

December 29, 2025



Dear shareholders, colleagues, and customers,

As we close out 2025, I want to thank you for your partnership. In the spirit of reflecting on the last year and thinking about the future, I'd like to share where we made progress, what we learned, and how we're positioning Payoneer for the decade ahead.

2025 was an intense year for Payoneer. We sharpened our focus, celebrated 20 years of building and innovation, and delivered sustained growth and profitability. We did this in a dynamic environment, and I'm pleased with our progress and proud of our team.

**Our ambition is bold and clear: we are building one of the world's leading companies powering cross-border B2B commerce and positioning Payoneer as the bank alternative for global businesses.**

We exist to make it safer, faster, and easier for entrepreneurs and businesses to operate globally. That purpose isn't a slogan, it's why we've invested for two decades in global licenses, local payment infrastructure, risk controls, and a trusted, modern platform. Entering our third decade, Payoneer has never been more relevant to the global economy.

## OUR PLATFORM

### GLOBAL NETWORK

**7,000**  
trade routes

An expansive and cost-effective network of nearly 100 bank and payment providers so we can service over 7,000 trade routes.



### REGULATORY LICENSES

**8**

Licenses across 8 jurisdictions and the compliance and risk infrastructure to handle the complex business payments across the breadth of markets we cover.



### OUR PRODUCT

An expanding suite of Accounts Payable capabilities like card and workforce management so businesses can manage their cross-border operating expenses more effectively

### LOCAL SUPPORT

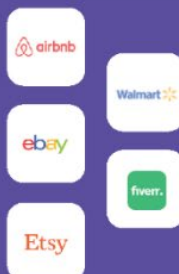
**35+**

local markets are supported by on-the-ground teams with deep, in-market expertise.



### PARTNERSHIPS

Broad partnerships with hundreds of marketplaces globally, enabling entrepreneurs to thrive across industries.



## Here's what we accomplished in 2025 and why it matters:

**We executed against our strategy and strengthened our financial foundation.** Revenue and revenue excluding interest reached record levels in the first three quarters of 2025. Since launching our multi-year transformation in March 2023, revenue is up over 40% (Q3 2025 vs Q1 2023) and we've delivered Rule of 40 performance inclusive of interest income during that time. Our SMB take rate hit a record 1.21%. We generated strong free cash flow. And we improved efficiency across our operations, compliance, and go-to-market teams via automation, better controls, and more focused execution. We kept our operating expense growth modest, even as we integrated acquisitions, modernized our platform, and grew our platform team to drive product-led growth.

**We moved upmarket.** Larger customers with more complex needs (those with over \$3 million in annual volume) now account for approximately 30% of revenue ex. interest in Q3 2025, up from low 20s percentage in 2023. These customers historically have adopted more products, driven higher ARPU, and showed better net revenue retention. These larger SMBs have also driven the majority of our B2B growth – the result of our deliberate go-to-market shift, a focused product roadmap, and a service model designed for complex, global businesses.

**We improved the quality of our portfolio.** We exited customers whose profiles did not align with our standards or strategic focus. The result is a modestly smaller but meaningfully higher quality portfolio with bigger transaction volumes, better risk outcomes, and broader adoption of our financial stack.

**We deepened product engagement and attachment.** Checkout volume and revenue grew strongly, and we expanded our Checkout offering with a partnership through Stripe. Usage in our higher yielding card product increased. We also added collection and payment capabilities within a single multi-currency account and launched multi-user, company-grade features to streamline workflows and financial management for multi-entity cross-border businesses.



**We scaled globally and locally.** We opened a second technology hub in India. We strengthened our footprint in China through an acquisition now operating as Payoneer Payments Guangdong. We grew revenue across APAC, Greater China, and LATAM with better product-market fit. We added or expanded partnerships with leading global marketplaces and enterprises including Etsy, Alibaba, TikTok Live, and Best Buy. That's how you build an enduring business, corridor by corridor, license by license, partner by partner.

**We executed with discipline.** We delivered a mid-20 percent adjusted EBITDA margin through the first three quarters of 2025 and positive adjusted EBITDA excluding interest income<sup>1</sup>, even while integrating acquisitions and investing for the future. We accelerated share repurchases in Q4, reflecting our conviction in the long-term value we are creating. We will continue to allocate capital with discipline, balancing investment in growth and strategic M&A with returns to shareholders.



### Looking ahead, here's how we're going to win:

- Keep moving upmarket where needs are complex and our differentiation is greatest.
- Further modernize our platform and infrastructure to release more capabilities faster.
- Continue globalizing our teams to better serve our customers and drive efficiency.
- Drive innovation across our platform and lead the way in cross-border B2B payments. We are deploying AI across product, risk, service, and go-to-market to increase speed, quality, and efficiency. We also intend to lead in next-generation money movement. Today we use blockchain internally for treasury operations. In early 2026, we intend to launch stablecoin wallet functionality to meet customer demand for faster, interoperable settlement. We'll do it in a pragmatic way with strong controls, clear compliance and reliable on/off ramps designed to comply with regulations. Speed matters; trust matters more.



**We are on a multi-year journey and we will measure ourselves by what endures:** strong revenue growth, better margins, more cash generation, responsible risk outcomes, and higher customer satisfaction. Interest rates will change (our hedging is designed to protect us to the

<sup>1</sup> Please refer to the end of this letter for the reconciliation from net income (loss) to adjusted EBITDA.

downside). Cycles will turn (our business is diversified). Our job is to build a company that performs through the cycle. We don't manage for a quarter; we build for the decade.

Our transformation comes in three steps:

1. Build the team, focus on the core customer, grow revenue above \$1 billion, achieve core profitability, deliver Rule of 40<sup>2</sup>. **Done.**
2. Intensify portfolio focus to go upmarket, further unlock leverage, drive cash flow, modernize legacy systems, deploy AI, globalize the team, and innovate (including launching stablecoin solutions). **In motion.**
3. Expand markets, verticals, and solutions with the platform and ecosystem we've built. **Next.**



**To our customers**, thank you for your trust. You are the heartbeat of Payoneer and the reason we are here. I met many of you around the world this year: entrepreneurs building remote staffing platforms, founders operating human-centered AI studios across multiple countries, and manufacturers scaling global brands. You're building real businesses that employ real people and lift communities. We serve nearly 2 million customers across more than 190 countries and territories, enabling over \$85 billion in volume over the last twelve months. That's real impact.

**To our employees**, thank you for your grit, craft, and commitment. 2025 was an intense year, and you showed up: with focus, resilience, and real pride in what we're building together. Because of your work, we didn't just get through the year. We moved Payoneer forward.

**To our shareholders**, we know our progress has not yet been reflected in our share price. Markets move in cycles and sentiment shifts. Our job is not to manage the noise, but to build a durable business underneath it. We are executing with conviction – moving upmarket, improving portfolio quality, expanding margins, investing in our platform, and returning capital with discipline. We believe this focus on quality, execution, and long-term value creation is what ultimately matters.

Here's to an ambitious and impactful 2026.

John Caplan  
*Chief Executive Officer*

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<sup>2</sup> For the trailing twelve months through September 30, 2025.

## Forward-Looking Statements

This letter includes, and oral statements made from time to time by representatives of Payoneer, may be considered “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or Payoneer’s future financial or operating performance. For example, projections of future revenue, transaction cost and adjusted EBITDA are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “expect,” “intend,” “plan,” “will,” “estimate,” “anticipate,” “believe,” “predict,” “potential” or “continue,” or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward looking statements. These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Payoneer and its management, as the case may be, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: (1) changes in applicable laws or regulations; (2) the possibility that Payoneer may be adversely affected by geopolitical events and conflicts, such as Israel’s conflicts in the Middle East, and other economic, business and/or competitive factors, such as changes in global trade policies (including the imposition of tariffs); (3) changes in the assumptions underlying our financial estimates; (4) the outcome of any known and/or unknown legal or regulatory proceedings; and (5) other risks and uncertainties set forth in Payoneer’s Annual Report on Form 10-K for the period ended December 31, 2024 and future reports that Payoneer may file with the SEC from time to time. Nothing in this letter should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Payoneer does not undertake any duty to update these forward-looking statements.

## Financial Information; Non-GAAP Financial Measures

Some of the financial information and data contained in this letter, such as adjusted EBITDA, have not been prepared in accordance with United States generally accepted accounting principles (“GAAP”). Payoneer uses these non-GAAP measures to compare Payoneer’s performance to that of prior periods for budgeting and planning purposes. Payoneer believes these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Payoneer’s results of operations. Payoneer’s method of determining these non-GAAP measures may be different from other companies’ methods and, therefore, may not be comparable to those used by other companies and Payoneer does not recommend the sole use of these non-GAAP measures to assess its financial performance. Payoneer management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in Payoneer’s financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents non-GAAP financial measures in connection with GAAP results. You should review Payoneer’s financial statements, which are included in Payoneer’s Annual Report on Form 10-K for the year ended December 31, 2024 and its subsequent Quarterly Reports on Form 10-Q, and not rely on any single financial measure to evaluate Payoneer’s business.

Non-GAAP measures include the following item:

**Adjusted EBITDA:** We provide adjusted EBITDA, a non-GAAP financial measure that represents our net income (loss) adjusted to exclude, as applicable: M&A related expense (income), stock-based compensation expenses, restructuring charges, share in losses (gain) of associated company, loss (gain) from change in fair value of warrants and warrant repurchase/redemption, other financial expense (income), net, income taxes, and depreciation and amortization.

**Free Cash Flow:** represents net cash provided by operating activities, less purchase of property, equipment and software, and capitalization of internal use software.

Other companies may calculate the above measure differently, and therefore Payoneer’s measures may not be directly comparable to similarly titled measures of other companies.

In addition, in this letter, we reference volume, which is an operational metric. Volume refers to the total dollar value of transactions successfully completed or enabled by our platform, not including orchestration transactions. For a customer that both receives and later sends payments, we count the volume only once. We also reference ARPU (Average Revenue Per User), which is defined as the Revenue from Active Customers divided by the number of Active Customers over the period in which the Revenue was earned. Active Customers for these purposes are defined as Payoneer accountholders with at least 1 financial transaction over the period. Revenue from Active Customers represents revenue attributed to Active Customers based on their use of the Payoneer platform, including interest income earned from their balances, and excluding revenues unrelated to their activities.

**RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA (UNAUDITED)**  
(U.S. dollars in thousands)

Three months ended,

	<b>Mar. 31, 2025</b>	<b>June 30, 2025</b>	<b>Sept. 30, 2025</b>
Net income	\$ 20,577	\$ 19,480	\$ 14,123
Depreciation and amortization	14,390	15,553	16,140
Tax (benefit) expense on income	7,192	10,370	16,388
Other financial expense (income), net	1,550	227	5,836
<b>EBITDA</b>	<b>43,709</b>	<b>45,630</b>	<b>52,487</b>
Stock based compensation expenses <sup>(1)</sup>	18,755	20,059	17,799
M&A related expenses <sup>(2)</sup>	337	736	981
Gain from change in fair value of Warrants <sup>(3)</sup>	–	–	–
Restructuring charges <sup>(4)</sup>	2,630	–	–
Loss on Warrant repurchase/redemption <sup>(5)</sup>	–	–	–
<b>Adjusted EBITDA</b>	<b>\$ 65,431</b>	<b>\$ 66,425</b>	<b>\$ 71,267</b>
Interest income	57,972	58,334	59,531
<b>Adjusted EBITDA ex. interest income</b>	<b>\$ 7,459</b>	<b>\$ 8,091</b>	<b>\$ 11,736</b>
<b>Revenue</b>	<b>\$ 246,617</b>	<b>\$ 260,614</b>	<b>\$ 270,850</b>
<i>Adjusted EBITDA margin</i>	<i>27%</i>	<i>25%</i>	<i>26%</i>

- (1) Represents non-cash charges associated with stock-based compensation expense, which has been, and will continue to be for the foreseeable future, a significant recurring expense in our business and an important part of our compensation strategy.
- (2) Amounts relate to M&A-related third-party fees, including related legal, consulting and other expenditures. Additionally, amounts for the three months ended September 30, 2025, June 30, 2025, and March 31, 2025 include \$0.1, \$0.1, and \$0.3 million, respectively, in non-recurring fair value adjustment of the Skuad contingent consideration liability.
- (3) Changes in the estimated fair value of the warrants are recognized as gain or loss on the consolidated statements of comprehensive income. The impact is removed from EBITDA as it represents market conditions that are not in our control.
- (4) Represents non-recurring costs related to severance and other employee termination benefits.
- (5) Amounts relate to a non-recurring loss on the repurchase and redemption of outstanding public warrants.