

International Money Express (IMXI)



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Company Overview



International Money Express, Inc.

NASDAQ: IMXI

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Intermex

- Significant populations of the world live day-to-day without access to traditional banking
- Intermex is a leading provider of money transfer services
 - Users can send funds to, from, and within the U.S./Canada, Latin America, Mexico, Africa, Asia, and the Caribbean
 - Omnichannel approach: offers a suite of financial processing and payment solutions
 - Has a network of over 100,000 payer locations in 3rd party locations/agents plus company-operated stores, website, mobile app

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Intermex, continued

- Provides check-cashing services, money orders and bill payment services for local phone, cellular, cable, and utility bills
- The physical presence offered by Intermex is key to its success with its user base (though considered a FinTech business)
- Unlike customers of other payment solutions (i.e., Square, Paypal etc.), Intermex's customers require the ability to convert and transfer currency and paper checks.
- Focuses on a few geographic regions that have a concentration of a significant portion of the world's money remittance volume.
 - LAC corridor continues to be the most rapidly growing remittance corridor in the world

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Company Profile

- Sector Financials
- Industry: Transaction & Payment Processing Services
- Size: Small company
- Employees 1,068
- Location Miami, with offices in Mexico, Guatemala and Spain
- Website www.intermexonline.com

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Products

- Money Transfers (online and in-store) – simple & fast
 - Can use cash, credit/debit card, or bank account
 - Recipient (families) can receive the money at a payer location, ATM, bank account or mobile wallet
- Loyalty Card – speed up transactions, earn rewards points
- Money Orders – prepaid, accepted anywhere in the U.S.



Intermex LOYALTY CARD

Speed up your transactions at our Agent Locations, and earn points that you can redeem for rewards.

- A more favorable foreign exchange rate.
- Discounts on your fees.

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Products, continued

**THE INTERMEX PAYROLL
CARD PROGRAM
A BETTER WAY TO PAY
YOUR WORKERS**

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Revenue Sources

- Primary source of revenue: money remittance services to LAC countries, mainly Mexico and Guatemala
 - Majority of revenue from wire transfer and money order fees (from senders of funds)
 - Some revenue is generated via management of currency exchange spreads (i.e., money not pegged to the US dollar)

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Timeline

- 1994-1996 – Founded, launches operations, expands, moves HQ to Miami
- 2004-2008 – Expands across the US, including in TX, CA and NY
- 2009 – President Robert Lisy, current CEO and president, assumes control
- 2016 – Intermex solidifies its positioning as a leading money transfer sender to Latin America
- 2017 – Undergoes a transformative merger with FinTech Acquisition Corp.
- 2018 – Went public via a SPAC merger, under new name International Money Express
- 2019 – Intermex opens the market to Africa, expands to Canada
- 2022 – Completes La Nacional Acquisition of US Based Assets; strong foothold in the Dominican Republic
- 2023 – Completes acquisition of LAN Holdings, Corp., also acquires “I-Transfer” – enters the European remittance market, expands in Canada

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Remittance Industry Overview

- The Latin American remittance industry has momentum in the movement of immigration patterns
- Linked to Labor trends and driven by a common purpose of sending financial support back home
- The remittance industry is not glamorous and tends to fly under the radar of Wall Street
- The remittance industry holds substantial economic clout, is quietly contributing to GDP in various nations

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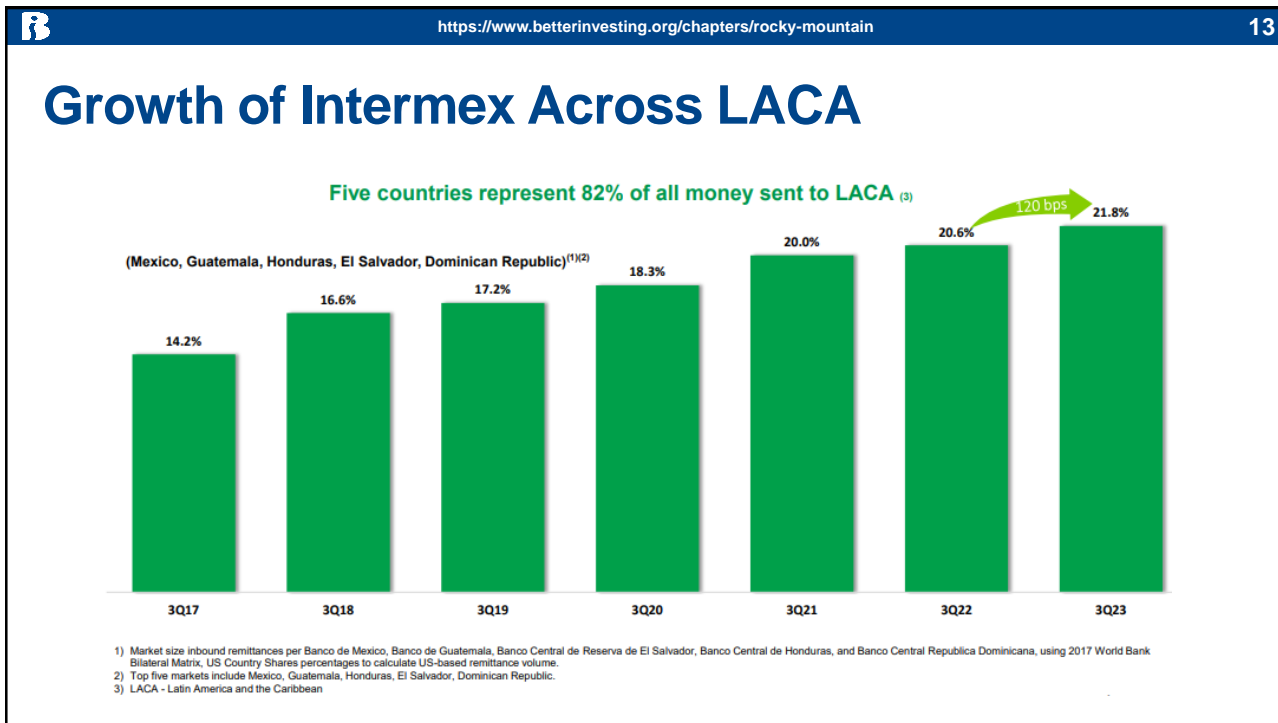


Example: Mexico – Reshaping of an Economic Narrative

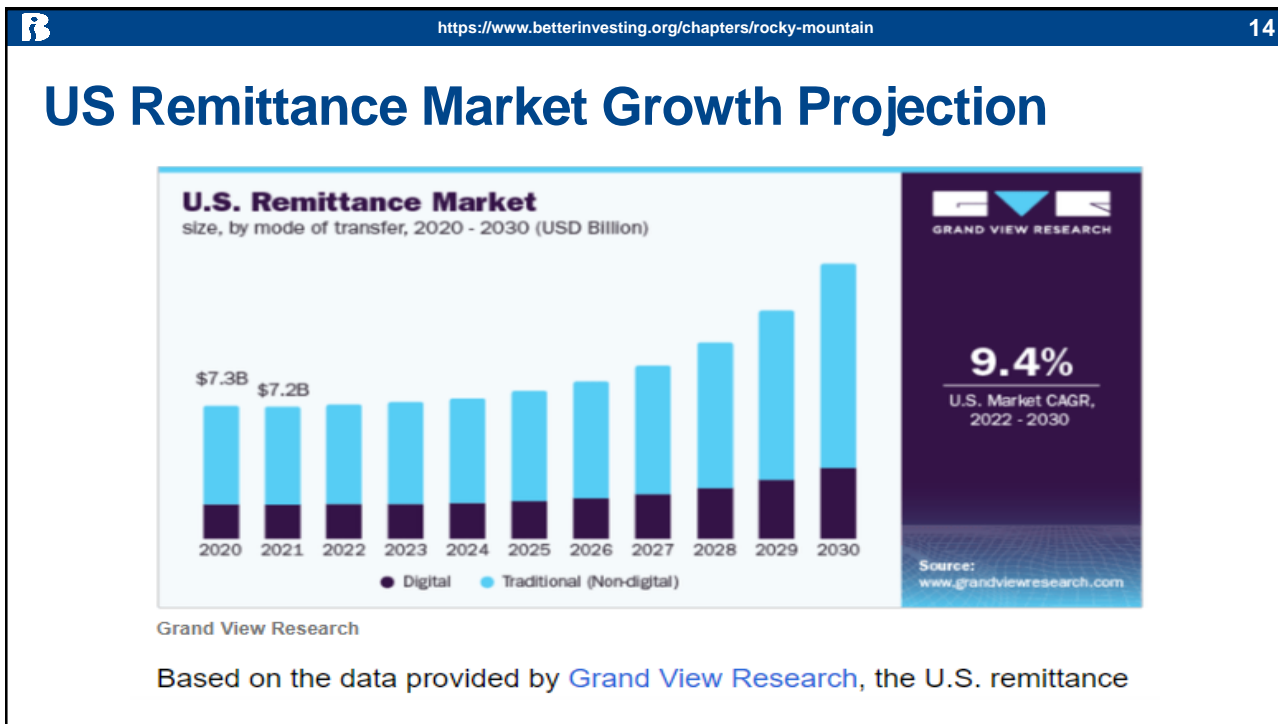
- Remittances to Mexico have evolved from a mere financial trickle to a full-fledged economic stream
- Remittances surged 2012 to 2022:
 - 2012: 1.9% of GDP
 - 2022: 4.2% of GDP (translates to ~60 billion dollars) Source: The Economist
- Numbers outshone traditional contributors to Mexico's foreign income (i.e., tourism, oil exports)


Vitoria Holdings LLC/Stock via Getty Images

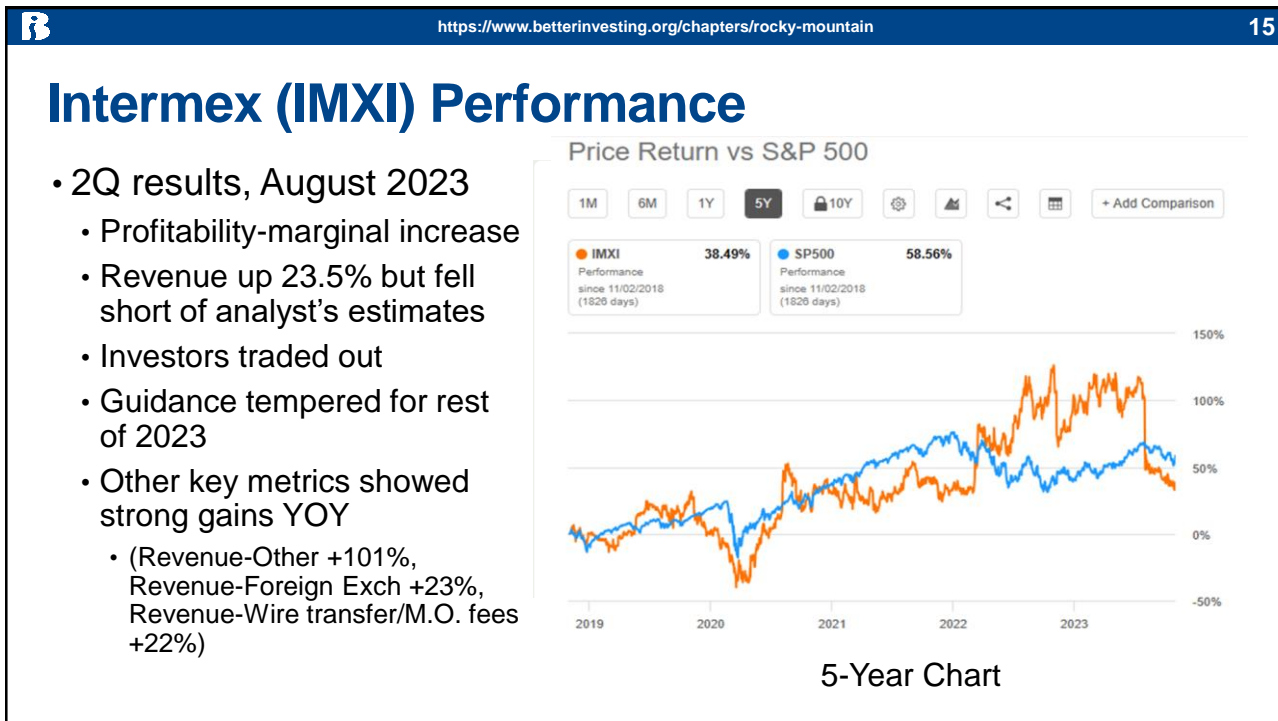
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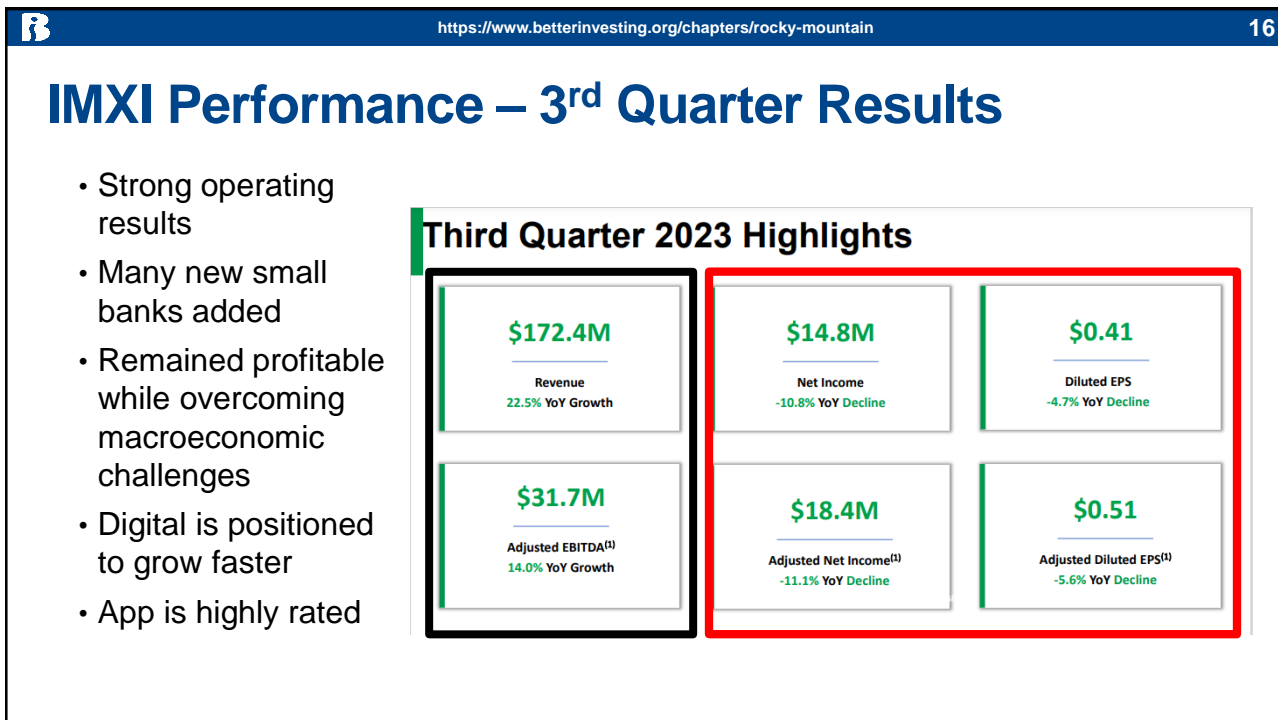
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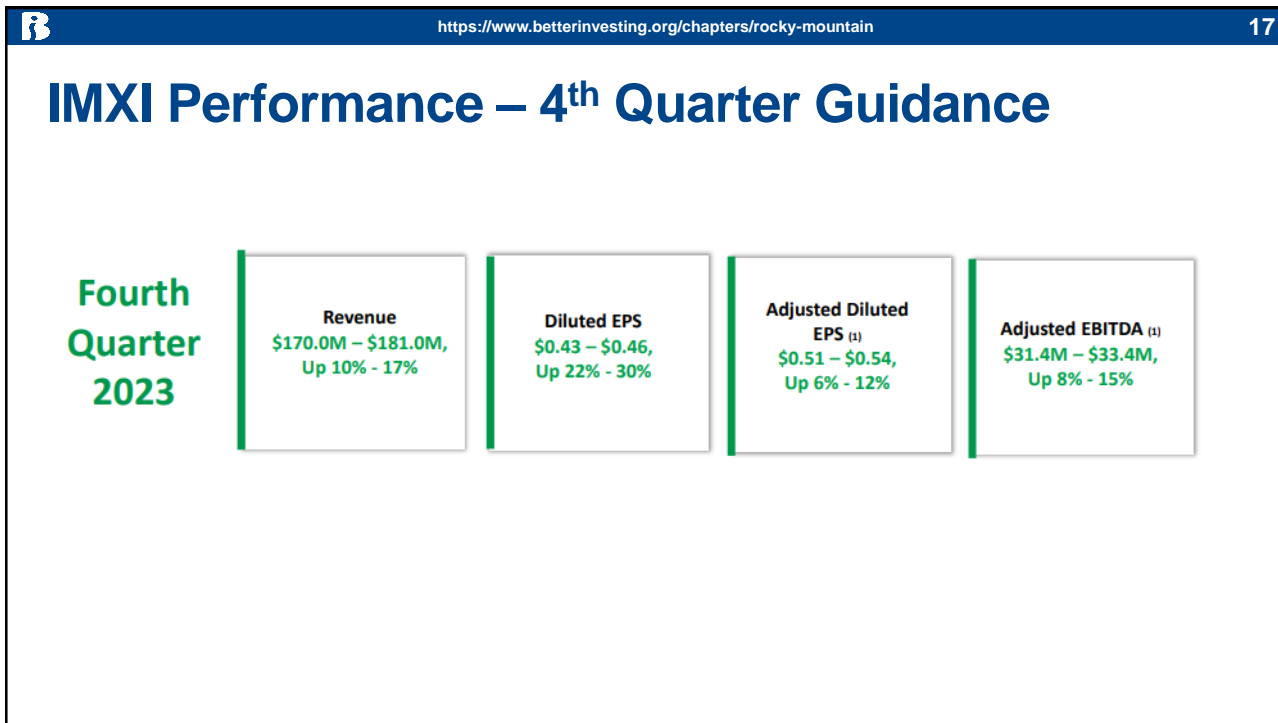
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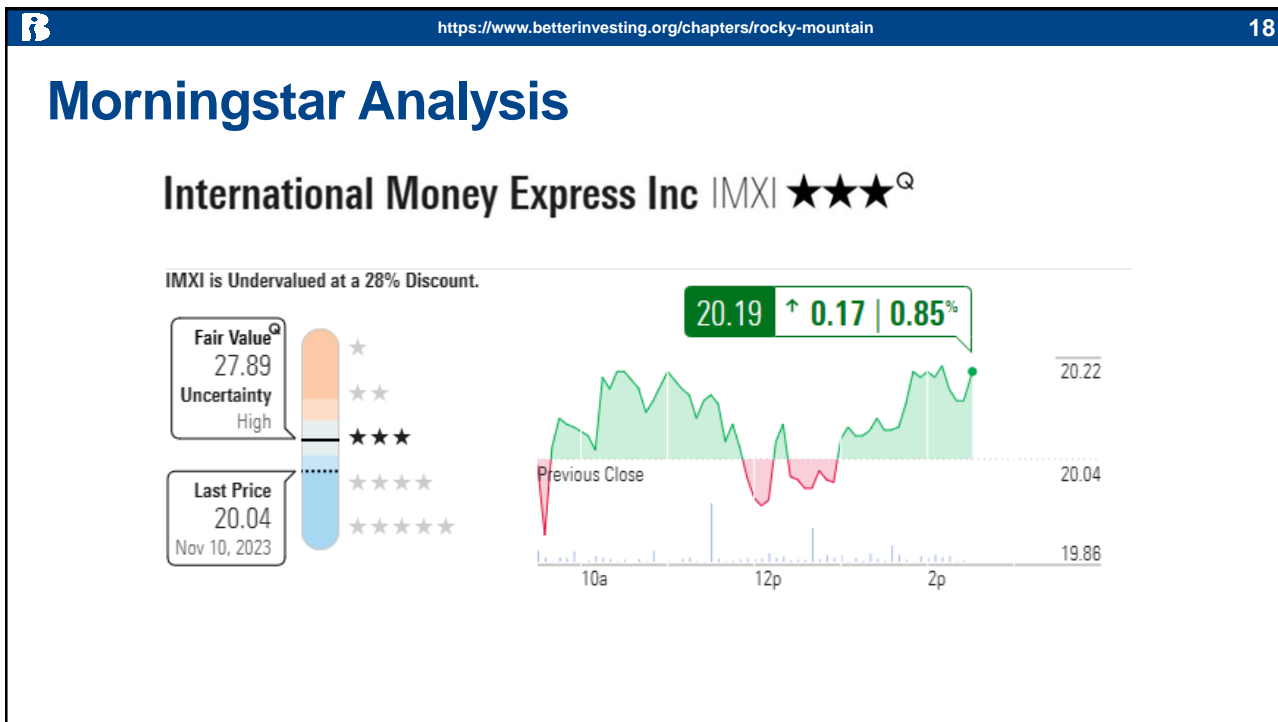
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Risk

Risk

	IMXI	RPAY	PSFE	CASS	IIIV	CTLP
Short Interest	2.55%	1.96%	4.40%	1.36%	3.89%	1.25%
24M Beta	0.68	1.59	1.91	0.54	1.06	0.97
60M Beta	0.54	1.27	1.81	0.64	1.39	1.79
Altman Z Score	3.98	0.62	-0.05	0.44	1.09	1.39

Altman Z Score: predicts probability of a firm going bankrupt within two years. It uses profitability, leverage, liquidity, solvency and activity. A score below 1.8 means it is likely the company is headed for bankruptcy. Companies with scores above 3 are not likely to go bankrupt.

Source: Seeking Alpha

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SWOT Analysis

<p>STRENGTHS</p> <ul style="list-style-type: none"> Distinguished strategy Highly scalable, proprietary software Long-term relationships w/ banks Powerful brand name in LAC corridor Cashflow 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> Consumers employed in cyclical industries more affected by economic conditions High debt/capitalization ratio Not on Wall Street's radar
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> Latin American remittance industry Expansion in African, Asian, Canadian and European Markets Digital service growth 	<p>THREATS</p> <ul style="list-style-type: none"> Cryptocurrency adoption Immigration trends Price cutting by competitors Potential for illegal uses by increasingly sophisticated criminals

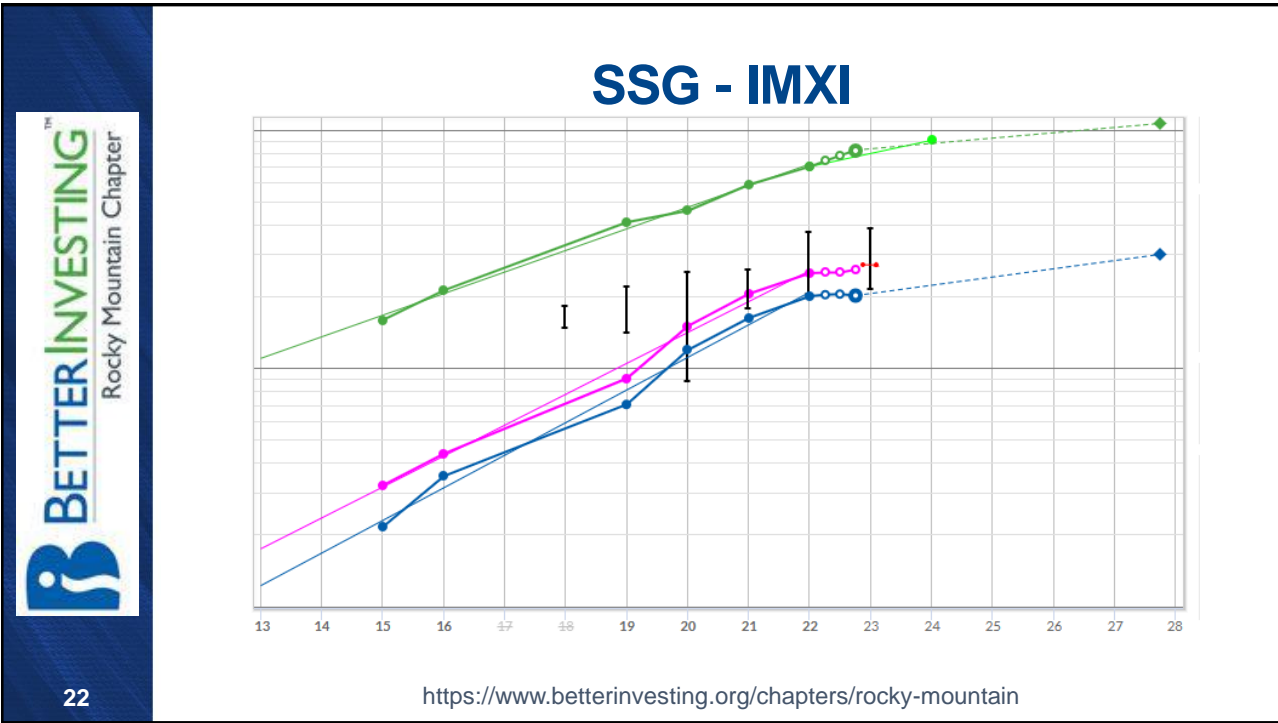
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QUESTIONS?

Next...SSG Estimate for IMXI

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Questions or Comments?



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