UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

August 8, 2024
Date of Report (date of earliest event reported)

SHIFT4 PAYMENTS, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-39313	84-3676340
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

3501 Corporate Pkwy
Center Valley, PA 18034
(Address of principal executive offices) (Zip Code)

(888) 276-2108
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A common stock, par value $0.0001	FOUR	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 - Results of Operations and Financial Condition.

On August 8, 2024, Shift4 Payments, Inc. announced its financial results for the quarter ended June 30, 2024. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in Item 2.02 of this Current Report on Form 8-K (including Exhibit 99.1 attached hereto) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly provided by specific reference in such a filing.

Item 9.01 - Financial Statements and Exhibits.

(d) The following exhibits are being filed herewith:

Exhibit No.	Description
99.1	Press Release issued on August 8, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 8, 2024

SHIFT4 PAYMENTS, INC.

By:	/s/ Jordan Frankel
Name:	Jordan Frankel
Title:	Secretary, General Counsel and Executive Vice President, Legal, Risk and Compliance

Exhibit 99.1

SHIFT4

Q2 2024 SHAREHOLDER LETTER

INVESTORS.SHIFT4.COM

Forward-Looking Statements

This letter contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Shift4 Payments, Inc. ("we," "our," the "Company," or "Shift4") intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All statements contained in this letter, other than statements of historical fact, including, without limitation, statements relating to our position as a leader within our industry; the anticipated benefits of and costs associated with recent acquisitions; our expectations regarding new customers, acquisitions and other transactions, including of our sales partners and their residual streams, and our ability to close said transactions on the timeline we expect or at all; our market growth and international expansion; our plans and agreements regarding future payment processing commitments; our expectations with respect to the economy; our stock price; and our anticipated financial performance, including our financing activities and our financial outlook for the remaining fiscal quarters in 2024 and future periods, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential," or "continue" or the negative of these terms or other similar expressions, though not all forward-looking statements can be identified by such terms or expressions.

We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this letter. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following: the substantial and increasingly intense competition worldwide in the financial services, payments and payment technology industries; potential changes in the competitive landscape, including disintermediation from other participants in the payments chain; the effect of global economic, political and other conditions on trends in consumer, business and government spending; fluctuations in inflation; our ability to anticipate and respond to changing industry trends and the needs and preferences of our merchants and consumers; our reliance on third-party vendors to provide products and services; risks associated with acquisitions; our inability to protect our IT systems and confidential information, as well as the IT systems of third parties we rely on, from continually evolving cybersecurity risks, security breaches and/or other technological risks; compliance with governmental regulation and other legal obligations, particularly related to privacy, data protection and information security, marketing, cryptocurrency, and consumer protection laws across different markets where we conduct our business; our ability to continue to expand our share of the existing payment processing markets or expand into new markets; additional risks associated with our expansion into international operations, including compliance with and changes in foreign governmental policies, as well as exposure to foreign exchange rates; our ability to integrate and interoperate our services and products with a variety of operating systems, software, devices, and web browsers; our dependence, in part, on our merchant and software partner relationships and strategic partnerships with various institutions to operate and grow our business; and the significant influence Jared Isaacman, our CEO and founder, has over us, including control over decisions that require the approval of stockholders. These and other important factors discussed under the caption "Risk Factors" in Part I, Item 1A. in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and our other filings with the Securities and Exchange Commission could cause actual results to differ materially from those indicated by the forward-looking statements made in this letter. Any such forward-looking statements represent management's estimates as of the date of this letter. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change.

Non-GAAP Financial Measures and Key Performance Indicators

We use supplemental measures of our performance which are derived from our consolidated financial information but which are not presented in our consolidated financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP financial measures include: gross revenue less network fees, which includes interchange and adjustment fees; adjusted net income; adjusted net income per share; free cash flow; Adjusted Free Cash Flow; earnings before interest expense, interest income, income taxes, depreciation, and amortization ("EBITDA"); Adjusted EBITDA; Adjusted EBITDA conversion rate; and Adjusted EBITDA margin.

Gross revenue less network fees represents a key performance metric that management uses to measure changes in the mix and value derived from our customer base as we continue to execute our strategy to expand our reach to serve larger, complex merchants.

Adjusted net income represents net income adjusted for certain non-cash and other nonrecurring items that management believes are not indicative of ongoing operations, such as acquisition, restructuring and integration costs, revaluation of contingent liabilities, impairment of intangible assets, unrealized gain (loss) on investments in securities, change in TRA liability, equity-based compensation expense, and foreign exchange and other nonrecurring items.

Adjusted EBITDA is the primary financial performance measure used by management to evaluate its business and monitor results of operations. Adjusted EBITDA represents EBITDA further adjusted for certain non-cash and other nonrecurring items that management believes are not indicative of ongoing operations. These adjustments include acquisition, restructuring and integration costs, revaluation of contingent liabilities, impairment of intangible assets, unrealized gain (loss) on investments in securities, changes in TRA liability, equity-based compensation expense, and foreign exchange and other nonrecurring items. Free cash flow represents net cash provided by operating activities adjusted for non-discretionary capital expenditures.

Adjusted EBITDA Margin represents Adjusted EBITDA divided by gross revenue less network fees.

Free cash flow represents net cash provided by operating activities adjusted for certain capital expenditures.

Adjusted Free Cash Flow represents free cash flow further adjusted for certain transactions that are not indicative of future operating cash flows, including settlement activity (which represents the change in our settlement assets and liabilities), acquisition, restructuring and integration costs, the impact of timing of annual performance bonuses, other nonrecurring expenses, and nonrecurring strategic capital expenditures that are not indicative of ongoing activities. We believe Adjusted Free Cash Flow is useful to measure the funds generated in a given period that are available to invest in the business, to repurchase stock and to make strategic decisions.

The Adjusted EBITDA conversion rate is calculated as Adjusted Free Cash Flow divided by Adjusted EBITDA.

We use non-GAAP financial measures to supplement financial information presented on a GAAP basis. We believe that excluding certain items from our GAAP results allows management to better understand our consolidated financial performance and, in the case of Adjusted Free Cash Flow, our liquidity, from period to period and better project our future consolidated financial performance as forecasts are developed at a level of detail different from that used to prepare GAAP-based financial measures. Moreover, we believe these non-GAAP financial measures provide our stakeholders with useful information to help them evaluate our operating results by facilitating an enhanced understanding of our operating performance and, in the case of Adjusted Free Cash Flow, our liquidity, and enabling them to make more meaningful period to period comparisons. There are limitations to the use of the non-GAAP financial measures presented in this letter. Our non-GAAP financial measures may not be comparable to similarly titled measures of other companies. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

The non-GAAP financial measures are not meant to be considered as indicators of performance, or in the case of Adjusted Free Cash Flow, as an indicator of liquidity, in isolation from or as a substitute for financial information prepared in accordance with GAAP, and should be read only in conjunction with financial information presented on a GAAP basis. Reconciliations each of EBITDA and Adjusted EBITDA, gross revenue less network fees, adjusted net income, adjusted net income per share, free cash flow and Adjusted Free Cash Flow to, in each case, its most directly comparable GAAP financial measure are presented in Appendix - Financial Information.

For 2024, we are unable to provide a reconciliation of Gross revenue less network fees, Adjusted EBITDA, and Adjusted Free Cash Flow to Gross Profit, Net Income, and net cash provided by operating activities, respectively, the nearest comparable GAAP measures, without unreasonable efforts. We encourage you to review the reconciliations in conjunction with the presentation of the non-GAAP financial measures for each of the periods presented. In future fiscal periods, we may exclude such items and may incur income and expenses similar to these excluded items. In addition, key performance indicators include end-to-end payment volume, Blended Spread and margin. End-to-end payment volume is defined as the total dollar amount of payments that we deliver for settlement on behalf of our merchants. Included in end-to-end volume are dollars routed via our international payments platform and alternative payment methods, including cryptocurrency and stock donations, plus volume we route to one or more third party merchant acquirers on behalf of strategic enterprise merchant relationships. This volume does not include volume processed through our legacy gateway-only offering.

Blended Spread represents the average yield Shift4 earns on the average end-to-end payment volume processed for a given period after network fees. Blended Spread is calculated as payments-based revenue less gateway revenue and network fees for a given period divided by the end-to-end payment volume processed for the same period.

Dear Shareholders,

FOUR
LISTED
NYSE

This was another busy quarter. I am reasonably pleased with our results that were largely in line with expectations. We closed on two acquisitions, expanded into new countries in support of our strategic customer, and won thousands of SkyTab locations, stadiums and hotels. Like previous quarters, the enterprise wins we are highlighting this quarter are simply incredible. The hospitality team smashed it with wins like Nobu, Whistler Blackcomb and dozens of other signature properties. Similarly, we continued to deliver the W's in Sports & Entertainment with Colts, Miami Heat, Daa Bears and many more.

I think it is worth reinforcing how much our business has diversified since the pandemic, and while we are often asked about restaurants, we continue to win share at accelerated rates across many verticals. In fact, hotels and resorts now represent approximately 33% of the volume we process. The strength in our diversification has been a key factor in the 11 quarters of guidance raises, including this quarter, and what delivers confidence in the face of economic uncertainty.

Beyond commercial wins, we kept busy this quarter by further optimizing our organization structure, integrating and realizing synergies from past acquisitions alongside meaningful investments in our internal systems, AI and a continued to focus on our Shift4way principles: *deleting parts, staying flat, radical ownership and executing with urgency.* The results of which can be seen in our strong margins even alongside the drag of recent acquisitions.

This quarter, we have endeavored to give the people what they want and address some of our most frequently asked investor questions. Throughout the presentation and our prepared remarks, we will provide:

- A list of wins to support our beat and guidance raise quarter.
- A contracted volume backlog from enterprise clients to support our forecasts
- Greater insight in to our GRLNF inorganic/organic composition: As stated earlier in the year, we expected FY24 organic revenue growth to be well north of 25%. Q2 organic was 24% and we expect a healthy acceleration in the back half.
- A lookback on two recent acquisitions, FocusPOS and VenueNext, so investors can get a better sense of our playbook in action.

If you have read my previous letters, then you know I typically go beyond our results and try to help our shareholders really understand who we are as an organization. I will use the balance of this letter to try and cover some of the basics.

What is the opportunity? Clearly, there are winners and losers in payments. The losers, provide little value beyond the approval and decline of a credit card transaction and as a result, there is little they can charge for that service. The winners are bringing together software + payments to deliver a more powerful commerce experience and they can typically charge more for the value being delivered. At Shift4, more than 99.9% of our transactions are integrated into software, predominantly card-present, which is not easy, and in verticals that require a lot of software to adequately serve. It is important to realize there is not a single restaurant, hotel, sports stadium or theme park switching to an inferior commerce solution solely to save a few basis points.

How do we win? We began our integrated payments journey ~20 years ago with a single organic initiative. The growth was remarkable and informed our evolved strategy to build, buy, or partner depending on the verticals we aim to conquer. With restaurants, we built our own cloud-POS solution called SkyTab and we sign up thousands of locations every quarter. With hotels we possess 550+ unique software integrations to companies like Microsoft, Oracle, Agilisys, etc that are required to serve the hospitality vertical. With sports stadiums and theme parks we have a product we purchased and enhanced 3 years ago called VenueNext, that has quickly made us the category leader. We are now taking these same products and integrations all over the world with a focus on Canada and Europe.

"Good companies don't do M&A": The vast majority of our revenue is in fact generated from organic initiatives – such as nearly all of our payments revenue. What we have learned is not to take the risk of sitting on our hands and waiting for business to come to us when the opportunity is blatantly obvious. When we do elect to buy, we are finding overlooked assets with high-conviction revenue synergies. We then blow-up the legacy revenue streams and quickly pivot the business towards a bundled payments strategy resulting in all the legacy revenue being replaced with a new recurring model that we uniquely unlocked. And if you think good companies don't do M&A, check again the hundreds of acquisitions Apple, Amazon, Meta, Microsoft, Google, Palo Alto and others have completed when capitalizing on an industry in transition. Even a great industry giant, such as Fiserv, achieved so much of their distribution, vertical specialization and even the Clover product itself through intelligent acquisitions.

Why do we do M&A better? Our corporate DNA is about winning. We want to win as much as we can, deploying the fewest dollars with the absolute highest returns. This is because we never were coddled by VCs. We never had a series A, B, C, we never took on any outside capital our first 15 years in business. If we wanted to hire employees, invest in a project, or acquire an asset, we funded it with our own cashflows. I would rather deploy capital on high probability outcomes then throw it at digital marketing, mass hiring and hoping for the best. At Shift4, we are simply forged differently. We have a bold team that understands the plan and when it comes to M&A, we have a winning playbook.

1. We don't win banker auctions; we find overlooked and attractively priced assets through our own proprietary process.
2. We confidently underwrite revenue synergies by cross selling or bundling payments.
3. We blow-up the existing revenue model (one-time software, hardware sales, etc.), often taking steps backwards, to run far forward leading with an integrated payments offering.
4. We aggressively delete parts. Parts can be legacy products, internal systems and other costly expenses that don't fit within our plan.
5. We align the talent and distribution with our strategy, enhance the value proposition with payments and win without delay.

FOUR
LISTED
NYSE

How do we know this works? The proof points: since 2020, we generated 4-year CAGR growth in our End-to-End Volumes, Gross Revenue Less Network Fees, and Adjusted EBITDA of 75%, 48% and 82%, respectively, and most importantly while simultaneously diversifying our end-markets, expanding margins, and improving FCF conversion. Compare our trends to those that have attempted less thoughtful M&A strategies and the results should be obvious.

On that note, this past quarter we completed the acquisition of the previously announced Revel transaction. Revel provides talent, distribution and billions in payment volume to cross sell and eventually move to SkyTab. We expect Revel, which historically has been a cash burner, to deliver ~$15 million of EBITDA in the back half of 2024 and be deleveraging inside of 24 months. Also, after more than 18 months of work, we announced the acquisition and the majority closing of Vectron. This deal really highlights our M&A formula at its finest. The transaction provides massive scale in support of our European expansion strategy. Vectron has over 65,000 installed restaurants and 300+ distribution partners across Europe. With the support of the management team, we will blow-up the revenue model, cross sell restaurant and hotel payments, enhance the value prop of their current offering and eventually pivot the customers to SkyTab. The hundreds of Vectron distribution partners may provide future opportunities to insource the best, in line with our past playbook, which will further enhance the unit economics of selling card present payments across Europe. I would challenge anyone to deploy dollars more efficiently while achieving a comparable market opportunity.

While I appreciate investors want simplicity, as the largest shareholder, I am highly motivated to play to our strengths and take bold, calculated risks to win. Profitably winning at payments is hard, especially across multiple geographies and in many card-present verticals. So I will say this, we love complexity, we love the verticals we are in and we love our strategy to conquer integrated payments all over the world. This is how we will ensure Shift4 is an enduring business for decades in to the future.

Boldly Forward,

Jared Isaacman
CEO
jared@shift4.com

Performance Highlights Second Quarter 2024

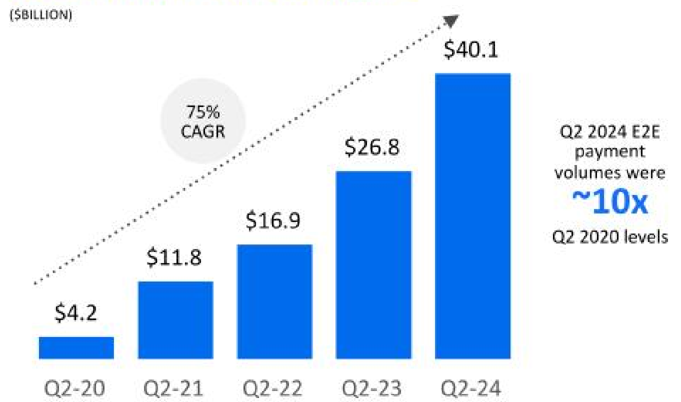
Q2

+50% YoY	+38% YoY	+41% YoY	$54.5M	$162.4M +48% YoY
Q2 END-TO-END PAYMENT VOLUME	GROSS PROFIT	GROSS REVENUE LESS NETWORK FEES[(A)]	NET INCOME	ADJUSTED EBITDA[(A)]

- End-to-end ("E2E") payment volume of $40.1 billion during Q2 2024, up 50% from Q2 2023.
- Gross revenue of $827.0 million, up 30% from Q2 2023.
- Gross profit of $218.8 million, up 38% from Q2 2023.
- Gross revenue less network fees[(A)] of $320.6 million, up 41% from Q2 2023.
- Net income for Q2 2024 was $54.5 million. Net income per class A and C share was $0.59 and $0.58 on a basic and diluted basis, respectively. Adjusted net income for Q2 2024 was $89.1 million, or $0.96 per class A and C share on a diluted basis.[(A)(B)]
- EBITDA of $125.5 million and Adjusted EBITDA of $162.4 million for Q2 2024, up 52% and 48%, respectively. Adjusted EBITDA margin of 51% for Q2 2024.[(A)]

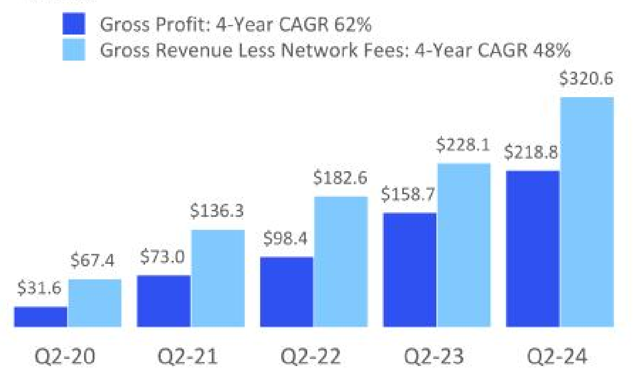
Q2 End-to-End Payment Volume

($BILLION)



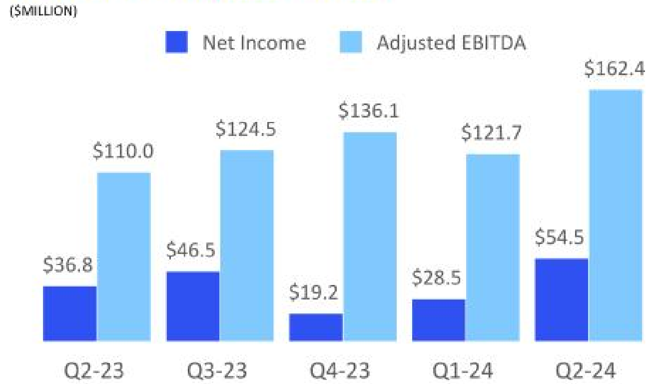
Gross Profit & Gross Revenue Less Network Fees[(A)]

($MILLION)



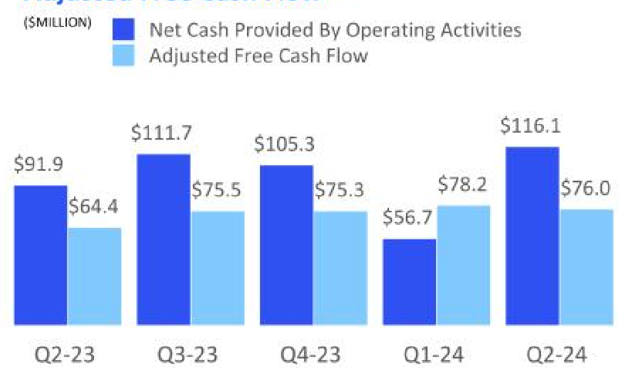
Net Income & Adjusted EBITDA[(A)]

($MILLION)



Net Cash Provided by Operating Activities & Adjusted Free Cash Flow[(A)]

($MILLION)



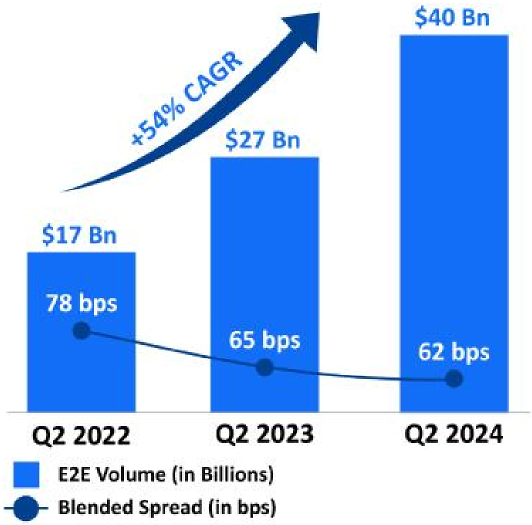
(A) See page 2 for a description of non-GAAP financial measures. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the relevant tables in "Appendix - Financial Information" of this document.

(B) Adjusted net income per share for Q2 2024 is calculated using total shares of 92.8 million, which includes weighted average Class A, Class B and Class C shares of 64.4 million, 23.8 million, and 1.7 million, respectively, of which the Class B and Class C shares are exchangeable/convertible into shares of Class A common stock, and 2.9 million unvested Restricted Stock Units as of June 30, 2024, for which new Class A shares will be issued upon vesting.

Executing on Our Strategic Objectives

Moving up market with industry leading volume growth while improving overall unit economics

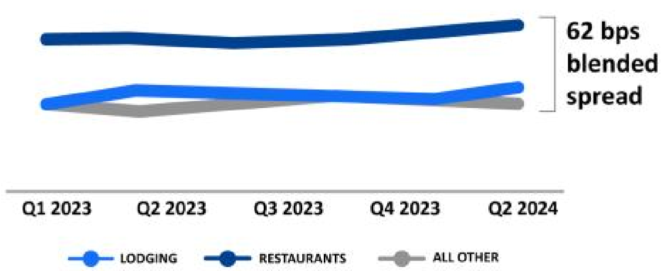
E2E Volumes and Blended Spreads by Quarter



Move Up Market

Average size of merchant based on volume is **+183%** of 2022 levels.

Blended Spreads by Vertical



Anticipated full year blended spread of 61bps in 2024

Contracted Volume Backlog

~$25Bn

We have a significant backlog of merchants whose volume opportunity is not yet fully actualized.

Restaurant Update

Shift4 continues to gain market share in restaurants, winning new restaurants every day

SKYTAB BY SHIFT4

ALPACA Peruvian Charcoal Chicken
STANFORD HOTELS
Angie's LOBSTER
CASA CIPRIANI NEW YORK
IL GABBIANO
Columbia Since 1905 Gem of Spanish Restaurants
SHUCKIN' SHACK OYSTER BAR
TLAQUEPAQUE RESTAURANT
XPERIENCE RESTAURANT GROUP
EL TORITO MEXICAN RESTAURANT
EL TORITO GRILL
the RIM scratch craft eats
SOL MEXICAN COCINA
Chevys FRESH MEX
LAS BRISAS
Who Song & Larry's
CAL MEX cantina
solita TACOS & MARGARITAS
sinigual MEXICAN CUISINE
ACAPULCO RESTAURANT Y CANTINA
Rio Mambo TEX MEX Y MAS

Search "Shift4" on X (f.k.a. Twitter) to see dozens of installs every day!

How do we win RESTAURANTS?

1. Modern cloud solution with lowest total cost of ownership
2. Significant, sophisticated distribution coverage with a long track record of winning
3. ARPU expansion from existing customers that move to SkyTab
4. Now processing payments in Canadian and European Markets

Hospitality Update

Continuing to expand market share in hospitality vertical

WHISTLER BLACKCOMB

Named the best ski resort in North America by Condé Nast Traveler, Whistler Blackcomb is also the largest with over 8,000 acres and 200 trails plus world-famous après, five-star dining, and best-in-class accommodations.

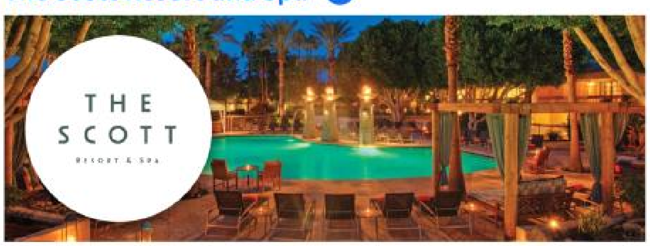
Pier Sixty-Six Resort

Recently renovated and reopened by CoralTree Hospitality, this iconic resort has been reimagined to deliver an unforgettable and luxurious experience overlooking Fort Lauderdale's intracoastal waterway.

Yosemite National Park ★

Shift4 will power payments for multiple lodging options and various tours and activities across California's iconic Yosemite National Park.

The Scott Resort and Spa ★



The Scott is a vibrant, Mission-inspired hotel in the heart of Old Town Scottsdale featuring over 200 guest rooms and suites, world-class dining, two pools, a full-service spa, and more than 14,500 square feet of indoor meeting space.

Cobblestone Inn and Suites ★

Cobblestone Hotels is the fastest growing hotel chain in the midwest, operating numerous brands with over 150 locations across more than two dozen states, with many more locations currently under development.

How do we win HOTELS?

1. One of three companies with 500+ software integrations required to pursue the vertical
2. We own more links in the value chain to differentiate and provide lower cost of ownership
3. ARPU expansion from existing gateway only customers
4. Now processing payments in Canadian and European Markets

★ *Denotes Gateway Conversion*

Hospitality Update

Continuing to expand market share in hospitality vertical

Amrit Ocean Resort

Located on seven acres of private beachfront on Singer Island of the Palm Beaches, with panoramic views of the Atlantic sunrise, Amrit Ocean Resort redefines wellness and luxury.

Stein Collection ★

With four flagship properties at Deer Valley Resort in Park City, Utah, the Stein Collection sets a new standard for mountainside accommodations with unmatched hospitality, world-class luxury, and awe-inspiring views.

Royal Sonesta San Juan ★

As part of Shift4's expansion into Puerto Rico, we are now powering payments for this beautiful property nestled on Isla Verde Beach near old San Juan and El Yunque Rainforest.

Condo-World ★

Condo-World is the foremost name in luxury vacation rentals in North Myrtle Beach, managing nearly 500 oceanfront properties which can be booked directly through Condo-World's online reservation system.

Live! Casino & Hotel Louisiana

Scheduled to open in 2025, Live! Casino & Hotel Louisiana will feature more than 47,000-square-feet of gaming space, an upscale 550-room hotel, a state-of-the-art event center, and best-in-class dining venues.

Mount Airy Casino Resort

Named one of USA Today's Top Ten Casino Hotels, Mount Airy Casino Resort is Pennsylvania's first AAA Four Diamond Casino Resort, featuring numerous restaurants, a world-class spa, indoor and outdoor pools, golf course, and more.

How do we win HOTELS?

1. One of three companies with 500+ software integrations required to pursue the vertical
2. We own more links in the value chain to differentiate and provide lower cost of ownership
3. ARPU expansion from existing gateway only customers
4. Now processing payments in Canadian and European Markets

★ *Denotes Gateway Conversion*

Oh and just two more Hospitality wins...
Nobu Hotels in Toronto and Chicago!

NOBU HOTEL
TORONTO

Nobu will mark its Canadian debut with the new Nobu Hotel Toronto in the heart of Toronto's Entertainment District.

NOBU HOTEL
CHICAGO

Shift4 will now power Nobu Hotel Chicago in Chicago's famed Fulton Market neighborhood.

Sports & Entertainment Update

Powering payments through POS, mobile ordering, ticketing, and more

SIGNATURE WINS - WITH TICKETING!

Shift4 will power ticketing for the Miami Heat via our partnership with Ticketmaster.

Shift4 has partnered with the Indianapolis Colts to power ticket sales for the NFL team at Lucas Oil Stadium.

New England Patriots

Shift4 will power payments through our partnership with Zippin for autonomous retail stores throughout Gillette Stadium.

Indiana Pacers

Shift4 has partnered with the Indianapolis Pacers to process payments for their ticketing transactions, retail sales, and food & beverage concessions.

Memphis Grizzlies

Shift4 will power payments for food & beverage concessions at FedExForum for the Memphis Grizzlies.

Austin FC

Shift4 will power both ticketing transactions for Austin FC and food & beverage concessions at Austin's Q2 Stadium.

How do we win STADIUMS?

1. Category leading mobile experience
2. We own more links in the value chain (i.e. Payments, Hardware, mobile, concessions, restaurants, retail, parking, ticketing)
3. ARPU expansion as existing customers add ticketing and hundreds of Appetize accounts begin to effectively monetize payments

Sports & Entertainment Update

Powering payments through POS, mobile ordering, ticketing, and more

San Diego FC

Shift4 will process ticket sales for San Diego FC, the newest MLS expansion team which will begin playing in the 2025 season.

University of Houston Cougars

Shift4 will process payments for food & beverage concessions at the University of Houston's athletics facilities.

Boise State

Shift4 will power payments for food & beverage concessions at Boise State's athletics facilities.

Indiana University

Shift4 will process payments for food & beverage concessions at Indiana University's athletics facilities.

Lehigh Valley Phantoms

Close to our Center Valley, PA headquarters, we will be powering payments for the Philadelphia Flyers minor league team.

Las Vegas Aviators

Near our Las Vegas office, we will be processing ticketing transactions for the Oakland Athletics' Triple-A minor league affiliate.

How do we win STADIUMS?

1. Category leading mobile experience
2. We own more links in the value chain (i.e. Payments, Hardware, mobile, concessions, restaurants, retail, parking, ticketing)
3. ARPU expansion as existing customers add ticketing and hundreds of Appetize accounts begin to effectively monetize payments

And one more thing, we have also won... DAAAAAA BEARS!

Shift4 will power payments for food & beverage concessions at Soldier Field for the Chicago Bears.

Other Verticals Update

Continuing to gain momentum in new verticals

NON-PROFITS

Shift4 is thrilled to be powering the payments for the Boston Marathon, the world's oldest annual marathon, via GivenGain, to which we have fully moved all U.S. card volume.

RETAIL

Turner's Outdoorsman is a 13-store hunting and fishing specialty store located in Southern California and Arizona.

GAMING

Shift4 is live with SkyTab mobile devices at the Great American Ballpark, home of the Cincinnati Reds.

We expanded our relationship with Lotto.com for the Massachusetts State Lottery.

International Expansion Update

Shift4 continues to move Boldly Forward towards becoming a truly global company

We Are Continuing to Follow Our Global Strategic Partner into New Geographies

Notable International Wins in Our Key Verticals

BOMBAY	Shift4 has signed agreement with the prestigious Bombay Hotel in Tallinn, Estonia, to process card present transactions for the hotel and in-house casino.	payshop	Shift4 has started processing online payments for PayShop, Portugal's utility bill payment services company with a presence in over 7,000 locations in the country.
BINDA watchesince 1906	Shift4 is proud to have started processing for BINDA Group (the Italian watch, jewelry and leather accessories corporate group) in Italy, we expect to add further stores in the coming months.	holidayheroes	We have started to process transactions for online travel agency Travelstore, for its brand Holiday Heroes in Germany.
ALTAPAY	Via our partner AltaPay we continue to provide processing services for an increasing number of brands each quarter, including in Q2: • Eportaler APS, a major Danish ski equipment retailer • BMD Trading APS, one of the world's leading developers of LED products	Flatpay	We are boarding 300 new merchants per month in Germany, the Nordics and soon Italy through this partnership.
KM MALTA AIRLINES	Shift4 is now providing international payment processing services for KM Malta Airlines Ltd, the new airline of the Maltese islands.	Wolt	We continue to grow our wallet share with this major European food delivery company, adding Albania to the list of more than 15 countries where we provide their payment processing.

International Expansion Update: EV Charging

Shift4 continues to grow market share in this fast-growing sector with a number of new partners

Atlante is developing the largest fast and ultra-fast charging network in Southern Europe, Shift4 supports them in Italy and Spain.

Payter is an expert, pioneer, and leader in the field of contactless NFC and Cashless technology. Together with Shift4 we will provide the next generation of payments technology.

Collaboration with an increasing number of companies and partners active in the EV charging space

custos | eviny | Fastned | Fortech

Last Mile Solutions | Nayax | power dot | televend CONNECT TO EMPOWER

How do we win EV CHARGING?

1. Early mover advantage with multiple ecosystem connections
2. Certified on most EVC-ready devices, strategic relationships in place with hardware providers
3. Acquiring infrastructure / feature functionality in place to support EVC use cases (e.g. incremental authorizations)

Thoughtful Capital Allocation is at the Beginning of Everything We Do

We balance between product innovation, customer acquisition, share repurchases and M&A to accelerate our strategy

CUSTOMER ACQUISITION

- Eliminate upfront costs for our merchants by providing essential hardware
- Provide financial incentives to align our partners and salespeople
- Offer promotions and unique incentives when market conditions warrant

Attractive payback periods under 18 months

PRODUCT INVESTMENT

- Industry-leading cloud-based restaurant POS (SkyTab)
- New Vertical capabilities (e.g. ticketing, subscription billing)
- Hundreds of new ISV integrations since IPO

Restaurants, Gaming, Sports and Entertainment, Non Profits, Airlines, Sexy Tech

ACQUISITIONS & INVESTMENTS

- Deployed $1.8 Billion since 2020
- Conversion to E2E feeds ARPU expansion.
- Early stage investments that result in strong commercial agreements

Unlocked over $550 billion of unmonetized E2E volume

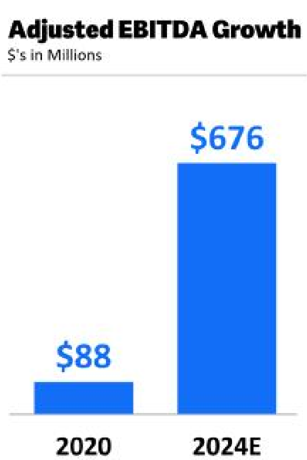
BUYBACKS

- Over the past three years, we purchased a total of 6.2 million shares at an average cost of $53.02/share

As of June 30, 2024, 6% of total outstanding shares repurchased since IPO

The Results Over the Last 5 Years

Shift4's Playbook Resulted in Industry-Leading EBITDA & FCF Growth



Total Capital Deployed: ~$2.3B[2]

EBITDA Multiple of 4.0x

FCF Multiple of 5.5x

FCF Yield of 18%

(1) FCF Growth: 2024 represents Adjusted FCF based off of our 2024 Adjusted FCF guidance of +59% Adjusted FCF conversion applied against the midpoint of our 2024 Adj EBITDA guidance.
(2) Total Capital Deployed defined as the cumulative capital invested from 2020-2024, excluding $327 million of share repurchases. The $2.3 billion deployed is comprised of $1.8 billion of acquisitions, and approximately $550 million of Customer Acquisition and Product Investments. Adjusted EBITDA and FCF multiples calculated based on incremental Adjusted EBITDA generated in 5-year period 2020-2024 relative to Total Capital Deployed over the same 5 year period. The incremental FCF generated over the 2020-2024 period is based on 2020 FCF and 2024 Adjusted FCF.

The Shift4 Acquisition Playbook Is Tried & True

Our approach boils down to unlocking synergies, expanding our capabilities, and most importantly unlocking payment volume conversion opportunities at the most attractive price

Our acquisitions expand our capabilities or top off our funnel…or both

TECH CAPABILITIES

VENUENEXT, finaro, Shift4 Secure Payment Processing, SHIFT4 DEVELOPER

CUSTOMER ACQUISITION FUNNEL

Revel (A SHIFT4 COMPANY), Merchant Link, FuturePOS, 3dcart, Focus, VECTRON (A SHIFT4 COMPANY), restaurant manager, POSitouch, micros retail systems, inc., Appetize

Unlocking Synergies From Our Acquisitions

REVENUE SYNERGIES

- Blow up legacy revenue model by transforming go-to-market around payment centric value proposition
- Convert existing merchants to our E2E platform
- Cross-sell incremental volume (e.g. ticketing)
- Win new merchants via strong competitive position

COST SYNERGIES

- Take out the parts
- Repurpose personnel
- Obsess over operational efficiencies

This strategy provides a consistent source of under-monetized payments volume conversion opportunities at a highly attractive customer acquisition cost (CAC)

Over $550 Billion*
TOTAL E2E CROSS-SELL OPPORTUNITY UNLOCKED VIA ACQUISITIONS SINCE 2017

$4.6K
WEIGHTED AVERAGE CAC PER LOCATION BEFORE SYNERGIES

305K
TOTAL LOCATIONS

* Excludes Finaro volumes

Shift4 Playbook in Action

Our acquisitions of FocusPOS (closed April 2023) and VenueNext (closed February 2021) demonstrate our strategy of blowing up legacy revenue models and rebuilding around monetizing payments

The Formula

1 PRE-ACQUISTION
Legacy revenue model does not efficiently monetize payments

2 IMMEDIATELY POST-ACQUISITION
We blow up the existing revenue model and legacy revenue sharply declines

3 TODAY
Revenue synergies increase dramatically vs. total revenue at post-acquisition lows

Focus

A SHIFT4 COMPANY

Prior to acquisition, ~2/3 of FocusPOS revenue was one-time or legacy in nature

VENUENEXT

POWERED BY SHIFT4

Prior to acquisition, VenueNext was built on a recurring SaaS model, but lacked distribution and a bundled offering to monetize payments

Updating Our Full Year 2024 Guidance

We are updating our full year 2024 guidance across our KPIs

End-to-End Payment Volume

Tightening the high end of our End-to-End Payment Volume range

$167 Billion TO **$172 Billion**

+53% YoY | +58% YoY

from $167 Billion to $175 Billion

Gross Revenue Less Network Fees

Increasing our GRLNF Range

$1.35 Billion TO **$1.38 Billion**

+44% YoY | +47% YoY

from $1.30 Billion to $1.35 Billion

Organic revenue remains on track to grow well north of 25% YoY

4

Adjusted EBITDA[(A)]

Increasing our Adjusted EBITDA range

$662 Million TO **$689 Million**

+44% YoY | +50% YoY

from $640 Million to $675 Million

Adjusted Free Cash Flow [(A)]

Tightening our Adjusted FCF Conversion

59%+ Adj. FCF Conversion

from 60%+Adj FCF Conversion

(A) See page 2 for a description of non-GAAP financial measures. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the relevant tables in the "Appendix - Financial Information" of this document.

Breaking Down Our 2024 Guidance by Quarter

We are updating quarterly guidance for the balance of the year

End-to-End Payment Volume

Q3 2024	Q4 2024	FY 2024
$45.0 B TO $47.0 B	$48.5 B TO $51.5 B	$167 Billion (+53% YoY) TO $172 Billion (+58% YoY)

Gross Revenue Less Network Fees

Q3 2024	Q4 2024	FY 2024
$365 M TO $380 M	$395 M TO $415 M	$1.35 Billion (+44% YoY) TO $1.38 Billion (+47% YoY)

Adjusted EBITDA

Q3 2024	Q4 2024	FY 2024
$181 M TO $188 M	$197 M TO $216 M	$662 Million (+44% YoY) TO $689 Million (+50% YoY)

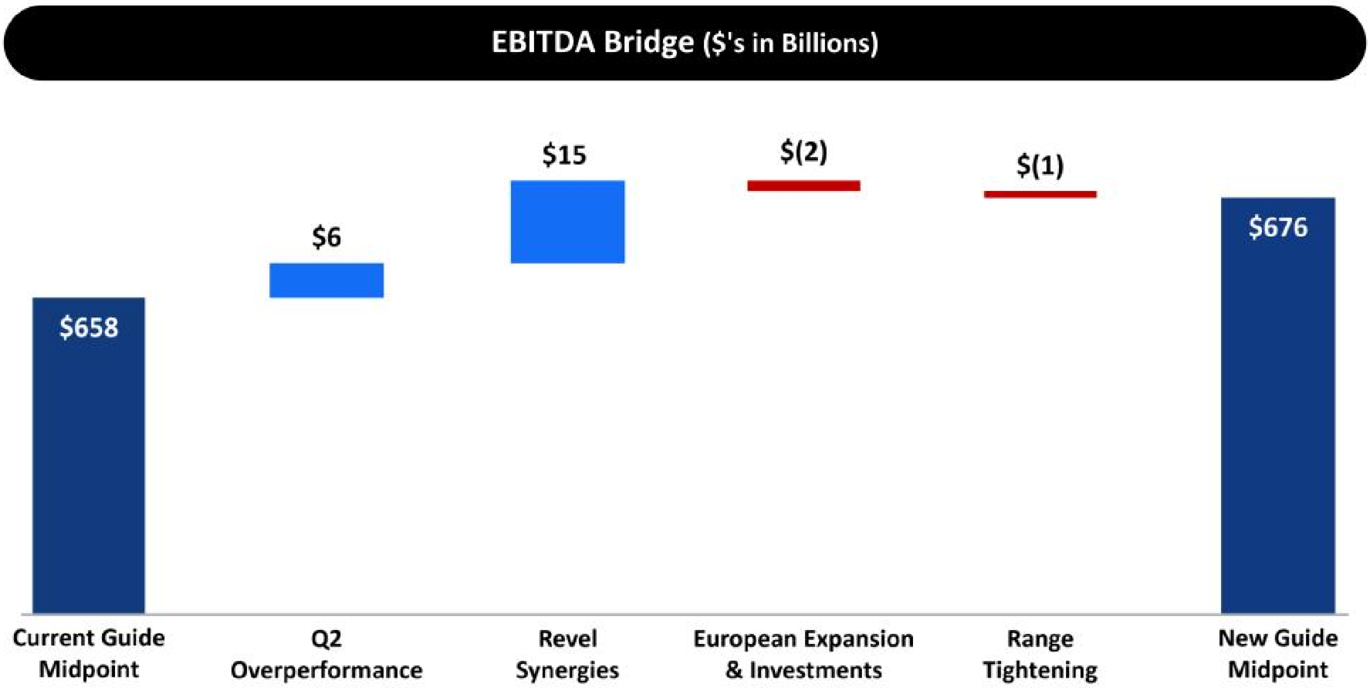
Full Year Adjusted Free Cash Flow

59%+ Adj. FCF Conversion

See page 2 for a description of non-GAAP financial measures. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the relevant tables in the "Appendix - Financial Information" of this document.

EBITDA Guidance Update Bridge

Breaking down the updates to the midpoint of our revised EBITDA guide



Excluding acquisitions, the midpoint of our full year guidance was raised to reflect Q2 outperformance

Appendix - Financial Information

SHIFT4

Second Quarter of 2024

Condensed Consolidated Balance Sheets

UNAUDITED
In millions

		June 30, 2024		December 31, 2023
ASSETS				
Current assets				
Cash and cash equivalents	$	205.0	$	455.0
Restricted cash		74.8		84.4
Settlement assets		279.1		321.2
Accounts receivable, net		310.5		256.8
Inventory		8.1		3.4
Prepaid expenses and other current assets		50.2		32.5
Total current assets		**927.7**		**1,153.3**
Noncurrent assets				
Equipment for lease, net		144.5		123.1
Property, plant and equipment, net		28.5		28.6
Right-of-use assets		29.7		22.8
Investments in securities		72.9		62.2
Collateral held by the card networks		37.5		37.7
Goodwill		1,299.9		1,111.3
Residual commission buyouts, net		187.4		229.6
Capitalized customer acquisition costs, net		59.0		51.7
Other intangible assets, net		674.0		548.8
Other noncurrent assets		33.1		18.7
Total assets	**$**	**3,494.2**	**$**	**3,387.8**
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Settlement liabilities		274.4		315.2
Accounts payable		263.9		204.6
Accrued expenses and other current liabilities		120.5		83.9
Deferred revenue		18.6		20.6
Bank deposits		—		72.3
Current lease liabilities		8.9		7.8
Total current liabilities		**686.3**		**704.4**
Noncurrent liabilities				
Long-term debt		1,754.3	$	1,750.2
Deferred tax liability		31.1		28.7
Noncurrent lease liabilities		24.4		18.8
Other noncurrent liabilities		39.3		17.3
Total liabilities		**2,535.4**		**2,519.4**
Stockholder's equity				
Additional paid-in-capital		1,005.7		985.9
Accumulated other comprehensive income (loss)		(7.1)		14.1
Retained deficit		(297.8)		(346.7)
Total stockholders' equity attributable to Shift4 Payments, Inc.		**700.8**		**653.3**
Noncontrolling interests		258.0		215.1
Total stockholders' equity		**958.8**		**868.4**
Total liabilities and stockholders' equity	**$**	**3,494.2**	**$**	**3,387.8**

Second Quarter of 2024

Condensed Consolidated Statements of Operations

UNAUDITED

In millions, except share and per share data

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Gross revenue	$ 827.0	$ 637.0	$ 1,534.4	$ 1,184.0
Cost of sales (exclusive of certain depreciation and amortization expense shown separately below)	(595.2)	(470.1)	(1,114.8)	(871.7)
General and administrative expenses	(110.1)	(82.1)	(217.2)	(167.8)
Revaluation of contingent liabilities	(0.3)	(5.6)	(2.4)	(12.6)
Depreciation and amortization expense (A)	(46.7)	(35.9)	(91.5)	(71.2)
Professional expenses	(11.6)	(5.4)	(19.6)	(11.5)
Advertising and marketing expenses	(3.9)	(4.0)	(8.3)	(6.5)
Income from operations	**59.2**	**33.9**	**80.6**	**42.7**
Interest income	5.0	8.8	10.4	16.4
Other income (expense), net	0.4	(0.4)	1.8	(0.3)
Unrealized gain (loss) on investments in securities	(0.2)	—	10.8	8.9
Change in TRA liability	(3.6)	(0.8)	(4.8)	(1.3)
Interest expense	(8.1)	(8.0)	(16.2)	(16.1)
Income before income taxes	**52.7**	**33.5**	**82.6**	**50.3**
Income tax benefit	1.8	3.3	0.4	6.9
Net income	**54.5**	**36.8**	**83.0**	**57.2**
Less: Net income attributable to noncontrolling interests	(15.3)	(11.7)	(23.2)	(17.3)
Net income attributable to Shift4 Payments, Inc.	**$ 39.2**	**$ 25.1**	**$ 59.8**	**$ 39.9**
Basic net income per share				
Class A net income per share - basic	$ 0.59	$ 0.43	$ 0.90	$ 0.68
Class A weighted average common stock outstanding - basic	64,438,168	56,914,370	64,441,324	56,079,923
Class C net income per share - basic	$ 0.59	$ 0.43	$ 0.90	$ 0.68
Class C weighted average common stock outstanding - basic	1,689,805	2,061,569	1,692,360	2,151,111
Diluted net income per share				
Class A net income per share - diluted	$ 0.58	$ 0.42	$ 0.89	$ 0.67
Class A weighted average common stock outstanding - diluted	65,564,817	58,173,624	65,763,523	57,444,069
Class C net income per share - diluted	$ 0.58	$ 0.42	$ 0.89	$ 0.67
Class C weighted average common stock outstanding - diluted	1,689,805	2,061,569	1,692,360	2,151,111

(A) Depreciation and amortization expense includes depreciation of equipment under lease of $13.0 million and $24.9 million for the three and six months ended June 30, 2024, respectively, and $8.2 million and $15.4 million for the three and six months ended June 30, 2023, respectively.

Second Quarter of 2024

Condensed Consolidated Statements of Cash Flows

UNAUDITED
In millions

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
OPERATING ACTIVITIES				
Net income	$ 54.5	$ 36.8	$ 83.0	$ 57.2
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	69.7	50.0	135.8	97.6
Equity-based compensation expense	14.3	13.1	37.1	34.0
Revaluation of contingent liabilities	0.3	5.6	2.4	12.6
Unrealized (gain) loss on investments in securities	0.2	—	(10.8)	(8.9)
Change in TRA liability	3.6	0.8	4.8	1.3
Amortization of capitalized financing costs	2.0	2.0	4.1	4.1
Provision for bad debts	2.1	2.3	3.9	5.5
Deferred income taxes	(9.3)	(2.8)	(9.3)	(8.4)
Unrealized foreign exchange gains	(0.4)	—	(1.8)	—
Other noncash items	(0.5)	—	(1.6)	0.3
Settlement activity, net	4.3	—	(54.0)	—
Payments on contingent liabilities in excess of initial fair value	—	—	(0.3)	—
Change in other operating assets and liabilities	(24.7)	(15.9)	(20.5)	(24.0)
Net cash provided by operating activities	**116.1**	**91.9**	**172.8**	**171.3**
INVESTING ACTIVITIES				
Acquisitions, net of cash acquired	(301.4)	(35.1)	(301.4)	(36.3)
Acquisition of equipment to be leased	(22.0)	(22.3)	(46.4)	(37.0)
Capitalized software development costs	(16.8)	(7.2)	(31.5)	(17.9)
Acquisition of property, plant and equipment	(2.2)	(3.4)	(3.5)	(6.1)
Residual commission buyouts	(0.4)	(6.6)	(1.3)	(8.7)
Purchase of intangible assets	—	(2.0)	—	(2.0)
Proceeds from sale of investments in securities	1.0	—	2.6	—
Net cash used in investing activities	**(341.8)**	**(76.6)**	**(381.5)**	**(108.0)**
FINANCING ACTIVITIES				
Repurchases of Class A common stock	(15.9)	(96.8)	(15.9)	(96.8)
Payments for withholding tax related to vesting of restricted stock units	(2.1)	(10.4)	(11.2)	(15.7)
Payments on contingent liabilities	(0.8)	(0.2)	(0.9)	(0.5)
Distributions to noncontrolling interests	(1.7)	(0.8)	(2.0)	(2.2)
Net change in bank deposits	(50.5)	—	(70.8)	—
Net cash used in financing activities	**(71.0)**	**(108.2)**	**(100.8)**	**(115.2)**
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(2.5)	0.3	(9.0)	0.7
Change in cash and cash equivalents and restricted cash	**(299.2)**	**(92.6)**	**(318.5)**	**(51.2)**
Cash and cash equivalents and restricted cash, beginning of period	702.5	817.9	721.8	776.5
Cash and cash equivalents and restricted cash, end of period (A)	$ **403.3**	$ **725.3**	$ **403.3**	$ **725.3**

(A) The ending balance as of June 30, 2024 includes $123.5 million of settlement-related cash included within Settlement assets on the Consolidated Balance Sheet.

Second Quarter of 2024

Reconciliations of Gross Revenue to Gross Profit and Gross Profit to Gross Revenue Less Network Fees

UNAUDITED
In millions

	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Payments-based revenue	$ 755.8	$ 600.1	$ 1,410.9	$ 1,111.1
Subscription and other revenues	71.2	36.9	123.5	72.9
GROSS REVENUE	**827.0**	**637.0**	**1,534.4**	**1,184.0**
Less: Network fees	(506.4)	(408.9)	(950.1)	(755.9)
Less: Other costs of sales (exclusive of depreciation of equipment under lease)	(88.8)	(61.2)	(164.7)	(115.8)
	231.8	166.9	419.6	312.3
Less: Depreciation of equipment under lease	(13.0)	(8.2)	(24.9)	(15.4)
GROSS PROFIT	**$ 218.8**	**$ 158.7**	**$ 394.7**	**$ 296.9**
GROSS PROFIT	**$ 218.8**	**$ 158.7**	**$ 394.7**	**$ 296.9**
Add back: Other costs of sales	88.8	61.2	164.7	115.8
Add back: Depreciation of equipment under lease	13.0	8.2	24.9	15.4
GROSS REVENUE LESS NETWORK FEES	**$ 320.6**	**$ 228.1**	**$ 584.3**	**$ 428.1**

	Q2 2020	Q2 2021	Q2 2022	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Payments-based revenue	$ 121.2	$ 324.8	$ 473.9	$ 600.1	$ 626.9	$ 648.0	$ 655.1	$ 755.8
Subscription and other revenues	20.6	26.2	32.8	36.9	48.5	57.4	52.3	71.2
GROSS REVENUE	**141.8**	**351.0**	**506.7**	**637.0**	**675.4**	**705.4**	**707.4**	**827.0**
Less: Network fees	(74.4)	(214.7)	(324.1)	(408.9)	(432.4)	(436.1)	(443.7)	(506.4)
Less: Other costs of sales (exclusive of depreciation of equipment under lease)	(35.8)	(58.2)	(76.8)	(61.2)	(62.7)	(74.1)	(75.9)	(88.8)
	31.6	78.1	105.8	166.9	180.3	195.2	187.8	231.8
Less: Depreciation of equipment under lease	—	(5.1)	(7.4)	(8.2)	(9.3)	(10.6)	(11.9)	(13.0)
GROSS PROFIT	**$ 31.6**	**$ 73.0**	**$ 98.4**	**$ 158.7**	**$ 171.0**	**$ 184.6**	**$ 175.9**	**$ 218.8**
GROSS PROFIT	**$ 31.6**	**$ 73.0**	**$ 98.4**	**$ 158.7**	**$ 171.0**	**$ 184.6**	**$ 175.9**	**$ 218.8**
Add back: Other costs of sales	35.8	58.2	76.8	61.2	62.7	74.1	75.9	88.8
Add back: Depreciation of equipment under lease	—	5.1	7.4	8.2	9.3	10.6	11.9	13.0
GROSS REVENUE LESS NETWORK FEES	**$ 67.4**	**$ 136.3**	**$ 182.6**	**$ 228.1**	**$ 243.0**	**$ 269.3**	**$ 263.7**	**$ 320.6**

Second Quarter of 2024

Reconciliations of Net Income to Non-GAAP Adjusted EBITDA and Net Income to Non-GAAP Adjusted Net Income

UNAUDITED

In millions, except share and per share data

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
NET INCOME	**$ 36.8**	**$ 46.5**	**$ 19.2**	**$ 28.5**	**$ 54.5**
Interest expense	8.0	8.0	8.0	8.1	8.1
Interest income	(8.8)	(9.6)	(5.9)	(5.4)	(5.0)
Income tax expense (benefit)	(3.3)	0.9	2.6	1.4	(1.8)
Depreciation and amortization expense	50.0	55.1	61.9	66.1	69.7
EBITDA	**$ 82.7**	**$ 100.9**	**$ 85.8**	**$ 98.7**	**$ 125.5**
Acquisition, restructuring and integration costs	5.8	3.2	15.0	4.0	13.7
Revaluation of contingent liabilities	5.6	8.9	1.6	2.1	0.3
Impairment of intangible assets	—	—	18.6	—	—
Unrealized gain on investments in securities	—	(2.6)	(0.7)	(11.0)	0.2
Change in TRA liability	0.8	1.5	0.6	1.2	3.6
Equity-based compensation expense	13.7	12.6	11.6	23.2	14.5
Foreign exchange and other nonrecurring items	1.4	—	3.6	3.5	4.6
ADJUSTED EBITDA	**$ 110.0**	**$ 124.5**	**$ 136.1**	**$ 121.7**	**$ 162.4**
ADJUSTED EBITDA	$ 110.0	$ 124.5	$ 136.1	$ 121.7	$ 162.4
GROSS REVENUE LESS NETWORK FEES	$ 228.1	$ 243.0	$ 269.3	$ 263.7	$ 320.6
ADJUSTED EBITDA MARGIN (A)	48 %	51 %	51 %	46 %	51 %
NET INCOME	$ 36.8	$ 46.5	$ 19.2	$ 28.5	$ 54.5
GROSS PROFIT	$ 158.7	$ 171.0	$ 184.6	$ 175.9	$ 218.8
NET INCOME DIVIDED BY GROSS PROFIT (B)	23 %	27 %	10 %	16 %	25 %

(A) Represents Adjusted EBITDA divided by gross revenue less network fees.

(B) Represents a margin calculated using the nearest comparable GAAP figures to Adjusted EBITDA and Gross revenue less network fees. The Company does not utilize this margin to assess the performance of its business.

RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
NET INCOME (A)	**$ 36.8**	**$ 46.5**	**$ 19.2**	**$ 28.5**	**$ 54.5**
ADJUSTMENTS:					
Acquisition, restructuring and integration costs	5.8	3.2	15.0	4.0	13.7
Revaluation of contingent liabilities	5.6	8.9	1.6	2.1	0.3
Impairment of intangible assets	—	—	18.6	—	—
Unrealized gain on investments in securities	—	(2.6)	(0.7)	(11.0)	0.2
Change in TRA liability	0.8	1.5	0.6	1.2	3.6
Equity-based compensation expense	13.7	12.6	11.6	23.2	14.5
Foreign exchange and other nonrecurring items	1.4	—	3.6	3.5	4.6
Tax impact of adjustments	(0.7)	(0.6)	(1.0)	(1.0)	(2.3)
ADJUSTED NET INCOME (A)	**$ 63.4**	**$ 69.5**	**$ 68.5**	**$ 50.5**	**$ 89.1**

RECONCILIATION OF NET INCOME PER DILUTED SHARE TO ADJUSTED NET INCOME PER SHARE

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
NET INCOME PER DILUTED SHARE (A)	$ 0.42	$ 0.55	$ 0.21	$ 0.31	$ 0.58
ADJUSTMENTS, NET OF TAX:					
Acquisition, restructuring and integration costs	0.07	0.04	0.16	0.04	0.14
Revaluation of contingent liabilities	0.07	0.10	0.02	0.02	—
Impairment of intangible assets	—	—	0.21	—	—
Unrealized gain on investments in securities	—	(0.03)	(0.01)	(0.12)	—
Change in TRA liability	0.01	0.02	0.01	0.01	0.04
Equity-based compensation expense	0.15	0.14	0.12	0.24	0.15
Foreign exchange and other nonrecurring items	0.02	—	0.04	0.04	0.05
ADJUSTED NET INCOME PER SHARE (B)	**$ 0.74**	**$ 0.82**	**$ 0.76**	**$ 0.54**	**$ 0.96**

(A) Net income per diluted share for Q2 2024 is calculated using weighted average fully diluted shares of 67.3 million using the Treasury Stock Method in accordance with U.S. GAAP.
(B) Adjusted net income per share for Q2 2024 is calculated using total shares of 92.8 million, which includes weighted average Class A, Class B and Class C shares of 64.4 million, 23.8 million, and 1.7 million, respectively, of which the Class B and Class C shares are exchangeable/convertible into shares of Class A common stock, and 2.9 million unvested Restricted Stock Units as of June 30, 2024, for which new Class A shares will be issued upon vesting.

Second Quarter of 2024

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow and Adjusted Free Cash Flow

UNAUDITED
In millions, except share and per share data

	Three Months Ended				
	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 91.9	$ 111.7	$ 105.3	$ 56.7	$ 116.1
Capital expenditures (A)	(32.9)	(42.3)	(32.3)	(40.4)	(41.0)
FREE CASH FLOW	**59.0**	**69.4**	**73.0**	**16.3**	**75.1**
ADJUSTMENTS:					
Settlement activity, net (B)	—	—	(42.3)	58.3	(4.3)
Payments on contingent liabilities in excess of initial fair value (C)	—	2.8	15.0	0.3	—
Acquisition, restructuring and integration costs	5.8	2.7	14.7	5.3	6.6
Bonus timing, nonrecurring strategic capital expenditures, and other (D)	(0.4)	0.6	14.9	(2.0)	(1.4)
ADJUSTED FREE CASH FLOW	**$ 64.4**	**$ 75.5**	**$ 75.3**	**$ 78.2**	**$ 76.0**

(A) Capital expenditures include acquired equipment to be leased, capitalized software development costs and acquired property, plant and equipment.

(B) Beginning in Q4 2023, amounts represent the fluctuation in the cash portion of Settlement assets related to our international business.

(C) Payments on contingent liabilities in excess of the fair value estimated upon acquisition are classified as operating activities in the Statements of Cash Flows. Given these amounts are directly related to acquisitions, we have excluded them from the calculation of Adjusted Free Cash Flow.

(D) For the three months ended June 30, 2024, adjustments consisted of ($3.8) million of adjustments for bonus timing and other nonrecurring items, offset by $2.4 million related to cash paid toward the upgrade of our internal IT systems.

Second Quarter of 2024

Reconciliation of Shares

UNAUDITED

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
BEGINNING BALANCE					
Class A Shares	56,770,614	56,467,133	56,544,839	60,664,171	60,815,224
Class B Shares	24,162,351	23,831,883	23,831,883	23,831,883	23,831,883
Class C Shares	2,090,706	1,759,273	1,759,273	1,694,915	1,694,915
TOTAL SHARES OUTSTANDING - BEGINNING	**83,023,671**	**82,058,289**	**82,135,995**	**86,190,969**	**86,342,022**
ACTIVITY					
Shares Issued / Restricted Stock Units ("RSUs") Vested	549,618	77,706	4,203,285	151,053	1,272,448
Class B Shares Converted	330,468	—	—	—	80,915
Class C Shares Converted	331,433	—	64,358	—	29,061
TOTAL CLASS A SHARES ISSUED	**1,211,519**	**77,706**	**4,267,643**	**151,053**	**1,382,424**
CLASS A SHARES REPURCHASED AND RETIRED DURING THE QUARTER	(1,515,000)	—	(148,311)	—	(230,400)
ENDING BALANCE					
Class A Shares	56,467,133	56,544,839	60,664,171	60,815,224	61,967,248
Class B Shares	23,831,883	23,831,883	23,831,883	23,831,883	23,750,968
Class C Shares	1,759,273	1,759,273	1,694,915	1,694,915	1,665,854
TOTAL SHARES OUTSTANDING - ENDING	**82,058,289**	**82,135,995**	**86,190,969**	**86,342,022**	**87,384,070**
Committed but Unissued Shares - Finaro Acquisition (A)	—	—	3,723,809	3,723,809	2,448,896
Unvested RSUs - Acquisition-related awards	158,825	158,825	31,296	513,717	508,037
Unvested RSUs - Ongoing compensation	1,337,581	1,178,177	1,002,254	1,266,146	1,212,531
Unvested RSUs - One-time discretionary awards (B)	1,397,637	1,356,976	1,311,660	1,259,239	1,184,438
Contribution from Founder (B)	(698,819)	(678,488)	(655,830)	(629,620)	(592,219)
FULLY DILUTED SHARES OUTSTANDING	**84,253,513**	**84,151,485**	**91,604,158**	**92,475,313**	**92,145,753**

EQUITY-BASED COMPENSATION EXPENSE INCURRED ON:	**Twelve Months Ended 6/30/23**	**Twelve Months Ended 9/30/23**	**Twelve Months Ended 12/31/23**	**Twelve Months Ended 3/31/24**	**Twelve Months Ended 6/30/24**
One-time awards issued at IPO	$ 10.0	$ 6.6	$ 4.4	$ 2.1	$ —
Acquisition-related awards	4.3	4.9	4.1	5.6	7.1
Ongoing compensation	32.5	34.9	37.7	41.0	43.1
One-time discretionary awards	11.7	12.4	12.9	12.4	11.7
TOTAL EQUITY-BASED COMPENSATION EXPENSE	**$ 58.5**	**$ 58.8**	**$ 59.1**	**$ 61.1**	**$ 61.9**

(A) Represents shares to be issued in connection with the Finaro transaction.
(B) In Q4 2021, the Company implemented a one-time discretionary equity award program for non-management employees. The Company's Founder and CEO, Jared Isaacman, will fund half of this program through a contribution of the Founder's Class B and/or Class C shares.