# Nuvei Fireside Chat – BofA Electronic Payments Symposium – March 21, 2023

**CORPORATE PARTICIPANTS**

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

**OTHER PARTICIPANTS**

**Jason Kupferberg, BofA Securities**

**Jason Kupferberg, BofA Securities**

Thanks, everyone, for joining us. I'm Jason Kupferberg, the payments, processors, and IT services research analyst here at Bank of America and coming into the homestretch here with our 15th Annual Electronic Payment Summit.

And we've got Philip Fayer from Nuvei, Chairman and CEO, who many of you know. We're going to do a fireside chat here with Phil for about 35 minutes. And I thought it would be helpful, Phil, just to kick off where we're really asking all the companies at the conference about their reaction to the last couple of weeks, which have been extraordinary in terms of macro developments in the regional banking sector. Any implications for Nuvei that we should be aware of?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

First of all, Jason, thank you for having me. Appreciate you guys starting hot, but the answer is no. We have not seen any change. I think the biggest thing that I would just highlight is that we operate globally. And while we haven't seen any changes in North America to begin with, we operate globally, so our exposure really is to businesses from around the world. There has been no change in the momentum that we've outlined during our earnings call a few weeks ago.

**Jason Kupferberg, BofA Securities**

So all the consumer spending trends are still there and the volumes and whatnot. OK, good. That's what we seem to be hearing from everybody which is great. I mean, the consumer just tends to be pretty resilient overall, which is obviously good to hear. I wanted to start with a little bit of a 30,000-foot view question. There's always some people in the audience who are probably not as deep into the story. And it's not like you've been public forever. So just speak to the evolution of the company. There's been some acquisitions along the way. Competitive position has certainly evolved. Maybe you can comment on some technology differentiation as part of that, and then we'll go a bit deeper.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Sure. By the way, it feels to me that we've been public forever, but for those of you new to the Nuvei story, we provide access to our customers to drive commerce with their customers in any part of the world. So we are one of the few global payment platforms that enable our customers through a single API to connect with our customers in multiple currencies in multiple countries, and ultimately use the technology that's most relevant for them as they execute on their own strategic initiatives.

And what I mean by that is our technology is driven in a modular basis, so our customers can use us for payment gateway. They can use us for authentication. They can use us for acquiring. They can use us for alternative payment methods or payouts or risk management, or reconciliation.

Ultimately, whatever is the right and appropriate solution stack for them to address their current needs and grow with us as their business continues to grow. So we are focused today on our global e-commerce channel. We've been making significant moves in our integrated payments strategy and our B2B strategy and ultimately adding new use cases as we've evolved from a single vertical, to multi-vertical, to driving leadership and challenger positions around the world.

**Jason Kupferberg, BofA Securities**
Right, right. And we did see obviously the Paya acquisition here at the outset of 2023. If you can talk us through some of the strategic rationale there. It certainly seems to be pretty well-received by the market. And talk about some of the diversification, the new TAMs, that'd be great.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
Yeah. Yeah, we're really excited about Paya. I think the first and foremost, Paya just a really good bunch of people, Jason. They're hard working. They're heads down. They're focused on integrated payments and B2B.

What we loved as we started exploring Paya was the fact that integrated payment companies need global expansion opportunities as well. So we found an entirely new use case for what Nuvei does day-in and day-out. And as we started looking at B2B—these companies needed to connect with other B2B or end customers ultimately around the world as well.

So for us, what we're excited about from the Paya perspective is our new (integrated payments) channel, $35 trillion of payment volume runs through integrated payments, and so we have now augmented our TAM. We think that this is highly appropriate for our technology stack and driving new use cases and, ultimately, new end markets. And the same is true in B2B.

As we start looking at a lot of these B2B integrations, not only do these ERPs operate all around the world, but as we're integrating today and learning from our end customers that they have needs in multiple countries, we understand that those needs in multiple countries are different. Just because how you pay in the United States via credit or ACH can be predominant forms of payment. Those needs can be very different across all the other countries that we support.

So we're excited about the fundamentals, which is two very important new use cases for our technology. There's now a nice mix between discretionary, non-discretionary, non-cyclical growth vectors for us and just reinforces our very attractive financial profile.

**Jason Kupferberg, BofA Securities**

Yeah. And maybe if we can go a little deeper into B2B, I think that was maybe 35%-ish of Paya's revenue, so significant, for sure. And maybe if you can just unpack that a little bit more—what is the nature of that B2B operation that they have and the revenue synergy opportunities that you see now that Paya is part of the Nuvei family.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Well, I want to stress that we've only owned it now for less than a month. Tomorrow will be a month, so we're still on the, "plan the work, work the plan," phase. But I think the thesis holds true. You have a lot of these ERP platforms that have global installations. Today, Paya is only servicing the North American part, so they were never able to address the entire payment requirements of these B2B platforms.

And so, today, we're able to come in for the entire scope, where in some markets credit is prevalent. Certainly, we appreciate that. But in many markets, credit is not as prevalent. And so today, with our open banking alternative payment methods, or SEPA payments, or faster payments in the UK and all the other elements that we're able to drive to, we're very excited about helping and accelerating our B2B footprint.

Our initial review with our B2B partners is that there's significant opportunity around the world where they're having pain points. And what's fun here is that we normalize that experience for the B2B partner and the VARs themselves as well. So think about just one integration, just one company to deal with.

Ultimately, we're able to drive payment acceptance and integration to the ERP regardless of where the customer sits. So if you're a B2B that's going to another company that sits outside of the United States that has a different preference of payment or the end ERP user as well. So early days, but we're very excited about it, Jason. We're focused today on the Accounts Receivable (AR) side. We think there's lots to do around the AR side. But as you know, B2B has lots of adjacent opportunities that we'll unpack in the future, including Accounts Payable and spend management and other opportunities that we think can play relevant roles for us in the future.

**Jason Kupferberg, BofA Securities**

Yeah. So let's talk about 2023 and the outlook there. You guys provided guidance relatively recently (on March 8th), 23% to 28% organic growth, excluding the digital asset and crypto piece, which is obviously gotten pretty small now over time.

So that's really the core business there with that kind of growth rate, which is obviously pretty attractive. Maybe break down the growth algorithm for us a little bit. You're obviously growing share within existing customers. You're cross-selling. You're bringing new merchants onto the platform. Maybe if you can just dissect the growth algorithm a little bit.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Yeah, happy to. The interesting thing is, naturally, digital assets have clouded it a little bit just because they go up and they go down. They run through a market cycle—which normally takes 7 to 10 years—in three months it seems like these days.

**Jason Kupferberg, BofA Securities**

And look what happened the last couple of weeks.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Unbelievable, but that being said, we've been really consistent and performing at this level. And the building blocks I'll unpack in a second.

But the more interesting thing to highlight, from our standpoint, is the investments that we've been making and the returns that we're seeing from our expanded go-to market. So the three building blocks that are really important certainly is the journey of our own customers, Jason. And remember, we're not signing startups.

Our customers are existing enterprises that are onboarding us for a very particular reason where we're winning wallet share from a third party. It could be one of the legacy enablers, as some of them don't have the flexibility. So the first part is the current customers that have their own roadmap. And that is a wallet share opportunity, both from a solutions perspective—meaning that we add more capabilities—or from a geography perspective.

Right behind that is the second building block which is new customers. So every year, we start a new cohort. We build that cohort. We talked in the last earnings call that our new business cohort in 2022 was up 23% at the exit of Q4 versus the previous year. So these are investments into marketing and brand awareness that are yielding results. So that when folks are thinking about their global payment initiatives, they're thinking about Nuvei as well as some of our better and well known peers.

And the third building block is the annualization of the previous year's cohort. And if you looked at our Capital Markets, Day presentation (from March 28, 2022), we did a disclosure wherein January started zero. By the end of the first year, you have between half—sometimes a third to half—and then it typically doubles the following year.

So those are the building blocks that are very consistent. What is going to change naturally is Paya, because now it's not just new customers in terms of journey, it's also partners. And partners may have more explosive growth in the second year as we monetize them. So those are the things that we find really compelling. Overall it's very predictable and certainly follows the journey of our technology and our innovations as we continue drive from market to market.

**Jason Kupferberg, BofA Securities**

You guys also updated some of your medium longer-term targets on the latest earnings call. Can you take us through that a little bit and talk about just the rationale behind some of those updates?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Yeah, we did a few things. The first thing is we brought the (revenue) growth target from greater than 30 down to greater than 20%, two big rocks there. Obviously, when we provided the initial revenue target, we had digital assets in there which were growing much faster. We see an organic growth this year (ex digital assets) between 23% and 28%. And then you have to add slower growth Paya to the mix, and we think that we can, over time, accelerate Paya. So our target there was reduced from greater than 30% to greater than 20%.

The second thing is we found volume and revenue redundant because they're both providing the same indications. So what we end up driving to is that we had revenue as our key measurement of growth. We have our profitability target in terms of adjusted EBITDA, and here we expect operating margin of the business improves as we continue scaling. And then we introduced a target for CapEx. And what we want to highlight here is we're scaling quickly. And we're able to do that while maintaining our CapEx at between 4 and 6%, and that gives it a direct correlation to free cash flow generation in the performance of the business.

**Jason Kupferberg, BofA Securities**

Right. And if we maybe just reflect back on some of the Q4 trends a little bit, take a little bit of tour around the world by region. Like you said, you guys are obviously global. I mean, one thing that really stuck out to us-- what stood out to us was the acceleration and growth in North America, direct e-com. That was pretty interesting.

So I want to drill down on that a little bit. Maybe talk about what's behind some of the successes you've seen there and to the extent you can comment on who you think you're taking business from there. People are always interested in that.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Well, we're not taking enough business. We always want more, Jason. I keep reminding everyone, we're hungry. But the fun thing here is it's just continuous building blocks. Our investments started in Europe. We've built our playbook from building our global distribution there. We've moved about a year and a half ago into the US.

Our US has been predominantly our small business portfolio, which is the legacy, Nuvei. This is the small ISO business I started 20 years ago. And now that it's a smaller part of the US business as we're gaining momentum around global e-commerce, and as we're gaining momentum in LatAm and APAC. And so it's not just one particular market. But I'm really pleased with the transformation that we're seeing in the US.

One thing that is interesting from our end is keeping in mind that a customer can be born in the US but process anywhere around the world. So it's not just where we book the revenue in the US, but it's also the momentum of the US still being the locomotive of the world. And so being the input in terms of all the other regions.

So in terms of our footprint in the US today, we're really excited about the pipeline, really excited about the conversations we're having. Last year, we established a strategic accounts team where we focus on the biggest named accounts. The bulk of those, obviously, are North American-based and helping us kind of drive-through in the category leaders across all of our core verticals. So it really is an output of the investments that we've been making in terms of go to market, client engagement and working with our customers. And you're going to continue seeing that inflection we think, in all regions as we keep executing.

**Jason Kupferberg, BofA Securities**
And for a lot of these wins, are you guys being added as an additional acquirer because they're doing a multi-acquirer strategy? Or are they completely replacing their provider or is it varied?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
The thing is that you'll never have a constant. The beauty is that we have to address the business model of our customers. Some of them will want multi-acquirers. Some want single. We have found, in general, is that e-commerce customers will have multi-acquirer strategies just to avoid downtime latency. And we fully support that. And our perspective is a little bit different from others. If we're part of the wallet share, and we're fortunate enough to help our customers execute on their own strategy, we're humbled. And we're really appreciative to be part of that journey. We'll stay really close to them to grow. We'll stay really close with them to make sure that if there's an opportunity, we'll take it. But we're just thankful to be able to be part of that journey and grow with our customers.

**Jason Kupferberg, BofA Securities**
Another area that's gotten our attention—and you mentioned it briefly in passing—but I want to go deeper into LatAm. It's 5% of revenue, which I realize isn't huge, but it's growing like a weed. I think you were up 90% in the fourth quarter. So I wanted to hear a little bit more about the specific growth strategy there, some of the individual countries within Latin America where your competitive differentiation is coming into play, and maybe a little bit about the competitive landscape.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
LatAm is interesting, just in general, because you have high-take rate emerging market folks that I think are probably more at risk. You have the local regional players, but it's still operating really separately.

You have leaders in Peru. You have leaders in Ecuador. There are two big markets that everyone is focused on being Mexico and Brazil, and you have all the secondary markets that we look at after the fact. We've been doing a lot of plumbing work to make sure that we have local connectivity.

In LatAm, Jason, you have different tax requirements and different funding cycles. You have different alternative payment methods that are really important. So we've been on that journey for the past two years to offer a complete end-to-end product stack, both in country for operators that are seeking to operate domestically and across the region, and also for operators that are looking not necessarily to establish in the region, but to use our master merchant capability to sell into the region. And we're very pleased with the building blocks that we're assembling.

Yes, 90% isn't a small number, but there's a lot more for us to do. So if you look at innovation from local acquiring to the vast licensing that we have currently in flight from an approval process, to enabling things like PIX and/or open banking capabilities that we see in other markets growing in terms of wallet share expansion, we're just heads down plugging away.

So every country we pay attention to, we're obviously starting with bigger markets and driven by the needs of our customers, meaning where are the big markets that they're focused on. One area that we're trying to stay on top of and which is a natural draw based on our vertical strength is regulated gaming in Brazil. It's going to be something that we think is pretty substantial. We're waiting for a final legislation, and that's something that we're pretty excited about.

And then if you start looking at APAC where we've added three markets, and in the UAE where we have pending licenses as well. So it's not just one market. And I think that's really the most important part is every year, we strive to open up five new geographies on an end-to-end basis.

We've done one so far this year with Australia. At the end of last year, we launched Singapore and Hong Kong, which dramatically expanded our footprint in APAC. And that's what we're going to continue doing. Five new markets a year driven by merchant needs and where we see the greatest opportunity, monetize them from our existing customers, and then add resources and operating infrastructure to start growing within the countries.

**Jason Kupferberg, BofA Securities**
Yeah, I was going to ask you about APAC. That's some good color as you pursue that global footprint. If we think about your existing base of customers, I think in-- whatever a normal year is, we haven't had a normal year, I guess, in a while. But maybe 80% or so of your revenue would come from existing customers. And you talked about some building blocks earlier. But now that we're cycling through some of the comps around digital assets, et cetera, and you think about 2023, can you go back to that formula again where the contribution to growth from the existing customer base will be what it was in the past.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
Yeah, I think that's a good question. I mean, 2022 was a lot of noise, both from an FX perspective and a crypto perspective. So we saw growth from existing customers around 44% and 56% from new business. So it just shows you how important and how much momentum we're seeing out of the new business from an execution perspective.
We think a lot about—if you end up looking at it—where headwinds from FX and digital assets the rest of the business performed-- as it has historically. So we do believe it's going to be an 80/20 this year. If we outdo ourselves from a net new business perspective, it might move to 75% to 70%, roughly from existing to new. But it will continue along that same cadence.

**Jason Kupferberg, BofA Securities**
OK. Understood. I wanted to ask about adjusted EBITDA margins if we look at the guide for 2023--37% to 38% is basically the zip code that we're looking at.

But you do have that long-term target, 50%-- or 50% plus, I guess, which I think has been framed as a five to seven-year type of goal. So how do we bridge that gap over time? What are the levers and the drivers there to get us that long term target down the road?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
Yeah, great question. I think the biggest thing that I'd love to point you guys back to, we did this disclosure in Q4 whereby constant currency revenue growth in Q4 excluding digital assets was 26% year-over-year. But if you really look at that 26%, it was around $35 million of (total headwinds to) revenue, with about $12 million of that from FX, and around $23 million from digital assets.

Because we're at scale, the bulk of that falls to the bottom line. So you think about how powerful the business has grown from an operating margin perspective. We went-- we replaced all of that, maintained our EBITDA, while we've been investing in the business and continued scaling.

And I think that's the biggest thing. We have a lot more room to continue scaling our platform while we've doubled transaction count and have had significant peaks. Our infrastructure supports a multiple in terms of additional volume. So those are the operating efficiencies that will continue driving us forward.

So, yes, we are going to continue making investments in marketing and distribution. Product and product innovation are really important for us to continue in a leadership position. But over time, we're going to continue expanding our EBITDA margin as we've shown historically.

So we stayed relatively flat (in adjusted EBITDA), Jason, while basically losing all of digital assets, which was (at one point nearly) 25% of our revenue (in 4Q21). So it's very impressive how the business continues to scale. Paya is a lower operating margin business. But just to double-click, we have about $21 million of cost synergies identified in Paya.

We factored those more into 2024 just because this wasn't a cost play. This wasn't a case of reducing myself to be a hero. This was really to invest in the future.

But (that $21 million) is about a third in terms of public company cost, a third in processing, and then, really, a third in terms of vendors and others.  So eliminating that brings Paya's EBITDA margin closer to ours, and then, naturally, as we continue expanding Paya going forward. So the real building blocks str just the scaling of the platform. And every incremental gross dollar-- gross profit dollar falls to the bottom line and expands EBITDA margin over time.

**Jason Kupferberg, BofA Securities**

So I guess in sort of a base case, if you think about getting (adjusted EBITDA margins) from upper 30s to 50, over that period of time, would it be a roughly routable process? Or do you think that there's a point in time where some investments have to be scaled up, and we take a pause and then we gap up?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

No, I think it would be certainly more towards the latter case as we're still investing. But it's something to highlight, Jason. We've never been growth at all costs. we've never been the company that throws a bunch against the wall and continues.

We've been really thoughtful in terms of how we spend and how we invest in the business. And that is why we have that enviable financial profile. We're going to continue to do just that. So we are going to invest but step by step with caution, making sure we execute and then continue driving forward.

**Jason Kupferberg, BofA Securities**

OK. Well, we'll look forward to that for sure. Let's talk about the in-sourcing of back end processing in North America. You guys highlighted that on the call. I think North America is the only region where you don't do that already. Is that correct?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

That's correct, yeah.

**Jason Kupferberg, BofA Securities**

OK. So just talk us through some of the strategic benefits there. I think there's going to be some cost benefits too, but that wasn't kind of the sole motivation for it. And then, if you could also just touch on timeline, how big of a lift is this?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Yeah-- and I know this is very topical of growth companies saying, hey, we're losing this third party. And look at all the extra dollars we're making in terms of margin expansion opportunity. But that's never been the interest for us here, Jason. We are a global processing platform. We elected to integrate our third party in the US because we have so many projects from clearing and settlement in every new country that we launched. Over the past year, we've been adding resources to continue driving US interchange tables for clearing and settlement. And we have been piloting it successfully. That allows us to drive the end-to-end experience for the customer.

I would say the biggest thing for us is just the flexibility of driving our own roadmap, the ability to consolidate data and to provide single point solutions to our customers to improve our NPS and improve the experience, drive streamlined data, ultimately for all their global operations. And then, finally, it's just that unified experience, ultimately, we think creates a deep differentiation from us and to the other peers.

The thing to keep in mind is that because we're operating with global multinational companies, the legacy backends don't really work for them. Think about it. You have a global operating company that says, I want clearing and settlement in all of these different countries. But I want you to invoice me out of Europe. I want settlement in the US.

All that flexibility doesn't work. and I'd say I want to unify my data. I want to be able to have and consume it on a single basis.

I want the same data ultimately around the world. Those things don't exist with some of the legacy players today. And those are the things that we do really well, and we're pretty excited about bringing that in.

We think it's not just the third party expense. That's important. We think it's really the journey that we could then take with our customers. That's far more interesting.

**Jason Kupferberg, BofA Securities**
OK. OK. And in terms of a rough timeline I mean, how long does this take effect?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
We do it everywhere. So I think we mentioned 18 months is that start to finish where we want to move everything off. That that's our objective.

I would caution that if we find another market that requires us to pivot, we would. But we already do self-authorizing in Canada, so we already drive most of that traffic. In the US, we self-authorize, I think 5% to 10% of our business already so something that we're well on track to complete. And then naturally, it's just the back end and clearing and settlement which would be in 2024.

**Jason Kupferberg, BofA Securities**
OK, got it. If we maybe shift over to capital deployment for a minute, which is always an interesting topic. You guys were very clear on the earnings call.

Here in the near term, for 2023, it's going to be share buyback. Earlier this week we announced the renewal of the normal course issuer bid so that we have authorization to buy up to 10% of the public float.

So now that's in place. So I guess from a timing standpoint, what's kind of governing the decision-making here? Is it where you are from a leverage perspective and delevering as EBITDA grows? Is it more of just kind of being tactical with the stock price? How do you expect that to play out?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
I think it's all of the above. But we want to highlight our primary focus, which is to delever. As such, we're delevering between 0.1 and 0.2 turns a quarter with about a full turn of full-- in one year post by acquisition. And that gives us optionality. So aside from debt repayment, we then have the flexibility of being entrepreneurial with opportunistic M&A that adds value to us and to our customers or returning capital shareholders in the form of accelerated stock buybacks.

So we're staying consistent on that. We have last year, we filed an NCIB as well. We bought 5% of the float. These are big numbers that was bought back last year.

This year, we have an idea again for 10%. And we're going to review where we are on a quarterly basis, Jason, and we'll make that assessment of where we allocate capital.

**Jason Kupferberg, BofA Securities**
Right. OK, understood. And maybe just to pick up on the point of M&A a little bit. You guys obviously have a strong track record there historically. And I understand the focus is more on delevering and returning cash to shareholders.

But I'm sure you'll continue to look at what's out there. And obviously, a lot of valuations have come down. So, I mean, is it possible that maybe there's a couple of tuck-ins along the way this year? Or should we really be thinking about 2024 is the likely time frame to reengage with acquisitions?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**
I mean, I hate to draw a line in the sand. I think it's more of a moment in time of what you're seeing. I like what we have right now, Jason. But remaining entrepreneurial and flexible is certainly part of our DNA. And if we see something that adds a capability that we can help monetize to our customers or adds a geography and a quick we wouldn't say no. There are none of those discussions right now, but I can't tell you what tomorrow holds.

I will say there's something that's really interesting. If you think about Paya, had we done Paya a year ago, there likely would have been an equity component required. Dislocation in the market is an opportunity, and so we're not blind to that, either. And, ultimately, as long as that continues, opportunities will continue presenting themselves. So I don't want to draw a line in the sand and think that we're not doing it. And that's what we want to highlight. If there are opportunistic-- opportunities that present themselves, we consider it.

**Jason Kupferberg, BofA Securities**
In terms of stock-based compensation, where do you guys stand there? Everyone uses it to some extent, but are you comfortable with how its deployed at Nuvei? If you think of it as a percentage of revenue? Are you comfortable with where you guys are now? Have you made any changes to cash versus equity-based across your employee-based at all?

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Our story around stock based comp is a little bit more challenging than others because when the short report happened, we topped everybody up. Ultimately, it's about being loyal and committed to our employee base.

And I think that's the biggest thing that we could take away -- we've had a lot of noise in the numbers, and that's why they appear higher than others. But I think, directionally, if you really look at outside of the one timers and the noise, and it's also important to consider that almost five million shares are out of the money from stock-based comp, which is probably about 50% of the stock-based comp. I think a reasonable number once the noise passes through for Nuvei would be a mid-single-digit, mid to 6% to 7% as a percentage of revenue from stock-based comp, which puts us in line with our peers.

**Jason Kupferberg, BofA Securities**

OK, understood. And then I wanted to just wrap up on free cash flow because, obviously, that's become a more important metric in this kind of market. So maybe you can talk about trends in free cash flow generation at Nuvei and how we should think about free cash flow conversion on a normalized basis going forward. Obviously, you're going to probably have margins going up like we talked about. So if you can unpack that for us, it would be great.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

We've always been operating like we had historically. If you look at our history, Jason, when we bought SafeCharge, we were levered up to almost 10 times. So really disciplined in terms of managing our free cash flow while at the same time de-levering-- being really astute to how we invest. And that stays with us today.

So, last year (2022), just slightly over $300 million of free cash flow, naturally, Paya and the continued growth of the business will continue driving forward there. What I love about our business is that we're able to be high growth, high profitability, good EBITDA margins, low CapEx, and high free cash flow. And that is all table stakes in terms of how we invest in growing the business from here.

I think those are really the unique elements of the platform. I think that's the best way for me to guide it to you. We've been able to continue growing our free cash flow even with digital asset headwinds, which was more profitable business. And that is something that will continue in 2023.

**Jason Kupferberg, BofA Securities**

Right. And you're going to have the CapEx staying pretty steady in that 4 to 6 range along the way, right? All right. Well, we covered a lot of ground in a relatively short period of time. Really appreciate all the insights. Thank you for taking the time with us, Phil. And thanks to everyone who logged in for this session.

**Phil Fayer, Chair & Chief Executive Officer, Nuvei**

Thank you, everyone. I appreciate it. Thank you, Jason.