Liberty Mutual Investments expands capital partnership with Affirm

January 24, 2025

SAN FRANCISCO--(BUSINESS WIRE)--Jan. 24, 2025-- Affirm Holdings, Inc. (NASDAQ: AFRM), the payment network that empowers consumers and helps merchants drive growth, and Liberty Mutual Investments ("LMI"), the investment firm of the Liberty Mutual Group of Insurance Companies ("LMIG"), announced the upsize of their forward flow loan purchase program. Over the program term through June of 2027, LMI will purchase Affirm's installment loans on a forward flow basis, in amounts up to $750 million outstanding. Over time, LMI expects to invest up to $5 billion in the program.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20250124472065/en/

(Graphic: Business Wire)

The program provides an aligned funding partner that is committed to providing capital to increase access to Affirm's flexible payment options. Affirm and LMI began their long-term capital partnership in 2019, followed by their forward flow loan purchase program in 2023.

"Affirm's mission to deliver honest financial products that improve lives is premised on driving positive credit outcomes, having access to deep and diverse pools of committed capital, and leveraging the power of partnerships across our network," said Brooke Major-Reid, Chief Capital Officer at Affirm. "With a strong partnership spanning six years, we are excited to take this next step with Liberty Mutual Investments. We will continue to invest in our long-term capital partnerships as we advance our ambitious growth plans."

"Liberty Mutual Investments' ability to invest across the capital structure with a single-client focus allows us to flexibly provide solutions and scale to our long-term partners, like Affirm," said John Kim, managing director and head of Alternative Credit at Liberty Mutual Investments. "We look forward to further strengthening our partnership as this collaboration expands."

As an industry-leading underwriter, Affirm offers easy-to-use solutions for merchant partners and access to transparent and flexible financing options for consumers, creating attractive risk-adjusted assets.

Affirm maintains a diverse and durable funding model across multiple channels, including through warehouse facilities, forward flow agreements, and asset-backed securitizations. With more than 130 distinct investors representing a broad range of institution types, Affirm intends to continue its approach of regularly adding capacity across channels and building upon its relationships with its long-term capital partners. As of September 30, 2024, Affirm's total funding capacity was $16.8 billion, which has grown by more than 50% over the last two years.

Affirm empowers more than 19 million active consumers with a transparent and flexible way to pay over time without late or hidden fees. The company generated over $28 billion in gross merchandise volume (GMV) for the last twelve months ending September 30, 2024.

LMI invests more than $100B of assets globally across an integrated platform on behalf of LMIG.

About Affirm
Affirm's mission is to deliver honest financial products that improve lives. By building a new kind of payment network – one based on trust, transparency and putting people first – we empower millions of consumers to spend and save responsibly, and give thousands of businesses the tools to fuel growth. Unlike most credit cards and other pay-over-time options, we never charge any late or hidden fees. Follow Affirm on social media: LinkedIn | Instagram | Facebook | X.

About Liberty Mutual Investments
Liberty Mutual Investments (LMI) is the investment firm of the Liberty Mutual Group of Insurance Companies (LMIG). LMI invests more than $100B of assets globally across an integrated platform. LMIG's mutual structure, and LMI's deep expertise spanning fixed income, equity, and alternative markets, make LMI a flexible, long-term investor and partner. The portfolio managed by LMI and the capital it creates have a clear purpose: to secure LMIG's promises to policyholders and build enduring businesses side-by-side with our partners. Liberty Mutual Group Asset Management Inc. does business under the name Liberty Mutual Investments.

For more information, visit https://www.libertymutualinvestments.com/.

Forward Looking Statement from Affirm
This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties. All statements other than statements of historical fact contained in this press release, including statements regarding Affirm's future results of operations and financial condition, business strategy, and plans and objectives of management for future operations, are forward-looking statements. In some cases, forward-looking statements may be identified by words such as "anticipate," "believe," "continue," "could," "design," "estimate," "expect," "intend," "may," "plan," "potentially," "predict," "project," "should," "will," "would," or the negative of these terms or other similar expressions. Forward-looking statements are based on management's beliefs and assumptions and on information currently available. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described under "Risk Factors" in Affirm's Annual Report on Form 10-K for the fiscal year ended June 30, 2024. Except as required by law, Affirm undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this press release or to conform these statements to actual results or to changes in our expectations.

Cautionary Statement Regarding Forward Looking Statements
This press release may contain forward looking statements that are intended to enhance the reader's ability to assess the future financial and business performance of Liberty Mutual Holding Company Inc. and its subsidiaries ("LMIG"). Forward looking statements include, but are not limited to, statements that represent LMIG's beliefs concerning future operations, strategies, financial results, investment market fluctuations, or other developments, and contain words and phrases such as "may," "expects," "should," "believes," "anticipates," "estimates," "intends" or similar expressions. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond LMIG's control or are subject to change, actual results could be materially different. LMIG's forward-looking statements speak only as of the date they are made and should be regarded solely as LMIG's current plans, estimates and beliefs. For a detailed discussion of these and other cautionary statements, visit LMIG's Investor Relations website at www.libertymutualgroup.com/investors. LMIG undertakes no obligation to update these forward-looking statements.

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