



Waystar Reports Third Quarter 2025 Results

Q3 revenue growth of 12% year-over-year

Q3 net income of \$30.6 million and non-GAAP net income of \$67.8 million

Q3 net income margin of 11%; adjusted EBITDA margin of 42%

Raising revenue and adjusted EBITDA guidance for 2025

LEHI, Utah and LOUISVILLE, Ky., October 29, 2025 — Waystar Holding Corp. (Nasdaq: WAY), a provider of leading healthcare payment software, today reported results for the third quarter ended September 30, 2025.

“Waystar delivered another quarter of double-digit revenue growth and strong margins, outpacing our guidance on both measures,” said Matt Hawkins, Chief Executive Officer of Waystar. “Our integration of Iodine Software is well underway, enhancing Waystar’s AI-powered platform and unlocking new opportunities to drive profitable growth. Continuing demand and focused execution reinforce our confidence in raising our full-year guidance.”

Third Quarter 2025 Financial Highlights

- Revenue of \$268.7 million, up 12% year-over-year
- Net income of \$30.6 million, GAAP net income per diluted share of \$0.17, and net income margin of 11%
- Non-GAAP net income of \$67.8 million and non-GAAP net income per diluted share of \$0.37
- Adjusted EBITDA of \$112.7 million and adjusted EBITDA margin of 42%
- Cash flow from operations of \$82 million and unlevered free cash flow of \$96 million

Key Metrics and Revenue Disaggregation

- 1,306 clients contributed over \$100,000 in LTM revenue, up 11% year-over-year
- Net revenue retention rate (NRR) of 113%
- Subscription revenue of \$134.5 million, up 14% year-over-year
- Volume-based revenue of \$132.3 million, up 10% year-over-year

Financial Outlook

As of October 29, 2025, Waystar provides the following guidance for its full fiscal year 2025.¹

- Total revenue is expected to be between \$1.085 billion and \$1.093 billion
- Adjusted EBITDA is expected to be between \$451 million and \$455 million
- Non-GAAP net income is expected to be between \$271 million and \$274 million
- Diluted non-GAAP net income per share is expected to be between \$1.46 and \$1.47

Webcast Information

Waystar's financial results will be discussed on a conference call scheduled at 4:30 p.m. Eastern Daylight Time today, October 29, 2025. A live audio conference call will be available on Waystar's website at <https://investors.waystar.com/news-events/events>. The webcast will be archived on the site for those unable to listen in real time. This earnings release and the related Current Report on Form 8-K filed October 29, 2025, can be accessed on the Investor Relations page of the company's website. We routinely post important information on our website, including corporate and investor presentations and financial information. We intend to use our website as a means of disclosing material, non-public information and for complying with our disclosure obligations under Regulation FD. Such disclosures will be included in the Investor Relations section of our website. Accordingly, investors should monitor this portion of our website, in addition to following our press releases, U.S. Securities and Exchange Commission ("SEC") filings, and public conference calls and webcasts.

Non-GAAP Financial Measures

To supplement the consolidated financial statements prepared and presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this press release contains certain non-GAAP financial measures as defined below. We present non-GAAP financial measures as supplemental measures of financial performance that are not required by, or presented in accordance with, GAAP. We believe they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Management believes these non-GAAP financial measures are useful to investors in highlighting trends in our operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate, and capital investments. Management uses adjusted EBITDA and adjusted EBITDA margin to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, to establish discretionary annual incentive compensation,

¹We have not reconciled the forward-looking adjusted EBITDA, non-GAAP net income, and non-GAAP net income per share guidance included above to the most directly comparable GAAP measure because this cannot be done without unreasonable effort due to the variability and low visibility with respect to certain costs, the most significant of which are incentive compensation (including stock-based compensation), transaction-related expenses, and certain fair value measurements, which are potential adjustments to future earnings. We expect the variability of these items to have a potentially unpredictable, and a potentially significant, impact on our future GAAP financial results.

and to compare our performance against that of other peer companies using similar measures. Management supplements GAAP results with non-GAAP financial measures to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone provide.

Adjusted EBITDA, adjusted EBITDA margin, non-GAAP net income, non-GAAP net income per share and unlevered free cash flow are not recognized terms under GAAP and should not be considered as an alternative to net income (loss) or net income (loss) margin as measures of financial performance or cash provided by operating activities as a measure of liquidity, or any other performance measure derived in accordance with GAAP. Additionally, these measures are not intended to be a measure of free cash flow available for management's discretionary use, as they do not consider certain cash requirements such as interest payments, tax payments, and debt service requirements. The presentations of these measures have limitations as analytical tools and should not be considered in isolation, or as a substitute for analysis of our results as reported under GAAP. Because not all companies use identical calculations, the presentations of these measures may not be comparable to other similarly titled measures of other companies and can differ significantly from company to company. A reconciliation is provided below for our non-GAAP financial measures to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business.

The following non-GAAP financial measures and key performance metrics are defined below:

Adjusted EBITDA and adjusted EBITDA Margin

We define adjusted EBITDA as net income / (loss) before interest expense, net, income tax expense / (benefit), depreciation and amortization, and as further adjusted for stock-based compensation expense, acquisition and integration costs, asset and lease impairments, costs related to amended debt agreements and IPO and secondary offering costs. Adjusted EBITDA margin represents adjusted EBITDA as a percentage of revenue.

Non-GAAP Net Income / (loss) and Non-GAAP Net Income / (loss) Per Share

We define non-GAAP net income as GAAP net income / (loss) excluding the impact of stock-based compensation, acquisition and integration costs, asset and lease impairments, costs related to our IPO, and the Secondary Offerings, and costs related to amended debt agreements and amortization of intangibles. The tax effects of the adjustments are calculated using a management estimated annual effective non-GAAP tax rate of 21%, which is based on our statutory federal tax rate and provides consistency across interim reporting periods by eliminating the effects of non-recurring and period specific items. Due to the differences in the tax treatment of items excluded from non-GAAP net income, our estimate tax rate on non-GAAP net income may differ from our GAAP tax rate. Non-GAAP net income per share is shown on both a basic and diluted

basis and is defined as non-GAAP net income divided by the basic or diluted weighted-average shares, respectively.

Unlevered Free Cash Flow

We define unlevered free cash flow as cash from operations plus cash interest paid less capital expenses.

Net Debt

We define net debt as the sum of the current portion of long-term debt, long-term debt, and accounts receivable securitization less cash and equivalents and investment securities.

Adjusted Net Leverage Ratio

We define adjusted net leverage ratio as net debt divided by adjusted EBITDA over the preceding twelve months.

Key Performance Metrics

Net Revenue Retention Rate

Our Net Revenue Retention Rate compares twelve months of client invoices for our solutions at two period end dates. To calculate our Net Revenue Retention Rate, we first accumulate the total amount invoiced during the twelve months ending with the prior period-end or Prior Period Invoices. We then calculate the total amount invoiced to those same clients for the twelve months ending with the current period-end, or Current Period Invoices. Current Period Invoices are inclusive of upsell, downsell, pricing changes, clients that cancel or chose not to renew, and discontinued solutions with continuing clients. The Net Revenue Retention Rate is then calculated by dividing the Current Period Invoices by the Prior Period Invoices. Our total invoices included in the analysis are greater than 98% of reported revenue. We use Net Revenue Retention Rate to evaluate our ongoing operations and for internal planning and forecasting purposes. Acquired businesses are included in the last-twelve-month Net Revenue Retention Rate in the ninth quarter after acquisition, which is the earliest point that comparable post-acquisition invoices are available for both the current and prior twelve-month period.

Customer Count with >\$100,000 of Revenue

We regularly monitor and review our count of clients who generate more than \$100,000 of revenue.

Our count of clients who generate more than \$100,000 of revenue is based on an accumulation of the amounts invoiced to clients over the preceding twelve months. The invoices for acquired clients are included starting in the first full calendar quarter after the date of acquisition.

Forward-Looking Statements

This press release contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, that reflect our current views with respect to, among other things, statements regarding Waystar's expectations relating to future operating results and financial position, including full year 2025, and future periods; the

performance of our new product offerings; our industry and market opportunities, business strategy, goals, and expectations concerning our market position, future operations, margins and profitability, capital expenditures, liquidity, and capital resources and other financial and operating information. Forward-looking statements include all statements that are not historical facts. These statements may include words such as “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “future,” “will,” “seek,” “foreseeable,” “outlook,” the negative version of these words or similar terms and phrases to identify forward-looking statements in this press release, including the discussion of outlook for full fiscal year 2025.

The forward-looking statements contained in this press release are based on management’s current expectations and are not guarantees of future performance. The forward-looking statements are subject to various risks, uncertainties, assumptions, or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs, and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs, and projections will result or be achieved. The following factors are among those that may cause actual results to differ materially from the forward-looking statements: our operation in a highly competitive industry; our ability to retain our existing clients and attract new clients; our ability to successfully execute on our business strategies in order to grow; our ability to accurately assess the risks related to acquisitions and successfully integrate acquired businesses (including the acquisition of Iodine Software); our ability to establish and maintain strategic relationships; the growth and success of our clients and overall healthcare transaction volumes; consolidation in the healthcare industry; our selling cycle of variable length to secure new client agreements; our implementation cycle that is dependent on our clients’ timing and resources; our dependence on our senior management team and certain key employees, and our ability to attract and retain highly skilled employees; the accuracy of the estimates and assumptions we use to determine the size of our total addressable market; our ability to develop and market new solutions, or enhance our existing solutions, to respond to technological changes, or evolving industry standards; the interoperability, connectivity, and integration of our solutions with our clients’ and their vendors’ networks and infrastructures; the performance and reliability of internet, mobile, and other infrastructure; the consequences if we cannot obtain, process, use, disclose, or distribute the highly regulated data we require to provide our solutions; our reliance on certain third-party vendors and providers; any errors or malfunctions in our products and solutions; failure by our clients to obtain proper permissions or provide us with accurate and appropriate information; the potential for embezzlement, identity theft, or other similar illegal behavior by our employees or vendors, and a failure of our employees or vendors to observe quality standards or adhere to environmental, social, and governance standards; our compliance with the applicable rules of the National Automated Clearing House Association and the applicable requirements of card networks; increases in card network fees and other changes to fee arrangements; the effect of payer and provider conduct which we cannot control; privacy concerns and security breaches or incidents relating to our platform; the complex and evolving laws and regulations regarding privacy, data protection, and cybersecurity; our ability to adequately protect and enforce our intellectual property rights; our ability to use or license data and integrate third-party technologies; our use of “open source” software; legal proceedings initiated by third parties alleging that we are infringing or otherwise violating their intellectual property rights; claims that our employees, consultants, or independent contractors have wrongfully used or disclosed confidential information of third parties; the heavily regulated industry in which we conduct business; the uncertain and evolving healthcare

regulatory and political framework; healthcare laws and data privacy and security laws and regulations governing our processing of personal information; reduced revenues in response to changes to the healthcare regulatory landscape; legal, regulatory, and other proceedings that could result in adverse outcomes; consumer protection laws and regulations; contractual obligations requiring compliance with certain provisions of the Bank Secrecy Act and anti-money laundering laws and regulations; existing laws that regulate our ability to engage in certain marketing activities; our full compliance with website accessibility standards; any changes in our tax rates, the adoption of new tax legislation, or exposure to additional tax liabilities; limitations on our ability to use our net operating losses to offset future taxable income; losses due to asset impairment charges; restrictive covenants in the agreements governing our credit facilities; interest rate fluctuations; unavailability of additional capital on acceptable terms or at all; the impact of general macroeconomic conditions; actions of certain of our significant investors, who may have different interests than the interests of other holders of our securities; our status as an "emerging growth company" and whether the reduced disclosure requirements applicable to "emerging growth companies" will make our common stock less attractive to investors; and each of the other factors discussed under the heading of "Risk Factors" in the Company's 10K filed with the Securities and Exchange Commission (the "SEC") on February 18, 2025, and in other reports filed with the SEC, all of which are available on the Investor Relations page of our website at investors.waystar.com.

Any forward-looking statements made by us in this press release speak only as of the date of this press release and are expressly qualified in their entirety by the cautionary statements included in this press release. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. You should not place undue reliance on our forward-looking statements. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as may be required by any applicable securities laws.

About Waystar

Waystar's mission-critical software is purpose-built to simplify healthcare payments so providers can prioritize patient care and optimize their financial performance. Waystar serves approximately 30,000 clients, representing over 1 million distinct providers, including 17 of 20 institutions on the U.S. News Best Hospitals list. Waystar's enterprise-grade platform annually processes over 6 billion healthcare payment transactions, including over \$1.8 trillion in annual gross claims and spanning approximately 50% of U.S. patients. Waystar strives to transform healthcare payments so providers can focus on what matters most: their patients and communities. Discover the way forward at waystar.com.

Waystar Holding Corp.
Unaudited Condensed Consolidated Statements of Operations
(in thousands, except for share and per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenue	268,651	240,112	795,740	699,447
Operating expenses				
Cost of revenue (exclusive of depreciation and amortization expenses)	85,136	80,545	255,525	236,188
Sales and marketing	45,158	38,450	128,805	117,945
General and administrative	32,422	22,704	84,914	88,794
Research and development	12,403	11,082	36,103	37,303
Depreciation and amortization	33,300	60,185	100,106	148,635
Total operating expenses	208,419	212,966	605,453	628,865
Income from operations	60,232	27,146	190,287	70,582
Other expense				
Interest expense	(16,613)	(17,752)	(52,195)	(122,759)
Related party interest expense	(902)	(707)	(2,475)	(3,425)
Income/(loss) before income taxes	42,717	8,687	135,617	(55,602)
Income tax expense/(benefit)	12,069	3,274	43,516	(17,398)
Net income/(loss)	30,648	5,413	92,101	(38,204)
Net income/(loss) per share:				
Basic	0.18	0.03	0.53	(0.27)
Diluted	0.17	0.03	0.51	(0.27)
Weighted-average shares outstanding:				
Basic	174,352,079	171,578,311	173,388,077	142,367,458
Diluted	181,240,033	176,181,511	181,165,738	142,367,458

Waystar Holding Corp.
Unaudited Condensed Consolidated Balance Sheets
(in thousands, except for share and per share data)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 421,056	\$ 182,133
Restricted cash	24,301	22,449
Accounts receivable, net of allowance of \$5,895 at September 30, 2025 and \$5,885 at December 31, 2024	145,675	145,235
Income tax receivable	—	2,838
Prepaid expenses	20,557	14,414
Other current assets	1,993	3,972
Total current assets	<u>613,582</u>	<u>371,041</u>
Property, plant and equipment, net	48,172	46,731
Operating lease right-of-use assets, net	11,026	10,820
Intangible assets, net	954,967	1,039,049
Goodwill	3,019,999	3,019,999
Deferred costs	90,131	82,815
Other long-term assets	8,479	6,549
Total assets	<u>\$ 4,746,356</u>	<u>\$ 4,577,004</u>
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 51,401	\$ 47,365
Accrued compensation	28,300	31,589
Aggregated funds payable	23,848	22,059
Other accrued expenses	26,757	15,930
Deferred revenue	9,018	10,527
Current portion of long-term debt	11,099	11,311
Related party current portion of long-term debt	569	357
Current portion of operating lease liabilities	5,687	5,591
Current portion of finance lease liabilities	973	904
Total current liabilities	<u>157,652</u>	<u>145,633</u>
Long-term liabilities		
Deferred tax liability	123,034	100,523
Long-term debt, net, less current portion	1,158,411	1,185,411
Related party long-term debt, net, less current portion	55,783	35,211
Operating lease liabilities, net of current portion	11,855	13,133
Finance lease liabilities, net of current portion	10,549	11,290
Deferred revenue - long-term	5,385	5,739
Other long-term liabilities	1,091	278
Total liabilities	<u>1,523,760</u>	<u>1,497,218</u>
Commitments and contingencies (Note 19)		
Stockholders' equity		
Preferred stock \$0.01 par value - 100,000,000 and 100,000,000 shares authorized as of September 30, 2025 and December 31, 2024, respectively; zero shares issued or outstanding as of September 30, 2025 and December 31, 2024, respectively	—	—
Common stock \$0.01 par value - 2,500,000,000 and 2,500,000,000 shares authorized at September 30, 2025 and December 31, 2024, respectively; 174,667,840 and 172,108,240 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively	1,747	1,722
Additional paid-in capital	3,350,190	3,298,083
Accumulated other comprehensive income (loss)	(542)	881
Accumulated deficit	(128,799)	(220,900)
Total stockholders' equity	<u>3,222,596</u>	<u>3,079,786</u>
Total liabilities and stockholders' equity	<u>\$ 4,746,356</u>	<u>\$ 4,577,004</u>

Waystar
Unaudited Condensed Consolidated Statements of Cash Flows
(in thousands)

	Nine months ended September 30,	
	2025	2024
Cash flows from operating activities		
Net income/(loss)	\$ 92,101	\$ (38,204)
Adjustments to reconcile net income/(loss) to net cash provided by operating activities		
Depreciation and amortization	100,106	148,635
Stock-based compensation	29,871	47,400
Provision for bad debt expense	2,605	1,642
Loss on extinguishment of debt	711	20,277
Deferred income taxes	22,959	(57,984)
Amortization of debt discount and issuance costs	2,021	3,301
Other	—	(99)
Changes in:		
Accounts receivable	(3,045)	(13,445)
Income tax refundable	2,838	2,227
Prepaid expenses and other current assets	(4,980)	(1,714)
Deferred costs	(7,116)	(14,389)
Other long-term assets	(2,362)	(515)
Accounts payable and accrued expenses	10,580	9,366
Deferred revenue	(1,863)	(1,256)
Operating lease right-of-use assets and lease liabilities	(1,387)	(244)
Net cash provided by operating activities	<u>243,039</u>	<u>104,998</u>
Cash flows from investing activities		
Purchase of property and equipment and capitalization of internally developed software costs	(17,069)	(21,044)
Purchase of investment securities	(206,444)	—
Proceeds from sale of investment securities	206,444	—
Net cash used in investing activities	<u>(17,069)</u>	<u>(21,044)</u>
Cash flows from financing activities		
Change in aggregated funds liability	1,789	7,433
Proceeds from equity offering, net of underwriting discounts	—	1,017,074
Payments of third-party IPO issuance costs	—	(3,372)
Repurchase of shares	—	(844)
Proceeds from issuance of common stock from employee equity plans	22,439	1,488
Proceeds from issuances of debt, net of creditor fees	—	545,209
Payments on debt	(8,751)	(1,550,002)
Third-party fees paid in connection with issuance of new debt	—	(1,410)
Finance lease liabilities paid	(672)	(611)
Net cash provided by financing activities	<u>14,805</u>	<u>14,965</u>
Increase in cash and cash equivalents during the period	240,775	98,919
Cash and cash equivalents and restricted cash—beginning of period	204,582	45,428
Cash and cash equivalents and restricted cash—end of period	<u>\$ 445,357</u>	<u>\$ 144,347</u>
Supplemental disclosures of cash flow information		
Interest paid	\$ 59,303	\$ 101,189
Cash taxes paid (refunds received), net	9,439	38,558
Non-cash investing and financing activities		
Fixed asset purchases in accounts payable	539	586
Unpaid third-party IPO issuance costs	—	50
Reconciliation of Balance Sheet Cash Accounts to Cash Flow Statement		
Balance sheet		
Cash and cash equivalents	421,056	127,125
Restricted cash	24,301	17,222
Total	<u>445,357</u>	<u>144,347</u>

Waystar
Reconciliation of Adjusted EBITDA
(in thousands)
(unaudited)

<i>(\$ in thousands)</i>	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net income/(loss)	\$ 30,648	\$ 5,413	\$ 92,101	\$ (38,204)
Interest expense	17,515	18,459	54,670	126,184
Income tax expense/(benefit)	12,069	3,274	43,516	(17,398)
Depreciation and amortization	33,300	60,185	100,106	148,635
Stock-based compensation expense	11,597	7,903	29,871	47,400
Acquisition and integration costs	5,313	188	6,197	696
Costs related to amended debt agreements	649	106	649	12,876
IPO related and Secondary Offering expenses	1,372	109	4,571	2,114
Other (a)	240	1,040	1,320	1,040
Adjusted EBITDA	\$ 112,703	\$ 96,677	\$ 333,001	\$ 283,343
Revenue	\$ 268,651	\$ 240,112	\$ 795,740	\$ 699,447
Net income/(loss) margin	11.4 %	2.3 %	11.6 %	(5.5)%
Adjusted EBITDA margin	42.0 %	40.3 %	41.8 %	40.5 %

(a) Adjustments relate to additional lease costs due to the relocation of our Louisville office totaling \$0.2 million and \$0.7 million, respectively, and executive severance totaling \$0.0 million and \$0.6 million, respectively, for the three and nine months ended September 30, 2025. For the three and nine months ended September 30, 2024, adjustments relate to additional lease costs due to the relocation of our Louisville office.

Waystar
Reconciliation of Non-GAAP Operating Expenses
(in thousands)
(unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Cost of revenue (exclusive of depreciation and amortization expenses)	85,136	80,545	255,525	236,188
Less Stock-based compensation expense	(418)	(300)	(1,064)	(2,161)
Less Acquisition and integration costs	(3)	-	(3)	(31)
Less IPO and Secondary Offering expenses	-	(4)	-	(9)
Cost of revenue (exclusive of depreciation and amortization expenses), adjusted	84,715	80,241	254,458	233,987
Sales and marketing	45,158	38,450	128,805	117,945
Less Stock-based compensation expense	(2,392)	(1,587)	(6,198)	(10,958)
Less Acquisition and integration costs	(79)	-	(79)	
Less IPO and Secondary Offering expenses	-	94	-	(141)
Sales and marketing, adjusted	42,687	36,957	122,528	106,846
General and administrative	32,422	22,704	84,914	88,794
Less Stock-based compensation expense	(7,218)	(4,832)	(18,418)	(27,043)
Less Acquisition and integration costs	(5,119)	(86)	(5,778)	(272)
Less Costs related to amended debt agreements	(649)	(106)	(649)	(12,876)
Less IPO and Secondary Offering expenses	(1,372)	(200)	(4,571)	(1,956)
Less Other (a)	(240)	(1,040)	(1,320)	(1,040)
General and administrative, adjusted	17,824	16,440	54,178	45,607
Research and development	12,403	11,082	36,103	37,303
Less Stock-based compensation expense	(1,569)	(1,184)	(4,191)	(7,238)
Less Acquisition and integration costs	(112)	(102)	(337)	(393)
Less IPO and Secondary Offering expenses	-	1	-	(8)
Research and development, adjusted	10,722	9,797	31,575	29,664
Depreciation and amortization	33,300	60,185	100,106	148,635
Less Other (a)	-	(15,776)	-	(15,776)
Less Intangible amortization	(27,851)	(39,080)	(84,081)	(117,240)
Depreciation and amortization, adjusted	5,449	5,329	16,025	15,619
Income tax expense/(benefit)	12,069	3,274	43,516	(17,398)
Plus Tax effect of adjustments	9,875	13,482	26,605	41,400
Income tax expense/(benefit), adjusted	21,944	16,756	70,121	24,002

- (a) Adjustments relate to additional lease costs due to the relocation of our Louisville office totaling \$0.2 million and \$0.7 million, respectively, and executive severance totaling \$0.0 million and \$0.6 million, respectively, for the three and nine months ended September 30, 2025. For the three and nine months ended September 30, 2024, adjustments relate to additional lease costs due to the relocation of our Louisville office.

Waystar
Reconciliation of Non-GAAP Net Income
(in thousands, except share and per share amounts)
(unaudited)

(\$ in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net income/(loss)	\$ 30,648	\$ 5,413	\$ 92,101	\$ (38,204)
Stock based compensation	11,597	7,903	29,871	47,400
Acquisition and integration costs	5,313	188	6,197	696
Costs related to amended debt agreements	649	106	649	12,876
IPO and Secondary Offering expenses	1,372	109	4,571	2,114
Other (a)	240	16,816	1,320	16,816
Intangible amortization	27,851	39,080	84,081	117,240
Tax effect of adjustments	(9,875)	(13,482)	(26,605)	(41,400)
Non-GAAP net income/(loss)	<u>\$ 67,795</u>	<u>\$ 56,133</u>	<u>\$ 192,185</u>	<u>\$ 117,538</u>
Non-GAAP net income/(loss) per share:				
Basic	\$ 0.39	\$ 0.33	\$ 1.11	\$ 0.83
Diluted	\$ 0.37	\$ 0.32	\$ 1.06	\$ 0.80
Weighted-average shares outstanding:				
Basic	174,352,079	171,578,311	173,388,077	142,367,458
Diluted	181,240,033	176,181,511	181,165,738	146,843,861

(a) Adjustments relate to additional lease costs due to the relocation of our Louisville office totaling \$0.2 million and \$0.7 million, respectively, and executive severance totaling \$0.0 million and \$0.6 million, respectively, for the three and nine months ended September 30, 2025. For the three and nine months ended September 30, 2024, adjustments relate to additional lease costs due to the relocation of our Louisville office.

Waystar
Reconciliation of Unlevered Free Cash Flow
(in thousands)
(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net cash provided by operating activities	82,030	78,818	243,039	104,998
Interest paid	19,558	18,925	59,303	101,189
Purchase of PP&E and capitalization of internally developed software costs	(5,876)	(8,616)	(17,069)	(21,044)
Unlevered free cash flow	<u>95,712</u>	<u>89,127</u>	<u>285,273</u>	<u>185,143</u>

Waystar
Reconciliation of Net Debt
(in thousands)
(unaudited)

	September 30,	
	2025	2024
First lien term loan facility outstanding debt, current	11,668	12,909
First lien term loan facility outstanding debt, net of current portion	1,143,127	1,153,864
Receivables facility outstanding debt	80,000	80,000
Cash and cash equivalents	(421,056)	(127,125)
Net debt	813,739	1,119,648
Trailing Twelve Months Adjusted EBITDA	433,154	369,587
Adjusted Gross leverage ratio	2.9x	3.4x
Adjusted Net leverage ratio	1.9x	3.0x

Waystar
Reconciliation of Trailing Twelve Months (TTM) Adjusted EBITDA
(in thousands)
(unaudited)

	Three Months Ended				TTM
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2025
Net income/(loss)	30,648	32,184	29,269	19,079	111,180
Interest expense	17,515	18,255	18,900	20,086	74,756
Income tax expense/ (benefit)	12,069	14,407	17,040	13,978	57,494
Depreciation and amortization	33,300	33,426	33,380	37,996	138,102
Stock-based compensation expense	11,597	11,530	6,744	7,037	36,908
Acquisition and integration costs	5,313	655	229	163	6,360
Costs related to amended debt agreements	649	-	-	1,262	1,911
IPO and Secondary Offering expenses	1,372	1,769	1,430	26	4,597
Other (a)	240	326	754	526	1,846
Adjusted EBITDA	112,703	112,552	107,746	100,153	433,154

(a) Adjustments relate to additional lease costs due to the relocation of our Louisville office and executive severance.

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