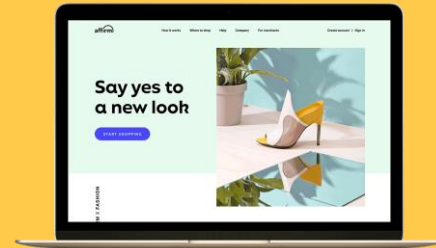


# Investor Presentation

Fiscal Q4 2021



# Disclaimer

## Cautionary Note Regarding Forward-Looking Statements

This presentation 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 are forward-looking statements, including statements regarding: the Company's strategy and future operations, including the Company's partnerships with Amazon and Shopify; the development, innovation, introduction and performance of the Company's products, including the Debit+ Card; acquisition and retention of merchants and consumers; the Company's future growth, investments, network expansion, product mix, brand awareness, financial position, gross market value, revenue, transaction costs, operating income, provision for credit losses, and cash flows; and general economic trends and trends in the Company's industry and markets. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Risks, uncertainties and assumptions include factors relating to: the Company's need to attract additional merchants and consumers and retain and grow its relationships with existing merchants and consumers; its need to maintain a consistently high level of consumer satisfaction and trust in its brand; the concentration of a large percentage of its revenue with a single merchant partner; its ability to sustain its revenue growth rate or the growth rate of its related key operating metrics; the highly competitive nature of its industry; the terms of its agreement with one of its originating bank partners; its existing funding arrangements that may not be renewed or replaced or its existing funding sources that may be unwilling or unable to provide funding to it on terms acceptable to it, or at all; its ability to effectively underwrite loans facilitated through its platform and accurately price credit risk; the performance of loans facilitated through its platform; changes in market interest rates; its securitizations, warehouse credit facilities and forward flow agreements; the impact on its business of general economic conditions, the financial performance of its merchants, and fluctuations in the U.S. consumer credit market; its ability to grow effectively through acquisitions or other strategic investments or alliances; and other risks that are described in its Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2021 and in its other filings with the U.S. Securities and Exchange Commission. These forward-looking statements reflect the Company's views with respect to future events as of the date hereof and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. The forward-looking statements are made as of the date hereof, and the Company assumes no obligation and does not intend to update these forward-looking statements.

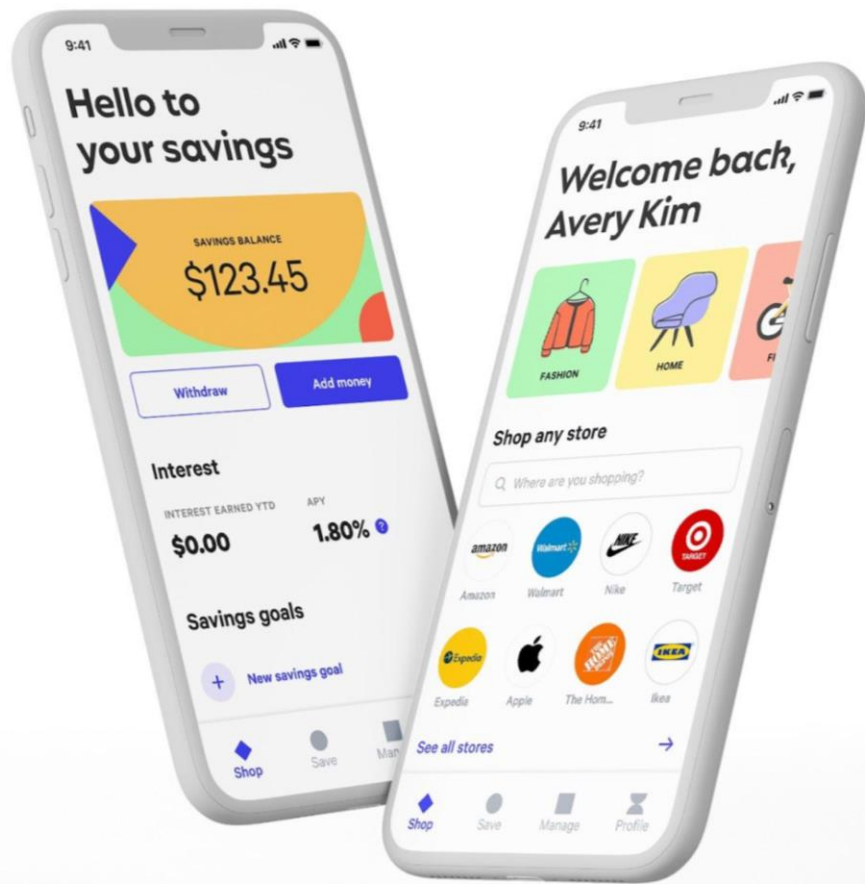
## Industry and Market Data

This presentation contains estimates and information concerning our industry, including market position and the size and growth rates of the markets in which we participate, that are based on industry publications and reports or other publicly available information. Industry surveys and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy and completeness of the included information. We have not independently verified this third-party information.

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**Our Mission:**  
Build honest  
financial products  
that improve  
lives.





**Building the  
next generation  
platform for  
digital and  
mobile-first  
commerce.**

# Massive Digital Commerce Opportunity

Large market with explosive growth

**\$800B**

U.S. E-Commerce Sales in 2020

**>1.5x**

Increase in U.S. E-Commerce Sales Between 2019 and 2023

Digital-first experiences

**~\$5.6T**

U.S. Retail Commerce in 2020

**49%**

of US commerce impacted by digital touchpoints

Evolving consumer preferences

**230M+**

Gen Z, Gen X, and Millennials in the U.S.

**~70%**

of Millennials prefer to purchase on e-commerce sites rather than in-store



# Current System Not Aligned With Consumer and Merchant Needs



## FOR CONSUMERS

**\$120B+**

Simple and Deferred  
Credit Card Interest<sup>1</sup>

**~\$15B**

Late Payment and  
Overdraft Fees<sup>1</sup>

**Growing preference for fixed  
monthly payment plans**

**Restrictive**

**Predatory**

**Frustrating**

**Complex**



## FOR MERCHANTS

**~\$1T**

Estimated Customer  
Acquisition Spend<sup>2</sup>

**~\$110B**

Processing Fees<sup>3</sup>

**Willingness to  
pay for conversion**

**Low ROI**

**No Insights**

**Lack of Control**

**Dated Technology**

# Our Solution: Two-sided Network Across Commerce Journey



FOR CONSUMERS

**Flexible**

payment term options

**Never**

pay more than agreed

**No**

late fees or  
hidden charges

**Transparent**

and easy to understand



FOR MERCHANTS



**Data and  
Insights**



**Avoid  
Discounting**

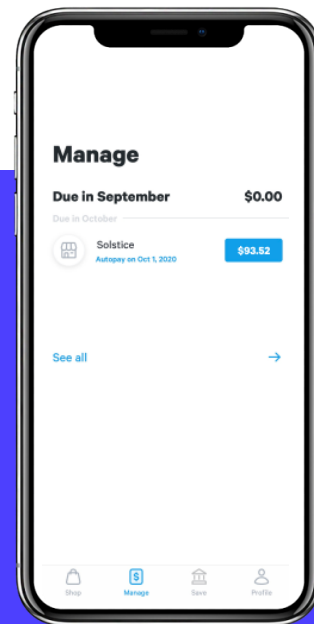
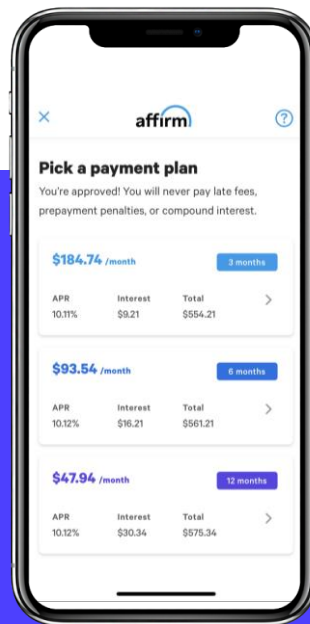
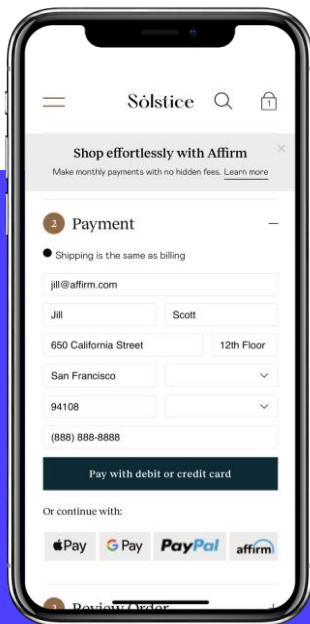
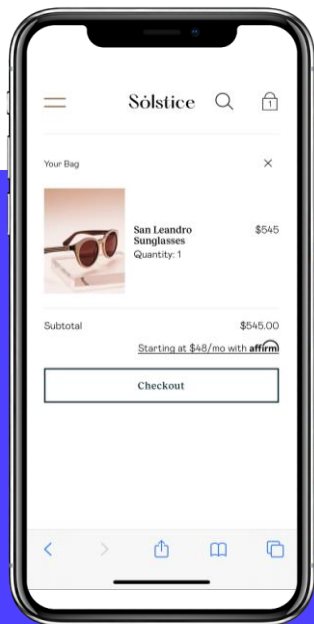
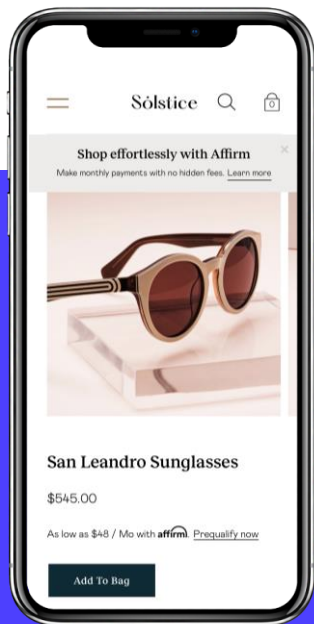


**Greater  
Sales**



**Satisfied  
Customers**

# Seamless Checkout Experience





# Helping Consumers Buy and Merchants Convert More Sales



**App**

Savings | Shopping Services | Rewards

**Expand benefits**  
for merchants  
and consumers

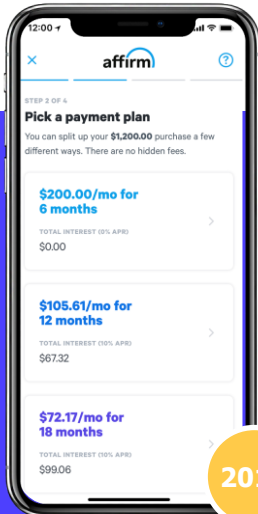
Customer Analytics | Brand Sponsored Promotions | Ads



# Continued Innovation

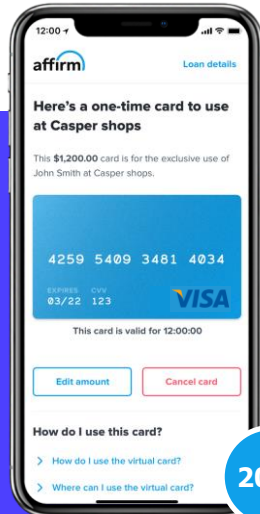
## Integrated Checkout

Pay over time with a 0% APR or interest-bearing loan at Affirm's partner merchants



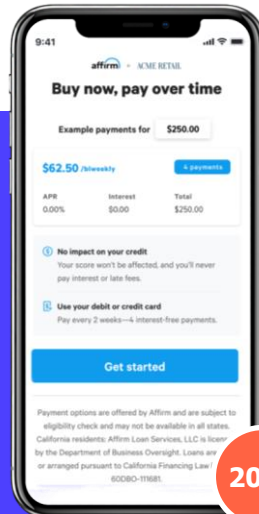
## Virtual Card

Universally accepted method of payment on Visa rails



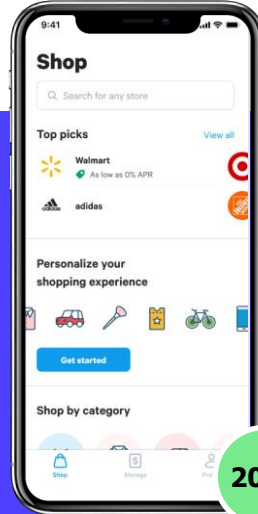
## Split Pay

Fixed payment plan for purchases under \$250



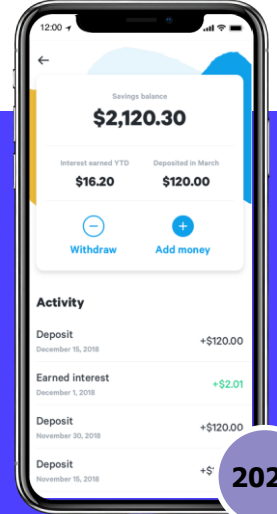
## Marketplace

Personalized data-driven product discovery



## Savings

FDIC-insured, interest-bearing savings account



# Built for All Transactions

DIVERSE ONLINE AND OFFLINE MERCHANTS

ACROSS FULL RANGE OF TRANSACTIONS

Proprietary Network

Existing Network



Small Startups

Large Retailers



Select SKUs

All SKUs



**Ubiquitous  
Offering**

Low AoV

High AoV



6 weeks

60 months



0% APR

Simple Interest



# Why We Win



## Trusted and Beloved Brand

- Honest, transparent, no fine print
- Elegant, modern design



## Business Model Alignment

- No late fees or deferred interest
- Revenue accelerator for merchants



## Ubiquitous Payment Types

- Low AoV | High AoV
- 0% APR | Simple interest



## Proprietary Data and Technology

- Reimagined traditional 4-party network
- Better risk model outcomes

## Legacy Institutions

AMERICAN  
EXPRESS

Capital One

DISCOVER

synchrony  
FINANCIAL

## BNPL

afterpay

Klarna.

PayPal

## Networks



# Our Momentum



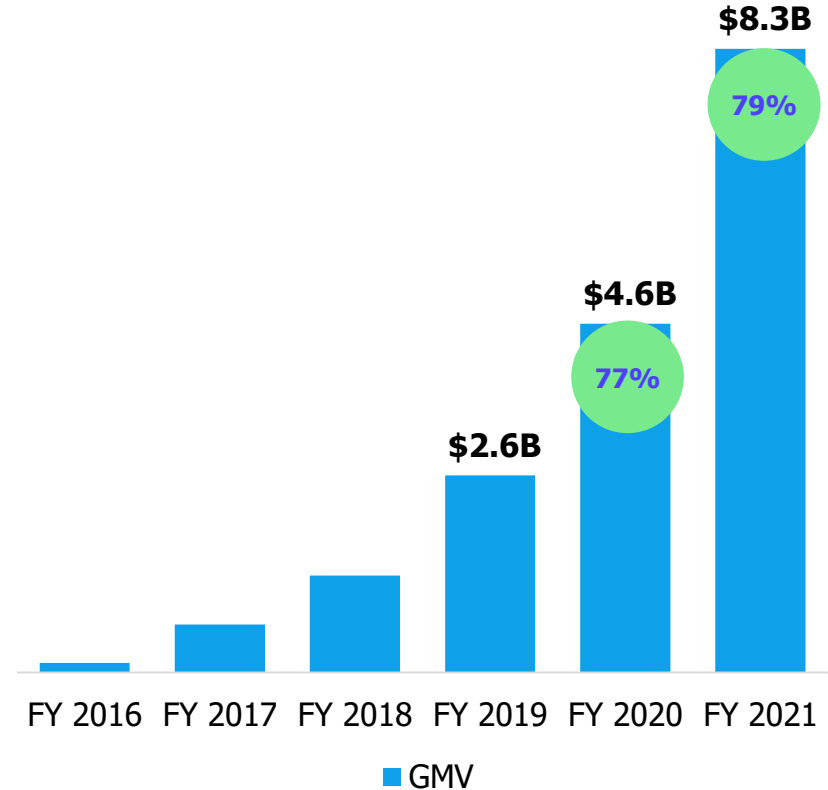
**~7.1M**

Active Consumers<sup>1</sup>



**~29K**

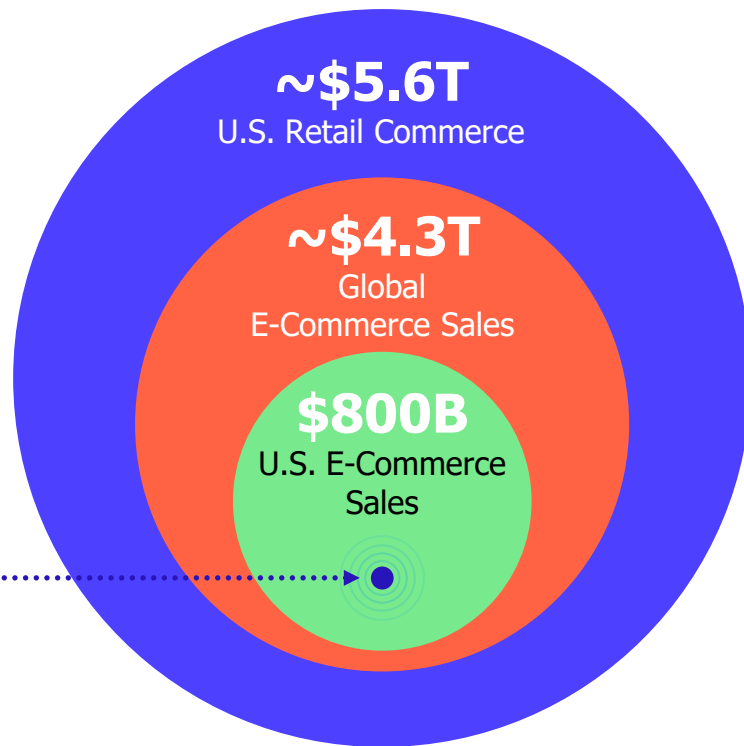
Merchants on Network<sup>1</sup>



# We Are Just Getting Started



**~\$8.3B**  
FY 2021 GMV



# With Plenty of Room to Grow

Focused on providing more value to consumers and merchants

**affirm**  
**\$871M**  
FY 2021 Revenue

**~\$1T**  
Estimated Customer Acquisition Spend<sup>1</sup>

**\$110B+**  
Processing Fees<sup>2</sup>

**\$135B+**  
Credit Card Interest, Late Payment and Overdraft Fees<sup>3</sup>

Note: Fiscal year as of June 30, 2021.

1. Paid by US merchants.
2. Paid by US merchants in 2020.
3. Paid by US consumers in 2019.

# Competitive Moats



**Powerful network  
of merchants and  
consumers**

- Trusted brand for the next generation of consumers and merchants
- Proven highly-effective demand generation and customer acquisition tools for merchants
- Reinforcing network effects expanding over time



**Technology is a core  
competitive advantage**

- Purpose-built technology infrastructure creating differentiated and scalable products
- Proprietary data and risk models generating better outcomes



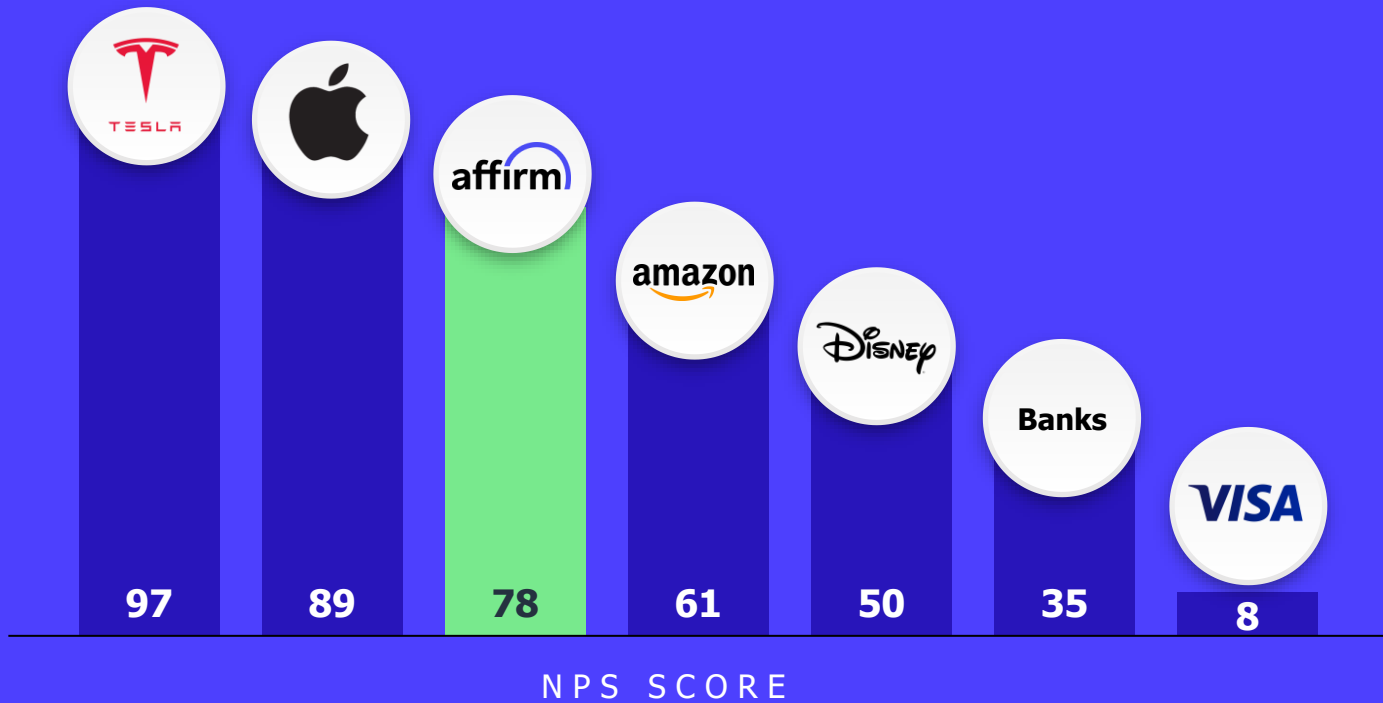
**Compelling  
business model**

- Efficient capital funding capabilities
- Hyper growth at scale
- Attractive unit economics





# Building a Trusted Brand for the Next Generation





# We Are Well-Positioned to Take Advantage of Massive Demographic Tailwinds

**Millennials and Gen Z are Rapidly Coming of Age and...**

**160+ Million**

Millennial + Gen Z population in the U.S.

**\$2.5+ Trillion**

estimated spending power of Millennial + Gen Z consumers in 2020

**~25%**

of Millennials don't carry credit cards

**... We are Well-Positioned to Take Advantage of the Opportunity**

**~50%**

of our consumers are already Millennials or Gen Z

**81%**

of Millennials would consider purchasing financial products from a tech company

**79%**

of Millennials regularly shop online using a smartphone





# Breadth and Depth of Merchant Partners

Product fit and partnerships drive growth

TheRealReal

Eddie Bauer



rag & bone  
NEW YORK

Neiman Marcus

purple®

SERENA & LILY

TONAL

URBANSTEMS

nutribullet.

Callaway

COLE HAAN

GUCCI

Expedia

priceline

west elm

POSHMARK

StubHub



MODA  
OPERANDI



Room&Board

dyson

DELTA  
VACATIONS

BONOBOS

ALTERNATIVE  
AIRLINES

Oscar de la Renta



# Delivering Significant Value to Merchants

**43%**

of total GMV comprised of 0% APR loans<sup>1</sup>

**Solve**

Affordability and budgeting

**85%**

Higher merchant AOV compared to other payment methods

**Deliver**

Valuable data and insights

**Increase in conversion**

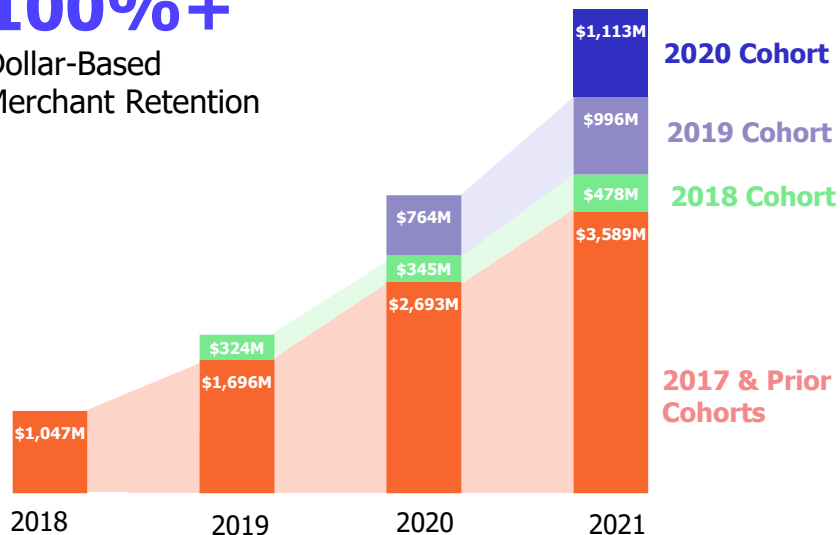
**Drive**

Cost-efficient incremental sales

## Our Merchant Retention Validates the Value We Provide

**100%+**

Dollar-Based Merchant Retention



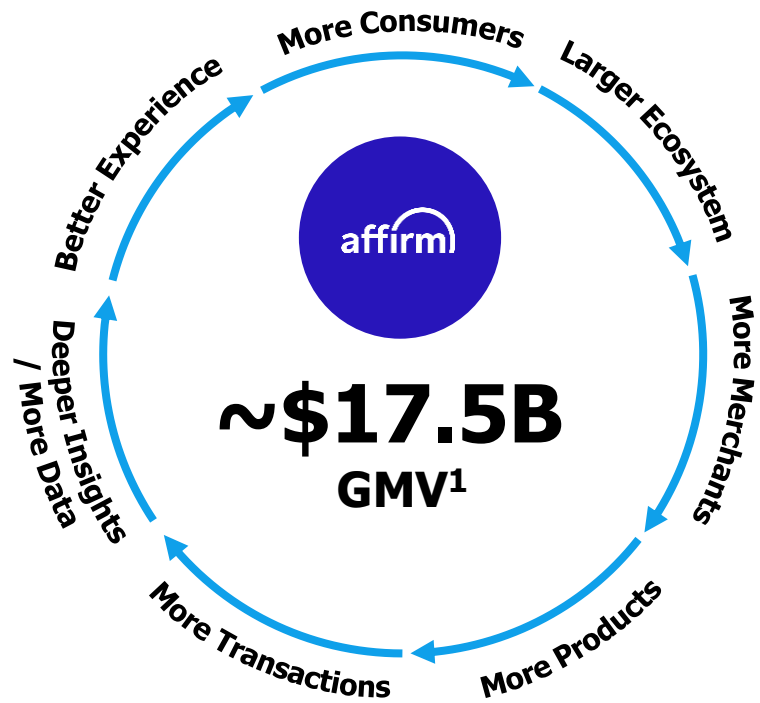
GMV BY MERCHANT COHORT<sup>2</sup> (FISCAL YEARS)

1. For the fiscal year ended June 30, 2021

2. Represents GMV, excluding GMV of virtual card network-enabled mobile app transactions, by merchant cohorts based on the fiscal year of a merchants first transaction.



# Our Platform Strengthens With Every Transaction



1. Since July 1, 2016 through June 30, 2021.

# Sophisticated Technology Powers Platform Innovation

## Full Control

- Adaptability of systems
- Predictability

## Unique Datasets

- Product level information
- Consumer insights

## AI/ML-Based Feedback Loop

- Real-time fraud decisions
- Sophisticated funding

## Breadth & Depth of Data

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## Flexibility and Scale

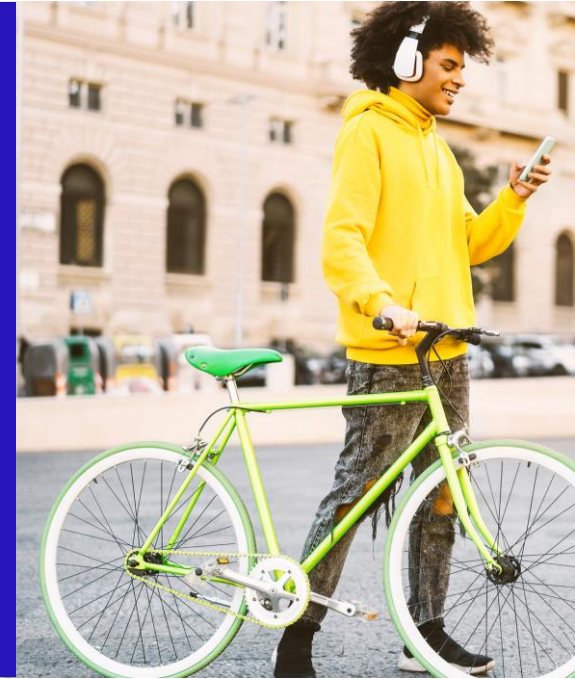
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## Fully Managed & Optimized Ledger

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## World Class Technology Team

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# Data-Driven Insights Fuel Risk Management

## Risk Management Architecture

**1B+**  
unique datapoints for algorithm

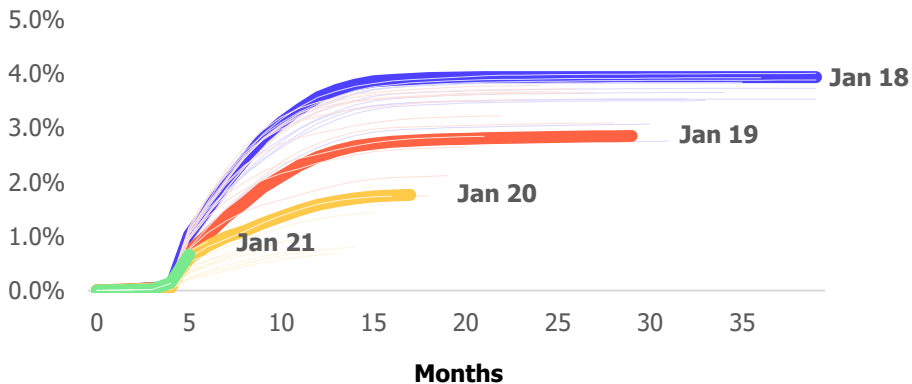
**40-80**  
specific inputs to detect fraud

**7M+**  
existing loans power and improve AI

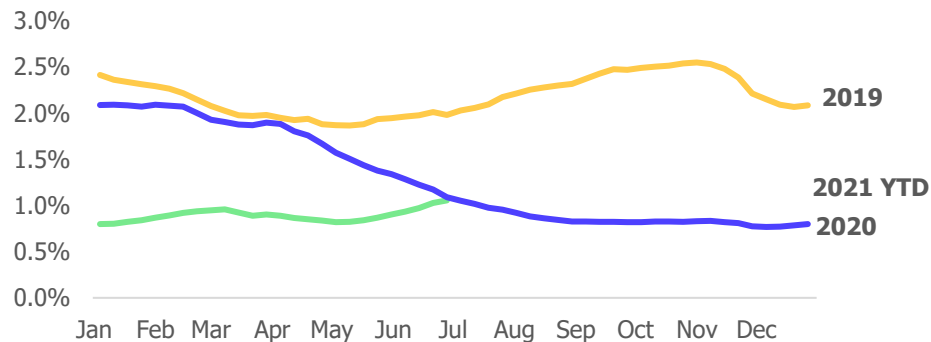
**200+**  
consumer data points for risk management



CHARGE-OFFS ARE RANGE-BOUND SINCE 2018



STRONG DELINQUENCY PERFORMANCE DESPITE COVID-19 (PORTFOLIO DQ30+ PERFORMANCE)



Note: As of June 30, 2021; US loans only.

# Diversified and Deep Partnerships with Funding Partners

BARCLAYS  
ING  
Jefferies  
J.P.Morgan  
Morgan Stanley  
REGIONS  
TRUIST

**Warehouse Facilities**

BARINGS  
DoubleLine  
GIC  
MetLife  
WELLINGTON  
MANAGEMENT

**Securitization Channels**

Citizens Bank  
CPP  
INVESTMENT  
BOARD  
CREDIT SUISSE  
MOORE CAPITAL MANAGEMENT, LP

**Forward Flow  
Arrangements**

**<5%**  
Equity Capital Required  
as % of GMV

**>90%**  
Effective Advance Rate

**7 month**  
On Balance Sheet WAL