



# Embedded Payments Made Simple

Nasdaq: USIO



# Forward Looking Statements

Except for the historical information contained herein, the matters discussed in this presentation include forward-looking statements which are covered under the safe harbors provision of the Private Securities Litigation Reform Act of 1995 (PSLRA). Those statements include, but may not be limited to, all statements regarding management's intent, belief and expectations, such as statements concerning our future and our operating and growth strategy. These forward-looking statements are identified by the use of words such as "believe," "could," "intend," "look forward," "anticipate," "schedule," and "expect" among others. Forward-looking statements in this presentation are subject to certain risks and uncertainties inherent in the Company's business that could cause actual results to vary, including risks related to the economy, risks related to the realization of the anticipated opportunities from the IMS acquisition, the management of the Company's growth, the loss of key resellers, the relationships with the Automated Clearinghouse network, bank sponsors, third-party card processing providers and merchants, the security of our software, hardware and information, the volatility of the stock price, the need to obtain additional financing, risks associated with new tax legislation, and compliance with complex federal, state and local laws and regulations, and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission including its annual report on Form 10-K for the fiscal year ended December 31, 2024. One or more of these factors have affected, and in the future, could affect the Company's businesses and financial results in the future and could cause actual results to differ materially from plans and projections. The Company believes that the assumptions underlying the forward-looking statements included in this presentation will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the objectives and plans will be achieved. All forward-looking statements made in this presentation are based on information presently available to management. The Company assumes no obligation to update any forward-looking statements, except as required by law. The information presented in this presentation is as of May of 2025, unless indicated otherwise.

## About

- Founded in 1998
- Nacha Certified & HIPPA Compliant
- Publicly Traded: Nasdaq: USIO

Usio is a leading FinTech that operates a full stack of proprietary and integrated, cloud-based electronic payment acceptance and issuance, and embedded financial solutions to a wide range of merchants, billers, banks, service bureaus, and card issuers. Usio delivers convenient, world-class solutions and services to their clients through card, ACH payment processing, card issuing, and bill presentment.

# Full Service Payments Platform

Business Lines	Payment Facilitation	ACH	Card Issuing	Output Solutions
	Credit and debit card processing, primarily focused on our partnership-focused sales model with ISVs.	Electronic payments through the ACH network, facilitating transfer of funds between bank accounts. Primarily driven through our partnership focused sales model with ISVs.	Physical, virtual payment cards for governments, non-profits, corporates (incentives, promotions, expenses) and consumer fintech companies. Card issuer processing and program management.	Document design, transactional print and mail, and electronic delivery for utilities, healthcare providers, governmental agencies, and manufacturing, among others.
Proprietary Technology	In-house built and maintained, leading technology platform across all business lines			
Support	In-House Dedicated Support Services for Clients and Partners			
Customers	ISV Partners	ISV Partners, FinTech's	FinTech's, Non-profits & Governments	Utilities, Financial Institutions

## Investment Thesis





## New Innovations

Usio is constantly developing new technologies to stay the forefront of innovation in the payment space, including real-time payments, lending technologies, among others.



## In-House Solution

Usio securely handles payment transaction, including sufficient funds verification and funds transfer in-house.

# Innovative Proprietary Technology

## Payment Facilitation



Robust payment facilitation offering with automated merchant enrollment for partners (primarily ISVs) to set up merchants





















## Turn-Key Card Issuing



Usio offers a modern turn-key solution for disbursing funds, incentives, and expenses through a full-stack card issuance and processing platform.

# Unique and Attractive End Markets

Usio's acquiring segment supports innovative ISVs embedding payments to fuel growth, while other segments serve FinTechs, governments, non-profits, and utilities.

	ISVs	FinTechs	Government	Nonprofits	Utilities/Financial Institutions
	    	   	   	  	   
Primary Products	PayFac / ACH	ACH / Card Issuing	Card Issuing/Output	Card Issuing / Output	Output Solutions



## Diverse Offerings

Business Lines	Payment Facilitation	ACH	Card Issuing	Output Solutions
Description	<ul style="list-style-type: none"> <li>Embedded and integrated payment solutions tailor made for diverse markets</li> </ul>	<ul style="list-style-type: none"> <li>Leading ACH processing solutions for merchants</li> </ul>	<ul style="list-style-type: none"> <li>Physical / virtual payment cards for governments / non-profits, corporates (i.e.. incentives / promotions, expenses), and consumer fintech companies</li> <li>Provides platform for expense management, general disbursement, incentives, per diems, loyalty programs, and more</li> </ul>	<ul style="list-style-type: none"> <li>Document design, transactional print and mailing, and electronic delivery for utilities, healthcare providers, governmental agencies, and manufacturing, among others</li> </ul>
Key Offerings & Differentiators	<ul style="list-style-type: none"> <li>Integrated solution with automated onboarding for ISVs</li> <li>Partnership-focused GTM strategy</li> </ul>	<ul style="list-style-type: none"> <li>Longest-tenured Nacha certified third-party sender in the industry</li> <li>Partnership-focused GTM strategy</li> </ul>	<ul style="list-style-type: none"> <li>Provides platform for expense management, general disbursement, incentives, per diems, loyalty programs, and more</li> </ul>	<ul style="list-style-type: none"> <li>Solution reduces postage costs</li> <li>Automates billing processes</li> <li>Increase operational efficiencies</li> </ul>
% Of Revenue	35%	27%	14%	23%



# Multiple Levers for Future Growth

Our operating leverage allows us to scale profitably as we grow

## New Product Offerings

Development of new technologies such as real time payments, lending offerings, among others

## New ISVs + Customers

Launch new innovative solutions: government, non-profits and corporations

## Cross Sales

Drive incremental revenue by cross selling to / from other segments

## Merchant Penetration of ISVs

Opportunity to continue to penetrate merchant base beyond the 62% penetration today

## Offerings Summary

1

### Competitive

The Usio platform provides a diverse range of payments technology and services for its customers. Broad solution set is key to winning new customers, who are looking to purchase an embedded platform versus a series of point solutions.

2

### Diversified

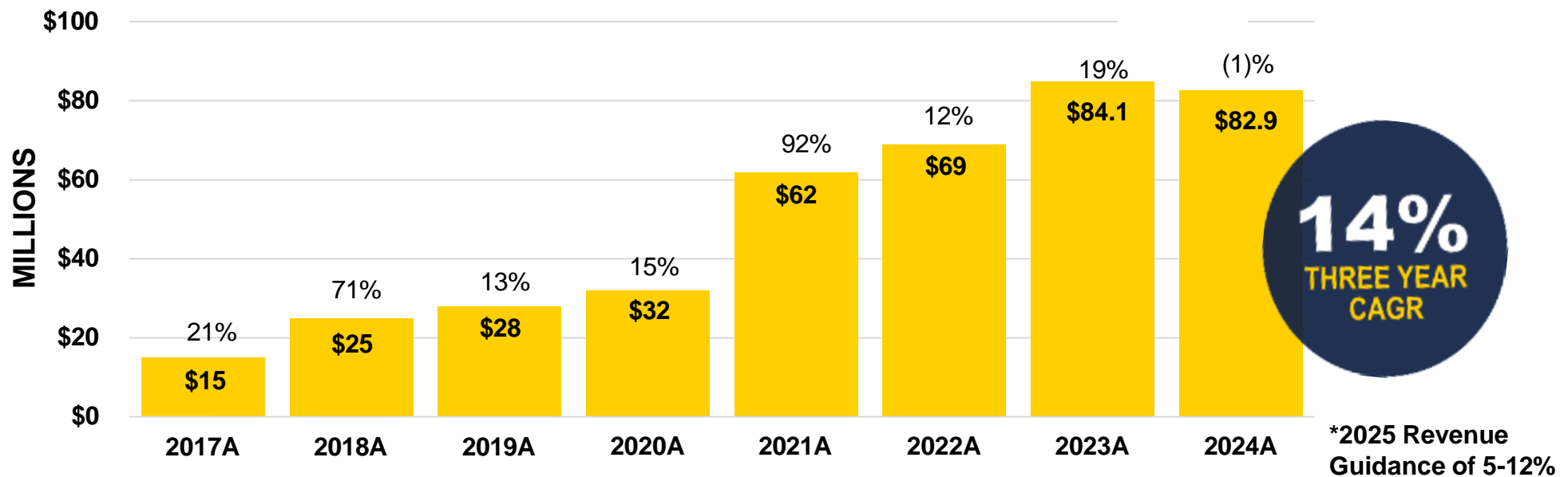
Diversification provides stable top-line growth, even in macro cycles

3

### Growth Potential

Only the largest payment technology organizations are able to offer the breadth of solutions provided by Usio

# Revenue Grew 7x Since 2016



- Card Issuing business grew from \$323K in 2016 to \$19M in 2023
- Payment Facilitation grew from launching in 2018 to a \$14M business in 2024
- Consolidated Gross Profits increased from \$4M in 2017 to \$19.6M in 2024

# Meaningful Achievements Through Q2 2025



- ☒ Development of **Biometrics AI** Checkout and Usio One to expand our offerings for customers
- ☒ Increased merchant penetration of ISVs year-over-year from **60% to 62%**
- ☒ Delivered **2%** gross revenue growth on year to date
- ☒ Generated **~\$1.1M** in operating cash flows
- ☒ Executed **~\$700K** in share repurchases year to date

# Q2 2025 Performance Highlights

## Volume

\$1.9bn  
+15% YoY

## Gross Revenue

\$20mm

## Net Revenue

\$10.5mm

## Adj. EBITDA

~\$500k

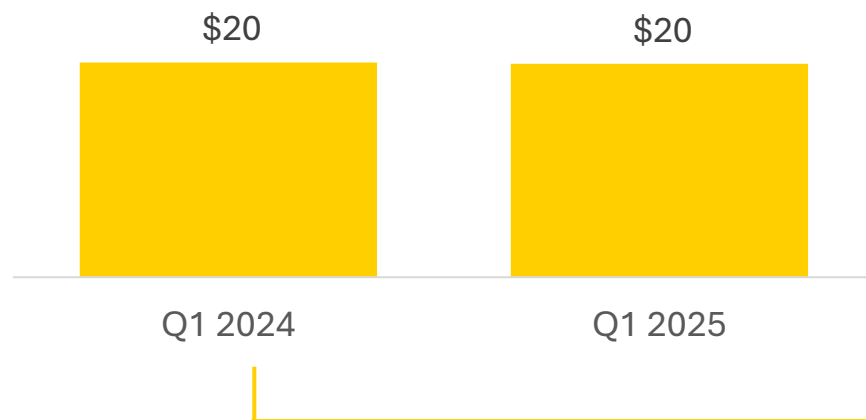
## Net Income

\$(366k)

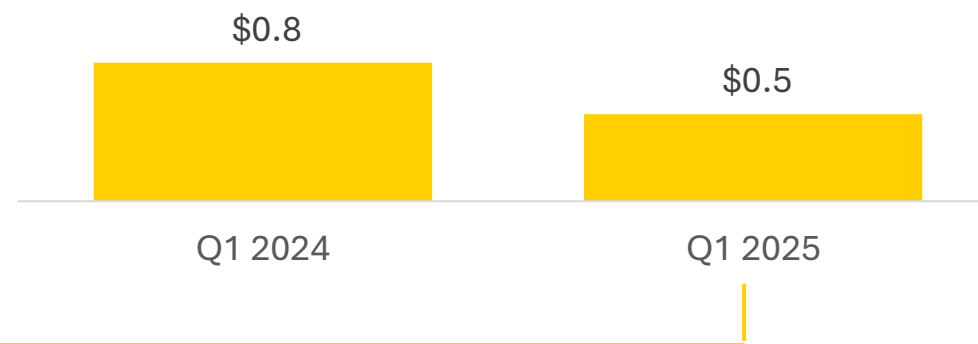
## EPS

\$(0.01)

Gross Revenue (\$ in mm)



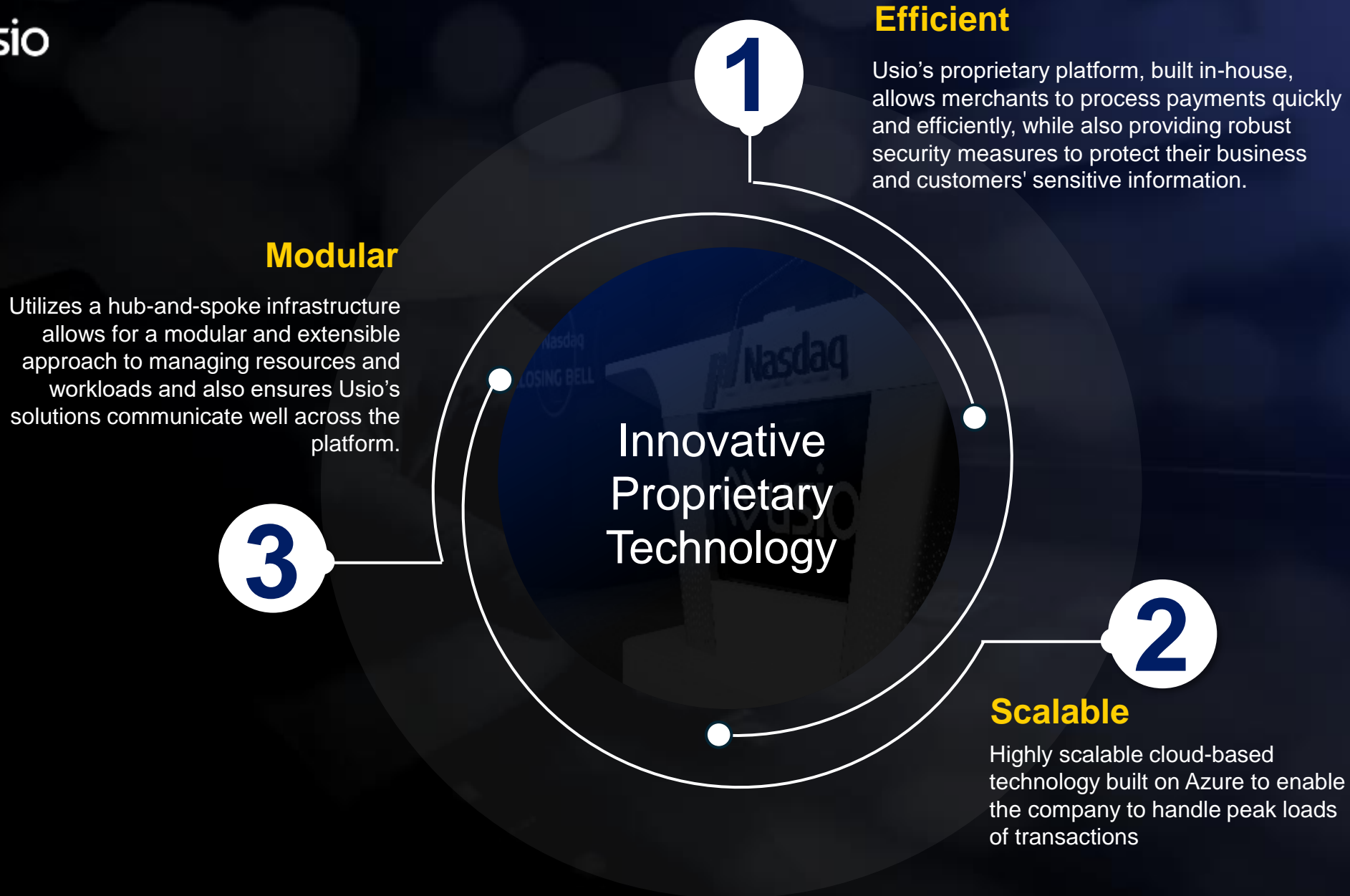
Adj. EBITDA (\$ in mm)



# Segment Financial Performance

	Payment Facilitation	ACH	Card Issuing	Output Solutions
Gross Revenue	\$3.6mm	\$2.4mm	\$2.8mm	\$4.7mm
Net Revenue	\$ .8mm	\$2.4mm	\$2.7mm	\$1.4mm
On Gross Revenue	8%	58%	51%	18%
On Net Revenue	35%	58%	54%	58%

(1) Excludes legacy credit card processing and complementary services such as RCC and pinless debit





## Key Drivers of Shareholder Value



### Drive Consistent Growth

Achieve annual Net Revenue growth above 15%



### Focus on Profitability

Achieve 10%+ EBITDA margin while maintaining mid-20% gross margins

## 2025 Outlook

Revenue

\$87.7M to \$92.8M  
5% Growth 12% Growth

Adj. EBITDA

\$2.6M to \$4.6M  
3% Margin 5% Margin

## GAAP Reconciliation

Non-GAAP Reconciliation	Twelve Months Ended		Three Months Ended		Six Months Ended	
	31-Dec-24	31-Dec-23	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
(Values in Millions)						
Revenues	\$ 82.9	\$ 84.1	\$ 20.0	\$ 20.1	\$ 42.0	\$ 41.1
Reconciliation from Operating Income (Loss) to Adjusted EBITDA:						
Operating Income (Loss)	\$ (1.5)	\$ (0.4)	\$ (0.4)	\$ (0.2)	\$ (0.6)	\$ (0.5)
Depreciation and Amortization	\$ 2.3	\$ 2.1	\$ 0.5	\$ 0.5	\$ 1.0	\$ 1.1
EBITDA	\$ 0.8	\$ 1.6	\$ 0.1	\$ 0.3	\$ 0.3	\$ 0.6
Non-Cash stock-based compensation expense, net	\$ 2.1	\$ 2.2	\$ 0.4	\$ 0.5	\$ 0.8	\$ 1.0
Adjusted EBITDA	\$ 2.9	\$ 3.9	\$ 0.5	\$ 0.8	\$ 1.2	\$ 1.6
Calculation of Adjusted EBITDA Margins						
Revenues	\$ 82.9	\$ 84.1	\$ 20.0	\$ 20.1	\$ 42.0	\$ 41.1
Adjusted EBITDA	\$ 2.9	\$ 3.9	\$ 0.5	\$ 0.8	\$ 1.2	\$ 1.6
Adjusted EBITDA Margins	3.5%	4.6%	2.5%	4.0%	2.8%	3.9%

## Balance Sheet

Account	6/30/2025	12/31/2024
Cash	\$ 7.5	\$ 8.1
Restricted Cash & Settlement Funds	\$ 81.0	\$ 77.6
Total Assets	\$ 108.4	\$ 107.2
Short-term/Long-term Debt	\$ 0.6	\$ 0.7
Total Liabilities	\$ 89.6	\$ 88.1
Total Equity	\$ 18.7	\$ 19.2
Total Liability & Stockholder Equity	\$ 108.4	\$ 107.2

## Contact

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# Appendix

## Shareholder Information



26.5 

Million Shares  
Outstanding  
As Of June 30, 2025

15.5 

Million Shares Of  
Public Float  
As Of June 30, 2025

10.9 

Million Shares Of  
Insider Ownership  
As Of June 30, 2025



# Payment Facilitation

Payment Facilitation (PayFac) is the latest innovation in merchant acquiring, providing **frictionless merchant onboarding, enrollment and automated risk/underwriting procedures** - which have traditionally been very manual processes - to provide for mass adoption and scale in short order by way of a leveraged distribution model (one- to-many). Our **differentiated go-to-market strategy** creates loyalty and enhances customer value of the Integrated Software Vendors (ISVs) we serve. ISVs are now able to **monetize payments** flowing through their software applications, turning payments from a cost center to a revenue generating business unit.



**35%**  
OF Q2 2025 GROSS  
REVENUE  
(includes all card)

HOW WE MAKE MONEY

\$100 TRANSACTION		\$2.5M Monthly Volume
\$2.50	2.5% REVENUE TO USIO	\$62,500
COSTS		
(\$1.85)	74% OR 185 bps TO CARD ISSUER	\$(46,250)
(\$0.15)	6% OR 15 bps TO CARD BRAND	\$(3,750)
\$0.50	Gross Revenue to USIO 20% or 50 bps	\$12,500
(\$0.25)	50/50 SPLIT WITH PARTNER	\$(6,250)
\$0.25	NET 10% or 25 bps	\$6,250

# ACH

Usio is the Fintech leader in payments and a Nacha Certified provider that streamlines payment acceptance and minimizes processing costs. Usio provides ACH processing at a fraction of the cost than credit or debit cards. Usio is unique in that we are the **longest-tenured Nacha certified third-party sender** in our industry, has its own bank routing number, and **direct access to the Fed**. Our highest margin business, ACH provides cash we use to continue to fund and invest in our growth engines – PayFac and Card Issuing.



## HOW WE MAKE MONEY

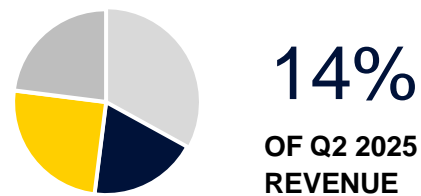
ON AVERAGE WE EARN  
\$.70

NET REVENUE PER  
TRANSACTION  
\$.41

MARGINS  
70%+  
ON A RETURN OR  
ORIGINATION

# Card Issuing

Usio operates as both the program manager and issuer processor, providing web and mobile apps, transaction processing, customer service and compliance in **a true turn-key solution**. FinTech's, Governments, non-profits and SMBs needing a platform for expense management, funds disbursement, incentives, per diems, loyalty programs, embedded payments and more. Additionally, entities looking to **migrate away from physical checks** or cash payouts to virtual payment methods can leverage our card issuing platform. **We also offer analytics and insight into the use of funds / spend via our reporting platform.**



## HOW WE MAKE MONEY

CLIENT FEES PER CARD CREATED

\$.35-\$4

INTERCHANGE PURCHASE BY MERCHANTS

1-2%

CARDHOLDER FEES & SPOILAGE

2-4%

AMOUNT LOADED TO CARDS

MARGINS

30-40%

# Output Solutions

Usio offers document design, print and electronic delivery or via US Post Office. Perfect for entities looking to reduce postage cost, **automate the billing processes and increase operational efficiencies**. Output's customer base is primarily financial institutions, utilities, and taxing entities.



**23%**  
OF Q2 2025  
REVENUE

## HOW WE MAKE MONEY

**\$.15-\$.18**  
PER PRINT

**\$.02**  
AVERAGE POSTAGE PER  
PIECE

**\$.036-\$.078**  
PER ELECTRONIC PRESENTMENT

**18-22%**  
MARGINS