

Intellicheck
Q2 2025 Earnings Call
August 12, 2025

Presenters

Gar Jackson, IR
Bryan Lewis, CEO
Adam Sragovicz, CFO

Q&A Participants

Rudy Kessinger - D.A. Davidson
Logan Hennen - Northland Capital Markets
Jeff Van Rhee - Craig-Hallum Capital Groups

Operator

Greetings and welcome to the Intellicheck Q2 2025 earnings call. At this time all participants are in a listen only mode. A brief question-and-answer session will follow the formal presentation. Should anyone require operator assistance during the conference, please press star zero on your telephone keypad. As a reminder, this conference is being recorded. It is now my pleasure to introduce your host, Gar Jackson, Investor Relations. Thank you. You may begin.

Gar Jackson

Thank you, operator. Good afternoon and thank you for joining us today for the Intellicheck second quarter 2025 earnings call. Before we get started, I will take a few minutes to read the forward-looking statement. Certain statements in this conference call constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as amended. When used in this conference call, words such as will, believe, expect, anticipate, encourage, and similar expressions as they relate to the company or its management as well as assumptions made by and information currently available to the company's management identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements are based on management's current expectations and beliefs about future events. As with any projection or forecast, they are inherently susceptible to uncertainty and changes in circumstances, and the company undertakes no obligation to and expressly disclaim any obligation to update or alter its forward-looking statements whether resulting from such changes, new information, subsequent events, or otherwise. Additional information concerning forward-looking statements is contained under the heading of Safe Harbor Statement and Risk Factors listed from time to time in the company's filings with the Securities and Exchange Commission.

Statements on today's call are as of today, August 12, 2025. Management will use the financial terms adjusted EBITDA and adjusted gross margin on today's call. Please refer to the company's press release issued this afternoon for further definition, reconciliation, and context for the use of these terms. We will begin today's call with Bryan Lewis, Intellicheck's Chief Executive Officer, and then Adam Sragovicz, Intellicheck's Chief Financial Officer, who will discuss the second quarter financial results. Following their prepared remarks, we will take questions from our analysts and institutional investors. Today's call will be limited to one hour, and I will now turn the call over to Bryan.

Bryan Lewis

Thanks, Gar, and thank you all for joining us for today's earnings call. Our second quarter total revenue grew to 5.1 million from 4.7 million in the prior year period with adjusted EBITDA of \$75,000 for the quarter, which is a \$145,000 improvement versus the year ago period. Additionally, we ended the quarter with 8.6 million in cash at quarter end, an increase of 3.5 million versus the 5.1 million balance at the end of the first quarter. During the second quarter, we had some significant achievements that I will recap for you. Among the highlights we will be discussing are the multiyear expansions of our relationships with some of our major bank and credit card issuer clients including the significant upsell we accomplished with a leading regional bank headquartered in the Southeast.

We will also be sharing with you the results of our efforts on contract renewals where we are demonstrating continued strength as well as some new wins. We will discuss organizational moves that we've made within our sales staff and some metrics that show that our marketing spend, while lower than last year, is showing significant gains. Additionally, we've made major progress on our AWS customer migration project that was undertaken for a multitude of reasons. During the second quarter, we announced some very exciting news on that regional bank front. We completed the extensive contract negotiations with a large regional bank as well as all of the integration work. They began their rollout, and we began invoicing that bank in July.

As a reminder, this three-year contract has year one revenues in the low seven-figure range and ramps in year two and three to have a total contract value in the very high seven figures over the contract duration. I'm also pleased to report that the large bank and credit card issuer that is using our technology in branch, online, in their call center, in their auto loan group for the issuance of new white label credit cards and for account lookup that has been buying buckets has now signed to a new three-year tiered contract that is pacing at annual contract value in the mid-seven-figure range. We believe this is yet another demonstration of the value add that Intellicheck's technology provides for our customers and their clients across multiple market verticals.

We believe that there is great promise for further expansion of our relationships with our largest clients across all sectors. With the addition of our SVP of Customer Experience and Account Management, Sandra Bower, and the changes she has made to the customer success

team, many new initiatives are starting with large clients. The two three-year agreements previously discussed are examples of those changes working. In another example of doing more with existing clients, one of our top three clients added a 50-location department store retailer that went live late in the quarter. In addition to credit cards, this client also has a significant buy now, pay later business. They have begun using our authentication at their retailers for that side of the business, as well. While retail may be off, it's good to see clients continuing to add retailers and new ways to finance with Intellicheck as the first step. And we believe that there is still significant opportunity for growth with both in-mall and off-mall retailers who are dealing with fraud issues.

We also believe that is what some view as a headwind now will eventually become a tailwind, and the more retailers and use cases our clients have using Intellicheck, the stronger that tailwind will be. It is important to note that we continue to see pricing power that drove both our average price per scan and new business price per scan, which were up 25% and 36% respectively versus the prior year. Part of this is being driven by a shift in the market vertical mix as we have put more focus on the new and expanding number of verticals that include title insurance, automotive, notary services, and background checks where we charge a much higher price per scan, yet the volumes for these clients are lower than large retail chains. At the same time, we have reduced our focus and emphasis on individual bars and restaurants that were both high maintenance and low revenue per venue. This is a perfect example of a market where a channel partner makes sense. Lots of target clients, but low revenue per client. So, we are now shifting that individual bar and restaurant business to one of our channel partners.

Turning now to our social media client. What we were waiting for finally happened. The volume of ID verification transactions as we're expecting finally starting coming in. Unfortunately, it appears that this client has recently changed some code on their end, and as a result, we are currently unable to process nearly all of the documents that they are sending. Rest assured, we are working on the situation, and our engineers are in contact with this client's engineering team to find a solution. It was agreed that we would hold a comprehensive in-person meeting to discuss the solution as well as look at the entire suite of Intellicheck technology offerings to see how we might help them.

We believe that the most effective solution is to embed our scanning technology as the first step in their workflow, and that will be one of the topics of discussion. We are pleased that this has reached the very top of the identity organization management there and both our SVP of Sales Tim Poulin and I have spoken with them. I look forward to the engineers finding a solution. I stand by what we shared with you before regarding the crucial role we can play as a partner to this social media giant with our industry-leading technology. The top issue they said they are facing is account takeover and all the issues that come with that for them, reputational ruin, crime, and underage access. Given what we do for all of our financial institutions and our e-mail client, they understand we can do it for them. We will keep you posted as new developments occur.

On the sales front, I am optimistic about the changes Tim Poulin has made since coming on board in April. He has revitalized the sales staff with new sales executives who are all seasoned strategic account representatives focused on targeting major accounts. He's also hired a dedicated channel manager to strengthen our coverage in strategic verticals and provide consistent new revenue streams. Although we have had channel partners in place previously, we need to have a substantive focus on driving revenues through these accounts and onboarding new strategic partners. Our new channel manager will have a dual role of both signing up these new partners and driving revenue through our existing partner base. To that point, on previous calls I've spoken about our commitment to sign the companies that provide the backbone software for generally smaller banks and credit unions that want to outsource that function.

These software providers are really the only way to reach this potential client base. I am pleased to say that we've signed our first. We will be going live in November through their platform with a \$20 billion credit union and have other credit unions on this platform interested in our solutions. Our channel partner manager is working with their partner manager to build out the launch plan, and you'll see press releases and a lot of marketing around that as we get closer to launch. Our marketing programs have really helped us gain ground in promoting our business value, making our outreach more effective. The more people that know who Intellicheck is and how we stop fraud differently than the rest of our competitors who simply template the front of the license, the easier it is for our sales team to get meetings. Looking at some of the stats, it's clear that the new marketing efforts are working.

A few examples of the progress we are making include new inbound prospects are up 30% over Q1. Interest from banking and finance users is up 79% on Google Analytics over Q1. LinkedIn impressions are up 300% over Q1. Video views are up 19% over Q1. We also launched the Intellicheck podcast series in Q2 and released five episodes, and we published seven blog posts during the quarter. Both the blog posts and the podcasts can be found under the Resources tab on our website. My goal here was and remains thought leadership and brand awareness, and we believe the stats and inbound leads show we are achieving that. In fact, this is a good time to share with you a little color on our revenue breakdown per vertical. Now, keep in mind that there's a fair bit of volatility to these figures for a number of reasons. For example, we believe the branch banking business will remain fairly consistent. But if one of our banks brings on board or, for that matter, loses a retail client, the mix between banking and retail can shift dramatically.

In addition, as we have repeatedly said, there is significant seasonality to retail volume. Retail is also volatile because of consumer confidence, tariff concerns, inflation impacts, and other things that impact retail sales in general. That being said, this is where we believe our Q2 revenue breakdown by vertical stands. Banking and lending contributed approximately 38%, retail was approximately 25%, age-restricted was approximately 7, auto was approximately 5, and title insurance was approximately 2%. On the IT product front, we have spoken about the AWS migration from the Azure platform, and I'm pleased to say that we now have

approximately 95% of our clients migrated onto the AWS platform. We expect our savings to be in excess of \$300,000 annually going forward.

These savings are of particular benefit because we believe they will more than offset the additional GPU spending for AI that is becoming ever more important in what our data science team is doing for future product offerings for our clients and to bolster our current offerings. It's important to point out that this migration wasn't solely focused on cost savings. It was also designed to make it easier for our developers to write and release code and for our sales engineers and customer success teams to onboard new customers faster and more easily. It also provides expanded data feeds that allow for additional risk analytics to inform our clients' decisioning processes. The back-end rewrite to make the move to AWS also made the code base much simpler and platform agnostic. We can now easily move between cloud providers based on client needs and additional savings. Although we don't anticipate any additional platform migrations at this time, we believe it is good to be in a portable position if necessary.

As part of our efforts to raise visibility with both investors and prospects, we are continuing to attend and speak at key conferences. We will be presenting at the Sidoti Microcap Conference on August 20th as well as hosting one-on-one meetings. For more information and to schedule a meeting, please visit the Sidoti website at sidoti.com/events. It isn't necessary to be a Sidoti client to schedule a meeting or listen to the presentation. On the trade show front, we are looking forward to FinovateFall where I will be speaking on September 9th. We will also be presenting at MoneyLIVE in Chicago, September 15th. Several of our major banking clients will be attending, and we are looking forward to seeing them and meeting with additional prospects. Finally, we will be participating at the ACAMS, the Association of Certified Anti-Money Laundering Specialist Conference, which is scheduled for September 16th to the 18th in Las Vegas. I will be speaking there on the 16th. I will now turn the call over to Adam who will go into more details about our financial results.

Adam Sragovicz

Thank you, Bryan. In addition to Gar's forward-looking statements, please note we occasionally use rounding during this call. For more detailed and authoritative financial information, please refer to our press release and to our quarterly report filed earlier today on Form 10-Q with the SEC. It's great to share more details around the numbers of the second quarter of 2025. As Bryan mentioned, our second quarter revenues were 10% higher versus the same period in the prior year. We also saw continued strong pricing up 10% for new business versus the first quarter of 2025. You can see the strategy paying off, pursuing verticals such as auto and title insurance with higher cost per scan. Adjusted EBITDA also improved by \$145,000 versus 2024 with a gain of \$75,000 for the quarter. Revenue for the second quarter of 2025 increased 10% to a first quarter record of \$5.1 million compared to 4.7 million in the same period of 2024.

Our SaaS revenue for the second quarter of 2025 was also up 10% to 5.08 million from 4.6 million during the same period of 2024 and represented over 99% of our second quarter revenue. Gross profit as a percentage of revenues was 89.8% for the quarter, which included

about 260 basis points of amortization expense related to the software development projects previously discussed. This compares to 90.5% that included about 60 basis points of amortization expense in the second quarter of 2024. Our adjusted gross margin, which you may remember as a new metric we introduced in the first quarter of 2025, improved to 92.2% in Q2 of 2025 compared to 91% in Q2 of 2024. We capitalized \$47,000 this quarter and don't expect to see any more capitalization next quarter. It has been a remarkable journey of modernization for Intellicheck where Q2 of 2024 saw \$781,000 of capitalization expense. This was mostly driven by the software that we have been developing for deployment on AWS that, as Bryan mentioned, is now in production.

Operating expenses, which consist of selling, general, and administrative, marketing and research and development expenses increased 455,000 or 10% to 4.9 million for the second quarter of 2025 compared to 4.4 million for the same period of 2024. On an accounting basis, R&D expenses were \$528,000 higher in Q2 of 2025. But as I just mentioned, we capitalized 781,000 of R&D expenses in Q2 of 2024 and only 47,000 in Q2 of this year. Beginning in Q3, we expect that R&D costs will hit the P&L in their entirety for our current offerings. The weighted average diluted common shares was 19.8 million for the second quarter of 2025 compared to 19.5 million for the same period of 2024. As to the company's liquidity and capital resources, at June 30, 2025, the company had cash and cash equivalents of \$8.6 million.

We shared with you last quarter that we expect Q2 of 2025 to be the high point in 2025 of cash, but we expect to finish the year higher than where we were in Q1. As we look at the timing of customer payments and future processing costs related to those, we believe this forecast will hold. At quarter end, there was working capital, which is current assets minus current liabilities, of 7.1 million, total assets of 23.1 million, and stockholders' equity of 18 million. At this point, we usually talk about liquidity available from financing and the company's \$2 million revolving credit facility with Citibank. There are no amounts outstanding under this facility, and the facility was not utilized during 2025. We are gradually winding that relationship down. On another note, you may soon see a filing of an S-3, also known as a shelf register. This will allow Intellicheck to sell shares in the market efficiently if the need or unusual opportunity arises.

You have heard about our cash balances being strong, and we don't currently have any reason to sell shares in the market. You may also note that it will be filed without any particular bank or purpose mentioned. We do see having a registration statement like this on file as being good corporate housekeeping. We are really just renewing the company's previous filing that was made in 2020. As the CFO and an Intellicheck employee and shareholder, it is gratifying to see the execution of Bryan's and the rest of the leadership strategy. With such a solid cash position, growing revenue, and strong pricing, I am confident in our ability to drive sustainable growth and deliver continued value to our shareholders and customers. We look forward to sharing our Q3 results with you in November. I'll now turn the call over to the operator, who will take your questions.

Operator

Thank you. We will now be conducting a question-and-answer session. If you would like to ask a question, please press star one on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star two if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. One moment, please, while we pull for questions. The first question is from Rudy Kessinger from D.A. Davidson. Please go ahead.

Rudy Kessinger

Hey. Great. Thanks for taking my questions and congrats on the quarter and certainly on the large deal with that Southeastern regional bank. I want to start there with that regional bank. I know there was a low seven-figure kind of year one commitment that was -- that had straight-line rev rec. Has that step-up in their revenue begun to flow yet in Q3? Or when is it expected to begin generating [inaudible]?

Bryan Lewis

Yeah. Hey, Rudy. Yeah, we started invoicing -- remember, they had been a small client for a while. We started invoicing for the bank branches in July.

Rudy Kessinger

Okay. So, just to be clear, that step-up in revenue should be present for all of Q3?

Bryan Lewis

Correct.

Rudy Kessinger

Okay. Got it. Okay. And then I want to ask about the social media client. It sounds like there's some integration issues or technical issues you guys are working through. Just any kind of timeline to a resolution that you have visibility to today? And could you also maybe just give us a sense of how big this customer could be based on those scan volumes you were seeing prior to this technical issue?

Bryan Lewis

They would be a significant client to us. I know that my team was on with them today. They're continuing to look at the issue. I think one of the things my team is talking to them about is how we help them in terms of what they're dealing. They've repeatedly said two of the most important countries to them are the United States and Canada. The most important thing in those countries to be able to use authentication is a driver's license. They love what we're doing, but they also admit that their technology and a lot of this is stuff that they built back when everything was more or less manual review, and it's not fast enough for what they need to do. It's things like image quality are poor, and that's the kind of stuff we're telling -- we can tell them that and have it be taken or we can let them know it's a driver's license, so use your scanner, not a photo.

So, that's what we're going through. They are motivated. We are motivated. It's just -- now it's a matter of -- and they're looking at it and our team is looking at it -- where do they get the resources to do sort of this new work. They're very pleased with what we do. They know they have a problem on their hands, and now it's how do we get it fixed. The good thing is we're -- in my mind, talking at the high enough levels, and they've said here are the people that are going to get it done because they have financial incentives to do so. So, it's -- we've been working with them since they turn the faucet on, and we're all trying to figure out as quick as possible. That's all I could say. I wish I could say next Tuesday, but we're working through it.

Rudy Kessinger

Okay. And then last one for me. Just what was the update on retail scan volumes in the quarter? Any improvement or further decline from what you saw in Q1? And just how are things trending there so far in Q3?

Bryan Lewis

Yeah. I'd say two things. One is the good thing is banking is more than offsetting retail. Retail was down 2% quarter-over-quarter and down 20% year-over-year, but banking was up 12% Q1 to Q2 and up about 85% year-over-year.

Rudy Kessinger

Very helpful. And good seeing the bank side. Thanks for taking my questions and congrats again.

Bryan Lewis

Thanks, Rudy.

Operator

The next question is from Mike Grondahl from Northland Capital Markets. Please go ahead.

Logan Hennen

Hey, guys. This is Logan on for Mike. Thanks for taking our question. First, so with SaaS and total revenue up 10% year-over-year, can you help us quantify that with how that correlate to retail revenue in terms of percentage of total revenue and how much retail was down year-over-year? Thanks.

Bryan Lewis

So, retail revenue year-over-year down 20%, and again -- but offset by things like banking and other sectors that were up. And also, if you look at the numbers that I gave out on the call, you'll see that I think they add up to around 76%. The rest of it are other markets, and that's where we're looking at where do we have -- I like those other kinds of little markets, things that are coming to us. So, we look at that as areas of where maybe should we shift some marketing and sales focus. But yeah, overall, retail as a percentage of sort of major revenue was 25%, and retail revenue was down 20% year-over-year.

Logan Hennen

Okay. Great. And that's building on that --

Bryan Lewis

Yeah. And that 20% down is a combination of there was a significant amount of our customers' clients in retail who went out of business last year. And then obviously, the consumer isn't doing as much in some areas as they were before.

Logan Hennen

That's great. And then building on that, what are some of the smaller vertical's you guys are most excited about going forward in terms of do you see taking a bigger piece of the total revenue?

Bryan Lewis

And -- it's funny because I was talking to the sales team and helping them with some stuff today. I think I -- my personal belief is background checks is going to be really, in my mind, exciting. They're smaller for us right now. I'm hearing anywhere from no cuts to four cuts in the interest rate -- Fed rates between now and the end of the year. To me, that could unleash a ton of refinancing, and that means a lot of new title insurance needs to be looked at. I think that will be good for us if that happens. In addition to -- I think it will really be helping just consumer sentiment and spending and all that kind of stuff. It would be nice to see that going into the holiday season. But certainly, we're looking at a lot of things in the gig economy and what's going on, which in effect is another type of background check because you read about what's going on with drivers and other things like that.

I think consumers are demanding, and I think the providers of those services are realizing that they've got to make sure that they hired who they thought they were hiring. And not only that, the person behind the wheel is the person that they hired because there is a large business out there selling the driver's app just like renting out an old taxi medallion in New York City. So, that's where we're looking at more and more. Is the person you're hiring who they say they are, especially in a remote world? Just another story came out the other day about a nurse -- supposed pretend nurse who treated I think 4,000 patients just got busted. People have to make sure that they are hiring the right person. So, I'm kind of excited about that space.

Logan Hennen

Got it. And then one more from us. Anything to call out on the sales pipeline and performance of the sales team now under the leadership of Tom [sp]? Thanks.

Bryan Lewis

Under Tim, yeah. I think pipeline -- I think a combination of having some really good senior guys who know how to really run with the deal and then also what we're seeing, the leads coming in from the marketing. I mean, it's night and day from what we had with the last marketing going

on. And again, I love the fact that it's probably less than half the cost, and we're getting probably 3x the results. So, the pipeline is really full. I think very interesting. Not only is it new pipeline, but if you just think about the company we signed with that provides the backbone software for these banks, we already have one, and we've got at least five more that are interested. And we haven't even really launched yet. And I think that a lot of these are very much me too. So, once you sign one of the players in this space, the others get very interested in you because they know that you work.

Logan Hennen

Got it. Thanks, guys. Congrats on the quarter.

Bryan Lewis

Thank you.

Operator

The next question is from Jeff Van Rhee from Craig-Hallum Capital Group. Please go ahead.

Jeff Van Rhee

Great. Thanks. I'll add my congrats. A few for me. The large bank credit card issuer -- you're in branch, online, auto loans, et cetera. You referenced a new three-year ACV mid-seven-figure range. What was that customer running prior?

Bryan Lewis

They're slightly lower than that, but they've been expanding drastically. It's funny. We were having a quarterly business review with the risk people, and they're like -- basically they were saying that their credit card folks are signing on new customers so fast, they don't even know it half the time. So, they expect to continue to be expanding. And it's just like -- I like the predictability of it because they're doing what everybody else was saying, hey, we're going to commit to this this year. And then next year, we've got tiers, and they can up it as they see that they're bringing in more as opposed to -- we kind of knew what they were going to be doing. But they buy a bucket, and they'd expect it to last maybe a year, and it be lasting nine months, and then we have to redo it. So, this is like simpler for all of us and allows me to have more predictability or visibility into what I expect out of them in a year.

Jeff Van Rhee

On the retail, down 20%, how is that feeling so far this quarter?

Bryan Lewis

I haven't really looked at the numbers so far this quarter. They were down -- we were down 2% from Q1 into Q2. I'm not -- I can -- my gut is I'm just looking at the numbers and saying nothing drastic. No other change. I think -- I'm feeling like we're about where we're going to be at the bottom if there is one. And again, I hope I'm knocking wood here that we do see rate cuts and things because I think that would help that sector.

Jeffrey Van Rhee

You mentioned a channel partner and something around credit unions. I missed that. You mentioned you signed a \$20 billion credit union if I heard that part right. But just can you just recap there? It sounded like you're formulating a bit of a new push there.

Bryan Lewis

Yeah. Sure, Jeff. So, one of the things we've been talking about is there are a ton of small banks and credit unions out there that our sales guys talk to, and they're like, I love it, but I don't run my own software. So, you need to go talk to an Alloy, a Jack Henry, a Galileo, those types of companies that provide sort of the whole bank processing, all the computer systems that they need. And those folks usually have choices for who do you want to use for payments, who do you want to use for credit card issuance, who do you want to use for IDV. So, we found this one large credit union. Sales guy was talking to them. They wanted us. We went to their provider. The provider said, yep, we'll get you going. We've got a queue. You'll be live in November.

And then we just started talking -- by chance, we had other credit unions we've been talking to that were -- also used this one platform. So, they're looking forward to us going live, and we're going to start the real marketing. So, my goal and one of the things that I've tasked Gino [sp] with, who is the guy leading the channel charge, is these are important to us. It's basically core banking, which I like. Again, simple. One of the things that I loved about this \$20 billion credit union that's going with us, they talk through, yeah, we use this one of your competitors, that one, that one, none of them have given us satisfactory results. They used our web-based portal product to check us against them. And that's when they said we have to have you because they saw such an increase in fraud stoppage.

Jeff Van Rhee

Interesting. Very helpful. And last for me, the large social media player that turned on, obviously, unfortunate that you've got the integrations bungled up here. But presuming you'll get on top of that in the not-so-distant future, what did you learn from the early volumes? I mean, obviously, you got a glimpse of what they were intending to throw at you. Was it the type of volume, the scale of volume? Were there any learnings in just that early glimpse in terms of what they want to use you for and how?

Bryan Lewis

It was the scale of volumes that they had said from day one. So, we were very pleased to see that. Something obviously changed in their software because in -- prior to them -- a few weeks prior to them really opening up the faucet, we began to see that the fail rate of -- because what they were sending us was basically eligible. Because they send us photographs of the front and back of the document and then we extract all the data out of that. They basically became unreadable even looking at them with your eye, like what is that kind of thing. So, we're working with them to figure out what changed on their end. I think the things that we've learned in the conversation since then as we're working with both business and the

development side is that they know they've got a fraud problem. They know that they have -- they've got particular focus on North America, and they know that the way to authenticate people -- because just about every single person they're dealing with in that area has a driver's license, and they want to make sure that we get installed correctly. And that's what we're talking through. So, in my mind, all good stuff. Unfortunate that something changed. They were kind of laughing about their technology in doing this. Like I said a bit earlier, much of what they wrote was when you could take two days to do an authentication. And now they realize that some of the tools that they wrote just aren't up to snuff, and they're working with us to figure out what we can do to help them augment those tools.

Jeff Van Rhee

Got it. Helpful. Congrats again.

Bryan Lewis

Thanks, Jeff.

Operator

There are no further questions at this time. I would like to turn the floor over to Bryan Lewis for closing comments.

Bryan Lewis

Thanks, operator. So, in closing, I think this quarter demonstrated that we're delivering on the commitments to grow by making changes, aligning our resources I think to where we get bigger bang for the buck, and continuing to evolve our market presence and getting branding and other things out there. And hopefully, that continues to deliver value for you, our clients, and their clients and the customers they serve. I also just want to remind everybody. I think it's very telling that our four largest clients have committed to and signed multiyear renewal agreements. I think that's a real validation of our technology, and I like the fact that it adds additional predictability for our business. We are going to continue to expand our market penetration in our existing verticals. As you have seen, we're doing a pretty good job with that. And we are definitely landing and expanding our presence in new ones. So, we look forward to sharing more new developments with you guys on our next call in November. And with that, I'd like to thank you for joining with us today.

Operator

This concludes today's teleconference. You may disconnect your lines at this time. Thank you for your participation.