



PERFORMANT

INVESTOR PRESENTATION

2025 Company Overview

This document is for educational purposes only and may be updated and this information is provided “as is” without any expressed or implied warranty. Rights and obligations discussed in relation to the information in these materials are non-binding unless and until the parties enter into a signed, legally binding agreement.

FORWARD LOOKING STATEMENTS

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the Company's outlook for revenues and adjusted EBITDA in 2025 as well as illustrative future revenues and adjusted EBITDA margins, our commercial client growth strategy, our estimated revenue from commercial programs implemented, our ability to implement our first state government contract, our ability to scale our business through contract awards and implementations and the expected benefits of integrating workflow efficiencies, including through investment in artificial intelligence software, natural language processing technologies and other technology initiatives. These forward-looking statements are based on current expectations, estimates, assumptions, and projections that are subject to change and actual results may differ materially from the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the Company's ability to generate revenue following long implementation periods associated with new customer contracts; client relationships and the Company's ability to maintain such client relationships; many of the Company's customer contracts are subject to periodic renewal, are not exclusive, do not provide for committed business volumes; anticipated trends and challenges in the Company's business and competition in the markets in which it operates; the Company's indebtedness and compliance, or failure to comply, with restrictive covenants in the Company's credit agreement; opportunities and expectations for growth in the various markets in which the Company operates; the Company's ability to hire and retain employees with specialized skills that are required for its business; downturns in domestic or global economic conditions and other macroeconomic factors; the Company's ability to generate sufficient cash flows to fund our ongoing operations and other liquidity needs; the impact of public health emergencies, such as the COVID-19 pandemic, on the Company's business and operations, opportunities and expectations for the markets in which the Company operates; the impacts of a failure of the Company's operating systems or technology infrastructure or those of third-party vendors and subcontractors; the impacts of a cybersecurity breach or related incident to the Company or any of the Company's third-party vendors and subcontractors; the adaptability of the Company's technology platform to new markets and processes; the Company's ability to invest in and utilize our data and analytics capabilities to expand its capabilities; the Company's growth strategy of expanding in existing markets and considering strategic alliances or acquisitions; the Company's ability to maintain, protect and enhance its intellectual property; expectations regarding future expenses; expected future financial performance; and the Company's ability to comply with and adapt to industry regulations and compliance demands.

More information on potential factors that could affect the Company's financial condition and operating results is included from time to time in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's annual report on Form 10-K for the year ended December 31, 2024 and subsequently filed reports on Forms 10-Q and 8-K. The forward-looking statements are made as of the date of this presentation and the Company does not undertake to update any forward-looking statements to conform these statements to actual results or revised expectations.



Guidance reflects strong revenue growth in 2025 and significant adj. EBITDA expansion



100%+

Adj. EBITDA expansion expected in 2025



Strong sales and implementation pipeline provides confidence and visibility into future revenue growth



Mid-teens

Revenue growth



Commercial traction — 10x growth vs. Government over last 5 years in a \$3B+ annual revenue opportunity segment



45%+

4-year commercial healthcare revenue CAGR



Industry leading player in a large and increasingly complex healthcare payment integrity industry



\$300B+

Payment Integrity Space



Best-in-class platform utilizes proprietary technology, AI and NLP to gain efficiencies and margin expansion



~200M

eligible lives in PHLT data assets



Experienced management with strong ties to payers across the healthcare landscape



900+

Professionals focused on payment integrity



“

We are driven by a singular purpose: transform the healthcare ecosystem by **addressing more than \$300 billion¹** in healthcare payment integrity. Our unwavering mission is to pioneer innovative solutions that redirect these funds towards enhancing patient care—an effort that aligns with the current administration’s commitment to rooting out **fraud, waste, and abuse.**

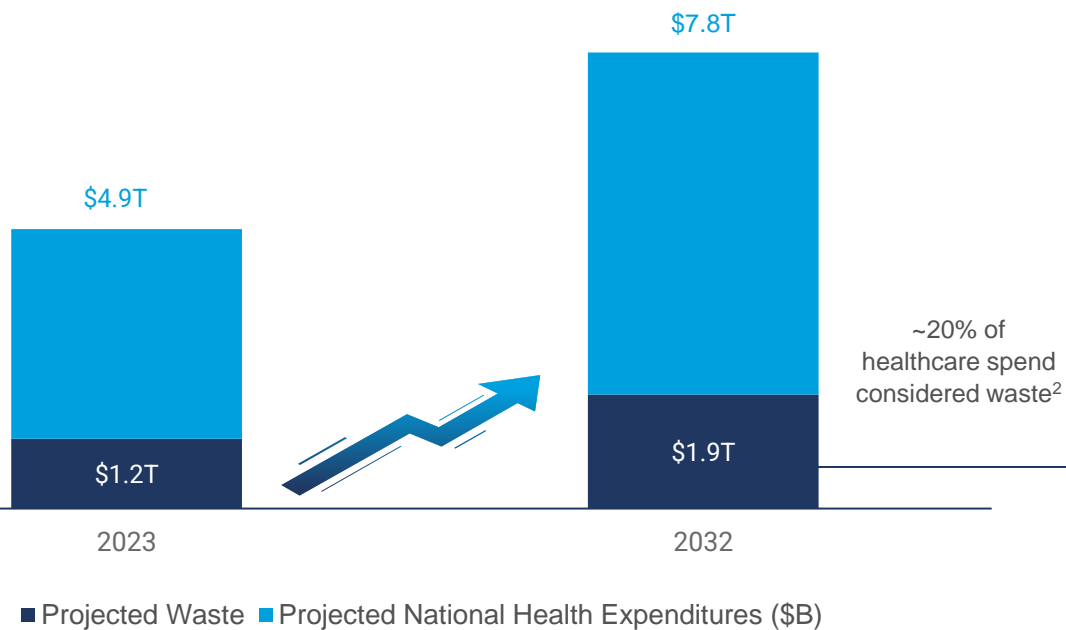
¹Source: JAMA “Waste in the US Health Care System: Estimated Costs and Potential for Savings

Emerging Leader In Large And Growing Market

Saved clients over \$1B in 2024

PERFORMANT

Projected National Health Expenditures¹



¹Source: CMS, National Health Expenditure Data Projections - 2022

²Source: JAMA "Waste in the US Health Care System: Estimated Costs and Potential for Savings" - 2019

Complex Industry Leads to Complex Solutions

Performant has the tools to address multiple payment errors and growing medical costs

PERFORMANT



COMPLEX CODING

Multiple coding standards to adhere to



NEW REIMBURSEMENT MODELS

Complicated contract arrangements



DISPARATE DATA

- Providers lack information about payer contracts and patient coverage
- Includes structured, unstructured and reference data



EVOLVING DEMOGRAPHICS

Ageing demographic and growing population covered by insurance

PERFORMANT



CLAIMS-BASED SERVICES

- Is this billed and coded accurately?
- Does this meet coding standards?
- Is this contract compliant?



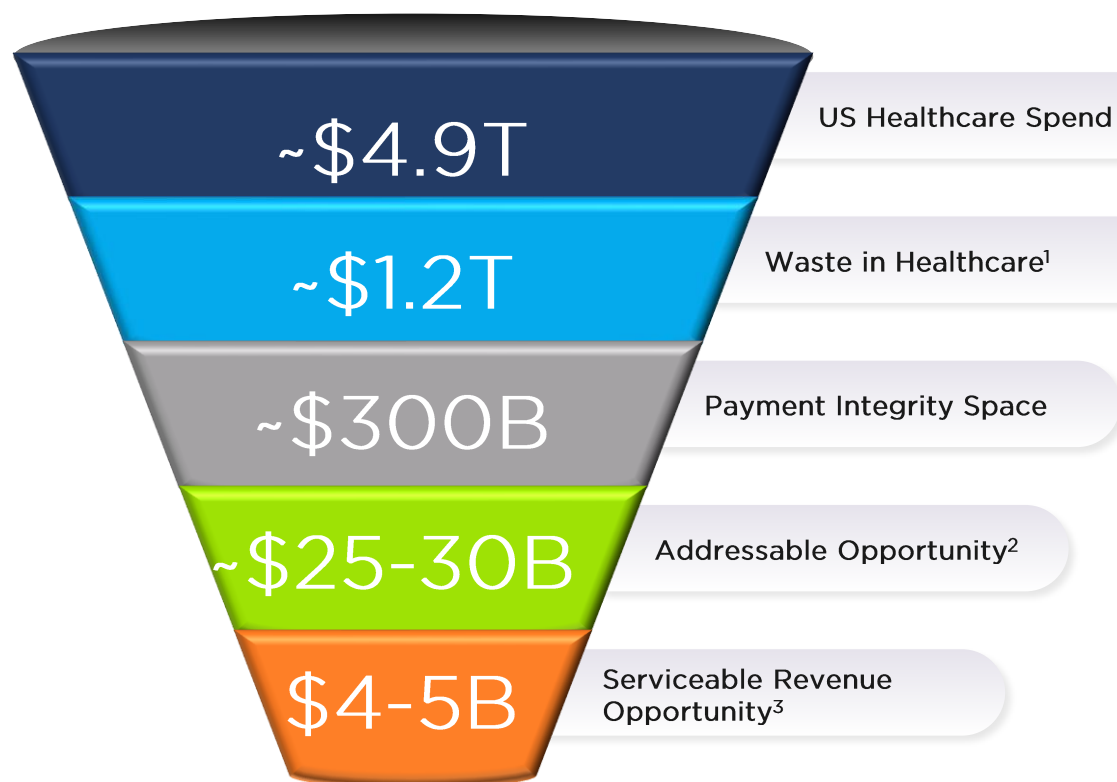
ELIGIBILITY-BASED SERVICES

- Is the correct party paying this claim?

Market Sizing

Claims processing is complex and inefficient, resulting in a meaningful market opportunity

PERFORMANT



\$4-5B Serviceable Revenue Opportunity

Federal Government

State Government

Commercial

Federal Government

\$500M-1B
Addressable

State Government

\$300-500M
Addressable

Commercial

\$3.2-3.5B
Addressable

¹Source: JAMA "Waste in the US Health Care System: Estimated Costs and Potential for Savings" - 2019

²Management estimates of addressable inaccurate payments; exclusion examples include inhouse work and structurally not addressable

³Management estimates based on blended hit and fee rates

Headline Federal Government Wins » Grew into State Government



Developed Stable Government Revenue Base (\$/mn)



Significant Commercial Opportunity & Growth

Our Government Experience Led to Meaningful Commercial Traction

PERFORMANT

\$3.2 - \$3.5B

Annual
Revenue
Opportunity

116 Commercial
Implementations
since 2022

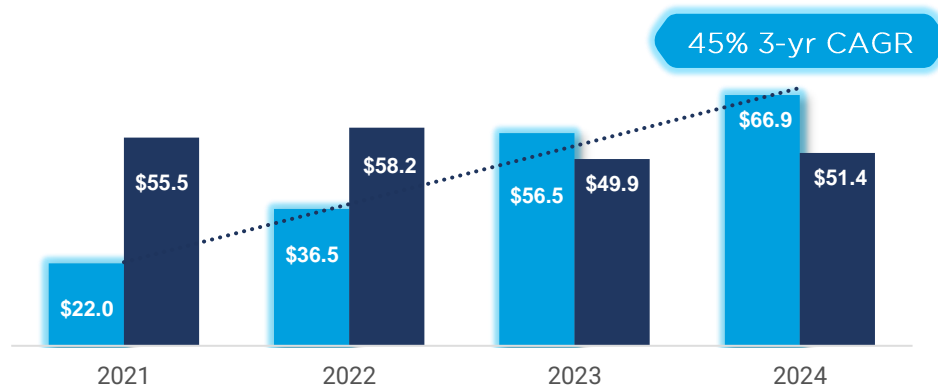
33% of 2024
Commercial
Audit Savings
Derived from
clients in our
oldest RAC
Region

Existing
Commercial
Clients grew
35% on
average since
2021

- Supportive margin profiles
- Sticky long-term relationships
- Meaningful sales leads to future growth

Commercial vs Government Revenue Growth

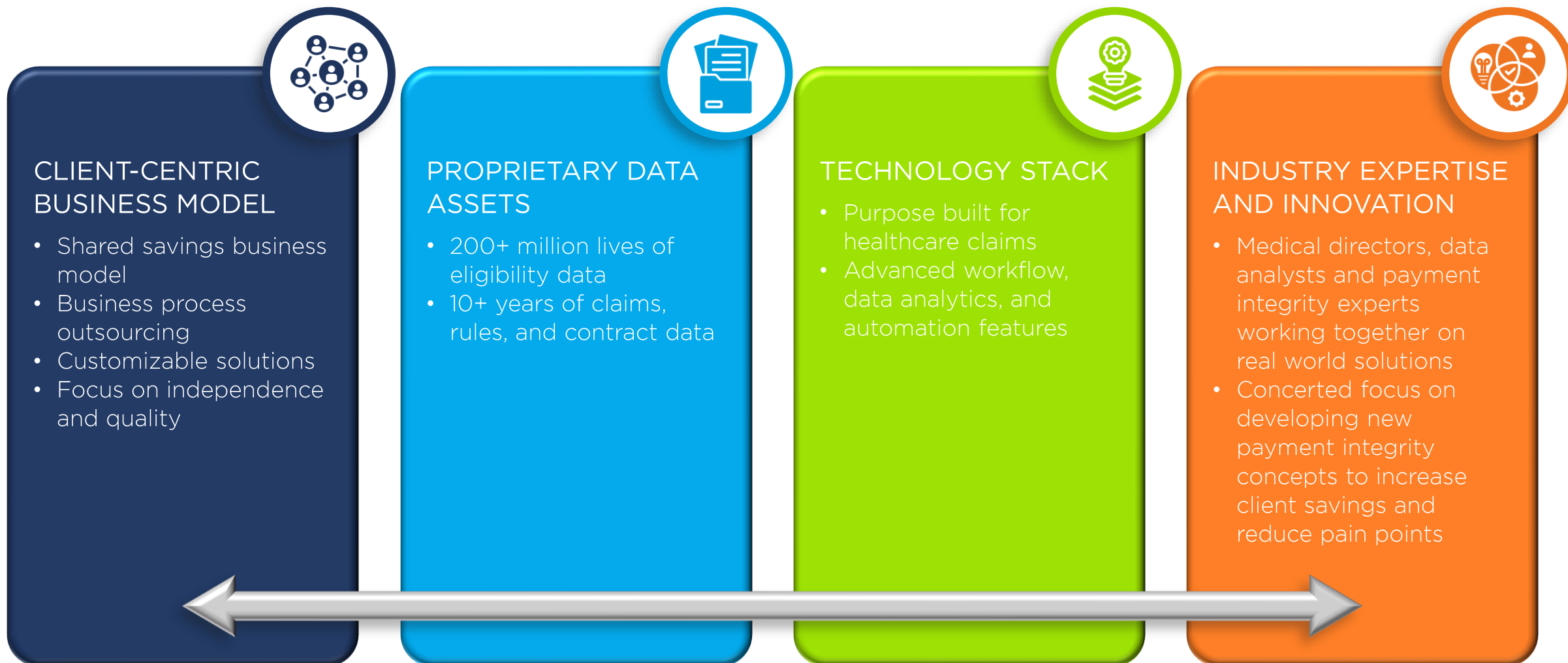
Commercial Government Linear (Commercial)



Unique Approach

PERFORMANT

Components required to effectively address payment integrity are complex—Performant offers a fresh approach

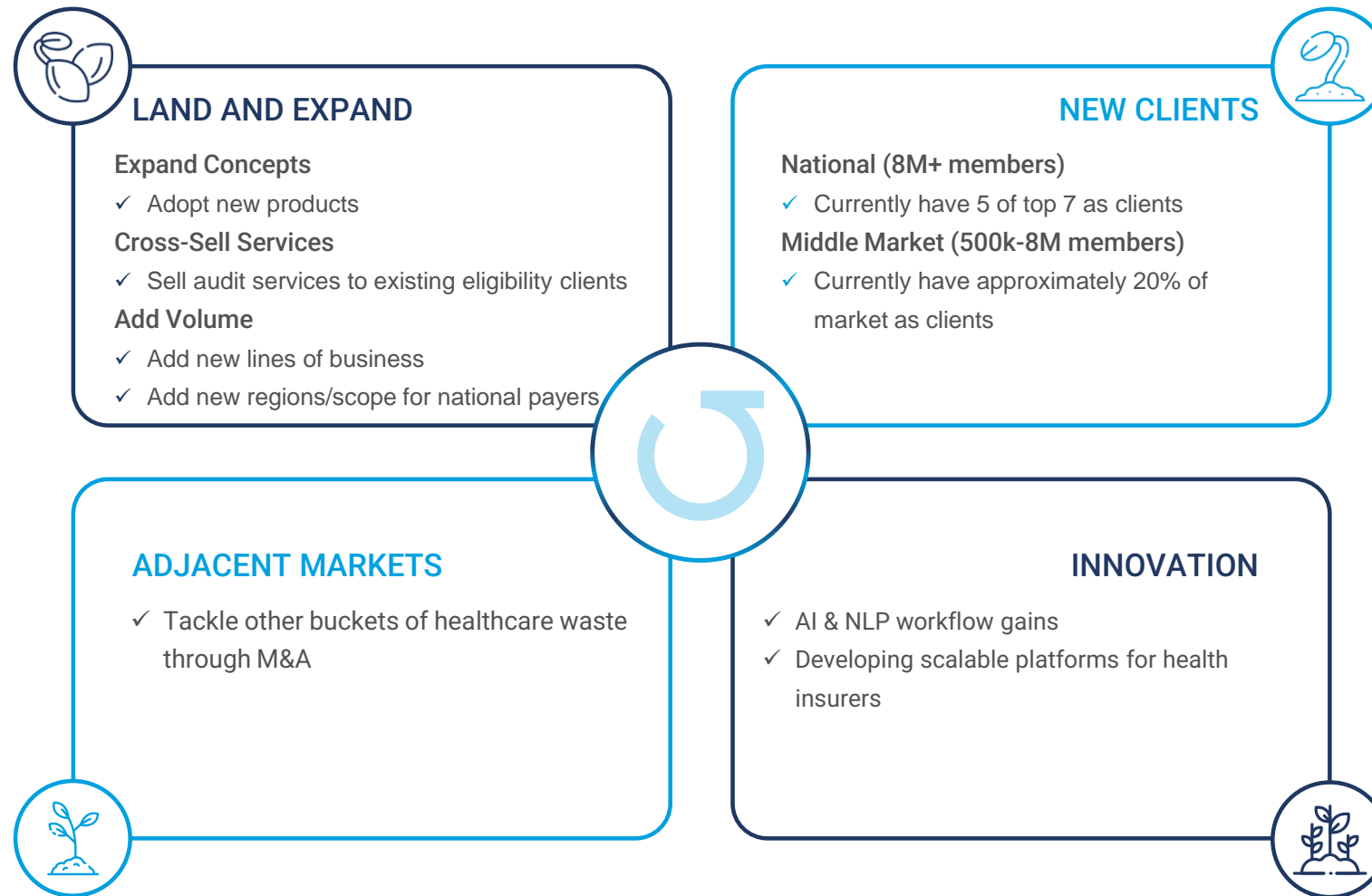


Payment Integrity Landscape

Characterized by high barriers to entry and consolidation

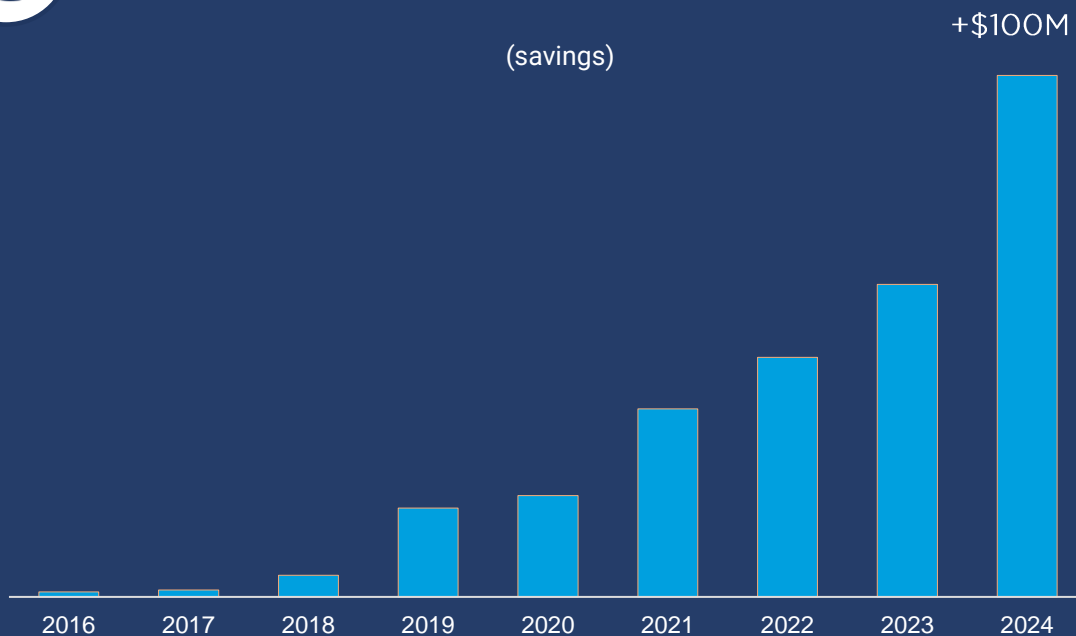
PERFORMANT







LAND AND EXPAND CASE STUDY



Initial Partnership: National Payer

- › Acute & DME Audit products for Medicare Advantage lives

Growing Partnership

- › 2019 – Added Managed Medicaid lives
- › 2020 – Added new Audit product type
- › 2020 – Cross-sold Eligibility product
- › 2023 – Added new Eligibility product
- › 2023 – Added new Audit product type

New Clients

Implemented 6 new logos since 2024



New Implementations

- 13 in Q1 2025 with annual contract value of \$4.5 - \$5.0M
- 42 in 2024 with estimated steady state annual revenues of \$18M
- 41 in 2023 with estimated steady state annual revenues of \$18M
- 21 in 2024 with estimated steady state annual revenues of \$10M

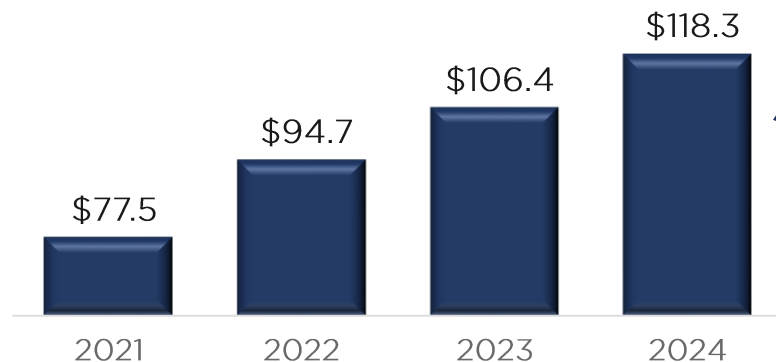
Financial Highlights

Demonstrates Strong Growth and Operational Rigor

PERFORMANT

STRONG HEALTHCARE REVENUE GROWTH

Healthcare Revenues (\$/M)



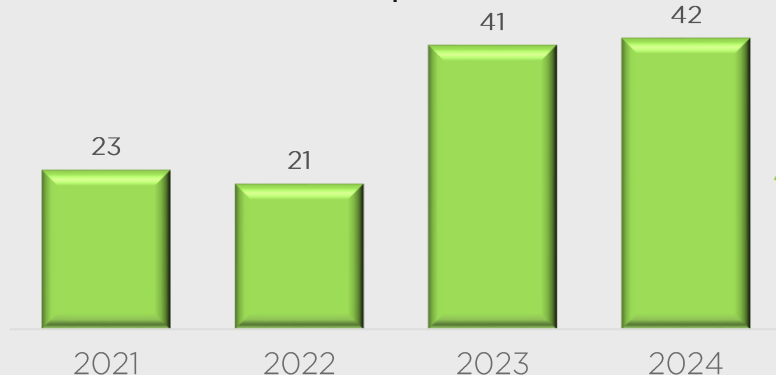
Strategic focus on healthcare growth and penetrating this massive market

COST CONSCIOUS Operational Expenses (\$/M)



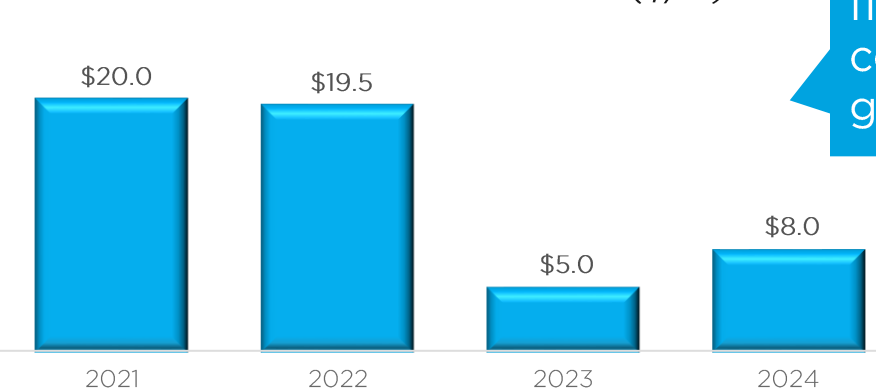
Maintained operational discipline to generate efficiencies while growing

INVESTED FOR FUTURE GROWTH Commercial Implementations



Unique offering has led to strong sales, fueling tomorrow's growth

NIMBLE CAPITAL STRUCTURE Debt on Balance Sheet (\$/M)

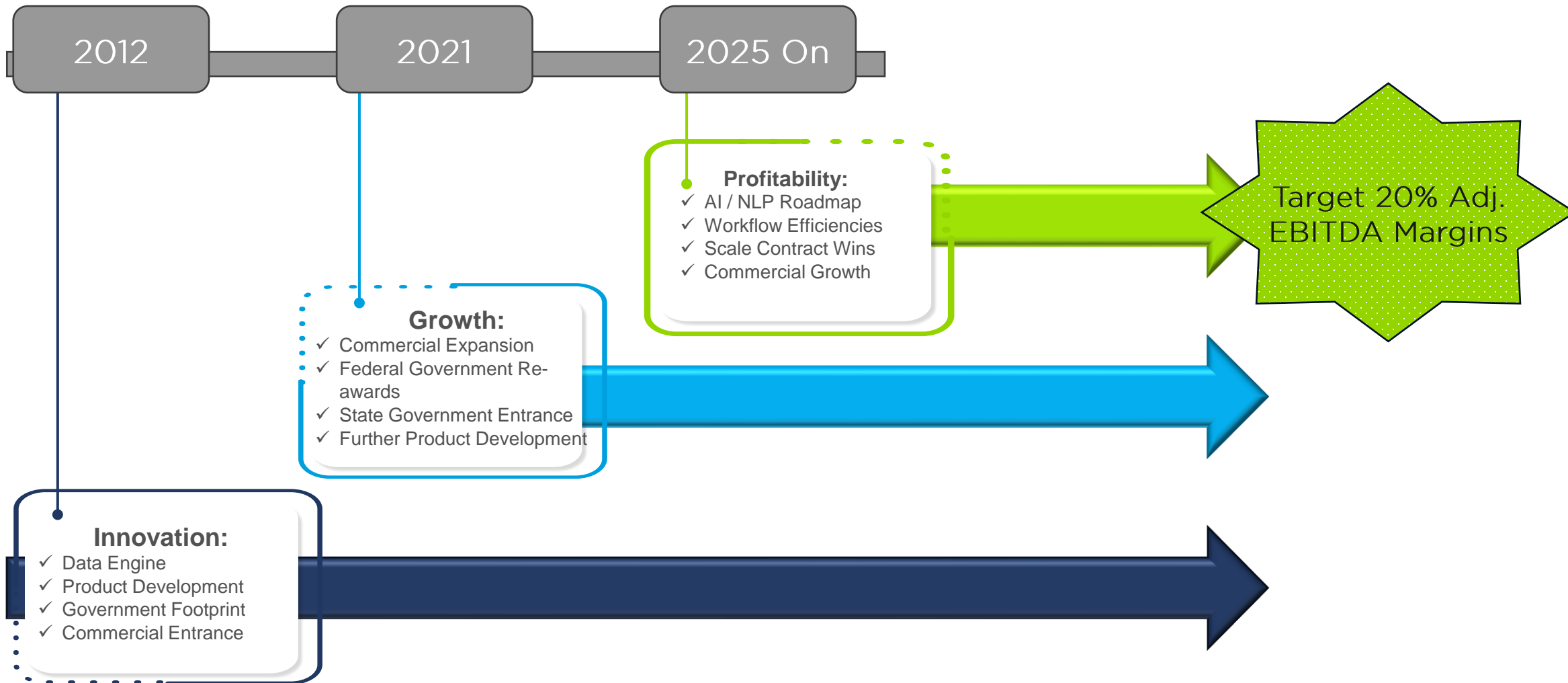


Financial flexibility to continue to grow

Performant Healthcare Evolution

Started as a Division now a disruptive and scaling business

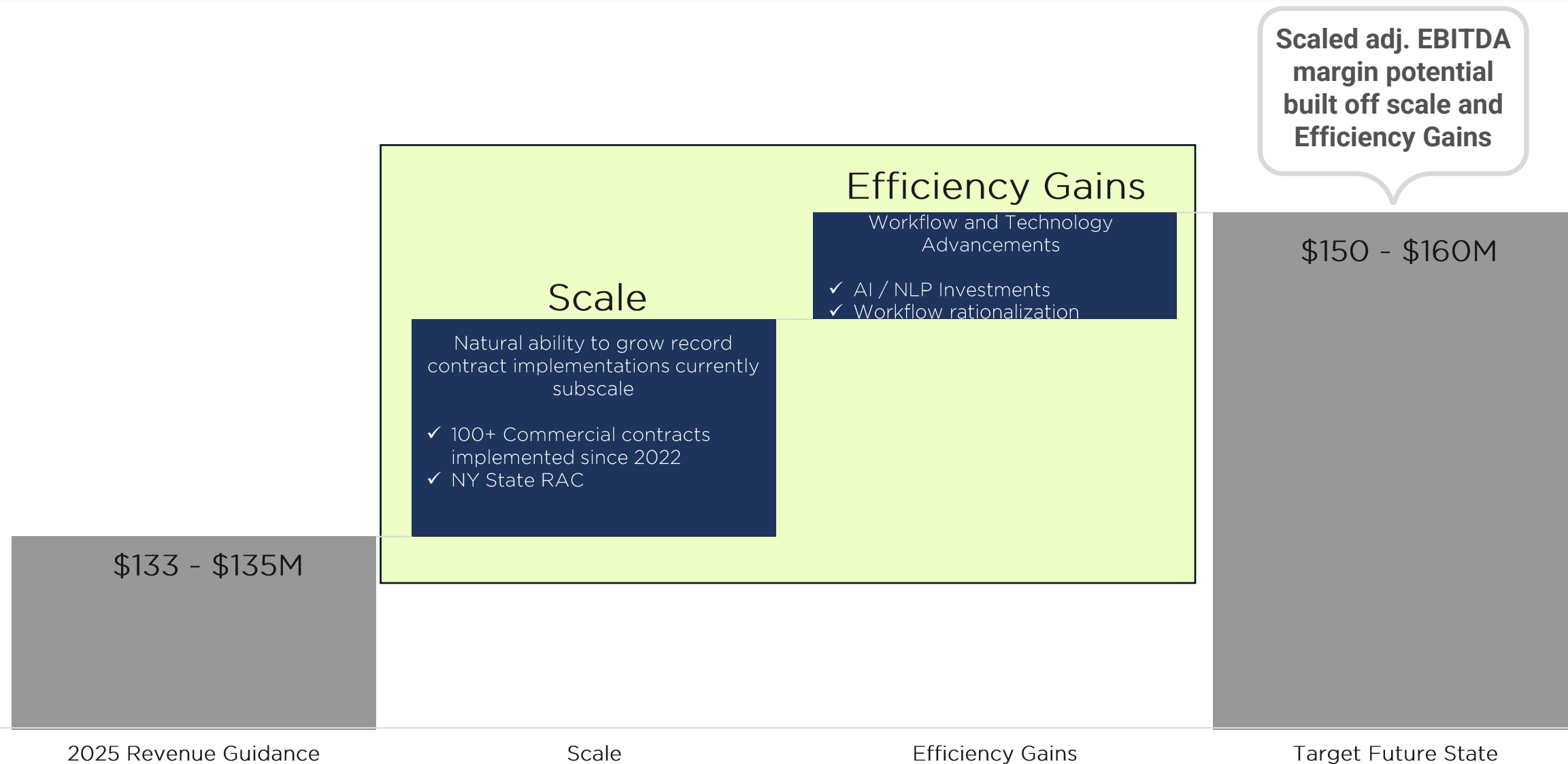
PERFORMANT



Margin Expansion

Path to Adj. EBITDA Margin Expansion

PERFORMANT



EBITDA Expansion

- 2025 Guidance over 100% year-over-year
- Visible path to 20%+ EBITDA margins

Sticky and Consistent Topline Growth

- Five consecutive years of double-digit growth
- Record implementations in last two years leading to significant front log of revenue to scale

Performant Long-term Growth

Industry Tailwinds

- Industry focused on fraud, waste, and abuse.
- Aligned shared savings business model

Successful Transition Story

- Replaced low-growth legacy business with \$100M+ in high-growth healthcare payment integrity services

APPENDIX



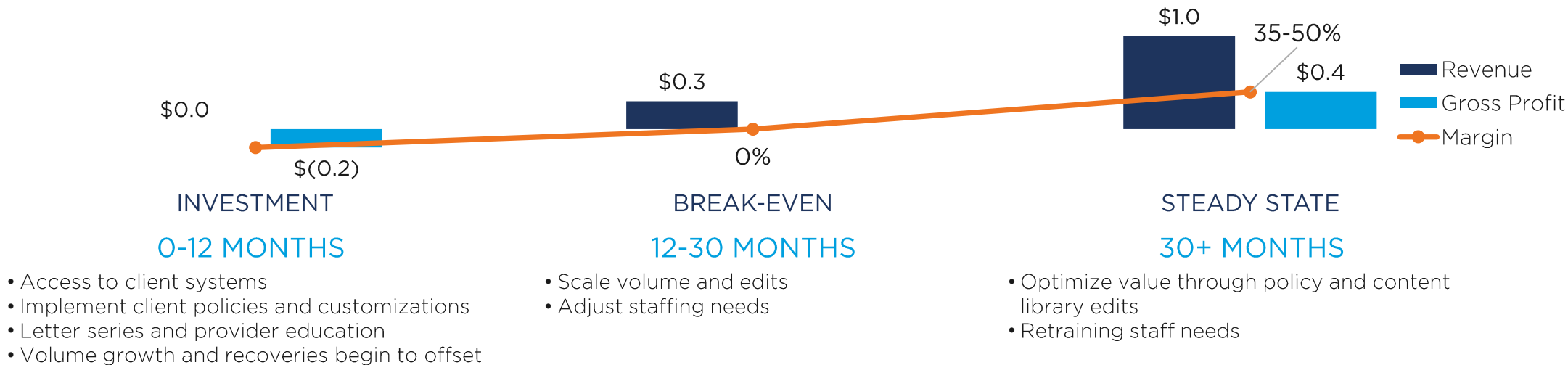
Illustrative Contract Ramp

Example of investment required to ramp with a contract (\$/M)

PERFORMANT

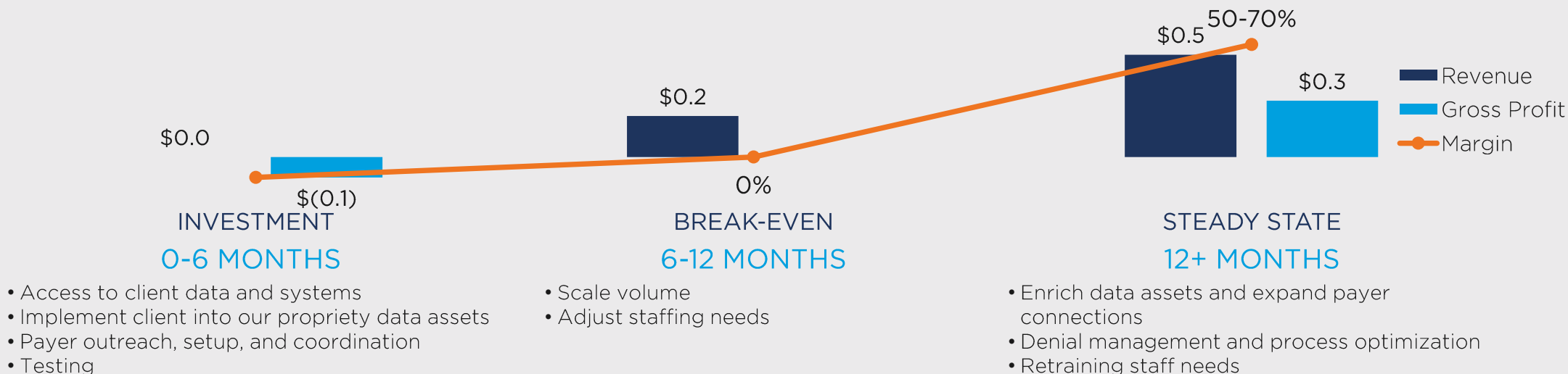
CLAIMS BASED

~48% of 2024 healthcare revenue



ELIGIBILITY BASED

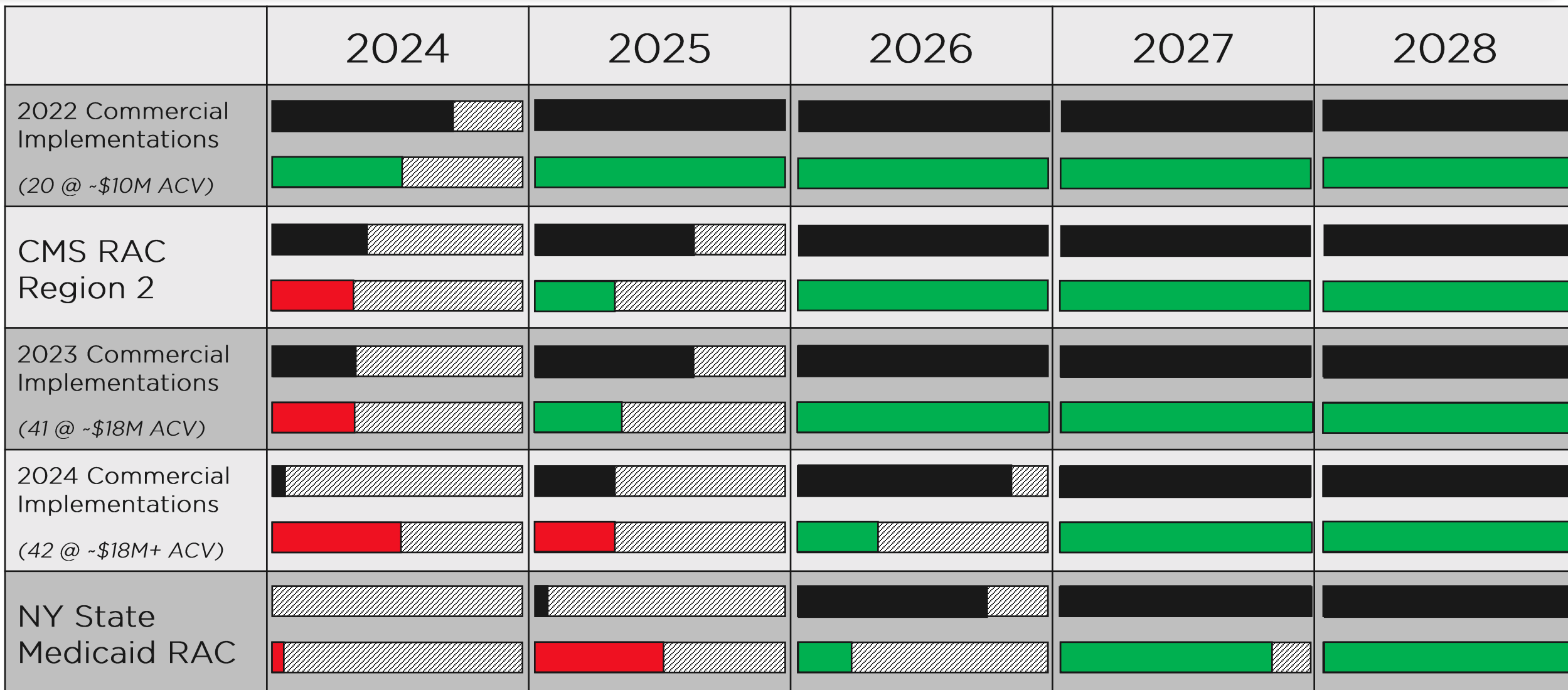
~52% of 2024 healthcare revenue



Major Contract Wins and Ramp Illustration

Example of revenue and profitability ramp for major contract wins

PERFORMANT

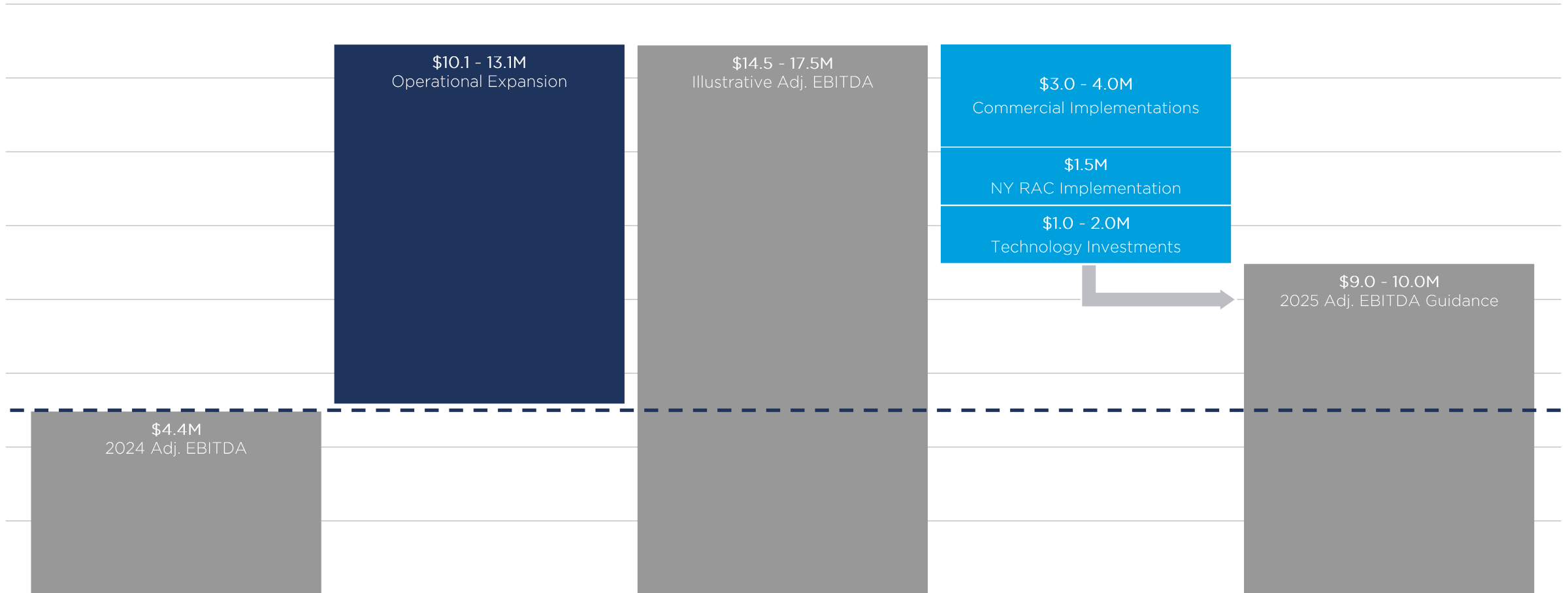


Negative Operating Margins

Revenue Progress

Positive Operating Margins

Discrete investments and Record new implementations masking profitability potential



Payment Integrity: Medical Cost Savings

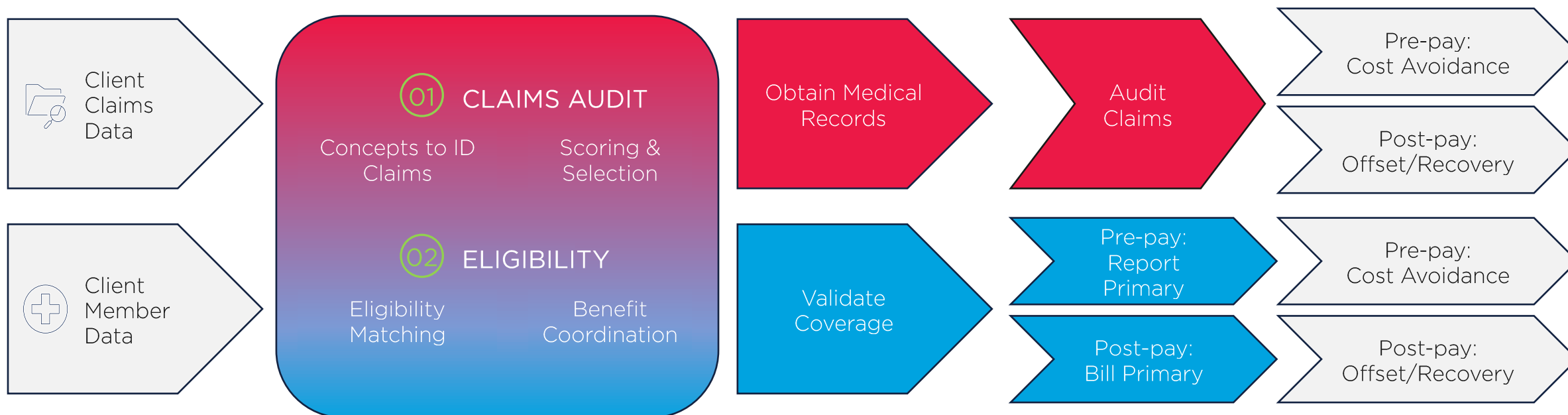
1 in 5 medical claims are processed incorrectly

PERFORMANT



02 ELIGIBILITY

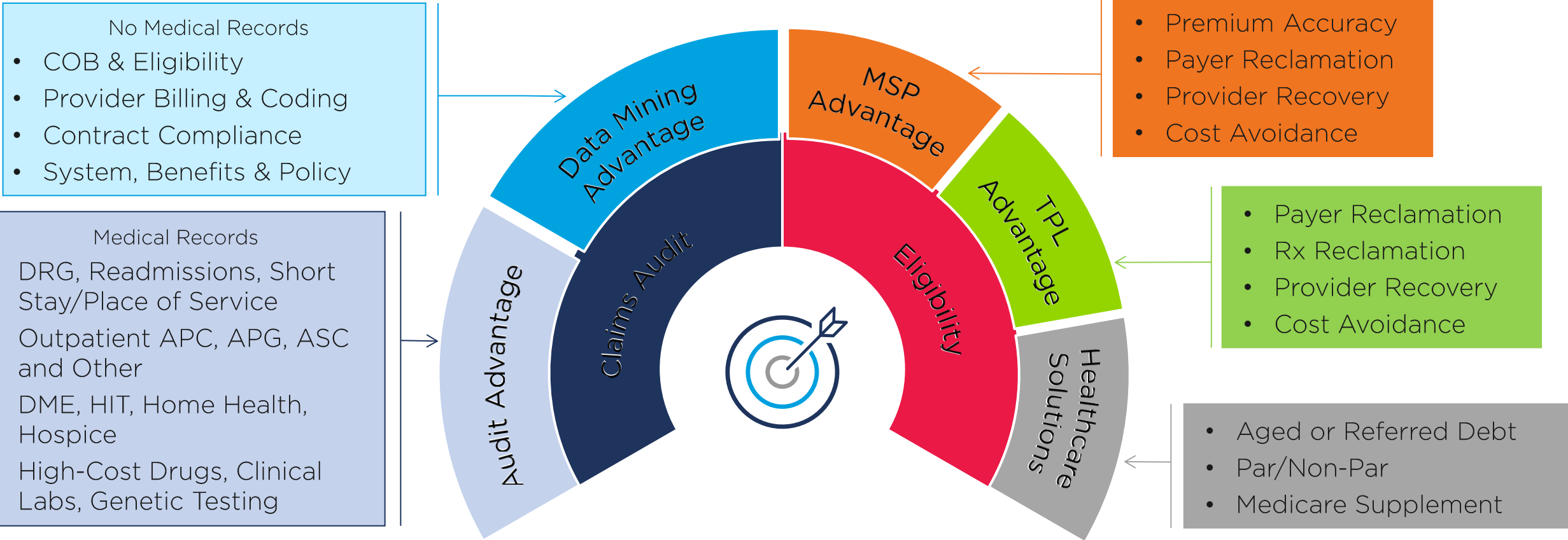
01 CLAIMS AUDIT



Note: [Health Insurance Companies Process 1 in 5 Claims Wrong \(capturebilling.com\)](https://capturebilling.com)

Our Full Suite of Solutions

PERFORMANT



Claims or Audit-Based Reviews

Corrects claims that were billed inaccurately

\$56.4MM	~23%
2024 Revenue	3-Year CAGR

Eligibility-Based Reviews

Identifies other insurance and coordinates coverage responsibility

\$61.9MM	~8%
2024 Revenue	3-Year CAGR

CONSOLIDATED BALANCE SHEET

(In thousands, except per share amounts)

	March 31, 2025 (Unaudited)	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 9,981	\$ 9,292
Trade accounts receivable, net of allowance for credit losses	14,713	14,165
Contract assets	13,059	10,876
Prepaid expenses and other current assets	4,217	3,991
Income tax receivable	—	34
Total current assets	41,970	38,358
Property, equipment, and software, net	14,025	14,021
Goodwill	47,372	47,372
Debt issuance costs	359	416
Right-of-use assets	867	826
Other assets	772	781
Total assets	\$ 105,365	\$ 101,774
Liabilities and Stockholders' Equity		
Current liabilities:		
Accrued salaries and benefits	10,699	8,502
Accounts payable	1,347	482
Other current liabilities	1,807	2,091
Income taxes payable	35	—
Contract liabilities	591	753
Estimated liability for appeals and disputes	543	517
Deferred asset acquisition payments	1,216	1,243
Lease liabilities	163	383
Total current liabilities	16,401	13,971
Long-term loan payable	8,000	8,000
Deferred asset acquisition payments	2,015	2,686
Lease liabilities	723	462
Other liabilities	94	156
Total liabilities	27,233	25,275
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.0001 par value. Authorized, 500,000 shares at March 31, 2025 and December 31, 2024 respectively; issued and outstanding 78,309 and 78,309 shares at March 31, 2025 and December 31, 2024, respectively	8	8
Additional paid-in capital	153,402	151,688
Accumulated deficit	(75,278)	(75,197)
Total stockholders' equity	78,132	76,499
Total liabilities and stockholders' equity	\$ 105,365	\$ 101,774

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

(unaudited)

	Three Months Ended March 31,	
	2025	2024
Revenues	\$ 33,269	\$ 27,334
Operating expenses:		
Salaries and benefits	25,358	23,221
Other operating expenses	7,761	8,034
Total operating expenses	33,119	31,255
Income (loss) from operations	150	(3,921)
Interest expense	(289)	(186)
Interest income	98	106
Loss before provision for income taxes	(41)	(4,001)
Provision for income taxes	40	16
Net loss	\$ (81)	\$ (4,017)
Net loss per share		
Basic	\$ —	\$ (0.05)
Diluted	\$ —	\$ (0.05)
Weighted average shares		
Basic	78,309	76,920
Diluted	78,309	76,920

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(unaudited)

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (81)	\$ (4,017)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Loss on disposal of assets	—	29
Depreciation and amortization	1,452	1,398
Right-of-use assets amortization	146	108
Stock-based compensation	1,714	957
Interest expense from debt issuance costs	56	58
Interest accretion on deferred asset acquisition	67	—
Changes in operating assets and liabilities:		
Trade accounts receivable	(548)	3,301
Contract assets	(2,183)	(1,000)
Prepaid expenses and other current assets	(226)	(480)
Income tax receivable	34	335
Other assets	3	325
Accrued salaries and benefits	2,197	(1,850)
Accounts payable	865	1,424
Contract liabilities and other current liabilities	(446)	(365)
Income taxes payable	35	7
Estimated liability for appeals and disputes	26	(10)
Lease liabilities	(146)	(106)
Other liabilities	(61)	7
Net cash provided by operating activities	2,904	121
Cash flows from investing activities:		
Purchase of property, equipment, and software	(1,450)	(3,652)
Net cash used in investing activities	(1,450)	(3,652)
Cash flows from financing activities:		
Debt issuance costs paid	—	(14)
Deferred asset acquisition payments made	(765)	—
Net cash used in financing activities	(765)	(14)
Net increase (decrease) in cash and cash equivalents	689	(3,545)
Cash and cash equivalents at beginning of period	9,292	7,333
Cash and cash equivalents at end of period	\$ 9,981	\$ 3,788
Non-cash investing activities:		
Deferred asset acquisition payments	\$ —	\$ 3,718
Supplemental disclosures of cash flow information:		
Cash paid (received) for income taxes	\$ 4	\$ (304)
Cash paid for interest	\$ 227	\$ 127

RECONCILIATION OF NON-GAAP RESULTS

(In thousands, except per share amounts)

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Adjusted EBITDA:		
Net income (loss)	\$ (81)	\$ (4,017)
Provision for income taxes	40	16
Interest expense ⁽¹⁾	289	186
Interest income	(98)	(106)
Stock-based compensation	1,714	957
Depreciation and amortization	1,452	1,398
Severance expenses ⁽³⁾	—	336
Other	6	—
Adjusted EBITDA	\$ 3,322	\$ (1,230)

⁽¹⁾ Primarily represents interest expense and amortization of debt issuance costs related to our Credit Agreement.

⁽²⁾ Represents amortization of debt issuance costs related to our Credit Agreement.

⁽³⁾ Represents severance expenses incurred in connection with a reduction in force for our non-healthcare recovery services.

⁽⁴⁾ Represents tax adjustments assuming a marginal tax rate of 27.5% at full profitability.

⁽⁵⁾ While net loss for the three months ended March 31, 2025 is (\$81), the computation of adjusted net income (loss) results in adjusted net income of \$1,212. Therefore, the calculation of the adjusted net income (loss) per diluted share for the three months ended March 31, 2025 includes dilutive common share equivalents of 1,098 added to the basic weighted average shares of 78,309.

RECONCILIATION OF NON-GAAP RESULTS (CONT'D)

(In thousands, except per share amounts)

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Adjusted Net Income (Loss) Per Diluted Share:		
Net income (loss)	\$ (81)	\$ (4,017)
Plus: Adjustment items per reconciliation of adjusted net income (loss)	1,293	979
Adjusted net income (loss)	\$ 1,212	\$ (3,038)
Adjusted net income (loss) per diluted share	\$ 0.02	\$ (0.04)
Diluted average shares outstanding ⁽⁵⁾	79,407	76,920

⁽¹⁾ Primarily represents interest expense and amortization of debt issuance costs related to our Credit Agreement.

⁽²⁾ Represents amortization of debt issuance costs related to our Credit Agreement.

⁽³⁾ Represents severance expenses incurred in connection with a reduction in force for our non-healthcare recovery services.

⁽⁴⁾ Represents tax adjustments assuming a marginal tax rate of 27.5% at full profitability.

⁽⁵⁾ While net loss for the three months ended March 31, 2025 is (\$81), the computation of adjusted net income (loss) results in adjusted net income of \$1,212. Therefore, the calculation of the adjusted net income (loss) per diluted share for the three months ended March 31, 2025 includes dilutive common share equivalents of 1,098 added to the basic weighted average shares of 78,309.

QUARTERLY AND ANNUAL REVENUE CONTRIBUTION BY LINE OF BUSINESS

(In thousands, except per share amounts)

	Three Months Ended March 31, 2025
Eligibility-based	\$ 16,082
Claims-based	17,104
Healthcare Total	33,186
Customer Care / Outsourced Services	83
Total	\$ 33,269

	Three Months Ended				Year Ended December 31, 2024
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	
	(in thousands)				
Eligibility-based	\$ 13,388	\$ 14,264	\$ 16,070	\$ 18,138	\$ 61,860
Claims-based	12,412	13,661	14,217	16,141	56,431
Healthcare Total	25,800	27,925	30,287	34,279	118,291
Customer Care / Outsourced Services	1,534	1,437	1,232	487	4,690
Total	\$ 27,334	\$ 29,362	\$ 31,519	\$ 34,766	\$ 122,981

	Three Months Ended				Year Ended December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	
	(in thousands)				
Eligibility-based	\$ 12,480	\$ 14,131	\$ 18,165	\$ 16,403	\$ 61,179
Claims-based	10,412	9,798	10,325	14,730	45,265
Healthcare Total	22,892	23,929	28,490	31,133	106,444
Recovery	19	14	—	—	33
Customer Care / Outsourced Services	2,818	1,542	1,472	1,434	7,266
Total	\$ 25,729	\$ 25,485	\$ 29,962	\$ 32,567	\$ 113,743

	Three Months Ended				Year Ended December 31, 2022
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	
	(in thousands)				
Eligibility-based	\$ 14,214	\$ 12,417	\$ 13,142	\$ 13,511	\$ 53,284
Claims-based	9,150	9,339	10,377	12,516	41,382
Healthcare Total	23,364	21,756	23,519	26,027	94,666
Recovery	118	7	41	75	241
Customer Care / Outsourced Services	3,601	3,918	3,618	3,140	14,277
Total	\$ 27,083	\$ 25,681	\$ 27,178	\$ 29,242	\$ 109,184