

Nayax Investor Day 2025 – Hebrew Meeting Summary

March 4th, 2025

Nayax Ltd. hosted an Investor Day on March 4, 2025, at its headquarters in Israel, coinciding with the release of the company's Q4 and full-year 2024 earnings.

Opening Remarks: CEO and Chairman **Yair Nechmad** opened the event with a strategic and operational overview, followed by presentations from **Yinon Raviv** (VP, Nayax Energy) on EV charging, **Keren Sharir** (President and CMO) on go-to-market strategy and the retail business, and **Sagit Manor** (CFO) on financial performance and the 2025 outlook.

Strategy and Business Model: CEO and Chairman Yair Nechmad opened the event with a strategic overview, emphasizing Nayax's long-term focus on serving operators at global scale, building a fully integrated payments and management platform, and driving organic growth through a flexible, device-led approach.

- **Twenty Years of Refinement:** Nayax has spent 20 years perfecting a platform that makes onboarding cashless payments fast and frictionless. Our proprietary hardware and software connect easily to a wide range of machines, enabling operators to go live with minimal setup.
- **Serving Small Merchants:** Nayax became a regulated payment provider to serve the small merchants that banks ignore. By building our own infrastructure—licenses, acquirer integrations, and local payment methods—we unlocked a market others couldn't or wouldn't reach.
- **Customer Stickiness:** Our churn rate is ~2.7%, but many “lost” accounts return when devices change hands from one operator to another (with the transfer of a vending machine, for example), bringing effective churn down even further. Nayax stays embedded in customer operations by driving sales, streamlining workflows, and delivering long-term value.
- **“Land and Expand” Approach:** Our strategy is to win customers with a small initial deployment, prove value quickly, and expand wallet share as their business scales. Operators often begin with a handful of machines, then adopt more devices and services as they see higher sales and smoother operations. We've consistently added 4,000–5,000 new customers per quarter through this approach.
- **Disciplined Margin Management:** We've kept pricing stable through supply chain disruptions by reworking our designs and sourcing approach. Although component

costs have risen, we've redesigned products and licensed alternative components to protect hardware margins, which are now around 30%.

- **Risk Mitigation Through Diversification:** Our global footprint and long tail of small operators reduce exposure to any single customer or market. Since many of our customers operate lean, low-overhead businesses—often as side income—they can pause operations during downturns and resume quickly when demand returns.

Product and Market Expansion: Nayax is scaling its platform across geographies, customer segments, and verticals—highlighting accelerating transaction volume, a large untapped market, and a product strategy designed to serve operators of all sizes through OEM integrations and tailored hardware solutions.

- **Surging Transaction Volume:** We processed \$4.9 billion in transactions in 2024, up from \$3.6 billion in 2023—a 36% increase driven by more connected devices and rising cashless adoption. As consumers increasingly use cards for even the smallest purchases, our network continues to capture micro-transactions once dominated by cash.
- **Huge Untapped Market:** We estimate \$260 billion in unattended transactions are still cash-based, representing a major digital conversion opportunity. Our solution is not only simpler—it's cheaper, costing operators 5–6% versus 7–8% for handling cash. We believe this represents a \$13–15 billion annual revenue opportunity.
- **OEM Integration Strategy:** We partner with OEMs to embed our technology directly into new machines, turning equipment sales into low-cost customer acquisition. When a unit ships pre-loaded with our payment and telemetry solution, onboarding is as simple as submitting a KYC form. We believe this channel can scale our reach significantly without proportional sales spend.
- **Addressing All Market Tiers:** We tailor our offering to fit every operator—from high-volume networks to low-volume tabletop machines. Our acquisition of UPPay enabled us to introduce ultra-affordable devices with leaner software tailored to simple machines, driving down costs and making cashless accessible even at very low monthly volumes.

Energy and EV Charging: Yinon Raviv, VP of Nayax Energy, presented our approach to EV charging, describing it as a strategic extension of our payments platform into a high-growth market. Our holistic solution includes three primary components:

1. **Payments:** As a payments-first company, we enable cashless acceptance at EV chargers through embedded readers, external terminals, or centralized kiosks. Our

hardware-agnostic solution supports both card-present and remote transactions, and works with any brand of charger.

2. **Charging Management Software:** Our cloud-based platform gives operators full control of their charging networks—enabling them to monitor devices, manage pricing and billing, and offer white-label apps to drivers. The platform supports any charger and eliminates the need for custom backend development.
3. **Hardware (Charging Stations):** We offer a line of affordable AC chargers designed for small businesses and property owners. Unlike costly DC fast chargers, lower-priced AC units often lack built-in payments. We bridge that gap with integrated Nayax terminals and connectivity—making it easy to deploy EV charging without apps or complex systems.

Beyond the core stack, Nayax’s flexibility and focus on user experience are key to driving adoption and differentiation in the EV space.

- **Flexible, Modular Offering:** We offer a modular EV stack that adapts to customer needs. Whether acting as a payment layer for established platforms or a turnkey provider for new deployments, we meet partners where they are—without forcing a one-size-fits-all model.
- **Enhancing the Driver Experience:** We closed a key gap in card-based EV payments by adding live session tracking via QR code—reducing friction for drivers and aligning usability with app-based systems.

Retail and Hospitality: Keren Sharir, President and CMO, outlined our strategy in Retail and Hospitality, highlighting how we’re expanding from unattended markets to serve converging use cases across attended retail and self-service—meeting customer needs within a unified platform.

- **Expanding with Customers into Retail:** We extended our platform to support attended retail after hearing a clear need from customers operating both kiosks and stores. With our POS tools, merchants can manage all payments—unattended or attended—through a single, integrated solution.
- **“Your Way” – Solutions for Any Retailer:** With the acquisition of Retail Pro and continued internal development, we now serve retailers of all sizes—from local boutiques to global chains. Our “Your Way” approach delivers tailored POS solutions, loyalty tools, and digital invoicing in one platform, helping merchants run and grow their businesses without multiple vendors.

Financial Results and 2025 Outlook: CFO Sagit Manor closed the session with a review of 2024 performance and 2025 guidance, highlighting strong top-line growth, expanding margins, and disciplined investment to support continued global scale.

- **Robust Revenue Growth:** Nayax delivered \$315.2 million in revenue for 2024, representing 34% year-over-year growth (on a constant currency basis) and continuing a multi-year trend of ~35% annual expansion. We've made device adoption easier through leasing and installment plans, helping scale deployments globally.
- **Recurring Revenue Momentum:** Over 70% of revenue is recurring, driven by software and payment processing. With a 46% CAGR from 2021-2024—and 49% QoQ growth between Q4 FY23 and Q4 FY24—growth in recurring revenues reflects both expansion in the installed base and rising ARPU across connected devices.
- **Payment Processing Scale:** With processing revenue up 45% between Q4 FY23 and Q4 FY24, our transaction engine continues to scale rapidly. Cashless adoption, stronger take rates in EV and parking, and inflation-linked volume gains are all contributing factors.
- **Margin Expansion:** We expanded our gross margin to 45% in FY24, up from 37.5% in FY23. We increased processing margins from 29.1% to 34%, supported by smart routing—which directs each transaction to the lowest-cost acquirer—and improved pricing from partners as payment volume grew from \$3.6B to \$4.9B. We also lifted hardware margins above 30% for the year, up from pre-COVID levels, through in-house product design and tighter control over sourcing and supply chains.
- **Operational Leverage and Profitability:** We improved operating leverage in 2024, with adjusted OpEx growing more slowly than revenue. Adjusted EBITDA reached \$35.5 million—an ~11% margin—marking a full-year operating profit for the first time. We also generated \$18 million in free cash flow—roughly 50% of adjusted EBITDA—validating the quality of earnings and funding future growth.

2025 Outlook – Growth with Discipline: Nayax management provided guidance for 2025 and reiterated our longer-term objectives.

- **Revenue:** We're forecasting \$410–425 million in revenue for 2025, representing 30–35% year-over-year growth. At least 25% is expected to be organic, with additional upside from potential acquisitions. We plan to continue adding thousands of customers and hundreds of thousands of devices across new and existing markets.
- **Adjusted EBITDA:** We expect adjusted EBITDA to reach \$65–70 million in 2025—nearly double year-over-year—implying a margin in the mid-teens and reflecting continued margin expansion.

- **2028 Vision:** We're targeting \$1 billion in annual revenue by 2028, driven primarily by organic growth. With 50% gross margin and increasing operating leverage, we're on a clear path toward strong long-term profitability—and current momentum suggests we're tracking well.

Closing Remarks: Manor and the executive team concluded the event with a confident yet disciplined outlook. As Nayax transitions from a high-growth disruptor to a scalable, profitable platform, management emphasized the company's unique position in the global shift toward cashless commerce. With continued investment across EV charging, retail, and strategic partnerships, Nayax remains focused on executing growth while maintaining operational efficiency.
