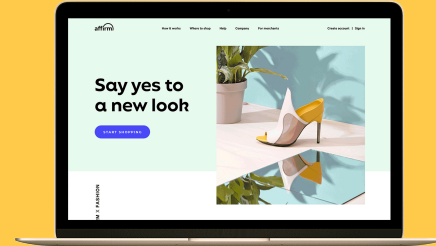


# FY Q1 2022 Earnings Supplement

Updated on January 31, 2022



# Safe Harbor Statement/Use of Non-GAAP Financial Measures

## Cautionary Note About 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: our strategy and future operations; our future 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 industry and markets. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

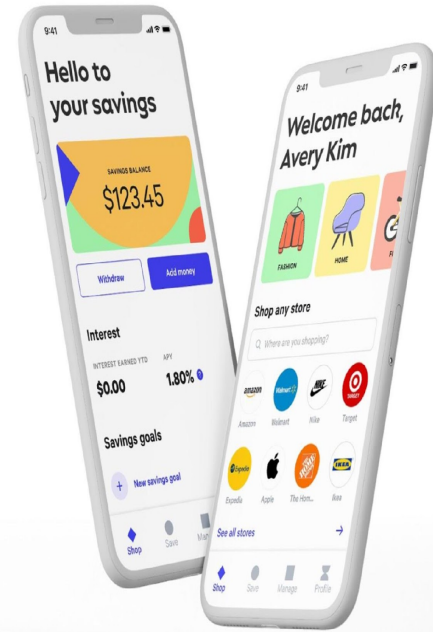
Risks, uncertainties and assumptions include factors relating to: our need to attract additional merchants and consumers and retain and grow our relationships with existing merchants and consumers; our need to maintain a consistently high level of consumer satisfaction and trust in our brand; the concentration of a large percentage of our revenue with a single merchant partner; our ability to sustain our revenue growth rate or the growth rate of our related key operating metrics; the highly competitive nature of our industry; risks relating to our agreement with one of our originating bank partners; the risk that our existing funding arrangements may not be renewed or replaced or our existing funding sources may be unwilling or unable to provide funding to us on terms acceptable to us, or at all; our ability to effectively underwrite loans facilitated through our platform and accurately price credit risk; the performance of loans facilitated through our platform; risks associated with changes in market interest rates; risks relating to our securitizations, warehouse credit facilities and forward flow agreements; the impact on our business of general economic conditions, the financial performance of our merchants, and fluctuations in the U.S. consumer credit market; our ability to grow effectively through acquisitions or other strategic investments or alliances; risks associated with expanding our operations internationally; the potential impact of any cyber-attacks, misconduct, computer viruses, or physical or electronic break-ins that we might experience; risks associated with our business being subject to extensive regulation, examination, and oversight in a variety of areas; and other risks that are described in our Annual Report on Form 10-K for our fiscal year ended June 30, 2021 and in our other filings with the Securities and Exchange Commission.

These forward-looking statements reflect our 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 we assume no obligation and do not intend to update these forward-looking statements.

## Use of Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with generally accepted accounting principles in the United States (“GAAP”), we present the following non-GAAP financial measures: Revenue less transaction costs, revenue less transaction costs as a percentage of GMV, adjusted operating loss and adjusted operating margin. We also present certain operating expenses on a non-GAAP basis, as well as those non-GAAP operating expenses as a percentage of GAAP total revenue. Definitions of each non-GAAP financial measure and reconciliations of each historical non-GAAP financial measure with the most directly comparable GAAP financial measure are included in this presentation. However, a reconciliation of adjusted operating loss to the comparable GAAP measure is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, expenses that may be incurred in the future. Our management uses these non-GAAP financial measures in conjunction with financial measures prepared in accordance with GAAP for planning purposes, including the preparation of our annual operating budget, as a measure of our operating results and the effectiveness of our business strategy, and in evaluating our financial performance. However, non-GAAP financial information is presented for supplemental informational purposes only, and our use of these non-GAAP financial measures has limitations as an analytical tool. Accordingly, you should not consider these non-GAAP financial measures in isolation or as substitutes for analysis of our financial results as reported under GAAP, and these non-GAAP measures should be considered along with other operating and financial performance measures presented in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.

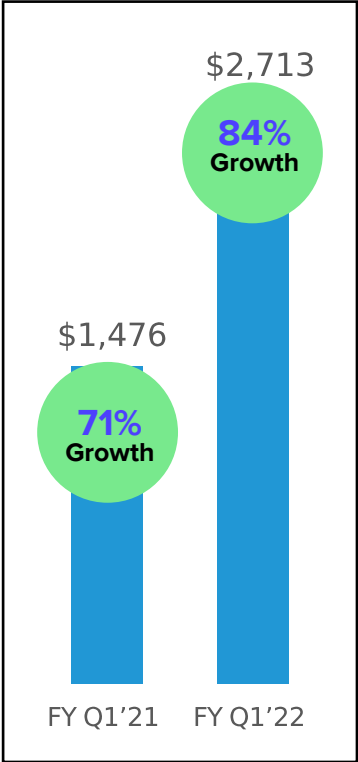
**Our Mission:**  
Build honest  
financial products  
that improve lives.



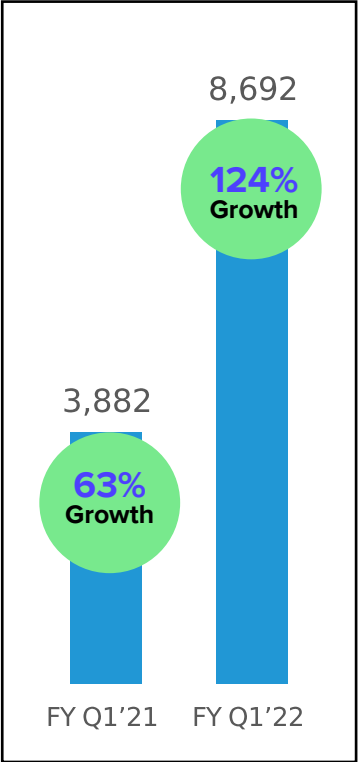
# FY Q1 2022 Operating and Financial Highlights

# First Quarter FY'22 Highlights

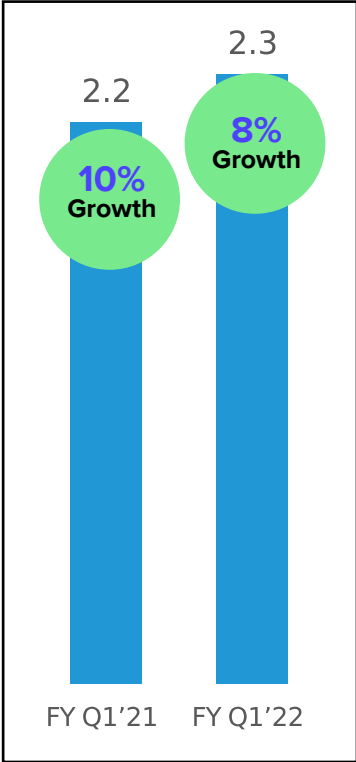
**GROSS MERCHANDISE VOLUME (\$M)**



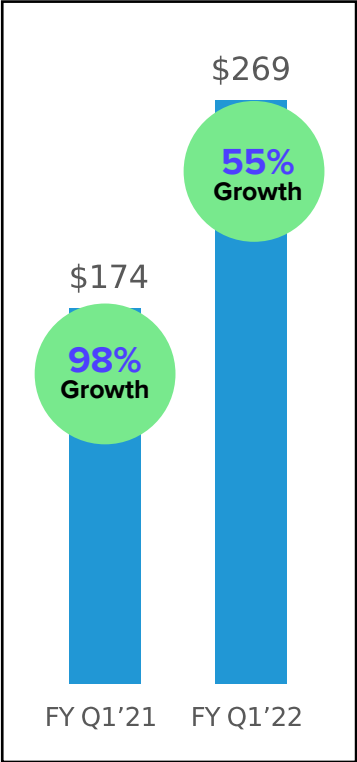
**ACTIVE CONSUMERS (M)**



**TRANS. PER ACTIVE CONSUMER**

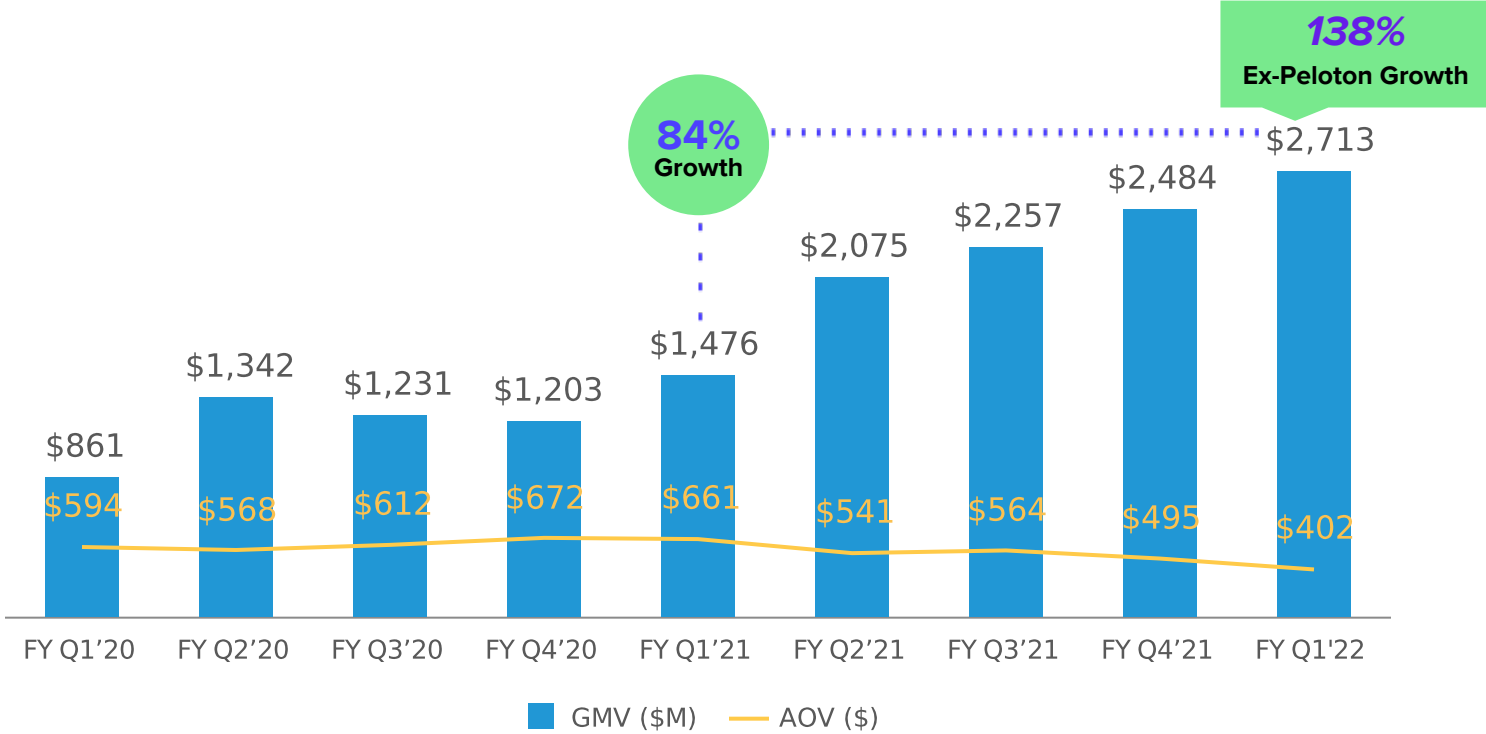


**REVENUE (\$M)**



# FY Q1 2022 Business Highlights

# Gross Merchandise Volume



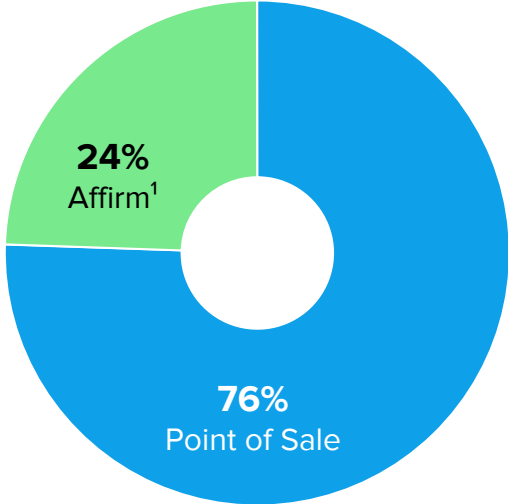
Notes:

1. GMV defined as the total dollar amount of all transactions on the Affirm platform during the period, net of refunds
2. Average Order Value (AOV) defined as GMV divided by the number of transactions conducted on the Affirm platform during the period
3. Metrics are unaudited

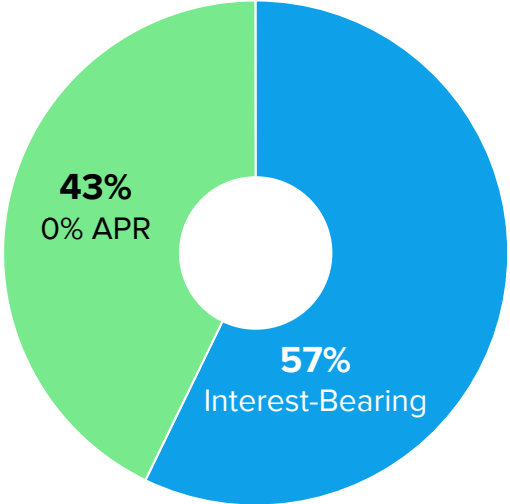


# Power Transactions Across Diverse Channels

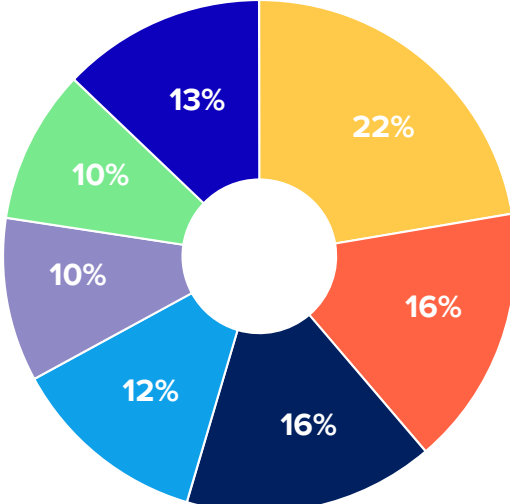
**POS VS. AFFIRM<sup>1</sup> TRANSACTIONS**  
FY Q1 2022



**Interest-Bearing vs 0% APR GMV**  
FY Q1 2022



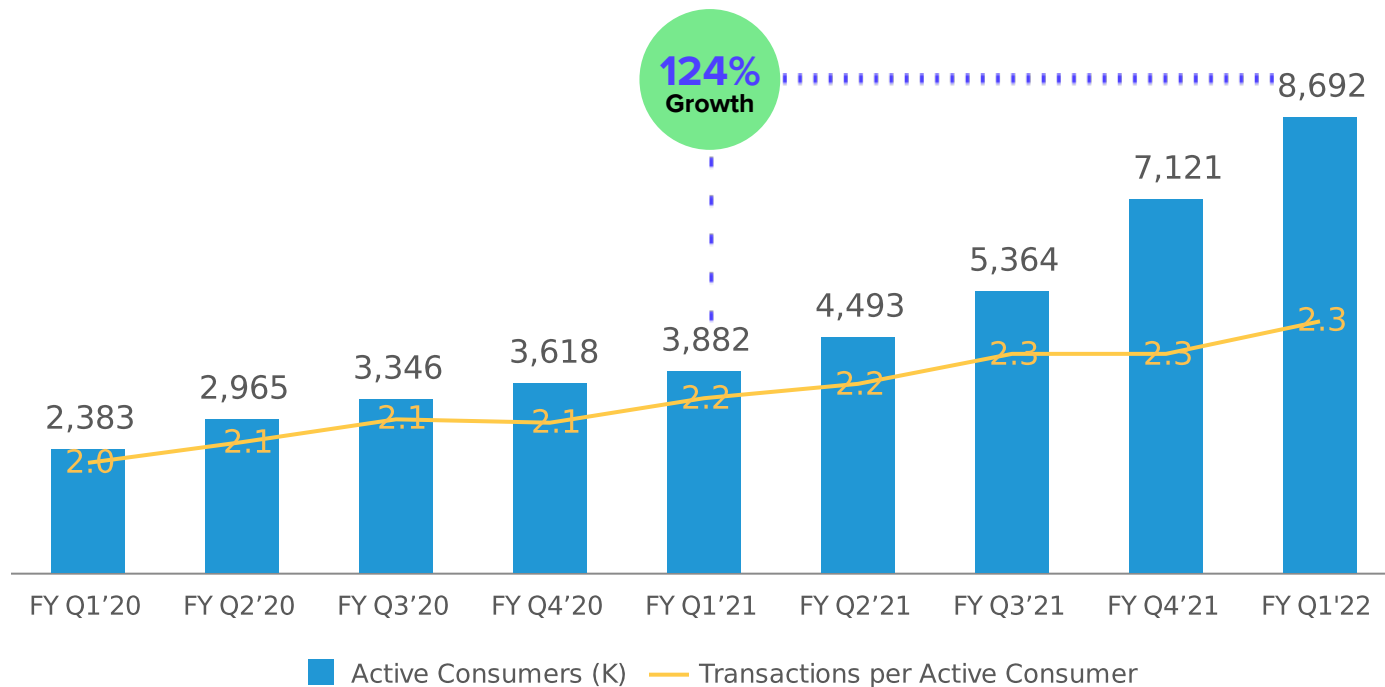
**Industry GMV Mix<sup>2</sup>**  
FY Q1 2022



Notes:  
 1. Based on transactions initiated by Affirm through mobile app and website channels  
 2. Excludes volume from transactions facilitated through Affirm virtual card at non-integrated merchants  
 3. Metrics are unaudited



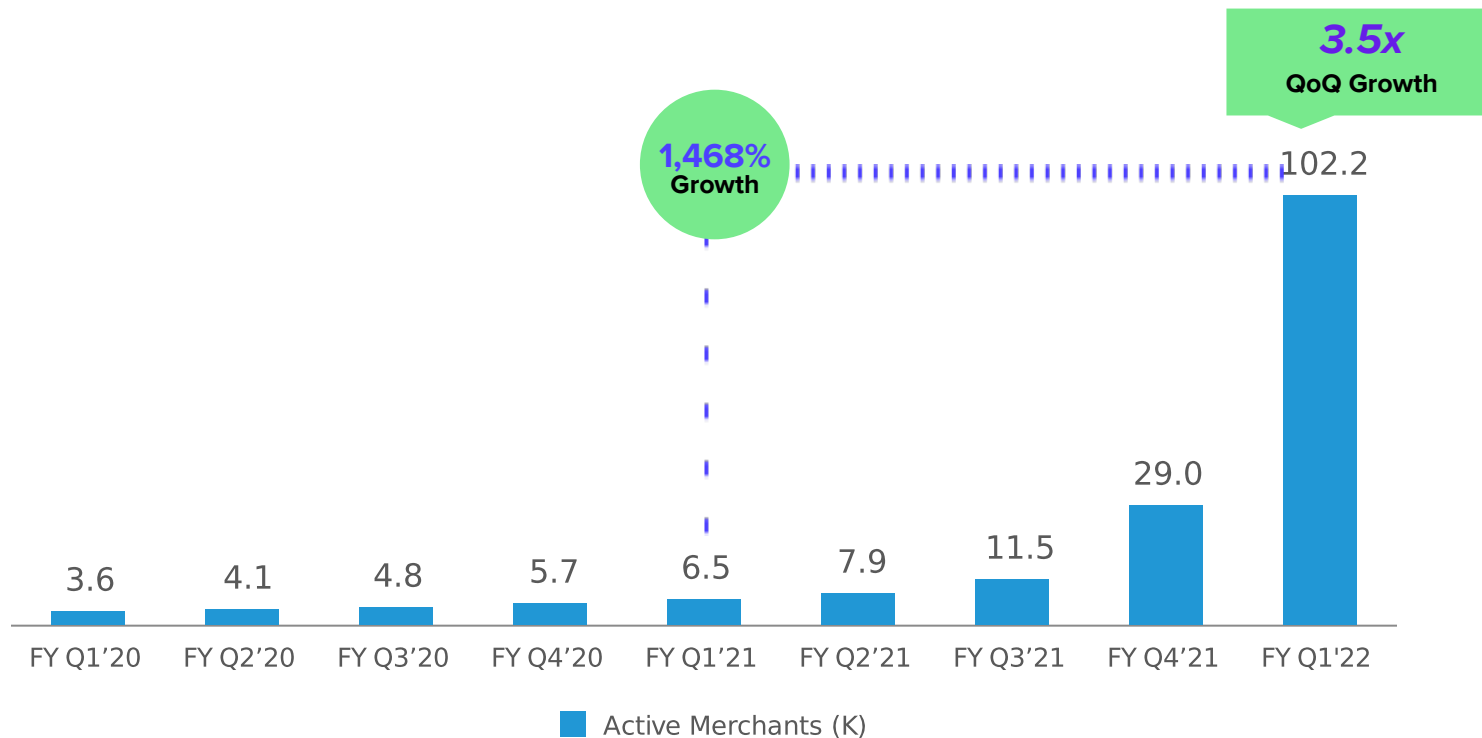
# Active Consumers



Notes:

1. Active Consumer defined as a consumer who engages in at least one transaction on our platform during the 12 months prior to the measurement date, presented as of the end of the period. Active Consumers includes consumers who engaged in at least one transaction on the PayBright and Returnly platforms during the 12 months prior to the measurement date and prior to the acquisitions of PayBright and Returnly by Affirm
2. Transactions per Active Consumer defined as the average number of transactions that an Active Consumer has conducted on our platform during the 12 months prior to the measurement date, presented as of the end of the period. Transactions per Active Consumer includes transactions completed by Active Consumers on the PayBright and Returnly platforms during the 12 months prior to the measurement date and prior to the acquisitions of PayBright and Returnly by Affirm
3. Metrics are unaudited

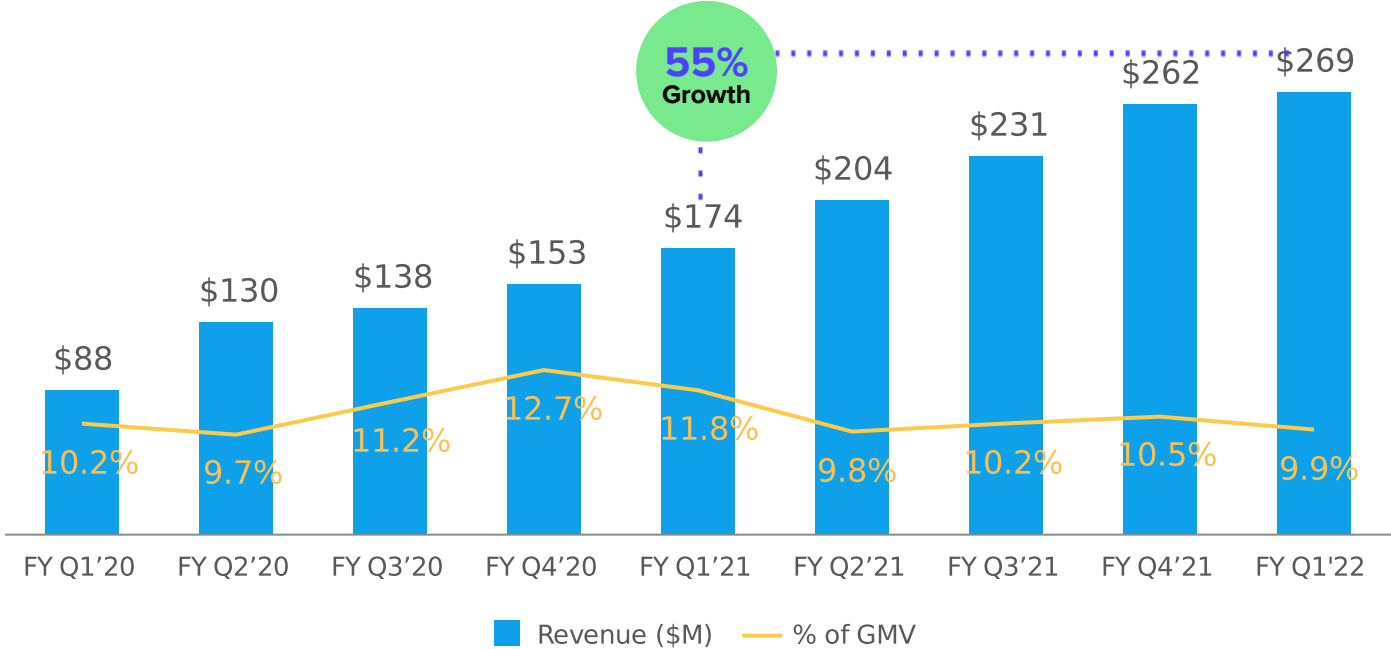
# Active Merchants



Notes:

1. Active Merchant defined as a merchant an active merchant as a merchant which engages in at least one transaction on its platform during the 12 months prior to the measurement date
2. Metrics are unaudited

# Revenue

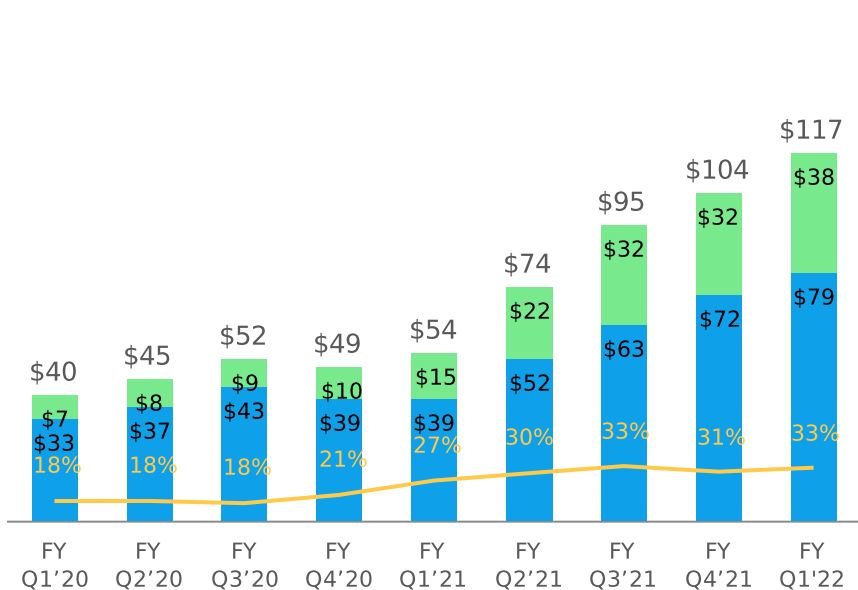


Notes:

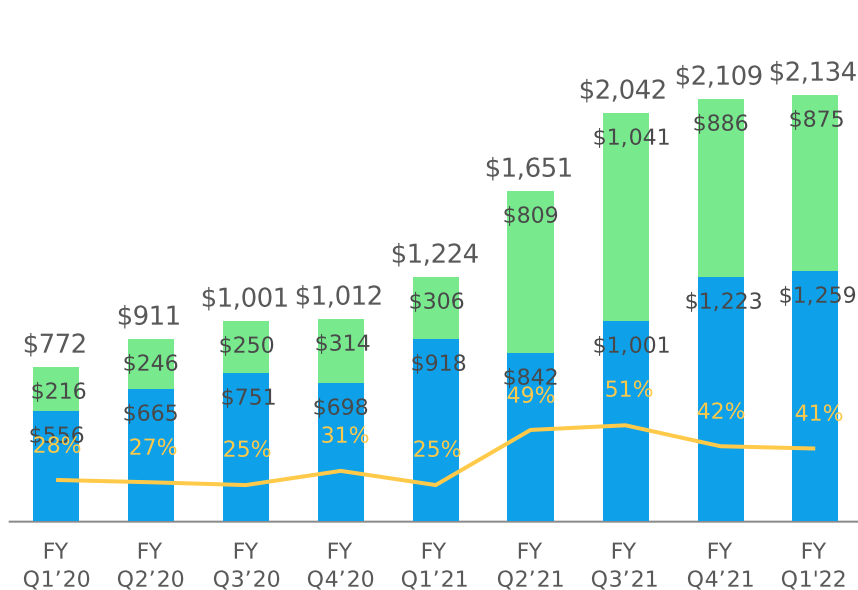
1. FY Q4'21 and FY Q3'21 Revenue figures include reductions to revenue of \$2.3 million and \$3.5 million, respectively, recorded in relation to the estimated financial impact of Peloton's voluntary recall of its Tread+ and Tread products
2. Metrics are unaudited

# Interest Income and Loans Held for Investment Composition

## Interest Income Composition



## Composition of Average Loans Held for Investment ("LHFI")



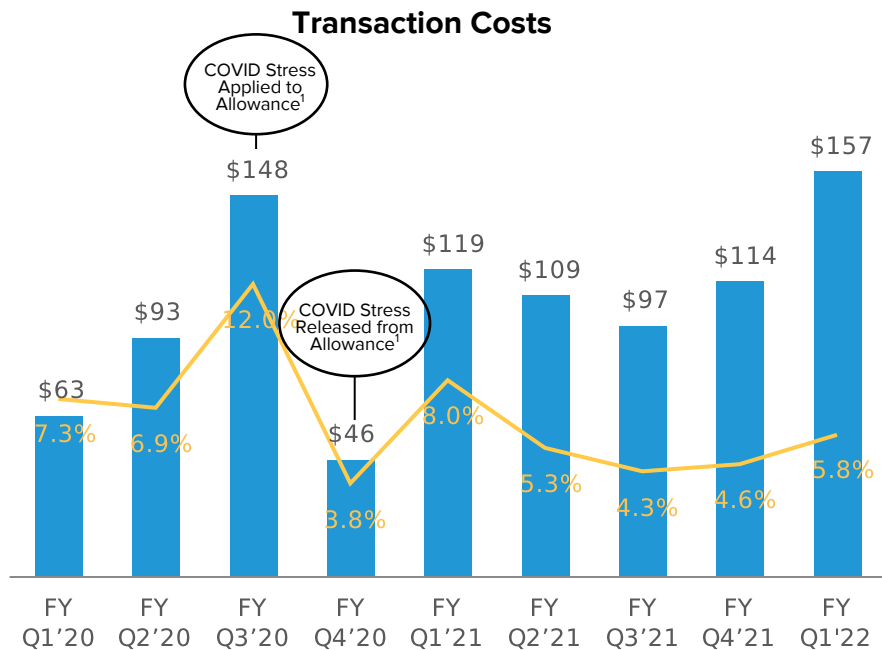
■ Other Interest Income (\$M)  
■ Amortization of Discount (\$M)  
— Amortization of Discount as % of Total Interest Income

■ Avg. Interest Bearing LHFI Balance  
■ Avg. 0% APR LHFI Balance  
— 0% APR Balance % of Avg LHFI

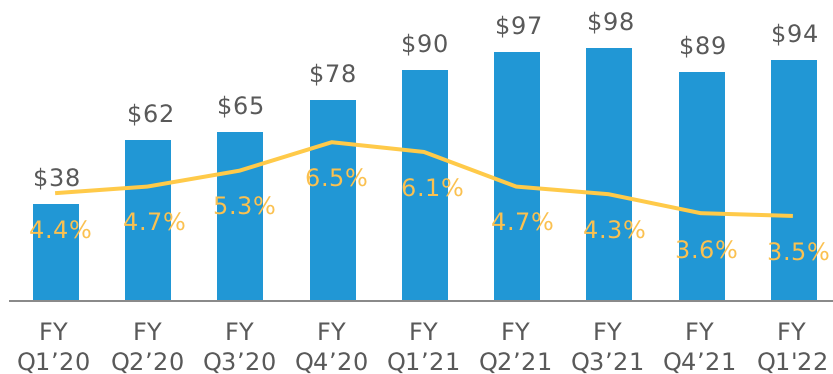
Notes:

- Amortization of discount is associated primarily with 0% loans or loans with below market value APRs; Other interest income includes interest income on unpaid principal balance net of amortization of premiums on loans and interest receivable charged-off
- Metrics are unaudited

# Transaction Costs



### Transaction Costs ex-Provision



■ Transaction Costs (\$M) — % of GMV

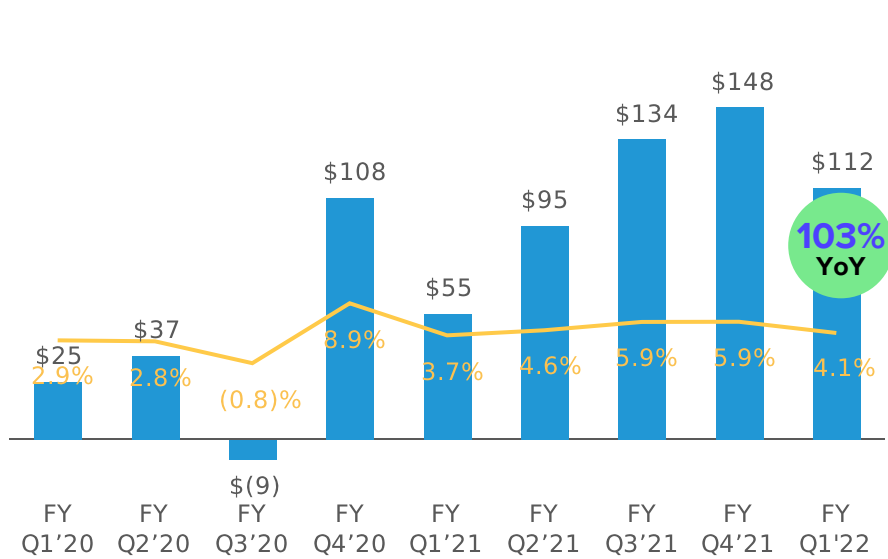
■ Transaction Costs ex-Provision (\$M) — % of GMV

Notes:

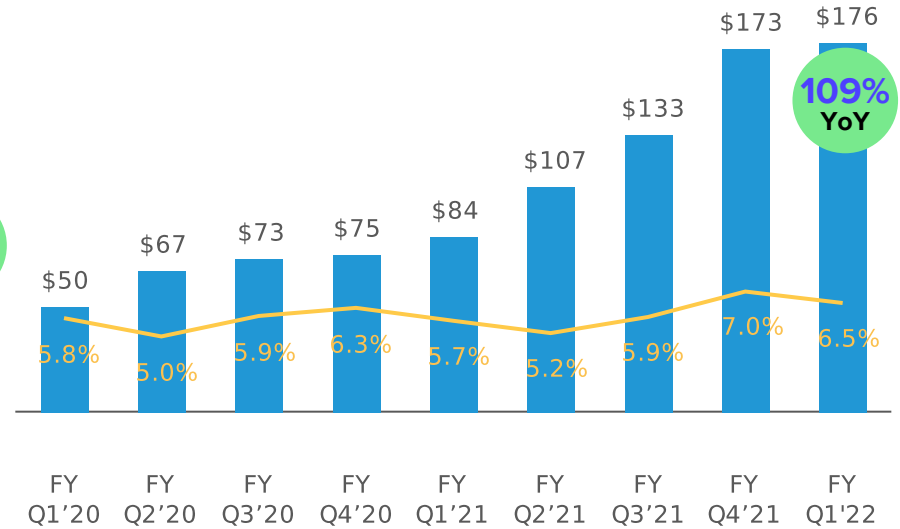
- In March 2020, we updated loss assumptions in our allowance for credit losses to reflect expected stress emerging from forecasted delinquencies and defaults. This resulted in an increase of the allowance for credit losses as a percent of loans held for investment from 8.9% as of February 29, 2020, to 14.6% as of March 31, 2020. In the months subsequent to this, we saw stronger than expected repayment history in the portfolio resulting in a release of the allowance. These applications or releases of stress on the allowance impact the income statement via the provision for credit losses operating expense line.
- Transaction Costs include Loss on loan purchase commitment, Provision for credit losses, Funding costs and Processing and servicing
- Transaction Costs ex-Provision include Loss on loan purchase commitment, Funding costs and Processing and servicing
- FY Q1'21 and FY Q2'21 amounts include adjustments to amounts previously reported due to effects of adoption of accounting standards effective July 1, 2020; FY Q3'21 amounts include adjustments to amounts previously reported due to an adjustment to stock-based compensation expense
- FY Q3'21 and FY Q4'21 amounts include adjustments to amounts previously reported due to understatements in certain prior period amounts related to the fair value measurement of contingent consideration and stock-based compensation.
- Metrics are unaudited

# Revenue Less Transaction Costs

## Revenue Less Transaction Costs



## Revenue Less Transaction Costs ex-Provision



■ Revenue Less Transaction Costs (\$M) — % of GMV

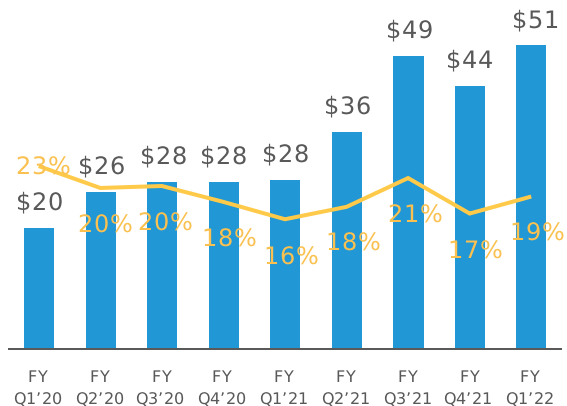
■ Revenue Less Transaction Costs ex-Provision (\$M)  
— % of GMV

Notes:

- Transaction Costs include Loss on loan purchase commitment, Provision for credit losses, Funding costs and Processing and servicing
- Transaction Costs ex-Provision include Loss on loan purchase commitment, Funding costs and Processing and servicing
- FY Q1'21 and FY Q2'21 amounts include adjustments to amounts previously reported due to effects of adoption of accounting standards effective July 1, 2020; FY Q3'21 amounts include adjustments to amounts previously reported due to an adjustment to stock-based compensation expense
- FY Q3'21 and FY Q4'21 amounts include adjustments to amounts previously reported due to understatements in certain prior period amounts related to the fair value measurement of contingent consideration and stock-based compensation.
- Metrics are unaudited

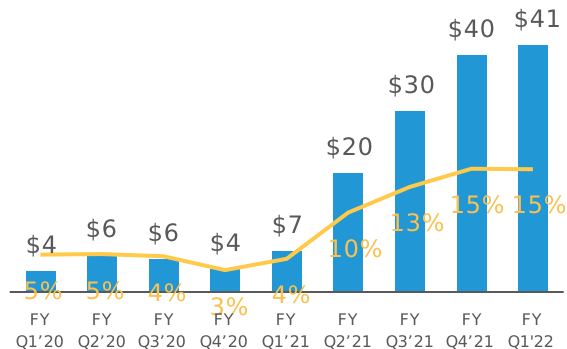
# Non-GAAP Operating Expenses

## Technology & Data Analytics



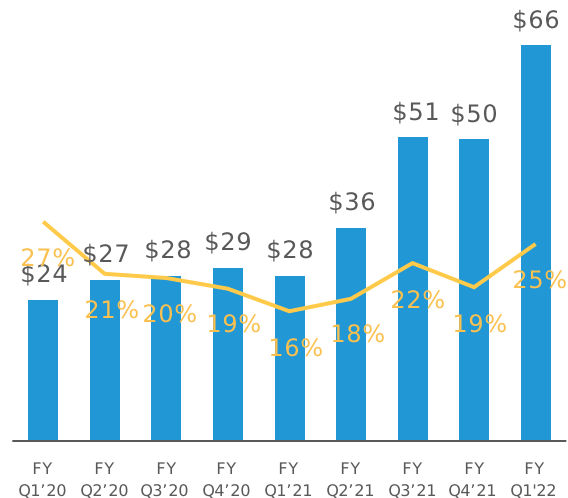
■ Technology & Data Analytics (\$M)  
— % of Revenue

## Sales and Marketing



■ Sales and Marketing (\$M)  
— % of Revenue

## General and Administrative



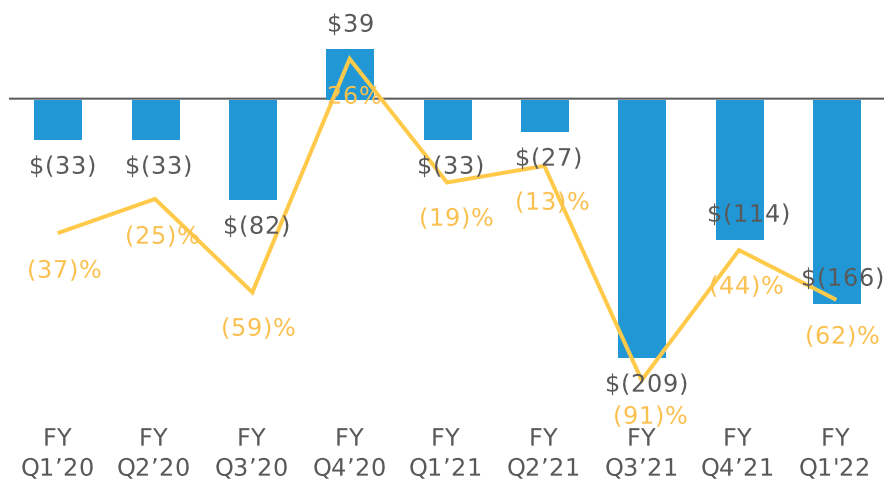
■ General and Administrative (\$M)  
— % of Revenue

Notes:

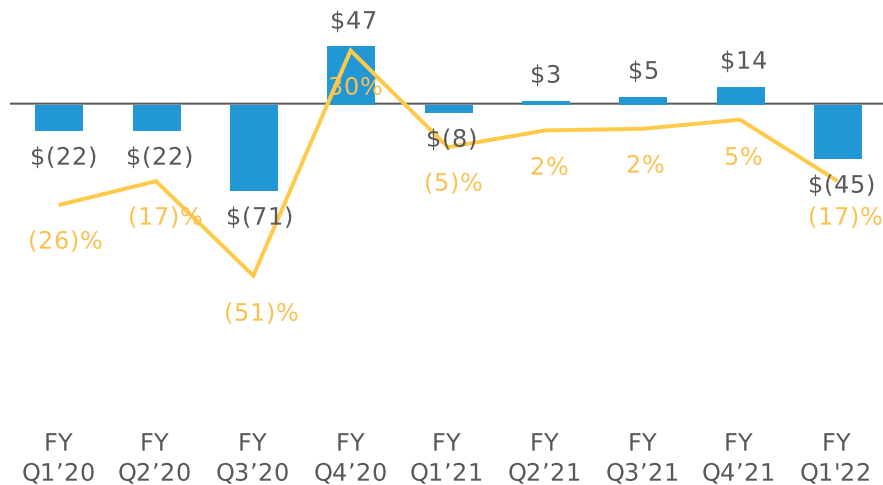
1. Non-GAAP operating expenses exclude (a) depreciation and amortization; (b) stock-based compensation included in GAAP operating loss; (c) the amortization of its commercial agreement asset; and (d) certain other costs
2. Metrics are unaudited

# GAAP and Adj. Operating Income / (Loss)

## GAAP Operating Income / (Loss)



## Adjusted Operating Income / (Loss)



■ Operating Income / (Loss) (\$M) — Operating Margin

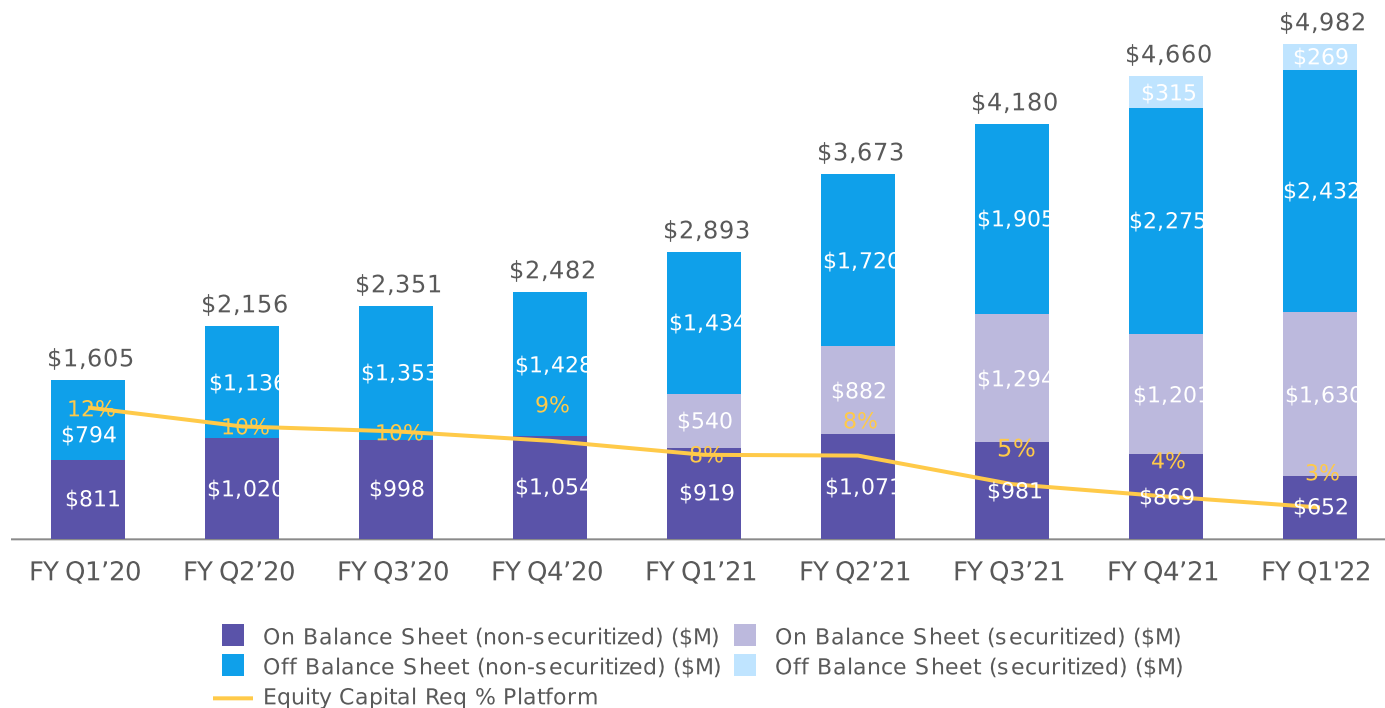
■ Adj. Operating Income / (Loss) (\$M) — Adj. Op Margin

Notes:

- Adjusted Operating Income calculated as GAAP operating loss, excluding: (a) depreciation and amortization; (b) stock-based compensation included in GAAP operating loss; (c) the amortization of its commercial agreement asset; and (d) certain other costs
- FY Q1'21 and FY Q2'21 amounts include adjustments to amounts previously reported due to effects of adoption of accounting standards effective July 1, 2020
- FY Q3'21 and FY Q4'21 amounts include adjustments to amounts previously reported due to understatements in certain prior period amounts related to the fair value measurement of contingent consideration and stock-based compensation.
- Metrics are unaudited



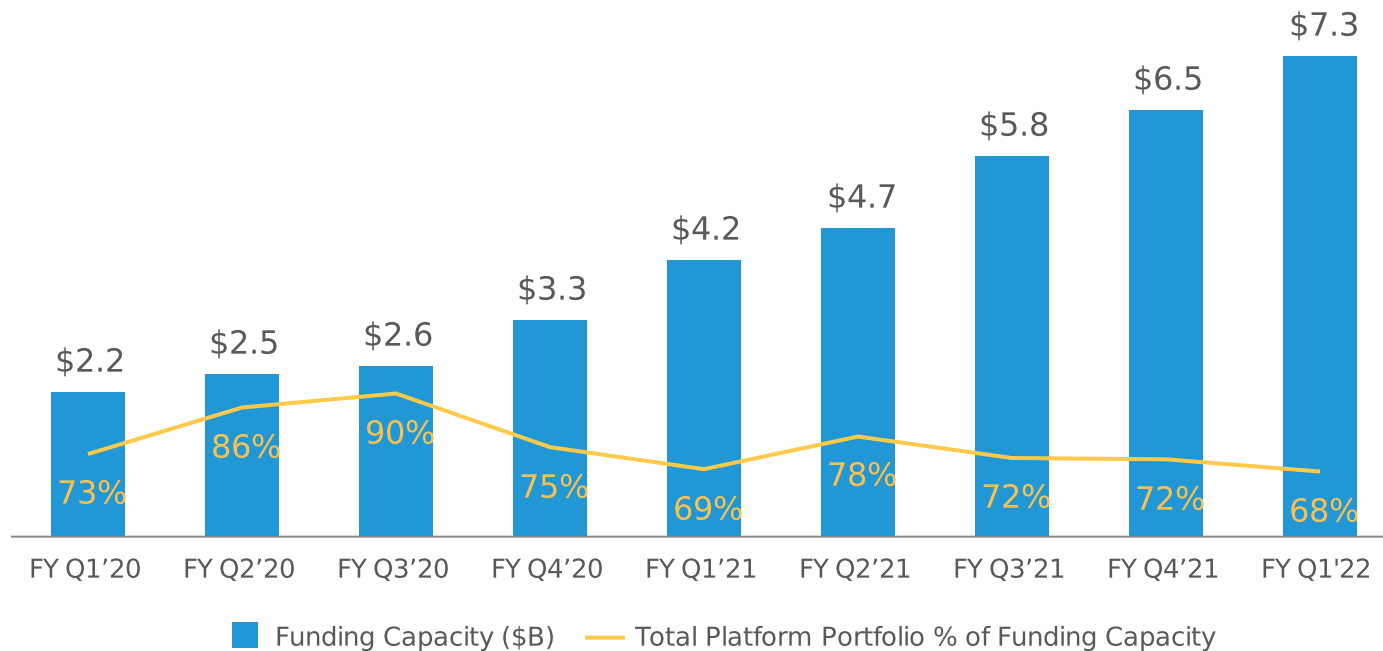
# Platform Portfolio and Funding Mix



Notes:

1. On Balance Sheet (Non-Securitized) includes Loans Pledged as Collateral in warehouse financing vehicles or held by Affirm and consolidated on Affirm's balance sheet
2. On Balance Sheet (Securitized) includes Loans Pledged as Collateral in securitizations and consolidated on Affirm's balance sheet
3. Off Balance Sheet includes Loans Held by Third Parties and not consolidated on Affirm's balance sheet
4. Equity Capital Required is the sum of the balance of loans held for investment and loans held for sale, less the balance of funding debt and notes issued by securitization trusts as of the balance sheet date
5. Metrics are unaudited

# Funding Capacity



# Loan Held for Investment by ITACS Score

(\$ in 000s)

	Quarter Ending					
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021
<b>Amortized Cost Basis of Loans Held for Investment by ITACS Score</b>						
96+	\$ 746,758	\$ 1,123,357	\$ 1,459,271	\$ 1,562,547	\$ 1,338,059	\$ 1,402,266
94–96	196,083	239,007	357,629	391,934	407,539	451,859
90–94	82,368	58,028	74,199	109,868	138,991	171,723
<90	8,004	8,017	25,517	29,444	26,379	55,738
No score	20,864	31,010	36,994	100,141	108,916	148,231
<b>Total loan receivables</b>	<b>\$ 1,054,077</b>	<b>\$ 1,459,419</b>	<b>\$ 1,953,610</b>	<b>\$ 2,193,934</b>	<b>\$ 2,019,884</b>	<b>\$ 2,229,817</b>

## Percentage of Amortized Cost Basis of Loans Held for Investment by ITACS Score

96+	71 %	77 %	75 %	71 %	66 %	63 %
94–96	19 %	16 %	18 %	18 %	20 %	20 %
90–94	8 %	4 %	4 %	5 %	7 %	8 %
<90	1 %	1 %	1 %	1 %	1 %	2 %
No score	2 %	2 %	2 %	5 %	5 %	7 %
<b>Total loan receivables</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

Notes:

1. Metrics are unaudited
2. Table presents ITACS score distribution of the unpaid principal balance of loans held for investment
3. Balance for loans with "No score" represents loan receivables in experimental products or new markets without sufficient data currently available for use of the Affirm scoring methodology

# Q1'22 Loan Balance and Net Charge-offs by Loan Origination Year

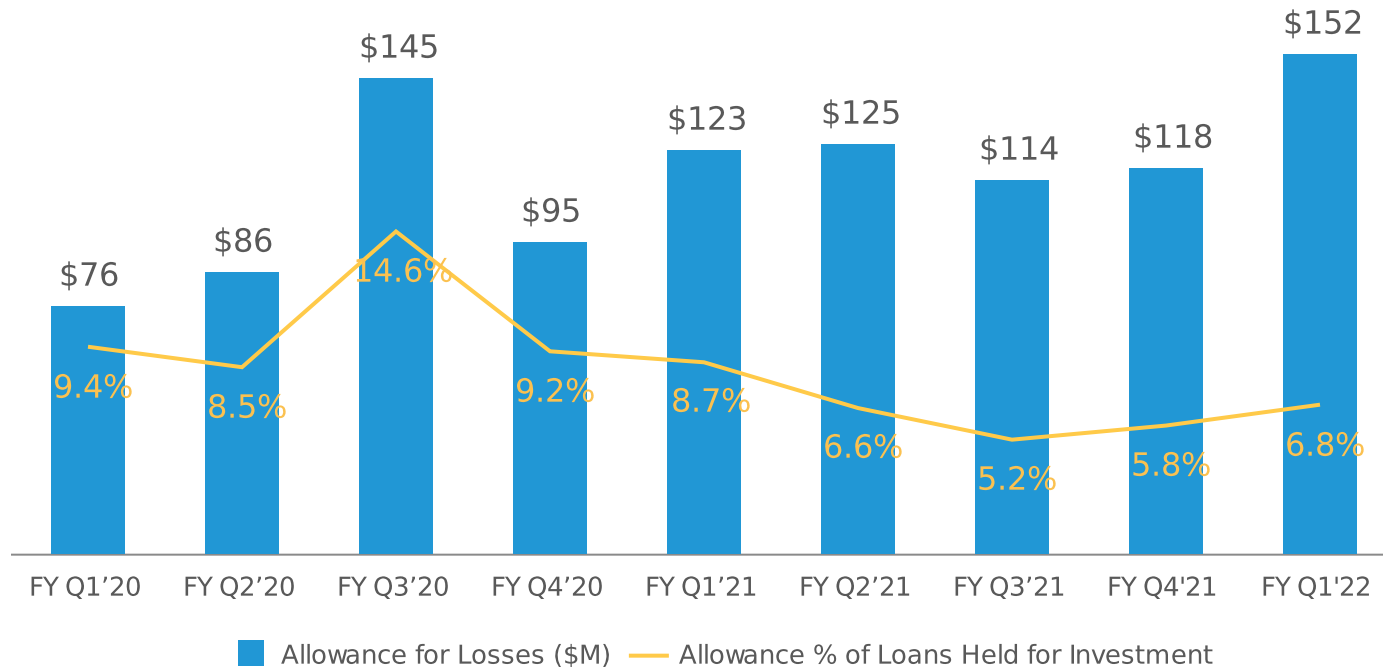
as of September 30, 2021

	2022	2021	2020	2019	2018	Prior	Total
<b>Amortized Cost Basis by Fiscal Year of Origination</b>							
<b>Total</b>	<b>\$ 1,080,556</b>	<b>\$ 1,047,077</b>	<b>\$ 95,851</b>	<b>\$ 6,038</b>	<b>\$ 277</b>	<b>\$ 18</b>	<b>\$ 2,229,817</b>
Current period charge-offs	(350)	(29,104)	(943)	(56)	(1)	—	(30,454)
Current period recoveries	—	1,200	978	839	385	309	3,711
<b>Current period net charge-offs</b>	<b>(350)</b>	<b>(27,904)</b>	<b>35</b>	<b>783</b>	<b>384</b>	<b>309</b>	<b>(26,743)</b>

Notes:

1. Metrics are unaudited

# Allowance and Loans Held for Investment



# Guidance

# FY Q2 2022 and FY 2022 Guidance

	<u>Fiscal Q2 2022</u>	<u>Fiscal Year 2022</u>
<b>GMV</b>	\$3.55 to \$3.65 billion	\$13.13 to \$13.38 billion
<b>Revenue</b>	\$320 to \$330 million	\$1,225 to \$1,250 million
<b>Transaction Costs</b>	\$143 to \$148 million	\$645 to \$655 million
<b>Revenue Less Transaction Costs</b>	\$178 to \$183 million	\$580 to \$595 million
<b>Adjusted Operating Loss as a Percentage of Revenue</b>	(7) to (5) percent	(14) to (12) percent
<b>Weighted Average Shares Outstanding</b>	285 million	290 million

Affirm's financial outlook for the fiscal second quarter and full year 2022 assumes the following:

- The Company's outlook does not include estimates of potential contributions to GMV, revenue, or transaction costs from its partnership with Amazon. However, certain technology and marketing expenses associated with the onboarding and ramping of the expanded Amazon partnership are included in the Company's outlook for adjusted operating margin for Fiscal Year 2022. Beginning with its fiscal third quarter, the Company plans to begin including estimates of the GMV, revenue, and transaction costs related to the Amazon partnership in its financial outlook
- The Company's outlook assumes no material impact to GMV, revenue, or transaction costs from the rollout of its Affirm Debit+ card or its recently announced partnership to enter the Australian market

# Financials



# Components of Interest Income

(\$ in 000s)	Three Months Ended									
	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021	
Interest income on unpaid principal balance	\$ 34,988	\$ 39,747	\$ 46,444	\$ 42,195	\$ 40,188	\$ 54,243	\$ 65,921	\$ 74,860	\$ 82,941	
Amortization of discount on loans held for investment	7,406	8,323	9,175	10,347	14,770	22,448	31,625	32,235	38,445	
Amortization of premiums on loans	(1,103)	(1,432)	(1,701)	(1,921)	(1,958)	(2,118)	(2,373)	(2,569)	(2,737)	
Interest receivable charged-off, net of recoveries	(1,123)	(1,565)	(1,546)	(1,504)	1,237	(716)	(643)	(733)	(1,347)	
<b>Total interest income</b>	<b>\$ 40,168</b>	<b>\$ 45,073</b>	<b>\$ 52,372</b>	<b>\$ 49,117</b>	<b>\$ 54,237</b>	<b>\$ 73,857</b>	<b>\$ 94,530</b>	<b>\$ 103,793</b>	<b>\$ 117,302</b>	

# Fully Diluted Shares Outstanding (FY Q1'22)

*(Shares in millions)*

<b>Common Shares Outstanding</b>	<b>278</b>
Plus: Balance of Options, Weighted Average Strike Price: \$24.50	36
Less: Treasury Stock Reduction of Options Outstanding	(5)
Plus: Restricted Stock Units	14
<b>Fully Diluted Shares, Treasury Stock Method</b>	<b>323</b>

Derivation of Fully Diluted Shares Outstanding Estimate relies upon below inputs and assumptions:

- Common shares outstanding and restricted stock units are as of September 30, 2021
- Balance of options outstanding as of September 30, 2021 and reduced by 5 million shares using treasury stock method with \$163.37 closing stock price as of November 8, 2021

# Reconciliations

# Income Statement Reconciliations

	Three Months Ended									
	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021	
<b>Income Statement Reconciliations (\$K)</b>										
Total Revenue	\$ 87,947	\$ 129,976	\$ 138,273	\$ 153,332	\$ 173,978	\$ 204,041	\$ 230,665	\$ 261,780	\$ 269,385	
<b>Operating Expenses</b>										
Loss on loan purchase commitment	\$ 19,961	\$ 42,661	\$ 43,519	\$ 55,311	\$ 65,868	\$ 67,768	\$ 62,054	\$ 51,010	\$ 51,678	
Provision for credit losses	24,844	30,178	82,216	(32,171)	28,931	12,521	(1,063)	25,489	63,647	
Funding costs	8,128	8,167	8,204	7,817	10,352	12,060	14,665	15,623	16,753	
Processing and servicing	9,695	11,652	13,678	14,806	13,498	16,802	21,368	21,910	25,201	
<b>Total Transaction Costs</b>	<b>\$ 62,628</b>	<b>\$ 92,658</b>	<b>\$ 147,617</b>	<b>\$ 45,763</b>	<b>\$ 118,649</b>	<b>\$ 109,151</b>	<b>\$ 97,024</b>	<b>\$ 114,032</b>	<b>\$ 157,279</b>	
Technology and data analytics	25,368	31,612	33,654	31,744	33,768	41,634	104,806	69,128	78,013	
Sales and marketing	5,219	7,651	7,108	5,066	22,582	39,112	58,184	62,312	63,960	
General and administrative	27,704	30,688	31,399	31,439	32,273	40,916	179,999	130,561	136,204	
<b>Total Operating Expenses</b>	<b>\$ 120,919</b>	<b>\$ 162,609</b>	<b>\$ 219,778</b>	<b>\$ 114,012</b>	<b>\$ 207,272</b>	<b>\$ 230,813</b>	<b>\$ 440,013</b>	<b>\$ 376,033</b>	<b>\$ 435,456</b>	
<b>Operating Income (Loss)</b>	<b>\$ (32,972)</b>	<b>\$ (32,633)</b>	<b>\$ (81,505)</b>	<b>\$ 39,320</b>	<b>\$ (33,294)</b>	<b>\$ (26,772)</b>	<b>\$ (209,348)</b>	<b>\$ (114,253)</b>	<b>\$ (166,071)</b>	
<b>Reconciliation from Revenue to Revenue Less Transaction Costs and Revenue Less Transaction Costs ex-Provision</b>										
Total Revenue	\$ 87,947	\$ 129,976	\$ 138,273	\$ 153,332	\$ 173,978	\$ 204,041	\$ 230,665	\$ 261,780	\$ 269,385	
Less: Loss on loan purchase commitment	19,961	42,661	43,519	55,311	65,868	67,768	62,054	51,010	51,678	
Less: Provision for credit losses	24,844	30,178	82,216	(32,171)	28,931	12,521	(1,063)	25,489	63,647	
Less: Funding costs	8,128	8,167	8,204	7,817	10,352	12,060	14,665	15,623	16,753	
Less: Processing and servicing	9,695	11,652	13,678	14,806	13,498	16,802	21,368	21,910	25,201	
<b>Revenue Less Transaction Costs</b>	<b>\$ 25,319</b>	<b>\$ 37,318</b>	<b>\$ (9,344)</b>	<b>\$ 107,569</b>	<b>\$ 55,329</b>	<b>\$ 94,890</b>	<b>\$ 133,641</b>	<b>\$ 147,748</b>	<b>\$ 112,106</b>	
Plus: Provision for credit losses	24,844	30,178	82,216	(32,171)	28,931	12,521	(1,063)	25,489	63,647	
<b>Revenue Less Transaction Costs ex-</b>	<b>\$ 50,163</b>	<b>\$ 67,496</b>	<b>\$ 72,872</b>	<b>\$ 75,398</b>	<b>\$ 84,260</b>	<b>\$ 107,411</b>	<b>\$ 132,578</b>	<b>\$ 173,237</b>	<b>\$ 175,753</b>	
<b>Reconciliation from from Operating Income (Loss) to Adjusted Operating Income (Loss)</b>										
<b>Operating Income (Loss)</b>	<b>\$ (32,972)</b>	<b>\$ (32,633)</b>	<b>\$ (81,505)</b>	<b>\$ 39,320</b>	<b>\$ (33,294)</b>	<b>\$ (26,772)</b>	<b>\$ (209,348)</b>	<b>\$ (114,253)</b>	<b>\$ (166,071)</b>	
Plus: Depreciation and amortization	2,112	2,432	2,877	2,023	3,720	3,351	5,021	7,887	10,541	
Plus: Stock-based compensation expense	8,425	8,294	7,970	5,400	6,203	6,521	179,639	100,144	93,189	
Plus: Amortization of commercial	—	—	—	—	14,261	17,039	16,668	16,853	17,039	
Plus: Other costs*	—	—	—	—	1,191	2,971	12,953	3,582	209	
<b>Adjusted Operating Income (Loss)</b>	<b>\$ (22,435)</b>	<b>\$ (21,907)</b>	<b>\$ (70,658)</b>	<b>\$ 46,743</b>	<b>\$ (7,919)</b>	<b>\$ 3,110</b>	<b>\$ 4,933</b>	<b>\$ 14,213</b>	<b>\$ (45,093)</b>	

Notes:

- Other costs include adjustments for one-time IPO expenses, PayBright, Returnly, Kite and Shopbrain acquisition expenses and sublease impairment charge
- FY Q1'21 and FY Q2'21 amounts include adjustments to amounts previously reported due to effects of adoption of accounting standards effective July 1, 2020; FY Q3'21 amounts include adjustments to amounts previously reported due to an adjustment to stock-based compensation expense
- FY Q3'21 and FY Q4'21 amounts include adjustments to amounts previously reported due to understatements in certain prior period amounts related to the fair value measurement of contingent consideration and stock-based compensation
- Metrics are unaudited

# GAAP to Non-GAAP Expense Reconciliations, Q1'22

(\$ in 000s)

Three Months Ended September 30, 2021

	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	51,678	\$	0	\$	0	\$	0	\$	0	\$	51,678
Provision for credit losses		63,647		0		0		0		0		63,647
Funding costs		16,753		0		0		0		0		16,753
Processing and servicing		25,201		227		356		0		0		24,618
<b>Total Transaction Costs</b>	<b>\$</b>	<b>157,279</b>	<b>\$</b>	<b>227</b>	<b>\$</b>	<b>356</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>156,696</b>
Technology and data analytics	\$	78,013	\$	7,418	\$	20,067	\$	0	\$	0	\$	50,528
Sales and marketing		63,960		482		5,024		17,039		0		41,415
General and administrative		136,204		2,414		67,742		0		209		65,839
<b>Other Operating Expenses</b>	<b>\$</b>	<b>278,177</b>	<b>\$</b>	<b>10,314</b>	<b>\$</b>	<b>92,833</b>	<b>\$</b>	<b>17,039</b>	<b>\$</b>	<b>209</b>	<b>\$</b>	<b>157,782</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>435,456</b>	<b>\$</b>	<b>10,541</b>	<b>\$</b>	<b>93,189</b>	<b>\$</b>	<b>17,039</b>	<b>\$</b>	<b>209</b>	<b>\$</b>	<b>314,478</b>

# GAAP to Non-GAAP Expense Reconciliations, H2'21

(\$ in 000s)

Three Months Ended June 30, 2021

	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
	\$		\$		\$		\$		\$		\$	
Loss on loan purchase commitment	\$	51,010	\$	0	\$	0	\$	0	\$	0	\$	51,010
Provision for credit losses		25,489		0		0		0		0		25,489
Funding costs		15,623		0		0		0		0		15,623
Processing and servicing		21,910		153		459		0		0		21,298
<b>Total Transaction Costs</b>	<b>\$</b>	<b>114,032</b>	<b>\$</b>	<b>153</b>	<b>\$</b>	<b>459</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>113,420</b>
Technology and data analytics	\$	69,128	\$	5,178	\$	19,817	\$	0	\$	0	\$	44,133
Sales and marketing		62,312		636		5,183		16,853		0		39,640
General and administrative		130,561		1,920		74,685		0		3,582		50,374
<b>Other Operating Expenses</b>	<b>\$</b>	<b>262,001</b>	<b>\$</b>	<b>7,734</b>	<b>\$</b>	<b>99,685</b>	<b>\$</b>	<b>16,853</b>	<b>\$</b>	<b>3,582</b>	<b>\$</b>	<b>134,147</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>376,033</b>	<b>\$</b>	<b>7,887</b>	<b>\$</b>	<b>100,144</b>	<b>\$</b>	<b>16,853</b>	<b>\$</b>	<b>3,582</b>	<b>\$</b>	<b>247,567</b>

(\$ in 000s)

Three Months Ended March 31, 2021

	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
	\$		\$		\$		\$		\$		\$	
Loss on loan purchase commitment	\$	62,054	\$	0	\$	0	\$	0	\$	0	\$	62,054
Provision for credit losses		(1,063)		0		0		0		0		(1,063)
Funding costs		14,665		0		0		0		0		14,665
Processing and servicing		21,368		120		1,446		0		0		19,802
<b>Total Transaction Costs</b>	<b>\$</b>	<b>97,024</b>	<b>\$</b>	<b>120</b>	<b>\$</b>	<b>1,446</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>95,458</b>
Technology and data analytics	\$	104,806	\$	3,655	\$	52,058	\$	0	\$	0	\$	49,093
Sales and marketing		58,184		475		10,568		16,668		0		30,473
General and administrative		179,999		771		115,567		0		12,953		50,708
<b>Other Operating Expenses</b>	<b>\$</b>	<b>342,989</b>	<b>\$</b>	<b>4,901</b>	<b>\$</b>	<b>178,193</b>	<b>\$</b>	<b>16,668</b>	<b>\$</b>	<b>12,953</b>	<b>\$</b>	<b>130,274</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>440,013</b>	<b>\$</b>	<b>5,021</b>	<b>\$</b>	<b>179,639</b>	<b>\$</b>	<b>16,668</b>	<b>\$</b>	<b>12,953</b>	<b>\$</b>	<b>225,732</b>

Notes:

1. FY Q3'21 and FY Q4'21 amounts include adjustments to amounts previously reported due to understatements in certain prior period amounts related to the fair value measurement of contingent consideration and stock-based compensation

2. Metrics are unaudited



# GAAP to Non-GAAP Expense Reconciliations, H1'21

(\$ in 000s)

	Three Months Ended December 31, 2020											
	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	67,768	\$	0	\$	0	\$	0	\$	0	\$	67,768
Provision for credit losses		12,521		0		0		0		0		12,521
Funding costs		12,060		0		0		0		0		12,060
Processing and servicing		16,802		85		287		0		0		16,430
<b>Total Transaction Costs</b>	<b>\$</b>	<b>109,151</b>	<b>\$</b>	<b>85</b>	<b>\$</b>	<b>287</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>108,779</b>
Technology and data analytics	\$	41,634	\$	2,723	\$	2,556	\$	0	\$	0	\$	36,355
Sales and marketing		39,112		439		581		17,039		942		20,111
General and administrative		40,916		104		3,097		0		2,029		35,686
<b>Other Operating Expenses</b>	<b>\$</b>	<b>121,662</b>	<b>\$</b>	<b>3,266</b>	<b>\$</b>	<b>6,234</b>	<b>\$</b>	<b>17,039</b>	<b>\$</b>	<b>2,971</b>	<b>\$</b>	<b>92,152</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>230,813</b>	<b>\$</b>	<b>3,351</b>	<b>\$</b>	<b>6,521</b>	<b>\$</b>	<b>17,039</b>	<b>\$</b>	<b>2,971</b>	<b>\$</b>	<b>200,931</b>

(\$ in 000s)

	Three Months Ended September 30, 2020											
	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	65,868	\$	0	\$	0	\$	0	\$	0	\$	65,868
Provision for credit losses		28,931		0		0		0		0		28,931
Funding costs		10,352		0		0		0		0		10,352
Processing and servicing		13,498		77		26		0		0		13,395
<b>Total Transaction Costs</b>	<b>\$</b>	<b>118,649</b>	<b>\$</b>	<b>77</b>	<b>\$</b>	<b>26</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>118,546</b>
Technology and data analytics	\$	33,768	\$	3,124	\$	2,213	\$	0	\$	0	\$	28,431
Sales and marketing		22,582		406		760		14,261		0		7,155
General and administrative		32,273		113		3,204		0		1,191		27,765
<b>Other Operating Expenses</b>	<b>\$</b>	<b>88,623</b>	<b>\$</b>	<b>3,643</b>	<b>\$</b>	<b>6,177</b>	<b>\$</b>	<b>14,261</b>	<b>\$</b>	<b>1,191</b>	<b>\$</b>	<b>63,351</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>207,272</b>	<b>\$</b>	<b>3,720</b>	<b>\$</b>	<b>6,203</b>	<b>\$</b>	<b>14,261</b>	<b>\$</b>	<b>1,191</b>	<b>\$</b>	<b>181,897</b>

Notes:

1. FY Q1'21 and FY Q2'21 amounts include adjustments to amounts previously reported due to effects of adoption of accounting standards effective July 1, 2020; FY Q3'21 amounts include adjustments to amounts previously reported due to an adjustment to stock-based compensation expense

2. Metrics are unaudited

# GAAP to Non-GAAP Expense Reconciliations, H2'20

(\$ in 000s)

Three Months Ended June 30, 2020												
	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	55,311	\$	0	\$	0	\$	0	\$	0	\$	55,311
Provision for credit losses		(32,171)		0		0		0		0		(32,171)
Funding costs		7,817		0		0		0		0		7,817
Processing and servicing		14,806		40		28		0		0		14,738
<b>Total Transaction Costs</b>	<b>\$</b>	<b>45,763</b>	<b>\$</b>	<b>40</b>	<b>\$</b>	<b>28</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>45,695</b>
Technology and data analytics	\$	31,744	\$	1,702	\$	1,988	\$	0	\$	0	\$	28,054
Sales and marketing		5,066		237		868		0		0		3,961
General and administrative		31,439		44		2,496		0		0		28,899
<b>Other Operating Expenses</b>	<b>\$</b>	<b>68,249</b>	<b>\$</b>	<b>1,983</b>	<b>\$</b>	<b>5,352</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>60,914</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>114,012</b>	<b>\$</b>	<b>2,023</b>	<b>\$</b>	<b>5,380</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>106,609</b>

(\$ in 000s)

Three Months Ended March 31, 2020												
	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	43,519	\$	0	\$	0	\$	0	\$	0	\$	43,519
Provision for credit losses		82,216		0		0		0		0		82,216
Funding costs		8,204		0		0		0		0		8,204
Processing and servicing		13,678		87		27		0		0		13,564
<b>Total Transaction Costs</b>	<b>\$</b>	<b>147,617</b>	<b>\$</b>	<b>87</b>	<b>\$</b>	<b>27</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>147,503</b>
Technology and data analytics	\$	33,654	\$	2,188	\$	3,360	\$	0	\$	0	\$	28,106
Sales and marketing		7,108		503		918		0		0		5,687
General and administrative		31,399		99		3,665		0		0		27,635
<b>Other Operating Expenses</b>	<b>\$</b>	<b>72,161</b>	<b>\$</b>	<b>2,790</b>	<b>\$</b>	<b>7,943</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>61,428</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>219,778</b>	<b>\$</b>	<b>2,877</b>	<b>\$</b>	<b>7,970</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>208,931</b>



# GAAP to Non-GAAP Expense Reconciliations, H1'20

(\$ in 000s)

Three Months Ended December 31, 2019												
	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	42,661	\$	0	\$	0	\$	0	\$	0	\$	42,661
Provision for credit losses		30,178		0		0		0		0		30,178
Funding costs		8,167		0		0		0		0		8,167
Processing and servicing		11,652		82		32		0		0		11,538
<b>Total Transaction Costs</b>	<b>\$</b>	<b>92,658</b>	<b>\$</b>	<b>82</b>	<b>\$</b>	<b>32</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>92,544</b>
Technology and data analytics	\$	31,612	\$	1,808	\$	3,610	\$	0	\$	0	\$	26,194
Sales and marketing		7,651		457		963		0		0		6,231
General and administrative		30,688		85		3,689		0		0		26,914
<b>Other Operating Expenses</b>	<b>\$</b>	<b>69,951</b>	<b>\$</b>	<b>2,350</b>	<b>\$</b>	<b>8,262</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>59,339</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>162,609</b>	<b>\$</b>	<b>2,432</b>	<b>\$</b>	<b>8,294</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>151,883</b>

(\$ in 000s)

Three Months Ended September 30, 2019												
	GAAP		D&A		Stock-Based Compensation Expense		Shopify Warrant Expense		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	19,961	\$	0	\$	0	\$	0	\$	0	\$	19,961
Provision for credit losses		24,844		0		0		0		0		24,844
Funding costs		8,128		0		0		0		0		8,128
Processing and servicing		9,695		60		(5)		0		0		9,640
<b>Total Transaction Costs</b>	<b>\$</b>	<b>62,628</b>	<b>\$</b>	<b>60</b>	<b>\$</b>	<b>(5)</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>62,573</b>
Technology and data analytics	\$	25,368	\$	1,601	\$	3,327	\$	0	\$	0	\$	20,440
Sales and marketing		5,219		388		1,291		0		0		3,540
General and administrative		27,704		62		3,812		0		0		23,830
<b>Other Operating Expenses</b>	<b>\$</b>	<b>58,291</b>	<b>\$</b>	<b>2,051</b>	<b>\$</b>	<b>8,430</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>47,810</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>120,919</b>	<b>\$</b>	<b>2,111</b>	<b>\$</b>	<b>8,425</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>110,383</b>