Q1 2025 Earnings

May 1, 2025

Forward-Looking Statements

These materials include forward-looking statements including, but not limited to, statements about management's plans, goals, expectations, and guidance and assumptions with respect to future financial performance of the Company. Any statements in this presentation that are not statements of historical facts are forward-looking statements. When used in this presentation, the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "will," "positions," "confidence," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. Forward-looking statements relate to our future plans, objectives, expectations, and intentions and are not historical facts and accordingly involve known and unknown risks and uncertainties and other factors that may cause the actual results or performance to be materially different from future results or performance expressed or implied by these forward-looking statements. The following factors, among others, could cause actual results to differ materially from those contained in forward-looking statements made in this presentation and in oral statements made by our authorized officers:

- *the impact of fluctuations in the amount of fuel purchased and sold by our customers and retail partners, respectively, fuel price volatility, and the actual price of fuel, including fuel spreads in the Company's international markets, and the resulting impact on the Company's results, including margins, revenues, and net income;*
- *the effects of general economic conditions and the amount of business activity in the economies in which we operate, particularly in the U.S., Europe, and the United Kingdom, including, but not limited to, conditions resulting from an economic recession, the impact of tariffs or international trade wars, increasing unemployment, and declining consumer confidence, which may lead to, among other things, a decline or stagnation in demand for fuel, corporate payment services, travel related services, or employee benefits related products and services;*
- *the failure to comply with the applicable requirements of Mastercard or Visa contracts and rules;*
- *the extent to which unpredictable events in the locations in which the Company or the Company's customers operate or elsewhere may adversely affect the Company's employees, ability to conduct business, results of operations and financial condition;*
- *the impact and size of credit losses, including fraud losses, and other adverse effects if the Company fails to adequately assess and monitor credit risk or fraudulent use of our payment cards or systems;*
- *the impact of changes to the Company's credit standards;*
- *limitations on, or compression of, interchange fees;*
- *the effect of adverse financial conditions affecting the banking system;*
- *the impact of increasing scrutiny with respect to our environmental, social and governance practices;*
- *failure to implement new technologies and products;*
- *the failure to realize or sustain the expected benefits from our cost and organizational operational efficiencies initiatives;*
- *the failure to compete effectively in order to maintain or renew key customer and partner agreements and relationships, or to maintain volumes under such agreements;*
- *the ability to attract and retain employees;*
- *the ability to execute the Company's business expansion and acquisition efforts and realize the benefits of acquisitions we have completed;*
- *the failure to achieve commercial and financial benefits as a result of our strategic minority equity investments;*
- *the impact of foreign currency exchange rates on the Company's operations, revenue and income and other risks associated with our operations outside the United States;*
- *the failure to adequately safeguard custodial HSA assets;*
- *the incurrence of impairment charges if the Company's assessment of the fair value of certain of its reporting units changes;*
- *the uncertainties of investigations and litigation;*
- *the ability of the Company to protect its intellectual property and other proprietary rights;*
- *the impact of regulatory capital requirements and other regulatory requirements on the operations of WEX Bank or its ability to make payments to WEX Inc.;*
- *the impact of the Company's debt instruments on the Company's operations;*
- *the impact of increased leverage on the Company's operations, results or borrowing capacity generally;*
- *changes in interest rates, including those which we must pay for our deposits, those which we earn on our investment securities, and the resultant potential impacts to our debt securities subject to early call provisions;*
- *the ability to refinance certain indebtedness or obtain additional financing;*
- *the actions of regulatory bodies, including tax, banking and securities regulators, or possible changes in tax, banking or financial regulations impacting the Company's industrial bank, the Company as the corporate parent or other subsidiaries or affiliates;*
- *the failure to comply with the Treasury Regulations applicable to non-bank custodians;*
- *the impact from breaches of, or other issues with, the Company's technology systems or those of its third-party service providers and any resulting negative impact on the Company's reputation, liabilities or relationships with customers or merchants;*
- *the impact of regulatory developments with respect to privacy and data protection;*
- *the impact of any disruption to the technology and electronic communications networks we rely on;*
- *the ability to adopt, implement and use artificial intelligence technologies across our business successfully and ethically;*
- *the ability to maintain effective systems of internal controls;*
- *the failure to repurchase shares at favorable prices, if at all;*
- *the impact of provisions in our charter documents, Delaware law and applicable banking laws that may delay or prevent our acquisition by a third party; as well as*
- *other risks and uncertainties identified in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission on February 23, 2024, and subsequent filings with the Securities and Exchange Commission.*

The forward-looking statements speak only as of the date of this presentation and undue reliance should not be placed on these statements. The Company disclaims any obligation to update any forward-looking statements as a result of new information, future events, or otherwise.

Non-GAAP Information:
For additional important information and disclosure regarding our use of non-GAAP metrics, specifically, adjusted net income, adjusted net income per diluted share, total segment adjusted operating income and margin and adjusted free cash flow, please see our most recent earnings release issued on April 30, 2025. In addition, see the Appendix to this presentation for an explanation and reconciliation of (i) GAAP operating income to non-GAAP total segment adjusted operating income, and adjusted operating income, (ii) GAAP net income to non-GAAP adjusted net income, (iii) GAAP net income per diluted share to non-GAAP adjusted net income per diluted share, and (iv) GAAP operating cash flow to non-GAAP adjusted free cash flow.

Note:
The Company rounds amounts in the condensed consolidated financial statements to millions within tables and text (unless otherwise specified), and calculates all percentages and per-share data from underlying whole-dollar amounts. Thus, certain amounts may not foot, crossfoot, or recalculate based on reported numbers due to rounding.

Quarter Highlights

$636.6M

(2)%

Revenue
Percent change from prior year quarter

$3.51

+1%

Adjusted Net Income Per Diluted Share[1]
Percent change from prior year quarter

Key Takeaways

- Q1 revenue above mid point of guidance
- Adjusted net income per diluted share above the guidance range largely due to slightly higher fuel prices
- Spent $790 million repurchasing our own shares during the first three months of 2025

[1] See appendix for a reconciliation of GAAP net income per diluted share to non-GAAP adjusted net income per diluted share.

Key Takeaways

Our foundational strengths

Operate in **robust sectors with strong advantages,** benefiting from economic tailwinds that drive growth

Strong moats paired with **technology leadership and scale** ensure a durable **right to win** across our core segments

Solid balance sheet, low leverage, strong cash flow, and high margins create a **compelling financial profile**

Our roadmap for growth

Increasing Sales & Marketing spend to capitalize on market opportunities and maximize strong sales team returns

Focused **growth acceleration strategies** with significant investments in **new product development**

Disciplined **capital allocation**, prioritizing high-impact investments and share repurchases

Q1 2025
Financial Results

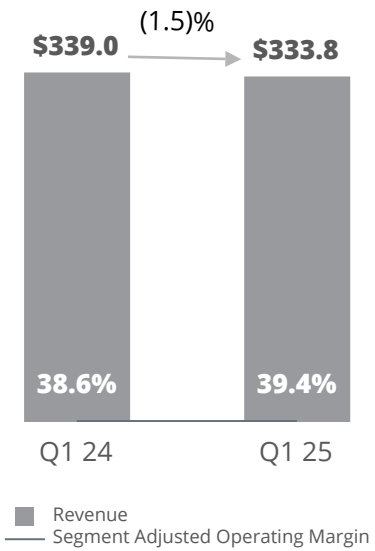
Company Results

(In millions except per share data)	Q1 25	Q1 24	$ Δ Yr/Yr	% Δ Yr/Yr
Total Revenue	**$636.6**	**$652.7**	**$(16.1)**	**(2)%**
GAAP net income	$71.5	$65.8	$5.7	9 %
GAAP net income per diluted share	$1.81	$1.55	$0.26	17 %
Adjusted net income[1]	$138.4	$146.7	$(8.3)	(6)%
Adjusted net income per diluted share[1]	$3.51	$3.46	$0.05	1 %

[1] See appendix for a reconciliation of GAAP net income to non-GAAP adjusted net income and GAAP net income per diluted share to non-GAAP adjusted net income per diluted share.

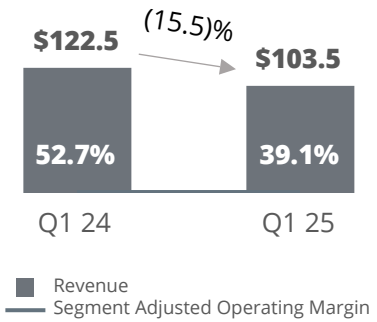
Revenue and Adjusted Operating Income Margin[1] by Segment

Mobility



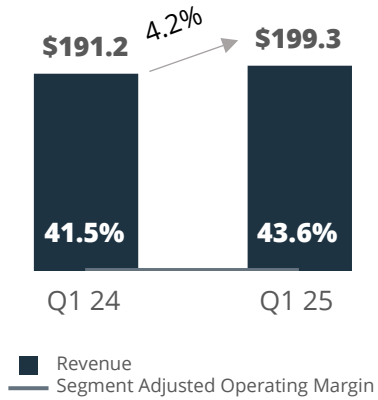
Mobility segment revenue growth reduced by 2.9% due to fuel prices and foreign exchange rates

Corporate Payments



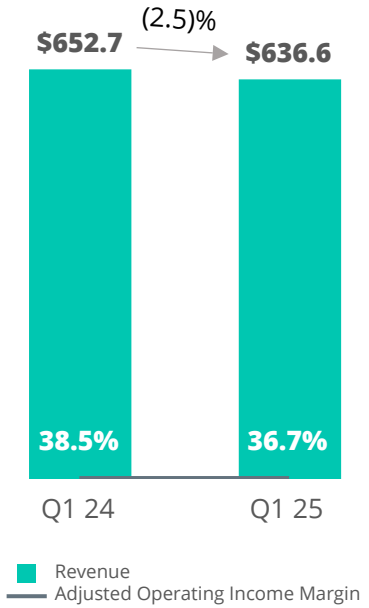
Corporate Payments revenue decline driven by transitory OTA revenue model transition

Benefits



Benefits revenue growth driven by growth in HSA business, including underlying account growth

WEX



WEX revenue growth reduced by 1.7% due to fuel prices and foreign exchange rates

[1] See appendix for a reconciliation of GAAP operating income and related margin to non-GAAP total segment adjusted operating income and related margin and adjusted operating income and related margin. Segment adjusted operating income margin is derived by dividing segment adjusted operating income by the revenue of the corresponding segment (or the entire Company in the case of total segment adjusted operating income). Segment adjusted operating income and related margins can be found in the press release announcing Q1 25 financial results.

Cash Flow & Balance Sheet

Adjusted Free Cash Flow, Q1 YTD ($ Millions)



- Adjusted free cash flow[1] of $16 million year to date
- Trailing twelve months' adjusted free cash flow[1] of $587 million

Cash Balance ($ Millions)



- Corporate cash[2] balance was approximately $163 million
- Borrowing capacity of $607 million on credit facility

Leverage Ratio



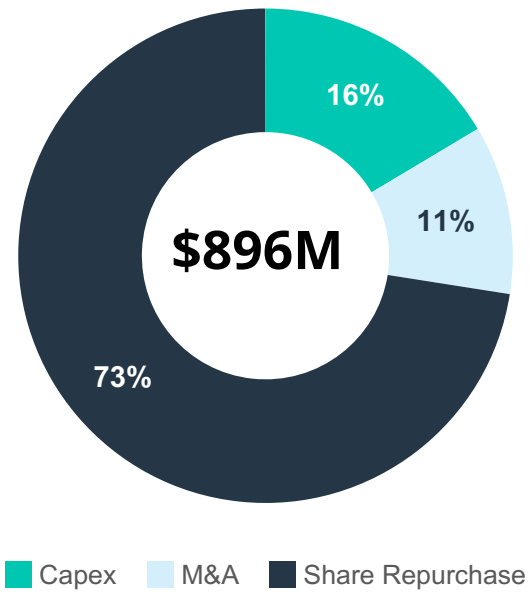
- Leverage ratio, as defined in the credit agreement, at the high end of long-term range of 2.5-3.5X after tender offer completion

[1] See appendix for our definition of adjusted free cash flow and reconciliation of GAAP operating cash flow to non-GAAP adjusted free cash flow.
[2] Corporate cash is calculated in accordance with the terms of our consolidated leverage ratio in the Company's Amended and Restated Credit Agreement as filed with the SEC.

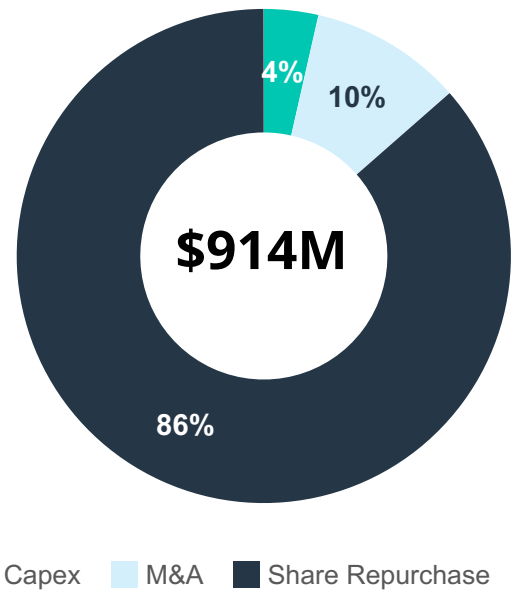
Capital Allocation

Capital Deployed

2024



2025 YTD



Key Takeaways

- WEX allocates capital through a rigorous analytical process focused on long-term internal rate of return
- Have returned $2.0 billion to shareholders via share repurchases since 2022, including $790 million during the first three months of 2025
- Disciplined investments in technology, product, and customer experience through capex
- Consistent returns-based evaluation of M&A opportunities

Updated Guidance

	Q2 2025 Outlook	% Change YoY	FY 2025 Outlook	% Change YoY	Change vs Prior FY Guidance at Midpoint
Revenue (in millions)	**$640 - $660**	**(5)% - (2)%**	**$2,568 - $2,628**	**(2)% - —%**	**$(32)**
Adjusted Net Income per Diluted Share[1]	**$ 3.60 - $3.80**	**(8)% - (3)%**	**$14.72 - $15.32**	**(4)% - —%**	**$0.07**
Assumed Average Domestic Fuel Price ($/Gallon)	$3.18		$3.10		$(0.15)
Mobility Credit Loss (Basis Points)	11 - 16		12 - 17		—
Assumed Number of Diluted Shares Outstanding, in millions	34.5		35.9		-3.1

[1] The Company's adjusted net income guidance, which is a non-GAAP measure, excludes unrealized gains and losses on financial instruments, net foreign currency gains and losses, acquisition-related intangible amortization, other acquisition and divestiture related items, stock-based compensation, other costs, debt restructuring costs and debt issuance cost amortization, tax related items and certain other non-operating items and non-recurring or non-cash operating charges that are not core to our operations, as applicable depending on the period presented. We are unable to reconcile our adjusted net income guidance to the comparable GAAP measure without unreasonable effort because of the difficulty in predicting the amounts to be adjusted, including but not limited to, foreign currency exchange rates, unrealized gains and losses on financial instruments, and acquisition and divestiture related items, which may have a significant impact on our financial results.

Guidance Assumptions

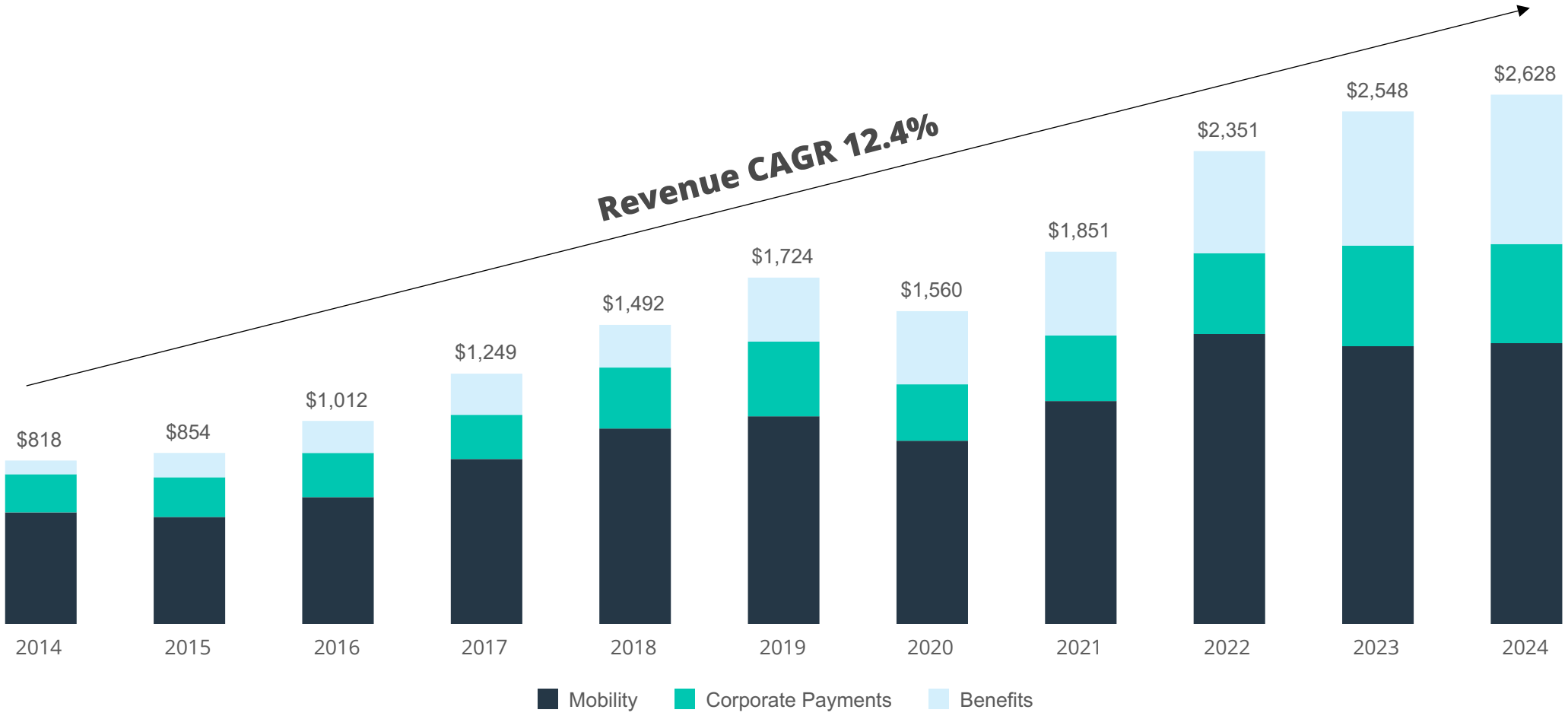
Guidance also includes the following assumptions:

- U.S. GDP growth of approximately 2% in 2025; guidance is based upon current trends and does not include the impact of a potential further slowdown in the economy
- No benefits from future M&A activity
- Interest rate decreases included in line with the market Fed Funds projections
- Exchange rates are as of the end of March 2025
- Domestic fuel prices estimated at $3.18 per gallon for the second quarter and $3.10 for the full year, based on NYMEX futures price from week of April 21, 2025
- Adjusted net income effective tax rate of 25.0% for the second quarter and the full year[1]
- Approximately 34.5 million and 35.9 million weighted average shares outstanding for Q2 2025 and the full year, respectively
- No further share repurchases in 2025

[1] Beginning in fiscal year 2024, the Company began utilizing a fixed annual projected long-term non-GAAP tax rate in order to provide better consistency across reporting periods.

Appendix

10-Year Revenue Growth



Reported revenue is in millions of dollars (USD).

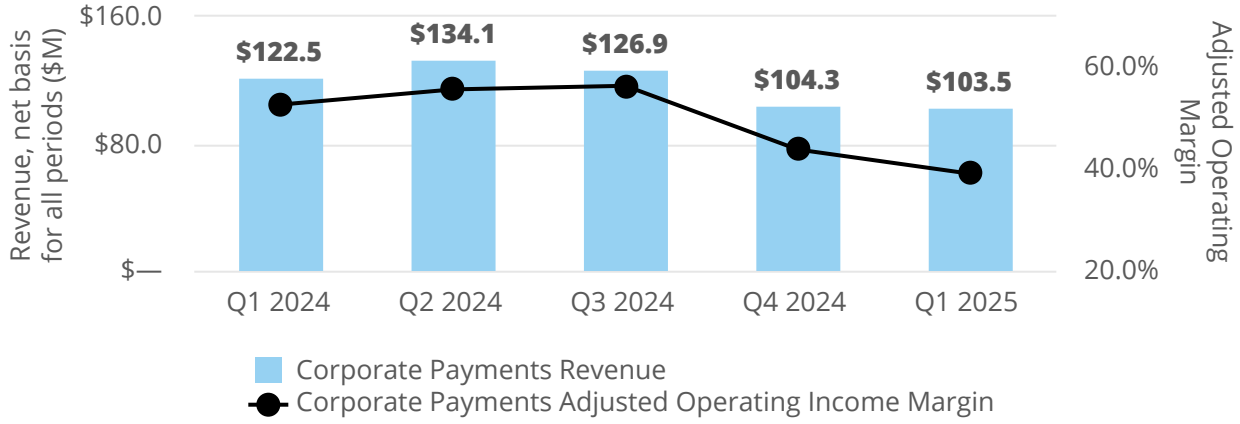
Key Performance Indicators

(In millions unless otherwise noted)	Q1 25	Q1 24	$ Δ Yr/Yr	% Δ Yr/Yr
Mobility segment				
Total Volume ($)*	18,751	19,943	(1,192)	(6)%
Payment Processing Transactions	134.5	136.9	(2.4)	(2)%
Payment Processing $ of Fuel	12,018	13,061	(1,043)	(8)%
Net Payment Processing Rate (%)	1.30 %	1.31 %	-1 bps	(1)%
Average US Fuel Price ($/gallon)	3.32	3.56	(0.24)	(7)%
Net Late Fee Rate (%)	0.53 %	0.46 %	7 bps	15 %
Corporate Payments segment				
Total Volume ($)*	31,109	33,026	(1,917)	(6)%
Purchase Volume ($)	17,285	23,948	(6,663)	(28)%
Net Interchange Rate (%)	0.50 %	0.43 %	7 bps	15 %
Benefits segment				
Total Volume ($)*	4,196	3,840	356	9 %
Purchase Volume ($)	2,330	2,115	215	10 %
Average Number of SaaS Accounts	21.5	20.3	1.2	6 %
Average HSA custodial cash assets ($)	4,609	4,209	400.0	10 %

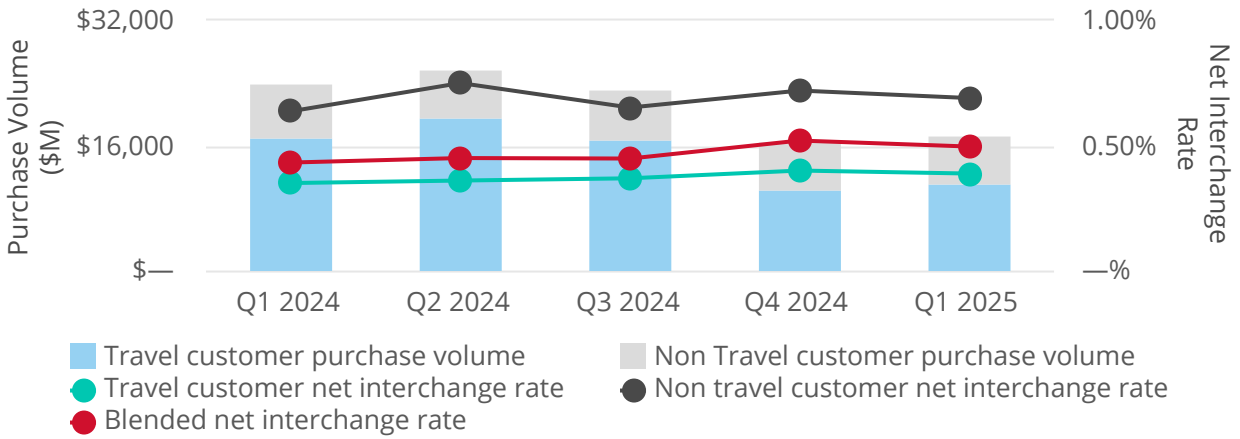
*Total Volume includes purchases on WEX issued accounts as well as purchases issued by others, but using the WEX platform.

Corporate Payments Segment Revenue, Margin, Volume, and Net Interchange Rate

Corporate Payments Revenue and Adjusted Operating Income Margin



Corporate Payments Volume and Net Interchange Rate



Key Takeaways

- Statistics reflect migration of large OTA customer to new revenue model
- Segment adjusted operating income margin in Q1 2025 was 39.1%, down from 52.7% a year ago

Non-GAAP Reconciliation

Reconciliation of GAAP Operating Income to Non-GAAP Total Segment Adjusted Operating Income and Adjusted Operating Income

	Three months ended March 31,			
In millions	**2025**	**(margin)[1]**	2024	(margin)[1]
Operating income	**$ 157.3**	**24.7 %**	$ 164.5	25.2 %
Unallocated corporate expenses	**24.9**		23.6	
Acquisition-related intangible amortization	**47.8**		50.9	
Other acquisition and divestiture related items	**0.5**		2.4	
Stock-based compensation	**13.3**		26.7	
Other costs	**14.9**		6.7	
Total segment adjusted operating income	**$ 258.7**	**40.6 %**	$ 274.9	42.1 %
Unallocated corporate expenses	**(24.9)**		(23.6)	
Adjusted operating income	**$ 233.8**	**36.7 %**	$ 251.3	38.5 %

[1] Margins are derived by dividing the applicable measures by total net revenue for the Company.

Non-GAAP Reconciliation

Reconciliation of GAAP Net Income to Non-GAAP Adjusted Net Income and Adjusted Net Income per Share

	Three Months Ended March 31,			
	2025		2024	
In millions except per diluted share data		**per diluted share**		per diluted share
Net income	**$ 71.5**	**$ 1.81**	$ 65.8	$ 1.55
Unrealized (gain) loss on financial instruments	**(0.4)**	**(0.01)**	0.2	—
Net foreign currency loss	**3.1**	**0.08**	12.5	0.29
Change in fair value of contingent consideration	**0.8**	**0.02**	1.7	0.04
Acquisition-related intangible amortization	**47.8**	**1.21**	50.9	1.20
Other acquisition and divestiture related items	**2.5**	**0.06**	3.2	0.08
Stock-based compensation	**13.3**	**0.34**	26.7	0.63
Other costs	**14.8**	**0.38**	5.8	0.14
Debt restructuring and debt issuance cost amortization	**2.2**	**0.06**	4.5	0.11
Tax related items	**(17.2)**	**(0.44)**	(24.7)	(0.58)
Adjusted net income	**$ 138.4**	**$ 3.51**	$ 146.7	$ 3.46

Non-GAAP Reconciliation

The Company's non-GAAP adjusted net income excludes unrealized gains and losses on financial instruments, net foreign currency gains and losses, acquisition-related intangible amortization, other acquisition and divestiture related items, stock-based compensation, other costs, debt restructuring costs and debt issuance cost amortization, tax related items and certain other non-operating items and non-recurring or non-cash operating charges that are not core to our operations, as applicable depending on the period presented. The Company's non-GAAP adjusted operating income excludes acquisition-related intangible amortization, other acquisition and divestiture related items, debt restructuring costs, stock-based compensation, other costs and certain non-recurring or non-cash operating charges that are not core to our operations, as applicable depending on the period presented. Total segment adjusted operating income incorporates these same adjustments and further excludes unallocated corporate expenses.

Although adjusted net income, adjusted operating income, and total segment adjusted operating income are not calculated in accordance with GAAP, our management team believes these non-GAAP measures are integral to our reporting and planning processes and uses them to assess operating performance because they generally exclude financial results that are outside the normal course of our business operations or management's control. These measures are also used to allocate resources among our operating segments and for internal budgeting and forecasting purposes for both short- and long-term operating plans. For the periods presented herein, the following items have been excluded in determining one or more non-GAAP measures for the following reasons:

- Exclusion of the non-cash, mark-to-market adjustments on financial instruments, including interest rate swap agreements and investment securities, helps management identify and assess trends in the Company's underlying business that might otherwise be obscured due to quarterly non-cash earnings fluctuations associated with these financial instruments. Additionally, the non-cash, mark-to-market adjustments on financial instruments are difficult to forecast accurately, making comparisons across historical and future periods difficult to evaluate;
- Net foreign currency gains and losses primarily result from the remeasurement to functional currency of cash, accounts receivable and accounts payable balances, certain intercompany transactions denominated in foreign currencies and any gain or loss on foreign currency economic hedges relating to these items. The exclusion of these items helps management compare changes in operating results between periods that might otherwise be obscured due to currency fluctuations;
- The change in fair value of contingent consideration, which is related to the acquisition of certain contractual rights to serve as custodian or sub-custodian to HSAs, is dependent upon changes in future interest rate assumptions and has no significant impact on the ongoing operations of the Company. Additionally, the non-cash, mark-to-market adjustments on financial instruments are difficult to forecast accurately, making comparisons across historical and future periods difficult to evaluate;
- The Company considers certain acquisition-related costs, including certain financing costs, investment banking fees, warranty and indemnity insurance, certain integration-related expenses and amortization of acquired intangibles, as well as gains and losses from divestitures to be unpredictable, dependent on factors that may be outside of our control and unrelated to the continuing operations of the acquired or divested business or the Company. In addition, the size and complexity of an acquisition, which often drives the magnitude of acquisition-related costs, may not be indicative of such future costs. The Company believes that excluding acquisition-related costs and gains or losses on divestitures facilitates the comparison of our financial results to the Company's historical operating results and to other companies in our industry;
- Stock-based compensation is different from other forms of compensation as it is a non-cash expense. For example, a cash salary generally has a fixed and unvarying cash cost. In contrast, the expense associated with an equity-based award is generally unrelated to the amount of cash ultimately received by the employee, and the cost to the Company is based on a stock-based compensation valuation methodology and underlying assumptions that may vary over time;
- Other costs are not consistently occurring and do not reflect expected future operating expense, nor do they provide insight into the fundamentals of current or past operations of our business. This also includes non-recurring professional service costs, costs related to certain identified initiatives, including restructuring and technology initiatives, to further streamline the business, improve the Company's efficiency, create synergies and globalize the Company's operations, all with an objective to improve scale and efficiency and increase profitability going forward.
- Impairment charges represent non-cash asset write-offs, which do not reflect recurring costs that would be relevant to the Company's continuing operations. The Company believes that excluding these nonrecurring expenses facilitates the comparison of our financial results to the Company's historical operating results and to other companies in its industry;
- Debt restructuring and debt issuance cost amortization are unrelated to the continuing operations of the Company. Debt restructuring costs are not consistently occurring and do not reflect expected future operating expense, nor do they provide insight into the fundamentals of current or past operations of our business. In addition, since debt issuance cost amortization is dependent upon the financing method, which can vary widely company to company, we believe that excluding these costs helps to facilitate comparison to historical results as well as to other companies within our industry;
- The tax related items are the difference between the Company's GAAP tax provision and a non-GAAP tax provision. The Company utilizes a fixed annual projected long-term non-GAAP tax rate in order to provide better consistency across reporting periods. To determine this long-term projected tax rate, the Company performs a pro forma tax provision based upon the Company's projected adjusted net income before taxes. The fixed annual projected long-term non-GAAP tax rate could be subject to change in future periods for a variety of reasons, including the rapidly evolving global tax environment, significant changes in our geographic earnings mix including due to acquisition activity, or other changes to our strategy or business operations; and
- The Company does not allocate certain corporate expenses to our operating segments, as these items are centrally controlled and are not directly attributable to any reportable segment.

WEX believes that adjusted net income, adjusted operating income, and total segment adjusted operating income may also be useful to investors when evaluating the Company's performance. However, because adjusted net income, adjusted operating income, and total segment adjusted operating income are non-GAAP measures, they should not be considered as a substitute for, or superior to, net income or operating income, as determined in accordance with GAAP. In addition, adjusted net income, adjusted operating income, and total segment adjusted operating income as used by WEX may not be comparable to similarly titled measures employed by other companies.

Non-GAAP Reconciliation

Reconciliation of GAAP Operating Cash Flow to Non-GAAP Adjusted Free Cash Flow
The Company's non-GAAP adjusted free cash flow has historically been calculated as cash flows from operating activities adjusted for net purchases of current investment securities, capital expenditures, net funding activity, and certain other adjustments including contingent and deferred consideration paid to sellers in excess of acquisition-date fair value. Net funding activity includes the change in net deposits, net advances from the FHLB, changes in participation debt, and changes in borrowings under the BTFP and borrowed federal funds. Such calculation has historically been based on the principle that the net activity in accounts receivable, accounts payable, and investment of HSA deposits would be offset by WEX Bank funding activity, however, due to the nature of WEX Bank cash balances, cash balances may be increased or decreased for reasons other than matching operating activity. As a result, beginning with the third quarter of 2024, adjusted free cash flow also includes an adjustment to reflect the change in WEX Bank cash balances and the applicable prior periods have similarly been adjusted to conform to the current presentation. Although non-GAAP adjusted free cash flow is not calculated in accordance with GAAP, WEX believes that adjusted free cash flow is a useful measure for investors to further evaluate our results of operations because (i) adjusted free cash flow indicates the level of cash generated by the operations of the business, which excludes consideration paid on acquisitions, after appropriate reinvestment for recurring investments in property, equipment and capitalized software that are required to operate the business; (ii) net funding activity includes fluctuations in deposits and other borrowings primarily used as part of our accounts receivable funding strategy; (iii) purchases of current investment securities are made as a result of deposits gathered operationally; and (iv) WEX Bank cash balances may be increased or decreased for reasons other than matching operating activity. However, because adjusted free cash flow is a non-GAAP measure, it should not be considered as a substitute for, or superior to, operating cash flow as determined in accordance with GAAP. In addition, adjusted free cash flow as used by WEX may not be comparable to similarly titled measures employed by other companies. Refer to our reconciliation below for our calculation of adjusted free cash flow for the three months ended March 31, 2025 and 2024, twelve months ended December 31, 2024, and the trailing twelve months ended March 31, 2025.

	Three Months Ended March 31,		Year ended December 31,	Trailing twelve months, ended March 31,
(in millions)	**2025**	2024	2024	**2025**
Operating cash flow	**$ (481.6)**	$ (153.3)	$ 481.4	**$ 153.1**
Adjustments to operating cash flow, as reported:				
Change in WEX Bank cash balances	**67.7**	188.9	279.1	157.9
Other adjustments	**58.8**	67.1	34.0	25.7
Net Funding Activity	**375.5**	205.0	652.7	823.2
Net sales and maturities (purchases) of current investment securities	**28.3**	(282.9)	(738.0)	(426.8)
Capital expenditures	**(32.6)**	(34.0)	(147.3)	(145.9)
Adjusted free cash flow	**16.2**	(9.2)	562.0	**587.4**