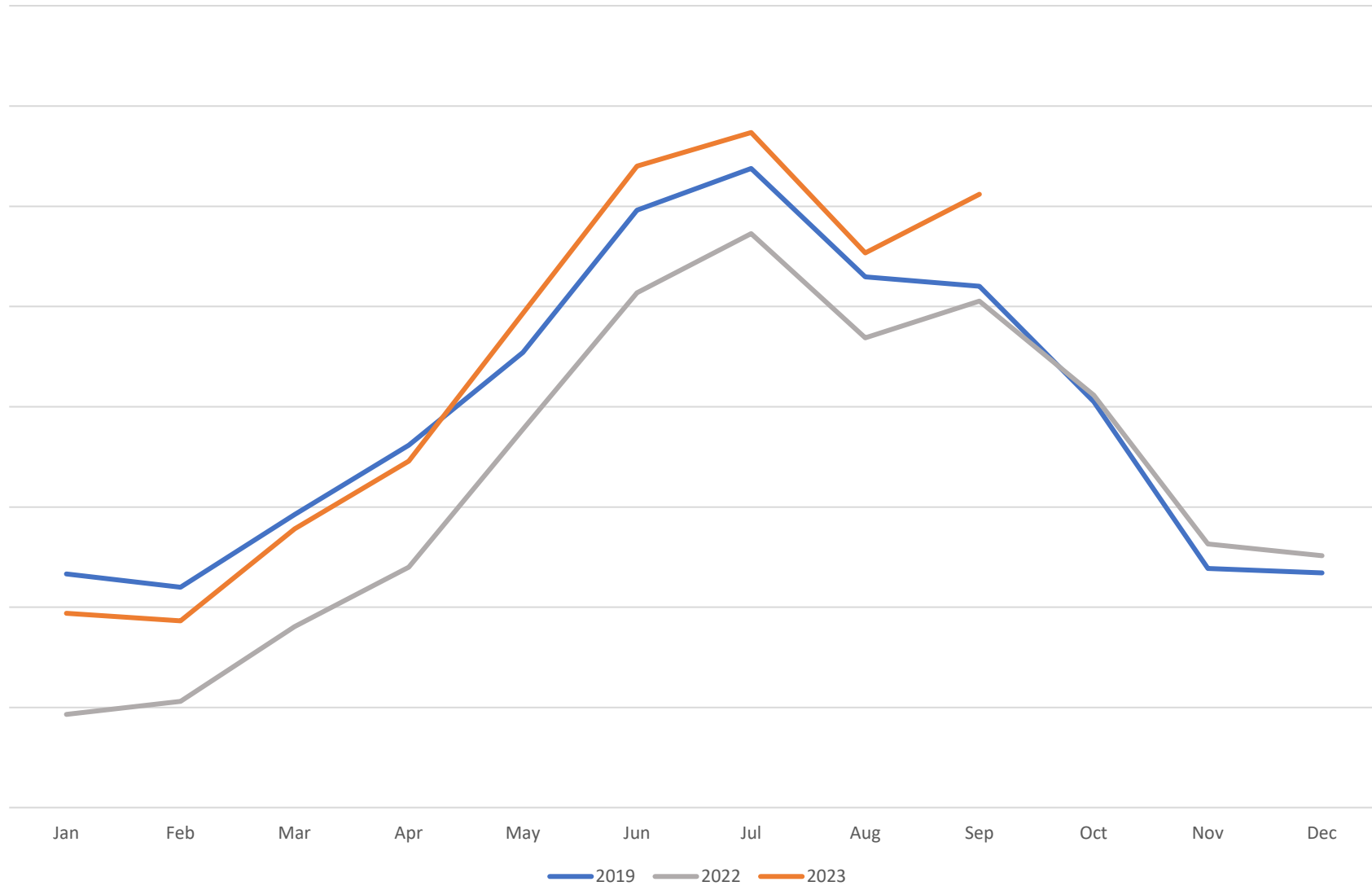


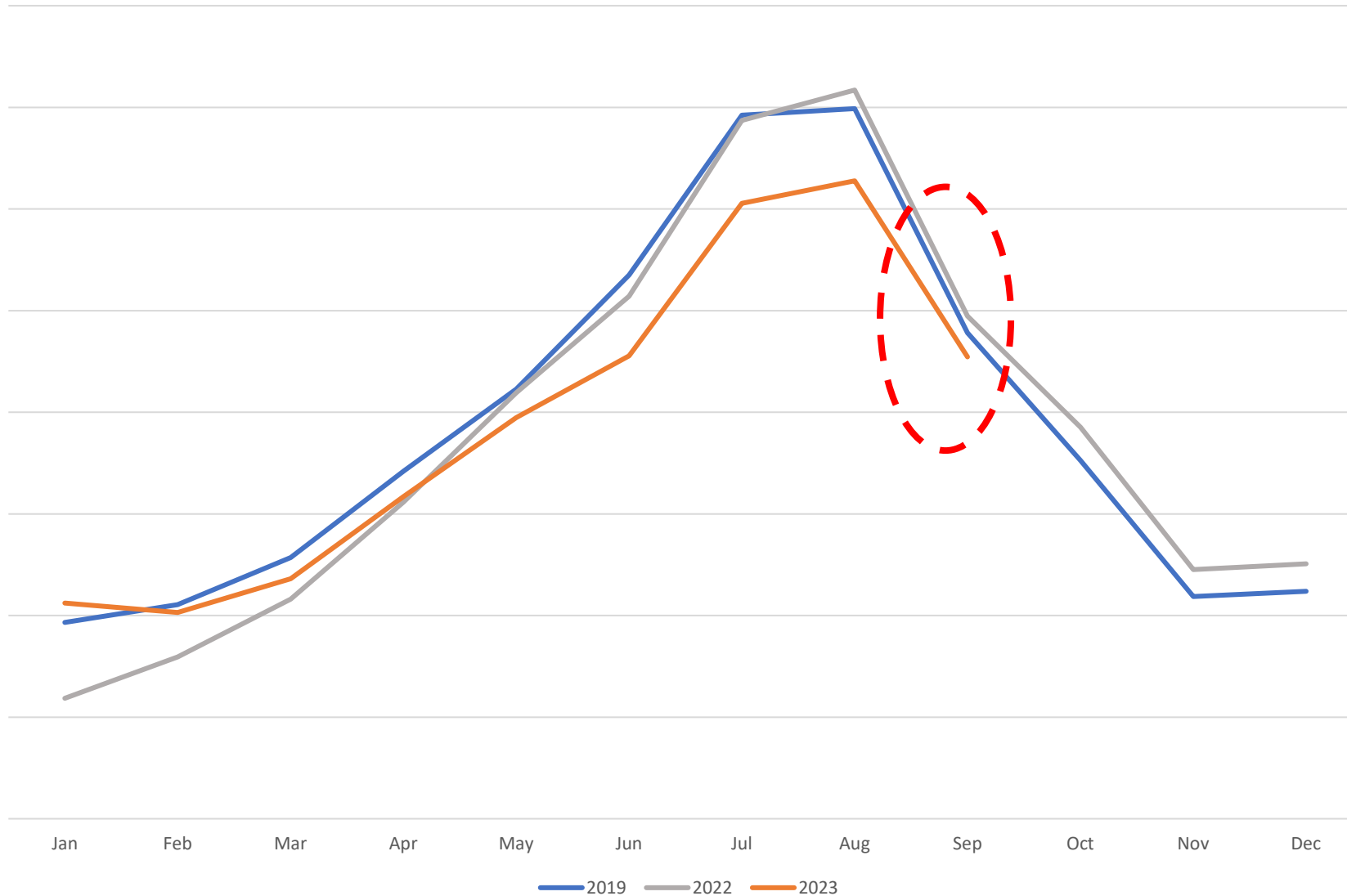
Average Withdrawal Amount per Transaction





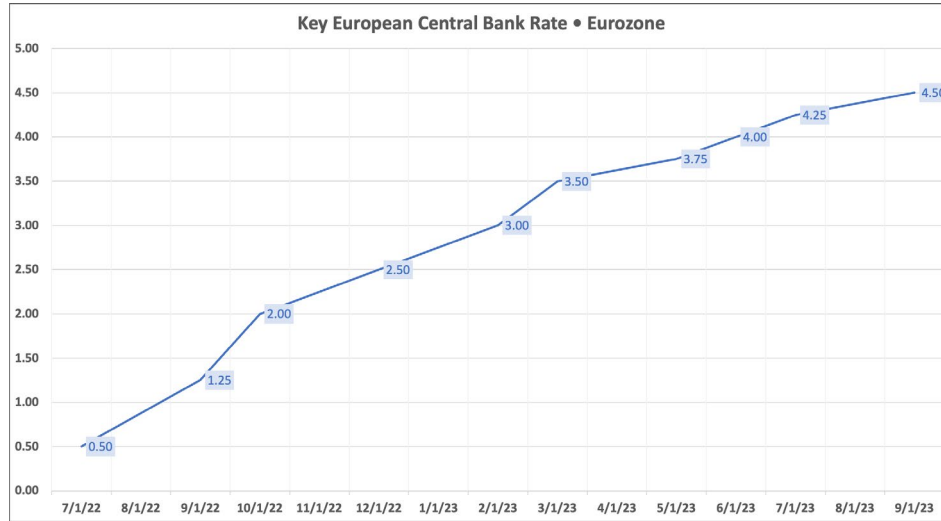
Non-European Issued Cards Used on ATMs by Month



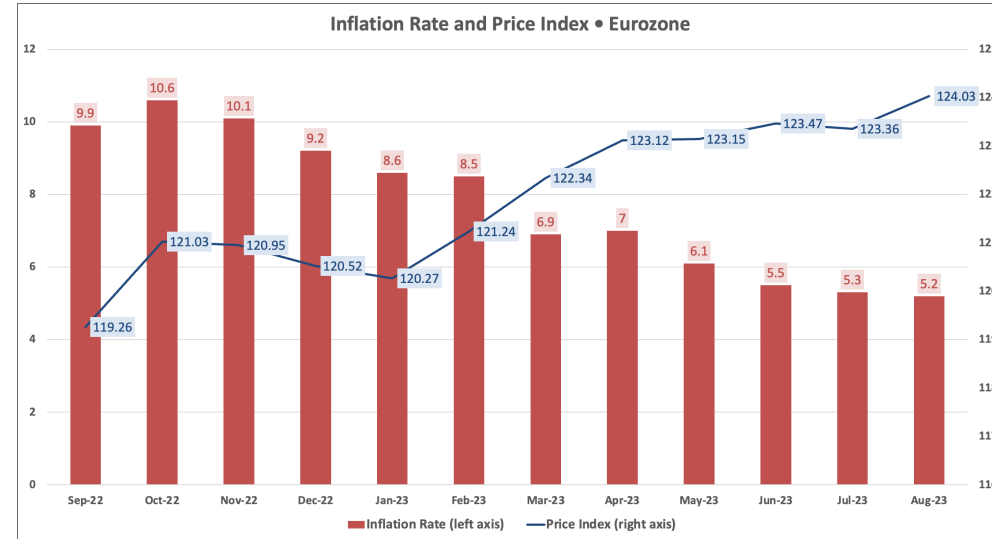




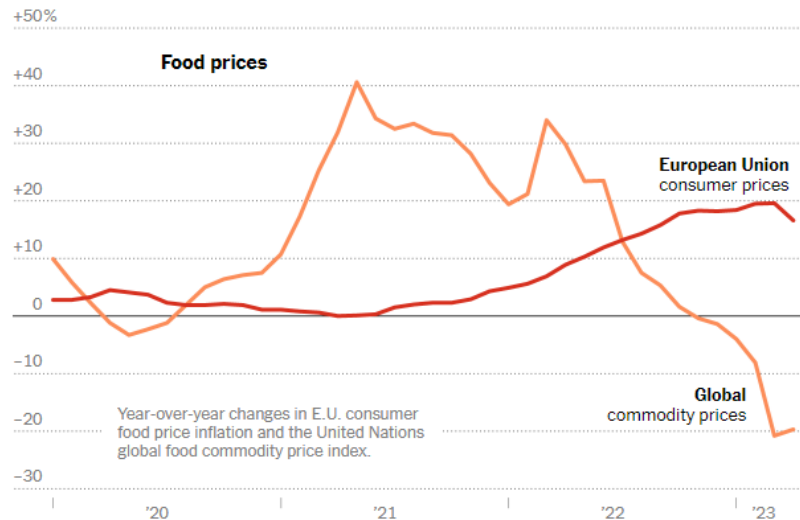
Key Economic Indicators in Europe



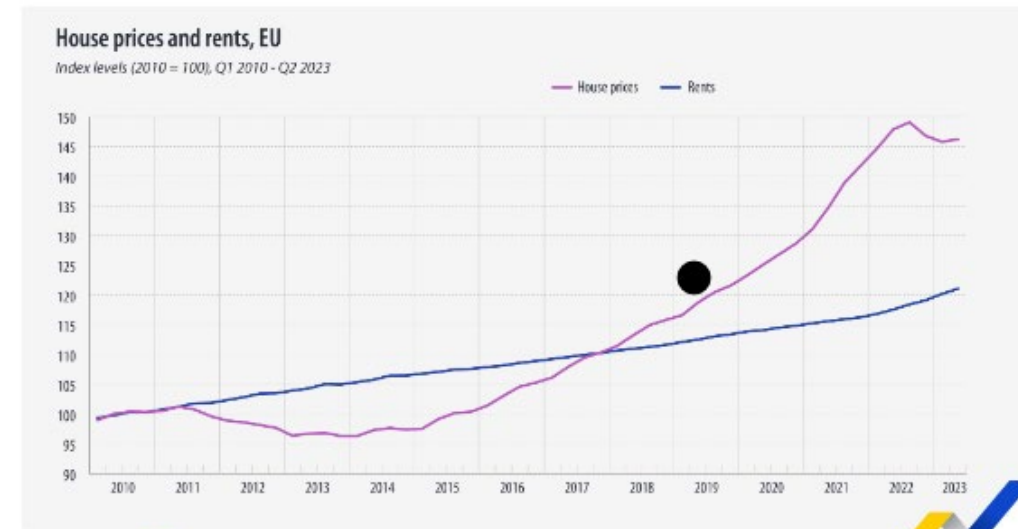
Source: European Central Bank



Source: Eurostat official statistics

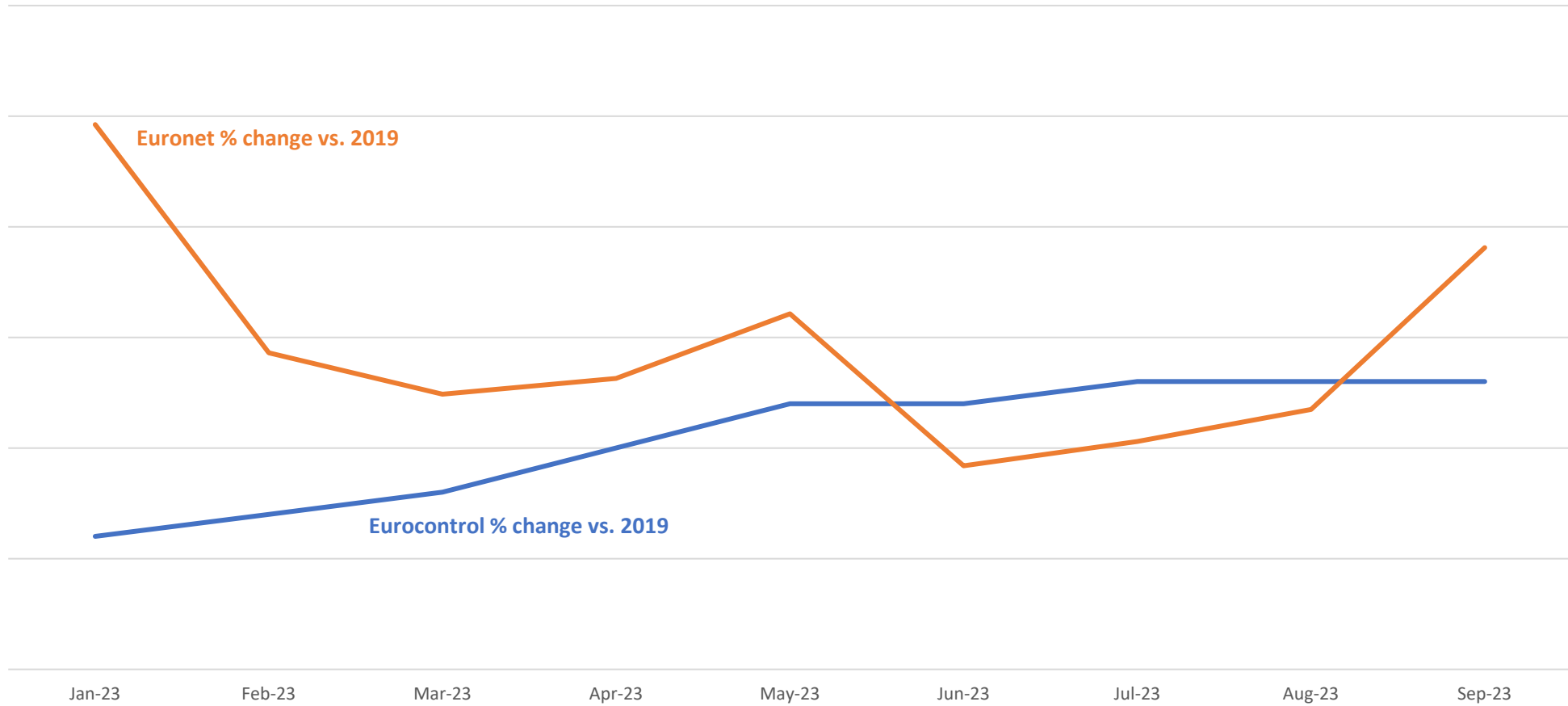


Sources: Food and Agriculture Organization of the United Nations, Eurostat • By Karl Russell



eurostat

Source datasets: [prc_hpi_q](#) and [prc_hicp_midx](#)





Business Segment

EFT

- New Markets Entered
 - POS Acquiring in Spain and Portugal
- Signed:
 - ATM deployment agreement with Warsaw Chopin Airport Poland
 - Merchant Services agreement with 3,100 new merchants
 - Network Participation Agreements (NPAs) with 23 new merchants in Poland for ATM deposits
 - 150 ATM locations with Super U supermarket chain in France
- Launched:
 - Card, ATM and POS services for Euronet networks and for outsourcing customers in Serbia, Montenegro, Poland, Egypt, Cyprus, Greece, Albania
 - ATM deposits with Patria Bank Romania
- Extended:
 - ATM outsourcing agreement with Lovcen Bank in Montenegro to implement ATM cash-in recyclers
 - POS outsourcing agreement with Hipotekarna bank in Montenegro

Business Segment

EFT

- Active ATM Rollforward

Active ATM Rollforward	Sequential
ATMs at Beginning of Quarter	51,402
Traditional High Value ATM Changes	
Independently Deployed ATMs	532
Outsourcing ATMs	425
Low-Margin India ATMs	(12)
Seasonally Re-activated / (De-activated) ATMs	(851)
ATMs at September 2023	51,496

- Installed ATM Rollforward

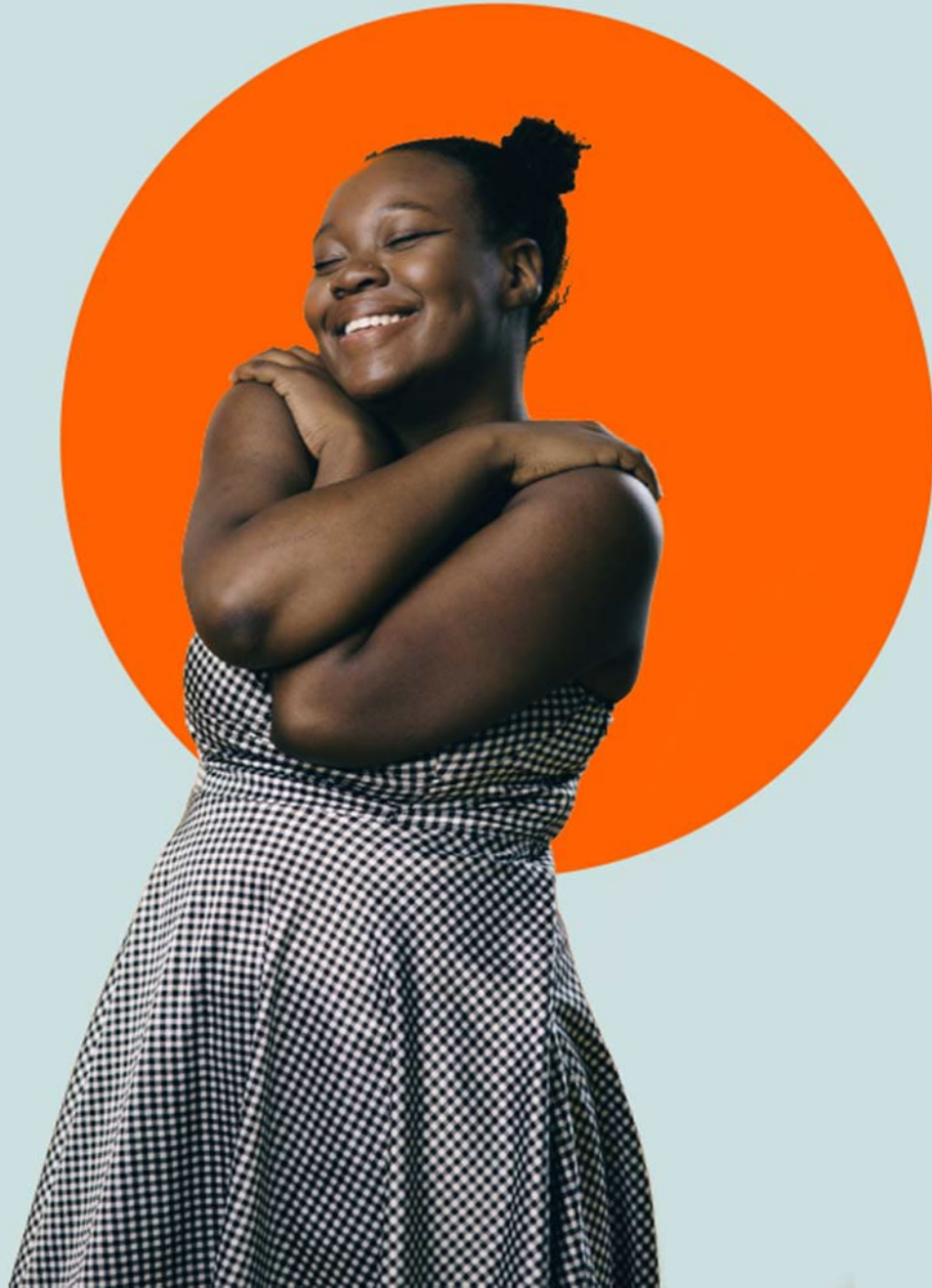
Installed ATM Rollforward	Year-to-Date
ATMs at Beginning of Year	50,738
Traditional High Value ATM Adds	
Independently Deployed ATMs	949
Outsourcing ATMs	607
Low-Margin India ATMs	978
ATMs at September 2023	53,272

Business Segment Highlights



- Launched:
 - Expanded Sony Digital Code Server technology platform to Europe and Asia
 - NordVPN launched in 20 countries with Startselect, the largest digital code reseller in Europe
 - Digital-branded content in Currys online, a consumer electronics retailer in the UK
 - An open loop prepaid card branded 'Prezzy' launched in India on the Rupay network
 - Virtual Prezzy Visa prepaid debit card sold in digital channels in New Zealand
 - Enabled Prezzy prepaid debit cards to be added to Apple Pay and Google Pay wallets in New Zealand
- Signed:
 - Agreement with Crunchyroll to onboard to the ePay Conductor Platform
 - Disney+ agreement for expansion with Cadooz in B2B Channels
 - Contract with King for Candy Crush distribution in POSA and digital channels in EMEA

Money Transfer



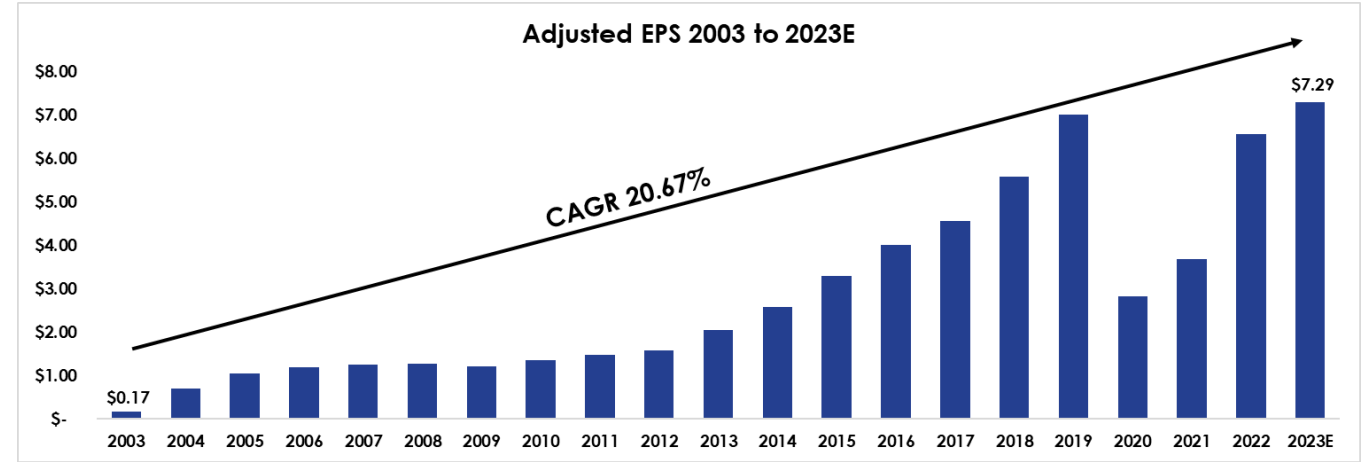
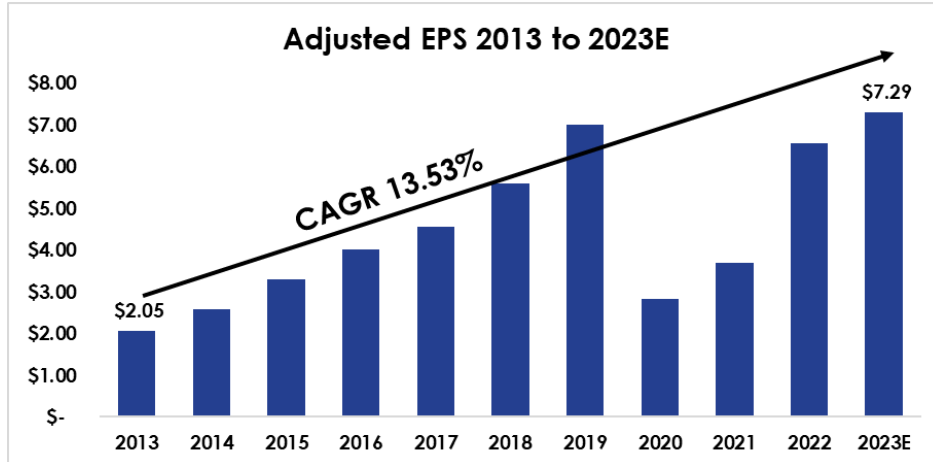
- Network Growth:
 - Our network reaches:
 - 194 countries and territories
 - 540,000 total locations, a 6% increase vs. 3Q 2022
 - 4.0 billion bank accounts and 1.9 billion wallet accounts
- Correspondent Expansion
 - Launched 28 correspondents in 21 countries
 - Including Pan Oceanic Bank in the Solomon Islands, and Samoa Commercial Bank, significantly strengthening our presence in the Pacific Islands
 - Signed 26 correspondent agreements across 23 countries
 - Including Paosita Malagasy, the Madagascar Post Office
- Other Business
 - Added 8 wallets across 7 countries and expanded B2B and B2C capabilities in 14 countries

- Targeting the \$156 trillion cross-border payment market
- Dandelion customers are now sending to 141 of Ria's 194 network countries
- Signed:
 - Agreement with Sendwave, a leading digital money service business in the North America, Europe and UK
 - Agreement with Flash Payments - an innovative Australia-based fintech that provides payments and FX services to SMEs
 - Agreement with Equity Bank - the largest bank in Kenya and a leading banking group in East and Central Africa. Equity Bank is our first Dandelion banking partner in Africa for B2B cross-border payments.

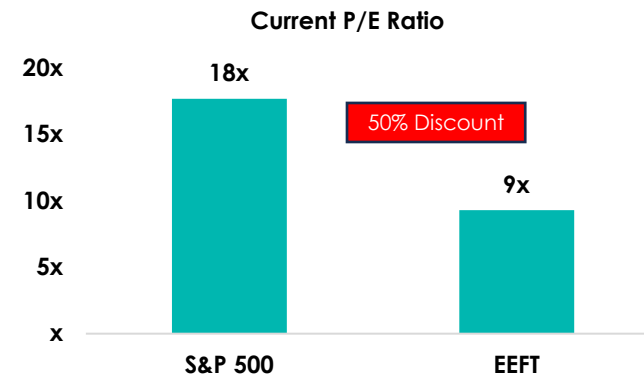
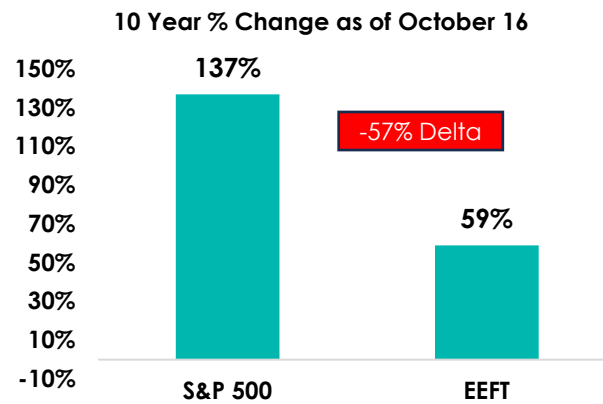
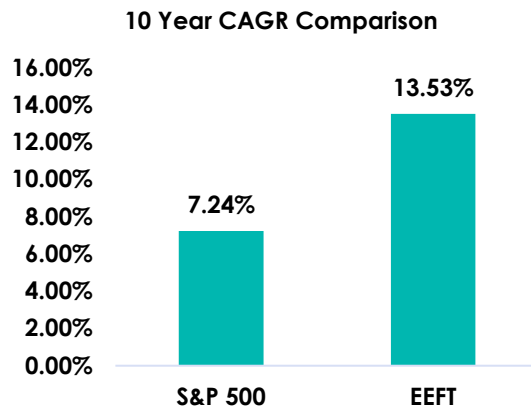
- Launched:
 - Union Pay International debit cards for Standard Chartered Bank in Hong Kong as part of the ongoing payments modernization project
 - P2P real time payment transactions for East West Bank in the Philippines
 - QR based merchant acquiring for Bank of Philippine Islands on Instapay
- Signed:
 - Agreement with Airtel Payments Bank – the banking arm of Airtel, India's second-largest Telco
 - Agreement with Nium, a Singapore headquartered cross border payments company, for the issuance of multicurrency prepaid cards for India
 - Agreement with Zenus, a licensed digital bank in Latin America for the issuance of prepaid and debit cards
 - Agreement for ATM driving for Commercial Bank of Ceylon of Sri Lanka
 - Agreement for bill payment transactions for Banco de Mozambique



Euronet has a long-term demonstrated record of double-digit earnings growth



Yet, market has recognized less than half of our earnings in the increase in share price



- S&P 500: Expected EPS growth 8-10%
- Euronet: Expected growth consensus of 13%
- S&P shows 7.2% EPS growth achieves a 18x P/E multiple

Euronet is not getting credit for stronger earnings growth



- We have studied companies that simplified their guidance and found very favorable investor recognition

AVERAGE PERFORMANCE (VS S&P 500) for TWO YEARS PRIOR TO GUIDANCE CHANGE



AVERAGE PERFORMANCE (VS S&P 500) for THREE YEARS AFTER THE GUIDANCE CHANGE



Simplification helps eliminate all the variables of complexity



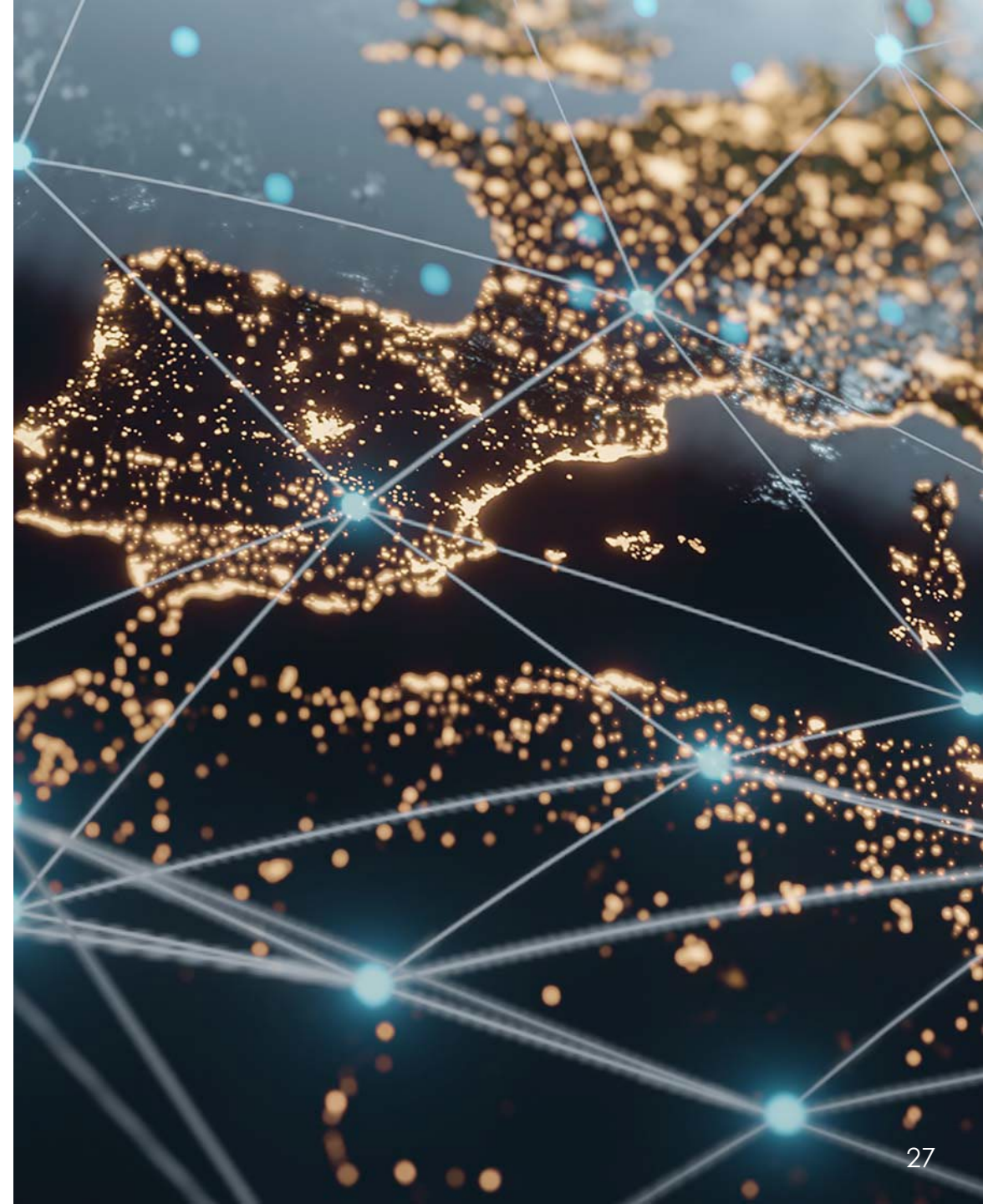
Reformatting Guidance Communication

1. Euronet has proven its ability to consistently generate very attractive earnings growth both short term and long term
 - Achieved with the same core executive leadership team since 2007
2. The company's breadth is a strength and a weakness
 - Diversity in product, geography, channels and customers
 - However, difficult for analysts and investors due to complexity
 - While complex, Euronet consistently produces double digit earnings growth
3. We expect Euronet to deliver double digit earnings growth
 - However, we will shift from providing specific dollar targets to focusing on earnings growth rates.
 - We will no longer provide segment level revenue or margin projections. We will continue to provide quarterly the same segment level revenues and profit results as historically provided.
 - Net/Net – we expect to deliver double digit growth
4. Accordingly, for 2024 we expect to grow adjusted EPS 10 to 15%.

Management remains committed to delivering this earnings growth rate and will aim to deliver more.

Summary

- No abrupt shift in Consumer behavior from Cash to Card
- Both Ren and Dandelion signed new agreements and launched new products during the quarter
- Euronet generated \$146 million of cash flows from operations
- EFT international transactions were back in sync with the Eurocontrol travel data in September 2023
- epay continues to expand mobile and digital branded payments and expand digital distribution with double-digit quarterly growth across all metrics of the core business
- Money Transfer grew adjusted EBITDA and operating income by more than 20%
- Our POS Acquiring business has doubled since we acquired it 18 months ago
- Euronet delivered a record Consolidated revenue quarter and the first \$1 billion quarter in our history



Reconciliation of Net Income to Operating Income (Expense) and Adjusted EBITDA

Three months ended September 30, 2023

	EFT Processing	epay	Money Transfer	Corporate Services	Consolidated
Net income					\$ 104.2
Add: Income tax expense					43.0
Add: Total other expense, net					19.8
Operating income (expense)	\$ 104.8	\$ 28.3	\$ 53.7	\$ (19.8)	167.0
Add: Depreciation and amortization	23.9	1.8	7.0	0.1	32.8
Add: Share-based compensation	-	-	-	12.7	12.7
Earnings before interest, taxes, depreciation, amortization, share-based compensation, and other non-operating and non-recurring items (Adjusted EBITDA) (1)	\$ 128.7	\$ 30.1	\$ 60.8	\$ (7.1)	\$ 212.5

(1) Adjusted EBITDA is a non-GAAP measure that should be considered in addition to, and not a substitute for, net income computed in accordance with U.S. GAAP.

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Reconciliation of Revenue and Adjusted EBITDA to Constant Currency Amounts by Segment

Three months ended ended September 30, 2023

	EFT Processing	epay	Money Transfer	Corporate Services	Consolidated
Revenue	\$ 345.8	\$ 264.5	\$ 395.9	\$ (2.2)	\$ 1,004.0
Add: Estimated foreign currency impact *	(19.3)	(12.0)	(10.8)	-	(42.1)
Revenue - Constant Currency	<u>\$ 326.5</u>	<u>\$ 252.5</u>	<u>\$ 385.1</u>	<u>\$ (2.2)</u>	<u>\$ 961.9</u>
Operating income (expense)	\$ 104.8	\$ 28.3	\$ 53.7	\$ (19.8)	\$ 167.0
Add: Estimated foreign currency impact *	(5.4)	(0.9)	(2.1)	-	(8.4)
Operating income (expense) - Constant Currency	<u>\$ 99.4</u>	<u>\$ 27.4</u>	<u>\$ 51.6</u>	<u>\$ (19.8)</u>	<u>\$ 158.6</u>
Adjusted EBITDA (reconciled on previous schedule)	\$ 128.7	\$ 30.1	\$ 60.7	\$ (7.0)	\$ 212.5
Add: Estimated foreign currency impact *	(6.6)	(1.0)	(2.2)	(0.0)	(9.8)
Adjusted EBITDA - Constant Currency	<u>\$ 122.1</u>	<u>\$ 29.1</u>	<u>\$ 58.5</u>	<u>\$ (7.0)</u>	<u>\$ 202.7</u>

	Three Months Ended	
	September 30	
	2023	2022
Net income attributable to Euronet Worldwide, Inc.	\$ 104.2	\$ 97.7
Foreign currency exchange loss	8.8	15.8
Intangible asset amortization	5.5	6.8
Share-based compensation	12.7	10.3
Income tax effect of above adjustments	(4.7)	5.6
Non-cash GAAP tax expense	6.2	1.1
Adjusted earnings (1)	<u>\$ 132.7</u>	<u>\$ 137.3</u>
Adjusted earnings per share - diluted (1)	<u>\$ 2.72</u>	<u>\$ 2.74</u>
Diluted weighted average shares outstanding (GAAP)	51,470,603	52,751,304
Effect of adjusted EPS dilution of convertible notes	(2,781,818)	(2,781,818)
Effect of unrecognized share-based compensation on diluted shares outstanding	185,073	160,357
Adjusted diluted weighted average shares outstanding	<u>48,873,858</u>	<u>50,129,843</u>

(1) Adjusted earnings and adjusted earnings per share are non-GAAP measures that should be considered in addition to, and not as a substitute for, net income and earnings per share computed in accordance with U.S. GAAP.

To see how these adjustments correlate to the income statement please see the third quarter 2023 earnings press release.



Euronet.

Thank you