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Paymentus Holdings, Inc. (PAY)

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CORPORATE PARTICIPANTS

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

Sanjay Kalra
Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

MANAGEMENT DISCUSSION SECTION

Unverified Participant

All right. So, we're going to get started with the next session. Next up, we have Dushyant Sharma, Founder and CEO of Paymentus; and Sanjay Kalra, CFO. Thank you, both, for joining us. Really looking forward to the conversation.

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

Thank you for having us.

QUESTION AND ANSWER SECTION

Q

So, Paymentus has been public for almost exactly five years now. The company has compounded revenue at a very large clip. Bill presentment is a bit of an underappreciated part of the payment's ecosystem. For those who are less familiar with the story, could you talk about the market opportunity that you're going after and really why Paymentus is taking so much share and as one of the largest players in that space?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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Well, the bill payment is a big market, and the way to think about it is, a typical household spent 60% of their – 60% of their spend is towards the bills. It's trillions of dollars in spend just on the consumer side. If you add B2B, it gets even crazier than that. And if you factor in about 16 billion, 17 billion bills that are paid on – just on the consumer side annually, and we have only captured like 4% or 5% of that. It's a huge opportunity ahead of us.

And in terms of why we are winning the market share, I think it comes down to, number one, the technology platform we have built, but the technology platform we have built and the ecosystem, our Instant Payment Network and the entire partnership ecosystem. But it comes down to the way we visualize the market. We never thought that bill payment was just about the payment.

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Taking money from point A, you – kind of like what you see in typical customer experiences, you're buying a shirt, you enter your card, it goes to Visa or Mastercard, you get the approval and the payment is made type of thing.

Q

Yeah.

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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Bill payment is more about, to your point, bills, bill presentment, the data, the workflows, the technology aspect of it, what internal workflows the billing company has to do to take care of all of the billing and payments and then posting the information and getting that information on in the right hands.

So, we have done a great job in building a platform, and we took it very seriously. And we didn't think it was a sort of a private equity play that you just keep acquiring companies who have and then hopefully it will – the only integration is at the bottom line. We didn't think that was a play. The play was a pure platform play that – and we believe the longer term, even the larger end of the market would actually want to switch, if they could find an alternative, they would. And that's what we are seeing. So, that's the reason why we are gaining market share.

Q

And when you look at that market, I mean, it must be fragmented. You're only 5%. I think you're the largest in Biller Direct. So what is the state of the end market? And where is all that volume today?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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Well, it's very fragmented. I mean, if you think about – when we started out, majority of the payments, digital payments used to be at the banks' website. Remaining were all just checks and walk-in and cash and some of those type of options. We have made tremendous inroads, meaning now banks are a significant smaller portion of the digital bill payments. Most of the payments that are happening, the digital payments are happening on the billing company's websites or the billing company ecosystem powered by Paymentus.

But the remaining payments are still check, walk-in, cash and so on. And one of the things which I would urge everyone listening to this to think about it is that we – when we – we all have bills and we all have our own bill payment customer experience, bill payment experiences and so on. One of the things I would like everyone to be reminded of is that majority of the households are not as privileged as some who are listening to this call. Most people are not as fortunate to be able to say, well, I just take my money from my bank account and just go ahead and make the payment. They are having to make a decision which bill they're going to pay this month and from which account. There's a lot of complexity involved for a typical household. So, that's why some of this fragmentation occurs as well.

So, part of our job as Paymentus is, and working with our clients, is to make sure we continuously make it easier for our clients so that they can continue to reduce their costs to serve, to make it more affordable for our customers. We'll also continue to provide better customer experience. And it's not just about better UI, it's all about all the options and get all the questions answered for the customers, so that they can make the decisions to make a payment.

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When you look at this business, what do you think the market gets wrong about the business and the end market? What do you feel is underappreciated about the market opportunity?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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I think I'll start first with the fact that all of us, like I said, all of us are consumers. So we think of bill payment, when someone looks at Paymentus, we think, so you make a payment, why can't other people do the same thing? What I would like everyone to think about it is, think about it from the billing company's standpoint, not just a small township or a small municipality. Think about one of the largest organization in the country and save, the average bill amount is $100 you are billing and you are billing 5 million customers each month. It's a mega operation to be able to talk to the customers. It just – if 100% of those customers made a call to you, you have no margins left in the business.

So, it – to send out billing information in a way that you can understand it so that – and it answers all of your questions, so that you can actually make a decision to pay and then giving you all the options so that you can make a payment, including clarifying to you what are the penalties if you don't make a payment after certain – if it is not made up until certain time. And then reminding you probably at different times in a cost-effective manner. It's a huge operation. And then, when it comes back to how do you reduce the number of calls coming to your call center because they're very expensive as well.

So, Paymentus actually what I would like everyone to think about it is, we are categorized into in a fintech world, which may be fair, but think of us as more of the tech of the fintech. We have no revenues coming in from float income. We are not using our clients' money to make money. We're actually providing technology infrastructure to our clients, so that they can improve customer experience and lower their cost to serve. So, that's what the sort of technology play. And frankly, as the markets have evolved and become more sophisticated, the buyers have become more sophisticated. Our technology platform, which is doing more and more of the technological – handling more of the workflows for our clients is actually shining. That's what the key reasons are.

Q

Yeah. So, one thing I think is underappreciated is just the level of visibility. I mean, I know at the beginning of the year, I've got 12 power bills, 12 gas bills, 12 water bills. Sanjay, when you start the year, how do you think about visibility building up to the forecast and how do you feel about durability of the model?

Sanjay Kalra
Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

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Yeah. Visibility is actually getting better and better as we scale the company, as the business is scaling, as all the verticals are expanding and as we enter into more verticals as well. And as we improve our go-to-market strategy as well, visibility is getting better. When we analyze the trends, we see more and more accuracy as well to the visibility. In fact, in the most recent earnings call, we didn't only raise the guidance for 2026, but we also made some comments about 2027. So, making those comments early in the year, I think that's a very good for our visibility. So, overall, I think things are headed in the right direction. And that stems from the fact that our customers are large customers and the renewal rates are very high, it's a recurring stream of revenue. So, the visibility is better.

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Can you talk about pipelines and maybe reiterate some of that commentary in 2027?

Sanjay Kalra
Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

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Yeah. The pipeline is very good. In fact, the pipeline is getting better over time. And the pace at which our revenue is growing and our profitability is growing, together with the visibility growth, the overall pipeline has to catch up, pipeline has to be better, so that the pipeline-to-conversion ratios match with the expectations with the forecast. So, short answer is the pipeline is better than, at least, if I say, a year ago where we were.

Q

Okay. I wanted to hit on competitive dynamics. You know, I would observe there's been several data points on the bill pay space, maybe speak to Paymentus' strength. You've got competitors, at least, market rumors that they're shopping their bill pay segments. There's been the notable underperformance in several of the bank channel competitors that you have and sort of the bank own bill pay centers. What are the competitive dynamics like today and how those changed over the last five years?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

A

I would say, the top of the mind for me and as I've shared it publicly as well is that, I think, for us, we believe the market is moving in our direction. And the reason we say that is that some of the things we thought would actually come to pass, are coming to pass. For an example, starting with number one, we didn't think it was a financial play. We thought the bill payment was a technology play. It has panned out exactly the way we thought about it. We thought about that if we can actually build one code base, one platform, one solution for different verticals, we will be able to go into different verticals with ease.

We will have great storytellers and the story's Paymentus. And customers of all walks of life will – all of – all industries, all sizes will actually like the fact, because if you think away from it, think about it from a consumer standpoint or even a business [indiscernible] (00:26:57) standpoint, all bills need to be paid. And you don't care whether it's an insurance bill or a utility bill or a telecom bill. To you, the experience better be similar. So, they like the fact that there is a company out there who has built a platform that unifies and has all these complex business rules simplified in one platform. So, from that perspective, I think things have come together.

If another critical example I will give you is actually rather top of mind for the entire industry is AI. If you think about it right now, AI is – and we love the technology and we love where it's headed. But the fact is, five years ago, six years ago, we were filing patent on the capabilities we believed are going to be very useful to continue to create a sustained growth algorithm for Paymentus. So, that is another factor.

And if you look at some of the reasons why some of these assets are becoming available, I think it's a further testament to the fact that we have been very successful. Some of these assets used to be – they were purchased with the intent for them to be very strategic to the businesses that bought them. And Paymentus used to be a small company then and was also, in my opinion, somewhat underappreciated in the market, which we loved. We didn't want to be notifying everyone that we have big plans. We just felt that our – as long as we can communicate that to our customers and our prospects, that's good enough. And that's what we were doing.

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And so, we feel that the market actually is sort of – has played out the way – we are very fortunate that the way we visualized it and the way we are executing against the strategy we laid out. So, we feel good about our competitive positioning.

Q

So, you've been forward-looking in the product strategy. AI, yet again, topic of conversation. But I think agentic commerce in general has been a bigger topic over the last couple of weeks, even given some of the recent release of new agentic products for consumers. When you think about what that means for bill pay, how does the products that need to evolve and maybe you could tie in some of the recent product launches? You've had Billeo and BillWallet. You know, talk about how those products work and how you see them scaling over time.

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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Sure. So, I think this is a pretty interesting, and I would like to take a moment to [indiscernible] (00:29:30) on this. This is a very interesting dynamic here. What's happening is whenever you're hearing agentic commerce, you would have to add a word to it, which is retail – agentic retail commerce. All this is for making it easy for you to shop.

So, for example, if you're buying a shirt, could it be easier for you to simply say, hey, I want a small shirt and this is the color I want? Maybe even this is the brand I want. Can you find me the lowest price one and tell me what it is? And if it is under $70, go ahead and pay. That's a great experience.

I would just say that technology is just 25 years too late. We already did that 25 years ago. You can tell me how much money you want to pay for the bill, which is due every month and which day you want to pay, do you want to pay it on the due date or 15th of every month and give me your bank account information, I'll take the money out. And if you want to take a rule that, hey, if it is over $100, don't pay. If it is under $100, go ahead and pay. We can do all of that. So, autopay has been around for years.

So, right. So, it's not like we can somehow – so, for me, from a shopping perspective, I love the agentic part. And from a shopper's standpoint, it's viewed as additional channels, like Google would be. So you just have an additional channel but from an service commerce context. If you are telling an insurance company that I can enable all of your customer information, make it available to a personal agent, and oh, by the way, that personal agent can then snoop into all of the information, can see exactly which car you're driving, what was a model, which year it was, and how much you are paying for that. And I can sell that information to the highest bidder. So, that could be the last interaction you will have to that agentic channel with that particular customer, because for $60, they could be signed up with another insurance company. There you go, you lose a customer.

So, what we're hearing from our customers is that agentic commerce, agentic retail commerce is – has a lot of challenges and needs to be solved. And shoppers can always use more channels. But to the service commerce side, there is a requirement for a paradigm shift, which is what Paymentus is building through Billeo. We are saying we are already handling the data and the payments and your customer relationships in a secured manner. We have the data related to billing and payment. Could we not give you that capability so that now when you're interacting in the agentic world with your customers, your relation – number one, your relationship is preserved. Second, the information is secured. Third, any of the rules which already exist on the billing side can all be

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incorporated. And last but not the least, your identity and the payment information is protected for the customer. So, we can all do that.

So, that's sort of our view of the world. And we believe that we have – because of the patent portfolio we have built on the AI side, and we are very fortunate again that several years ago we thought about all these things. We are well positioned. And the other thing I would also like to make a point about, if you think about the shopping experience in the agentic world, then there is a question who is the merchant, who's paying for it. And merchants don't care as long as they get paid.

In case of the utility insurance company and so on, and I was actually joking with one of the investors today that I'm longing for all of these AI companies to go ahead and identify the entire payments so that Paymentus could immediately – when we have like 25%, 30% of typical biller's customer base paying bills, get remaining 75%. And so that tomorrow morning, Paymentus could be a $6 billion company as opposed to $1.4 billion to $1.5 billion.

Just go ahead and do it, because I'm still the provider of the technology to my billing clients and you will still have to go through to me to make those payments. So please come, come one, come all. But I think our clients will have a thing or two to say about that disintermediation risk and Billeo and BillWallet that are the [ph] greatest stage (00:33:45) for us. Yeah.

Q

Yeah. That's great. Maybe sticking with the theme of AI, what are the areas of the business, maybe more internally where it have the biggest impact so far? I mean, you talked a lot about how your clients are often the limiting factor and how quickly implementations can proceed. But maybe aside from that, where have you been able to make the organization move quicker, design products and processes faster with the tools that we have now?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

A

All aspects. I think every function the company is using AI, like is involved in it, trying to make use of it. Engineering side, we are a very much involved. One of the things Paymentus has made a decision on is that Paymentus, our pursuit is to have our own platform, agentic platform. We want to have our own platform, which is Billeo. So, one of the things we are doing is, can we build Billeo agents, which could be used by our own team? So, we actually have contest going on who can build what type of capabilities and what type of agents on Billeo platform internally and how we can utilize them internally itself.

So, think of Paymentus as a typical organization, but who's very familiar with AI now getting sort of increasingly more comfortable with AI technology. But the main difference for us would be that we think of us as a – AI as a source of revenue, not just of efficiencies.

Q

Yeah.

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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So, whatever we're driving efficiencies, we want to get our clients to also use using our technology. So, that's why we're creating the platform.

Q

That makes sense. You know, one of the things that's evolved since the IPO is just the mix of different verticals that you serve. You're referencing insurance companies. I think at the time of the IPO, it was much more energy utilities and things of that nature. So, can you talk a little bit more about that? How has the company had to adapt to serving new verticals, new client types? And, you know if you were to maybe circle the one or two verticals where the company has seen the most success at the time of the IPO?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

A

I think this is one of the key aspects we feel that we got it right because we have the – in some ways, we have good fortune of building the company with the next-generation platform. Part of it was, some of the mistakes that needed to be made, I fortunately made them in my prior venture when I started the company. And part of the first-generation platforms you're seeing, I was one of those who built them. So, I think – so, we learned a lot during that.

But one of the key lessons I learned was, you just cannot build a scaled business and build payments by focusing on one vertical or set – having bespoke solutions for one vertical or one particular set of client. So, we made a decision early on that platform itself needs to be – need to be built in a way that could be one code base regardless of the size of the customer or the type of industry you're going after. So that part we got it right. Where we had to make the change was that different verticals required different vernacular when you are speaking to them. So therefore, we need to make sure that our team gets it. And the type of support they need throughout the process, the type of regulations and the compliance infrastructure that needs to be in place for different verticals, we got that. We need to make sure that those changes occurred.

And to your – last part of your question, we are seeing – actually, as you rightly point out that we started out with utility as the primary focus. We love the utility vertical. We believe the utilities was the biggest vertical that got the bill payment efficiencies right. And we felt that if we can get it right there, we will be able to succeed in other verticals. And that has been – that is proving out now.

We remain very excited about the utility vertical. We remain excited about all of our verticals. They're all growing. But government vertical is great. Insurance is great. What we're also seeing is B2B is an evolving market for us. It's an emerging market. We are seeing that we can actually handle payments from both sides. We have been doing disbursements for years, but now we are also saying, why can't we use our disbursement engine and the other technology we have so that we can – and the workflows we have built so that we can also handle payouts? So, a lot of that we are excited about. So, we feel good about our positioning, both from B2C as well as B2B, both for pay-ins as well as payouts.

Sanjay Kalra
Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

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And if I may just add that core operating leverage of the business is very high, as in the most recent quarter we delivered around 70% of incremental EBITDA margins. One of the reasons for that kind of performance in incremental EBITDA margins is how agnostic our platform is.

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Yeah.

Sanjay Kalra
Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

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We don't have to recreate the wheel when we have to come up with a new vertical or we are supporting new kind of customer, which we have never supported before. So, that was well thought of years ago. And today, we are reaping the benefits of that effort.

Q

Got it. That makes a lot of sense. On this topic, just are there any verticals today where you're not a big player? And do you see any major low-hanging fruit to go after to kind of build on the scalability of the platform that you have?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

A

I think we feel good about the scalability of the platform we have built. The investments we're making on the R&D side of the platform, we'll continue to do that. It's a constant pursuit. As you – we are signing some of the largest companies you can think of in the country. And to continue to make sure that the CIOs, CTOs, CISOs and the CFOs and the other executives, the customer experience executives of those organizations continue to trust us for handling the two most valuable assets any business can have, which is their customers as well as their revenues or the money coming in.

We are doing – we need to always be on our toes. And we live in a 24/7 – world, which – and the platform that needs to be always available. So therefore, you need to make sure the secured infrastructure and so on is always a top focus. So, scalability security remains a top – on top of mind.

Q

Got it. I want to talk about the go-to-market strategy. Can you just provide an overview, what's the current makeup of your go-to-market organization? And when you're thinking about investing or expanding go-to-market, how are you allocating investments across the different channels?

Sanjay Kalra
Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

A

Our go-to-market is a confluence of a lot of factors, I mean a lot of things we do. We've got a direct sales team and we've got direct sales team also verticalized. At the same time, we have lot of resellers, lot of business partners. JPMC is one of them as we've talked publicly about. And we've got a lot of banks, a lot of partnerships there. So, we have seen a lot of verticals, in fact, an expansion of lot of verticals and lot of different size of customers coming in from all these sources. So, direct as well as indirect, both.

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Got is. Okay. Are you leaning more into direct versus indirect these days?

Sanjay Kalra
Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

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Definitely, we are signing both customers from both – the both the channels every quarter. So I think it's a consistent effort on both sides.

Q

Yeah. Maybe just shifting to customer priorities. You cover a lot of critical infrastructure: power, utilities, financial services. How is the broader discussion around AI and cybersecurity impacted customer conversation? And how is it – how has it impacted customers investment priorities?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

A

Let me start with cybersecurity first. I think the way we think about our business is, it has to be always on, except if it is not secure. You don't want unsecured platform to be anytime available. If it is not, secure. Any – if you have any second it is available, it's generating liability, not assets. So, security is of paramount importance. And I think our clients love the fact that we put that much priority on security part of the business. And no one is 100% perfect, but you always start to see that can you at least make it harder for anyone. So they can focus on either a lower or easier targets. So, you're always trying to focus on there.

So, cybersecurity remains a top priority. And what we are seeing is our clients are very concerned about when it comes to security. And then as you venture into the AI world, security is of paramount importance. The privacy is very important. And the fear of disintermediation is real. So, our clients are actually asking us questions about, okay, well, we don't want you to use the AI tools on our data unless we can get some information as to how it is going to be used, where it is going to be used for the fear of this intermediation. And that's why we believe that BillWallet and Billeo actually provide that answer to the question. So, as soon as we start talking about both of those capabilities, the temperature starts to drop a little bit. You start to get more comfort.

And then the fact that Paymentus is actually pursuing AI initiative itself, it also is very comforting for the billers because they start to say, well, all of our AI investments potentially, or some of them, if not all of them, could then be handled by the company that we already trust for handling our customer relationships and our financial information and money. So, we like Paymentus handle that. So, we are feeling good about that. But cybersecurity comes before AI and we feel that we have positioned ourselves well with Billeo and BillWallet for that.

Q

And have you seen any evidence of people reprioritizing work streams in order to focus on things like cybersecurity and delaying implementations or delaying kind of RFP processes and things like that?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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Actually, we have – we have seen it reversed. What we're seeing is that because cybersecurity is very important, some of the end compliance infrastructure, the regulatory framework, the clients, even the larger end of the market is saying, Paymentus, you can handle some of those things for me. Can we actually get there a little bit sooner? And that's why we are making it a point to notify when we are doing our public discourse, notifying not just our investors, but also our clients that we are – we recognize how important it is to get your data secure, move you away from some of the unwieldy processes you had, which are more exposed to security risks, to our platform, which is PCI compliance, SOC 1, SOC 2 and so on.

Q

Got it. Makes sense. Maybe we could talk about pricing. I mean, you have this kind of gross-to-net revenue model. What is your philosophy around pricing, both defensive as it relates to things like changing energy prices? So, we've talked about that in the past. But also more strategically, how does pricing fit into the overall algorithm of the company?

Dushyant Sharma
Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

A

Yeah. So, that's a very important aspect of our business. I mean, we price our deals based on what we believe makes sense to the company. And definitely, we have to be profitable. Our goal is to be profitable on every new deal we sign. We generally look at the top line, and we know overall it's going to get better. And we have experienced that, overall, our lower pricing resulting net profitability of every deal gets better as time passes by, not only because of the operating leverage of the business, but overall, we've got a lot of levers in our contracts as well where if the deals don't turn out as anticipated, we can make changes to get the right pricing.

So overall, our long-term business model is 20% top line growth on a CAGR basis and bottom line 20% to 30% growth as well on adjusted EBITDA. We keep that in mind in terms of how we price the deals and how the business is flowing, and eventually what economies will be generated by any new transaction. We don't focus too much on that because that does fluctuate overall and that does go into – at times it depends on various factors, product, the mix of the cards and whatnot. But – and it could also fluctuate quarter-by-quarter depending on seasonality. Our North Star still remains the top line. But, yes, as you see, if you look at the trends of the past many quarters, there is a convergence happening between the top line as well as the contribution profit, if I say, netting from that perspective. And that could change over time, but over longer period of time, North Star still remains the top line growth.

And when it comes to the energy prices, which you touched upon as well within your question. For energy prices, when the company was much smaller size, if you go few years ago, that would impact the company if the energy prices would increase significantly. But not anymore. I mean, we have reached a very good scale at this point, and that has become really insignificant to us. And as the company has evolved and scaled, we've made a lot of changes in terms of our pricing strategies as well, which have made the energy price index impact immaterial to us.

Q

That's great. Maybe just on the point 20% revenue growth, 30% adjusted EBITDA growth, embeds at a healthy amount of margin expansion. How are you thinking about generating that operating leverage from year-to-year? You know, how do you think about reinvestment within that algorithm? And where do you see margins heading to longer term in this business?

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Dushyant Sharma

Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

A

Well, let me answer the last part first. We have seen expansion of our, not only EBITDA margins, but incremental EBITDA margins as well over time. And we do calibrate our spend every quarter, definitely every year in terms of how much contribution profit is being generated. So, we manage it really well and we plan to manage it really well going forward as well. Short answer is, overall, we would expect expansion of the margins and that – biggest reason for that is that the platform was built with an objective of having a very high operating leverage at scale, and we are reaping those benefits. But at the same time, overall, the business is doing well and we expect margin expansion and profitability to continue.

Q

Yeah. So, maybe we'll close out on this question. The capital allocation, the company is growing fast, profitable, strong levels of free cash flow. You know, you mentioned not going the route of kind of rolling up a bunch of separate platforms and kind of tying them all together. It's a single platform, single code base. That said, it does seem like a – it's a fragmented market. It does seem like those assets for sale. Do you think Paymentus is a natural consolidator for this market? And if so, when – and if so, why or why not?

Dushyant Sharma

Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

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I think it's a great question. And from our perspective, we are seeing all the assets, and we have seen others as well. Like, we have seen some assets where even at 5x EBITDA, they didn't make sense to us. The reason for that is we believe we have something special here, we have built something special. And the pursuit we have is to build a very large business, like – and it may sound maybe too bullish right now to, if I say like, hey, we are going to be a $10 billion company and we are 15% of the way there. But it would have been as preposterous if I was saying five years ago, we are going to be $1.5 billion company when we're $300 million company.

So it's – but, again, future is always uncertain. So, we are trying to build a bigger business. And we will do whatever we need to do to get there. Right now, we think the organic growth is the best path forward. However, we'll remain open to opportunities. If we see something interesting, we will take a look at it. Right now, organic growth remains a big focus for us.

Unverified Participant

Very clear. All right. Well, thank you for joining us. That's all the time we have. But really...

Dushyant Sharma

Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

Thank you.

Unverified Participant

...good conversation today.

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Dushyant Sharma

Founder, Chairman, President & Chief Executive Officer, Paymentus Holdings, Inc.

Thank you so much. I appreciate it.

Sanjay Kalra

Senior Vice President & Chief Financial Officer, Paymentus Holdings, Inc.

Thanks.

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