INVESTOR PRESENTATION

Lytham Conference - Autumn 2020

PERFORMANT

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements that are subject to risks and uncertainties. All statements other than statements of historical fact included in this presentation are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “design,” “intend,” “expect” and similar expressions are intended to identify 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 our outlook for revenues, net income (loss), and adjusted EBITDA in 2020 and beyond. 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 material adverse impact of the COVID-19 pandemic on our business, results of operations and financial condition as well as on the business operations and financial performance of many of our customers, that the Company may not have sufficient cash flows from operations to fund ongoing operations and other liquidity needs, that the Company’s indebtedness could adversely affect its business and financial condition and could reduce the funds available for other purposes and the failure to comply with covenants contained in its credit agreement could result in an event of default that could adversely affect its results of operations, that the Company faces a long period to implement a new contract which may result in the incurrence of expenses before the receipt of revenues from new client relationships, the high level of revenue concentration among the Company's largest customers and any termination in the Company’s relationship with any of our significant clients would result in a material decline in our revenues, that many of the Company's customer contracts are subject to periodic renewal, are not exclusive, do not provide for committed business volumes and may be changed or terminated unilaterally and on short notice, that the Company may not be able to manage its potential growth effectively, that the Company faces significant competition in all of its markets, that continuing limitations on the scope of our audit activity under our RAC contracts have significantly reduced our revenue opportunities with this client, that the U.S. federal government accounts for a significant portion of the Company's revenues, that future legislative and regulatory changes may have significant effects on the Company's business, that failure of the Company's or third parties' operating systems and technology infrastructure could disrupt the operation of the Company's business and the threat of breach of the Company's security measures or failure or unauthorized access to confidential data that the Company possesses. 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, 2019 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.

PERFORMANT'S HISTORY

1976
Company founded

1981
Entered guaranty student loan market

1990
Awarded collection contract for defaulted federally sponsored & funded student loans

1997
Began providing collection and account resolution services on non-tax debts owed to the U.S. Department of the Treasury

1999
Entered fraud analytics market with Florida Agency for Healthcare Administration (Medicaid)

2003
Began work with first national commercial payer (Kaiser Permanente)

2003
Participated in Centers for Medicare & Medicaid Services (CMS) Secondary Payer Recovery Audit Contractor (RAC) Demonstration Project

2006
Engaged to recover Part D drug premium payments made in error

2008
Successfully administered first state tax amnesty program

2008
Awarded as CMS RAC contractor

2012
Became a publicly traded company (NASDAQ: PFMT)

2013
Significant commercial growth, serving more than 80 million members in commercial health plans

2016
Awarded CMS RAC contracts for Region 1 and Region 5—the first national region for high risk services

2016
Awarded IRS soft collections recovery contract

2017
Awarded CMS Medicare Secondary Payer Commercial Recovery Contract—national contract for Medicare TPL services

2018
Acquired Premiere Credit of North America, LLC

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WHY PERFORMANT?

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Healthcare

- Gaining Share from Incumbents in Large Market
- Tangible Client ROI
- Subject Matter Expertise and History of Innovation
- Disruptive Data, Analytics, and Technology
- High-Growth Financial Profile with Recurring Revenue
- Efficient Operational Execution

- Leading Player in Complex, Highly Regulated Markets with Strong Barriers to Entry
- Strong Client ROI enabling Defensible, Mature Margins
- Cycle Resistant Business Model
- Strong Industry Dynamics and Market Tailwinds
- Asset Light Business Model with High Free Cash Flow Conversion
- Platform for Meaningful Growth Opportunities

Recovery

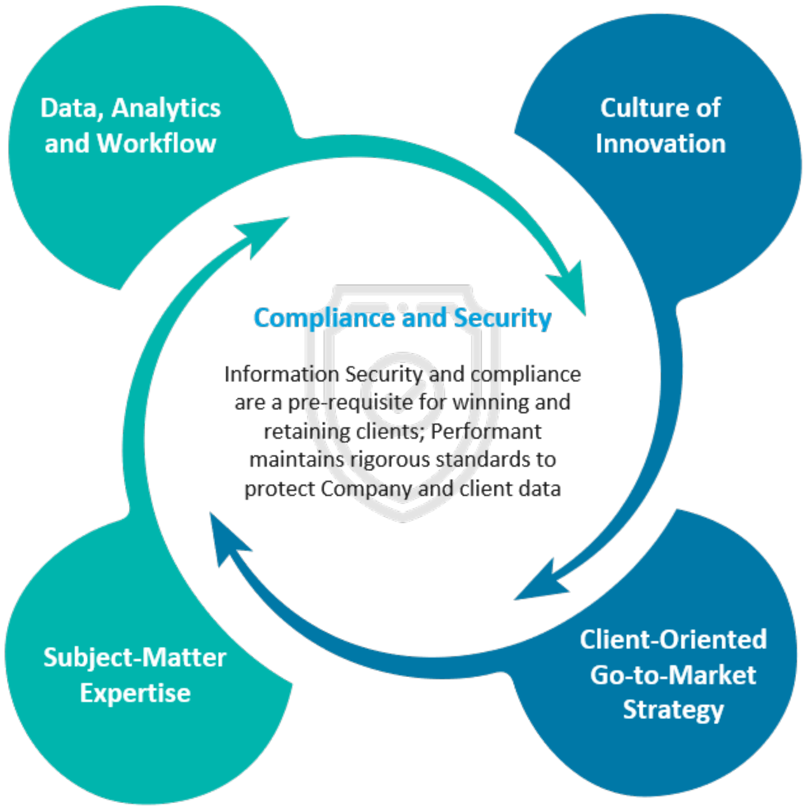
- Irreplicable Contracts and Long-Term Client Relationships
- Highly Recurring Revenue and Visibility
- Established Collection Infrastructure and Data
- Industry-Leading Consumer Experience
- Experienced and Tenured Employee Base
- Robust Business Platform to Consolidate Sector

Proven, scalable business model that is difficult to replicate providing highly flexible solutions across multiple end markets and processes

INNOVATIVE TECHNOLOGY PLATFORM

Performant's scalable technology platform allows subject matter experts to efficiently validate outputs from the company's payment integrity algorithms

- Combination of publicly-available, proprietary and client data create a robust input for claims selection and review analytics
- Customized algorithms review claims and other data to identify potential payment inaccuracies and isolate for expert review
- Purpose-built workflow tools allow subject matter experts to quickly review analytical outputs and accelerate the reclamation process



Culture of innovation and a client service philosophy enable continuous improvement and expanded value creation

- Concerted focus on developing new payment integrity concepts to increase client savings
- Collaborative approach to identify and resolve client pain points; growing pipeline within (and beyond) mid-sized plans who have historically been underserved by larger platforms
- The Company typically sells into a cross functional matrix of client decision makers across payment integrity, finance, provider network management and clinical policy

Combination of best-in-class technology and deep domain expertise delivers tangible results while fostering a client-focused culture rooted in innovation

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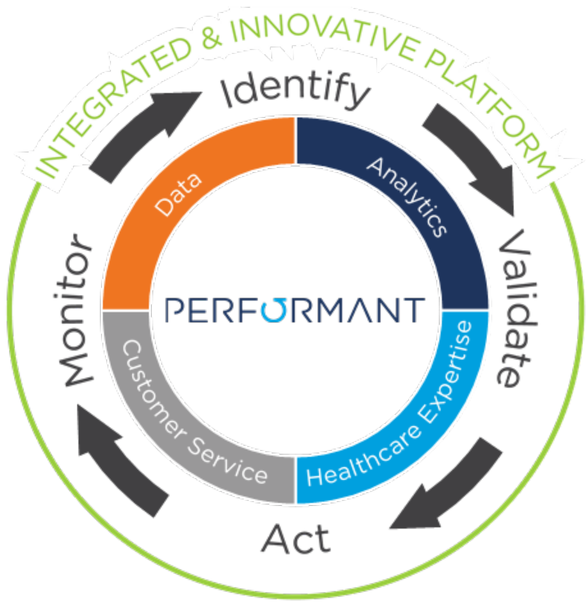
HEALTHCARE OPERATIONS

OVERVIEW OF HEALTHCARE SOLUTIONS

Eligibility-Based Reviews

Identifies other insurance and coordinates coverage responsibility

~$27.7MM	~61%
2019 Revenue	1-Year Growth



Claims-Based Reviews

Corrects claims that were billed inaccurately

~$15.6MM	~77%
2019 Revenue	1-Year Growth

$2.0BN+	430+	200MM+	140MM+	90
2020 Healthcare Client Savings	Healthcare Employees	Eligible Lives in PFMT Data Assets	Commercial Health Plan Lives Served	Managed Medicaid Plans in 50 States

Providing payment integrity and other technology driven solutions for health plans and governmental agencies

Note: Claims-based reviews YOY percentage change does not include the 2018 CMS Region A contract termination impact of $28.4 million

HEALTHCARE TIMELINE

<2012

Entry into commercial and Medicaid healthcare markets; Successful RAC and Part D pilots for CMS

2012

Gained disruptive healthcare technology through HOPS acquisition; became a publicly traded company (NASDAQ: PFMT)

2013

Significant commercial growth serving more than 80 million members in commercial health plans

2016

Awarded CMS RAC contracts for Region 1 and Region 5 – the first national region for high risk services

2017

Awarded CMS MSP CRC (sole vendor) national contract for Medicare TPL services

2018

Awarded sole Reclamation vendor status for a large Medicaid MCO; delivered more than $200M in carrier-to-carrier billing

2019

Achieved record recoveries for the MSP CRC program

2020

Significant increases in eligibility and audit businesses; Expect +5x audit growth in 2 years; TPL expansion into MSP and NGHP LOBs

Strategic Accounts:

Expand scope with existing clients to adopt additional savings opportunities from proprietary concept library

Optimize Existing Contract Growth:

Further penetrate existing scope through ramping recently won statements of work and recovery contracts to drive growth

Scale & Diversify Customer Base:

Actively pursue new opportunities to win new clients across new end markets to continue gaining market share from slower moving legacy incumbents

Develop New Innovative Solutions:

Expanding concept library to enhance productivity and develop new sources of revenue and technological enhancements to increase collection yields

NATIONAL LEADER IN PAYMENT INTEGRITY

MARKETS SERVED:

Commercial Health Plans

Government

CMS RAC CONTRACTOR

Region 1 CT, IN, KY, MA, ME, MI, NH, NY, OH, RI, and VT

Region 5 National - DME, Home Health & Hospice

COMMERCIAL HEALTH PLANS

3 of the 5 largest national health plans and multiple Blues and Regional insurers

110 Million Commercial covered lives

CMS MSP CONTRACTOR

Commercial Repayment Center

National Contractor to recover payments when Medicare should have been secondary.

ESTABLISHED NETWORKS:

4,000+ Providers

1,500+ Carriers

3,000+ Group & Non-Group entities

DATA ASSETS:

Data on over 200 Million Eligible lives

FOOTPRINT:

300 employees

6 offices across the nation

SOLUTION SCALE:

Over 100 audit programs in all 50 states

50 Managed Medicaid Plans in 40 states

35,000+ audits per month

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HEALTHCARE PAYMENT INTEGRITY MARKET SIZING

		2019 Spend	Inaccurate Payments	% Inaccurate
Commercial	Employer Sponsored	$1,344B	~$81B	6.0%
Medicare	Medicare Advantage	$407B	~$29B	7.1%
	Fee-For-Service	$450B	~$32B	7.1%
Medicaid	Managed Medicaid	$405B	~$60B	14.9%
	Fee-For-Service	$270B	~$40B	14.9%

Performant's market opportunity is between 10 and 15% of the total amount of inaccurate payments

Source: 2018 Medicare FFS Supplemental Report, Dept. of HHS, CMS CERT/PERM Note: Market-rate fee for comprehensive pre- and post-pay

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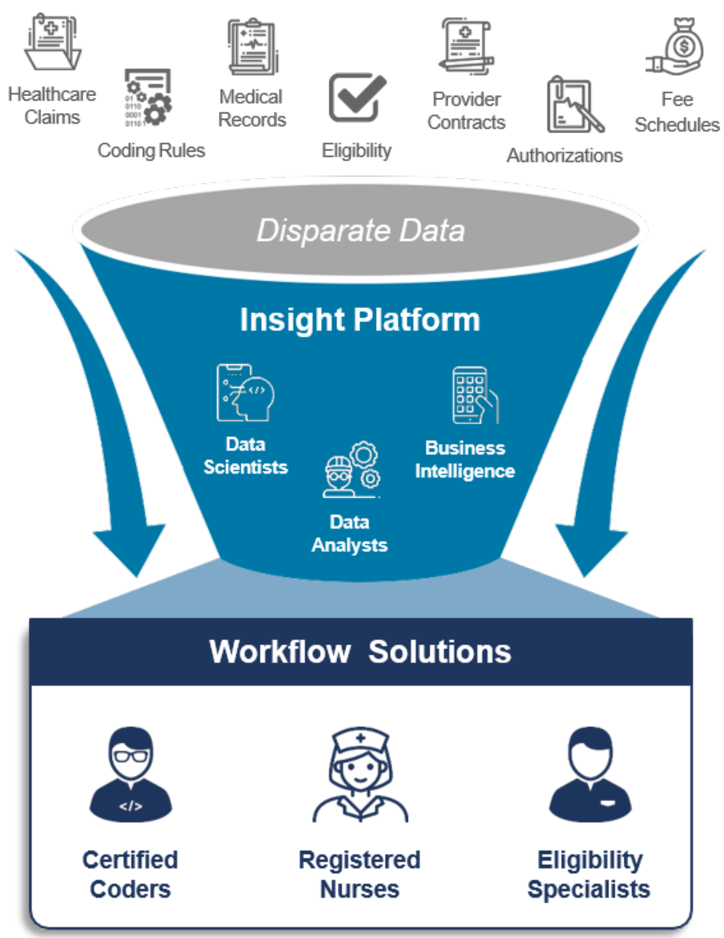
PERFORMANT INSIGHT™ DISRUPTIVE TECHNOLOGY

Unified platform leverages data assets to create multiple value streams and optimized workflows



Insight Data Engine

- Data is the fuel that powers Performant's workflow solutions
- Performant Insight™ transforms disparate data assets into the data solutions that drive business results

Peer Group Analysis

Domain Rules

Data Transformation

Payment Trends

Predictive Scoring

Line-of-Business Analysis

Workflow Solutions

- Performant's proprietary workflow platform is purpose-built to support product offerings
- User-friendly environment increases efficiency and improves accuracy

Asset Recovery Workbench

Provider Portal for Status Inquiry

Specialty-Specific Claim Review Tools

Robotics Process Automation

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CASE STUDY (COMMERCIAL HEALTHCARE CLIENT)

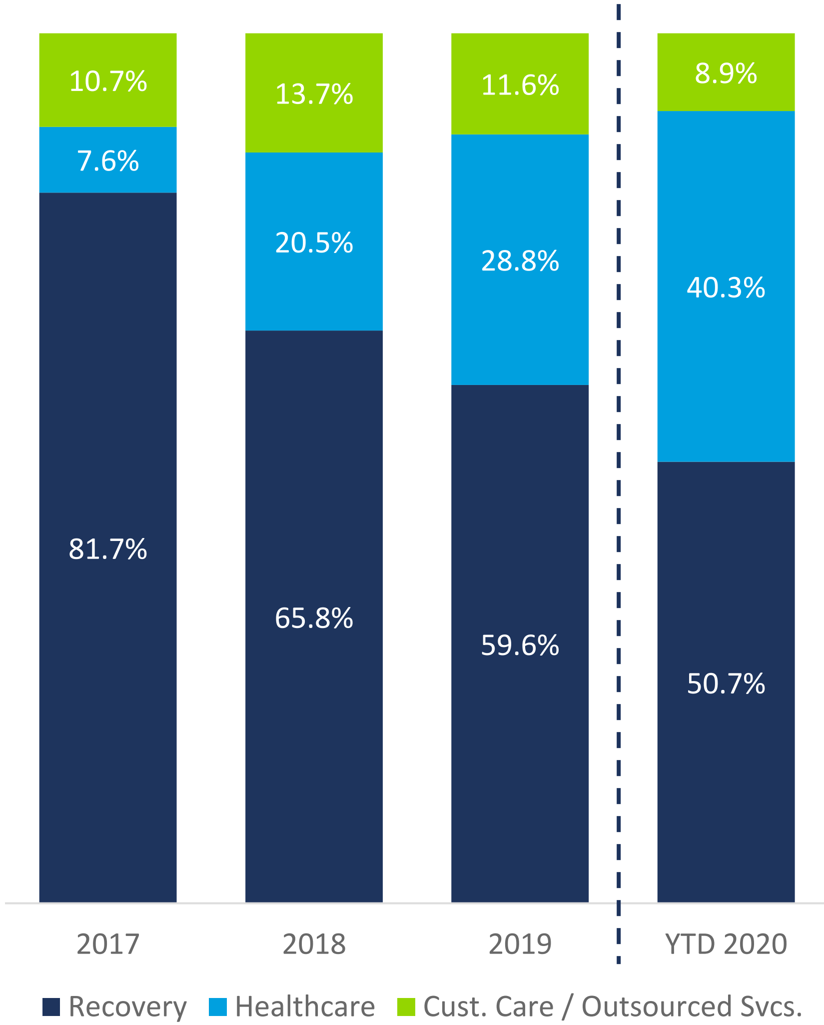
- Performant was hired by Client A, one of the nation's largest MCOs, as a 2nd seat (come behind) vendor to conduct Medicaid Reclamation (Asset Recovery) and to expand Identification of new savings.
- Performant's results returned a 50% lift for Client A over the incumbent vendor, previously a sole powerhouse in the market and who had been entrenched with Client A for more than a decade.
- Client A moved Performant into the 1st position for 5 test states (covering about 1M lives). Performant continued to return impressive results, providing 75% gains over the incumbent.
- In 2019, for the first time in over a decade, Client A cancelled services with the incumbent vendor and shifted all 25 states (covering over 6M lives) to Performant.
- Performant anticipates driving savings of over $60M annually for Client A

Fresh solutions, even in mature markets – driving significant value for clients

FINANCIAL RESULTS

ONGOING REVENUE BREAKDOWN

- Following several years of investment, we are beginning to see the impact of our governmental and commercial contracts to our Healthcare business
- Recovery, which includes our student lending work, remains a meaningful and impactful component of our revenues



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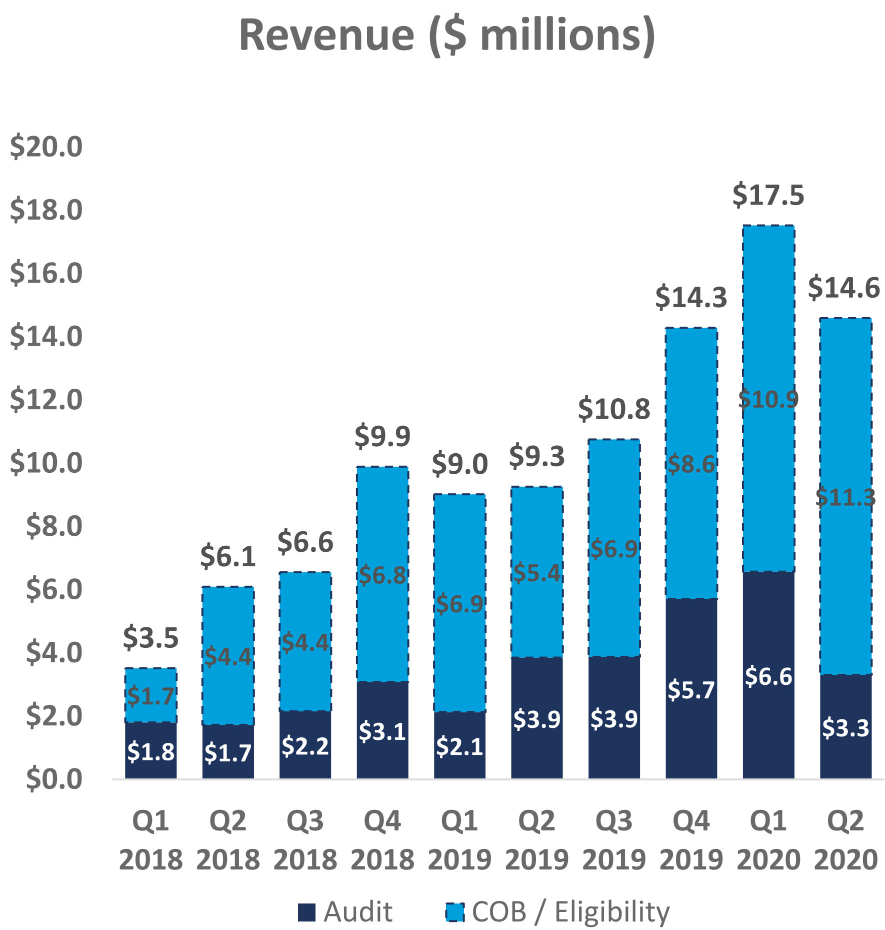
HEALTHCARE REVENUE GROWTH



- Disruptive technology is allowing us to capture significant market share from legacy players while driving revenue growth
- Master service agreements with all national payers and significant penetration into the Blues network
- Successful land and expand strategy as our share of claims continues to rise
- Successful progression of multiple contracts towards profitability
- Q2 2020 Audit results were directly impacted by the COVID-19 pandemic

Performant Healthcare Revenues have shown considerable growth since 1Q'2018

Note: Q1 and Q3 2018 excludes $27.8 million for the three months ended March 31, 2018, and $0.6 million for the three months ended September 30, 2018, related to the termination of the 2009 CMS Region A contract.

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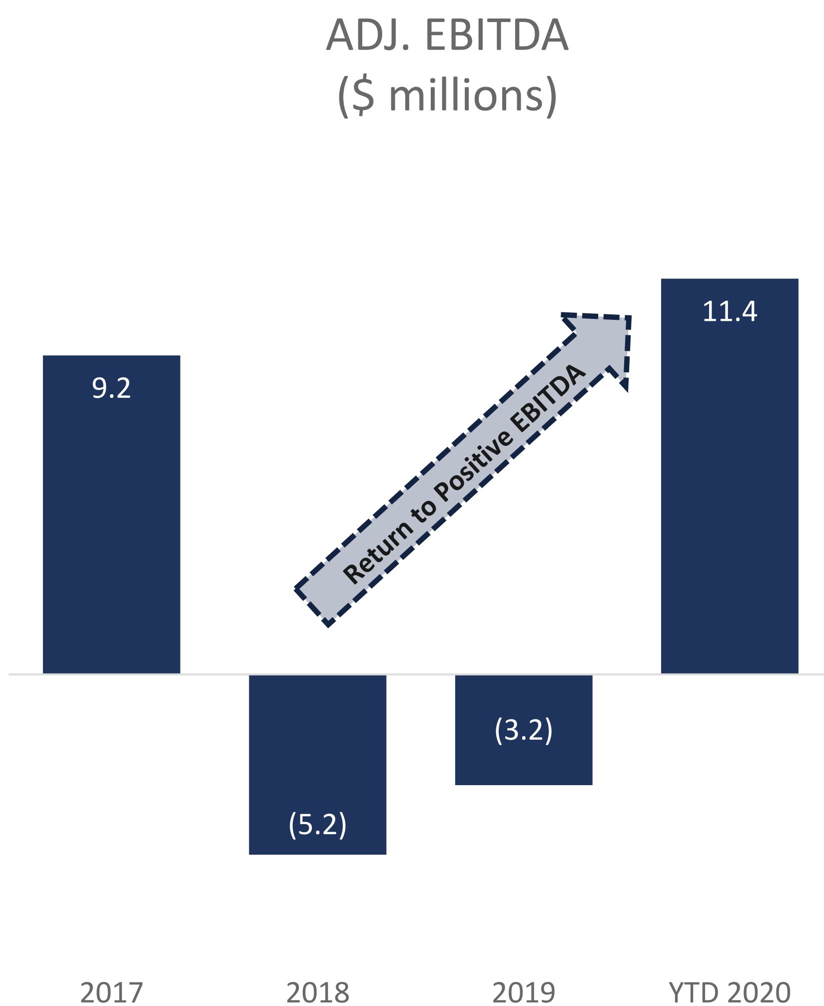
ADJ. EBITDA

- Slowdown in Adj. EBITDA from 2017 through 2019 reflects the significant transformation the Company has undergone to establish itself in the Healthcare space
- As discussed, 2018 and 2019 have largely been investment years, but we are entering year three on a number of our contracts as evidenced by our strong Adj. EBITDA in 4Q'19
- YTD 2020 highlights our return to historic profitability levels as we anticipate demonstrating measured growth from here



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LEGACY OPERATIONS

RECOVERY DIVISION OVERVIEW

Performant is the only recovery firm to have the distinction of serving several prominent federal agencies, including the Department of Treasury, the IRS, and Department of Education

Recovery Overview

- Performant leverages data and analytics capabilities and extensive domain expertise to **recover federal and state taxes, private and public receivables and delinquent and defaulted student loans**
- The Company's **long-term and deep relationships with individual Government clients**, both at the Federal and State level are impossible to replicate and provide a wealth of future opportunities
- Through **contractual arrangements with significant infrastructure and leading compliance record**, Performant provides risk management advisory services that enable state and federal clients to **proactively manage loan portfolios and reduce the incidence of defaulted loan assets** over time
- While the Recovery business **serves is a mature market** there are **growth pockets within the Government and Commercial** end markets
- Performant continues to evaluate the overall Recovery market and **utilizes a variable cost model** to ensure a balance of investment and profitability

End Markets & Select Customers

★ **Government**
~32% of 2020E Revenue

IRS · NEW YORK STATE

★ **Commercial**
~23% of 2020E Revenue

- Retail and comm. lender with 1,000 branches in 10+ states, and >$175B in assets
- A +42,000-bed healthcare system with 180+ hospitals and 2,000+ care centers

Student Lending
~46% of 2020E Revenue

Subcontractor

PHEAA

1 of 4

Contractors Chosen by the IRS for PDC Program

1 of 6

Contractors Servicing the U.S. Treasury Contract

1 of 2

Providers Initially Selected By the DoE Prior to Dropping All Large Agency Contracts

As a trusted partner to several Government agencies and the *only provider selected in all three contracts*[1], Performant is an established and entrenched debt recovery contractor with the ability to scale to address new opportunities

1) Company currently serves the Department of Education as a subcontractor

★ Denotes future focus and growth opportunity

REVENUE AND MARGIN GROWTH OPPORTUNITIES

Further Penetrate Existing Scope	Healthcare, Recovery	➢ Continue ramping recently won statements of work ➢ Optimize existing contracts with increased volumes and recoveries
Expand Scope with Existing Clients	Healthcare, Recovery	➢ Work with clients to adopt additional savings opportunities from proprietary concept library
Win New Clients	Healthcare, Recovery	➢ Growing pipeline of new health plan opportunities ➢ Ability to serve a largely untapped Commercial opportunity with existing platform
Develop Innovative Solutions	Healthcare, Recovery	➢ Continuous new product development including Premium Guard, PrePay experiments, and developing self-service PaaS (Platform as a Service) ➢ Technological enhancements enable increasing collection yields and results in higher volume allocations
Expand Across New End Markets	Healthcare, Recovery	➢ Sell into new Healthcare client types ➢ Escalating consumer debt balances across end markets that Performant does not currently serve
Pursue Strategic Acquisitions	Healthcare, Recovery	➢ Seek opportunities with complementary clients and capabilities
Leverage Long-Term, Irreplaceable Contracts	Healthcare, Recovery	➢ Established relationships with prominent market players could drive massive upside potential

INVESTMENT HIGHLIGHTS

Dynamic, Disruptive Healthcare Technology Company

Multi-Pronged, Multi-Year Contracted Revenue Growth Model

$200B Healthcare TAM Growing Annually

High Margin Recurring Revenue

Taking Market Share from Legacy Incumbents

The New Performant

APPENDIX

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PERFORMANT AT A GLANCE

1976

founded

Headquartered

in Bay Area (Livermore, CA)

Key Markets

Healthcare, financial services, government, higher education, and commercial

Publicly Traded

under PFMT (NASDAQ)

Integrity-focused

offering enterprise solutions that enhance revenue and contain costs

Technology driven audit, recovery, and outsourced services

Long-term Client Partnerships

driven by a customer service culture

140M+

commercial health plan lives served

OPERATING IN A POST COVID-19 ENVIRONMENT

- Successfully adapted and responded to a multitude of changes from clients and various governing bodies at every level from local cities and counties, all the way to the federal government
- Mobilized over 1,200 employees to continue our ongoing business operations in a secure remote environment.
- Health care operations were not significantly impacted as only two of our health care customers were directly impacted by congressional regulations related to COVID-19
  - Coordination of benefits contracts have not experienced contractions
  - Continued growth and expansion in our other health care offerings
  - Do not anticipate COVID-19 to have permanent negative effects on our relationships or overall contract expectations
- As a leader in payment integrity, serving multiple CMS regions and numerous national and regional Medicare and Medicaid managed care plans, our customers have come to depend on our resiliency and forward thinking to combat the highly disruptive nature of COVID-19
- The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) directly impacted our Recovery operations
  - Suspended payments, ceased accruing interest and stopped involuntary collection of payments or wage garnishment for student loans originated by the Department of Education.
  - Pause in outbound activity related to student loans expected through December 31, 2020

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NON-GAAP RECONCILIATION TABLES

	Year Ended December 31, 2018	Year Ended December 31, 2017
		(in thousands)
Reconciliation of Adjusted EBITDA:		
Net income (loss)	$ (8,010)	$ (12,729)
Provision for (benefit from) income taxes	1,542	(1,325)
Interest expense	4,699	6,972
Interest income	(28)	(4)
Transaction expenses [1]	—	576
Restructuring and other expenses [7]	—	—
Depreciation and amortization	10,234	10,888
Impairment of goodwill and intangible assets [4]	2,988	1,081
CMS Region A contract termination [6]	(19,415)	—
Stock based compensation	2,750	3,740
Adjusted EBITDA	$ (5,240)	$ 9,199

(1) Represents costs and expenses related to the refinancing of our indebtedness.

(4) Represents intangible assets impairment charges related to Great Lakes customer relationship in 2018, impairment charges related to our Performant Europe Ltd. subsidiary in 2017, and impairment charges related to our Department of Education customer relationship due to the announcement that we would not receive a new contract award in 2016.

(6) Represents the net impact of the termination of our 2009 CMS Region A contract during 2018, comprised of release of an aggregate of $28.4 million of the estimated liability for appeals and the net payable to client balances into revenue, net of derecognition of $9.0 million of prepaid expenses and other current assets, with a charge to other operating expenses, reflecting accrued receivables associated with amounts due from subcontractors for decided and yet-to-be decided appeals.

(7) Represents restructuring costs and severance and termination expenses incurred in connection with termination of employees and consultants in 2016.

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NON-GAAP RECONCILIATION TABLES (CONT.)

	Year Ended December 31, 2019	Year Ended December 31, 2018
	(in thousands)	
Reconciliation of Adjusted EBITDA:		
Net loss	$ (26,820)	$ (8,010)
Provision for (benefit from) income taxes	(377)	1,542
Interest expense	7,589	4,699
Interest income	(41)	(28)
Client contract termination settlement [8]	(677)	—
Non-core operating expenses [7]	309	—
Earnout mark-to-market [6]	(1,223)	—
Depreciation and amortization	8,536	10,234
Impairment of goodwill and intangible assets [3]	7,200	2,988
CMS Region A contract termination	—	(19,415)
Stock based compensation	2,311	2,750
Adjusted EBITDA	$ (3,193)	$ (5,240)

(3) Represents a goodwill impairment charge in 2019 and an intangible assets impairment charge related to Great Lakes customer relationship in 2018.

(6) Represents the change from prior reporting periods in the fair value of the potential earnout consideration payable to ECMC group in connection with the Premiere acquisition.

(7) Represents professional fees related to strategic corporate development activities.

(8) Represents a contract termination settlement from the Department of Education in 2019.

NON-GAAP RECONCILIATION TABLES (CONT.)

	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
	(in thousands)	
Adjusted EBITDA:		
Net loss	$ (19,683)	$ (14,888)
Provision for (benefit from) income taxes	(4,123)	313
Interest expense [(1)]	4,258	3,094
Interest income	(12)	(22)
Depreciation and amortization	2,795	4,557
Impairment of goodwill [(5)]	27,000	—
Earnout mark-to-market [(6)]	(162)	(912)
Stock-based compensation	1,340	1,218
Adjusted EBITDA	$ 11,413	$ (6,640)

(1) Represents interest expense and amortization of issuance costs related to the refinancing of our indebtedness.

(5) Represents a noncash goodwill impairment charge in 2020 mainly due to the decrease of our market capitalization.

(6) Represents the change from prior reporting periods in the fair value of the potential earnout consideration payable to ECMC group in connection with the Premiere acquisition.