



# FY Q3 2024 Earnings Supplement

May 8, 2024



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

## Cautionary Note About Forward-Looking Statements

This document 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 certain key merchants and commerce platforms as well as its engagement with existing and prospective originating bank partners; the development, innovation, introduction and performance of, and demand for, the Company's products, including Affirm Card; the Company's ability to execute on its initiatives; the Company's ability to maintain funding sources to support its business; acquisition and retention of merchants and consumers; the Company's future growth, investments, network expansion, product mix, brand awareness, financial position, gross merchandise volume, 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, partners and consumers and retain and grow its relationships with existing merchants, partners and consumers; the highly competitive and evolving nature of its industry; 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 and GMV with a small number of merchant partners and commerce platforms; its ability to sustain its revenue growth rate or the growth rate of its related key operating metrics; its ability to successfully maintain its relationship with existing originating bank partners and engage additional originating bank partners; its ability to maintain, renew or replace its existing funding arrangements and build and grow new funding relationships; the impact of any of its existing funding sources becoming 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; the impact of elevated market interest rates and corresponding higher negotiated interest rate spreads on its business; the terms of its securitizations, warehouse credit facilities and forward flow agreements; the impact on its business of general economic conditions, including the impact of inflation, ongoing recessionary concerns, the potential for more instability of financial institutions, the financial performance of its merchants, and fluctuations in the U.S. consumer credit market; its ability to achieve sustained profitability in the future; its ability to grow effectively through acquisitions or other strategic investments or alliances; seasonal or other fluctuations in its revenue and GMV as a result of consumer spending patterns; pending and future litigation, regulatory actions and/or compliance issues; developments in its regulatory environment; the impact of the reduction in its workforce announced in February 2023, including its ability to continue to attract and retain highly skilled employees; and other risks that are described in its most recent Annual Report on Form 10-K, 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, investors 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.

## 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

Deliver Honest  
Financial Products  
that Improve Lives

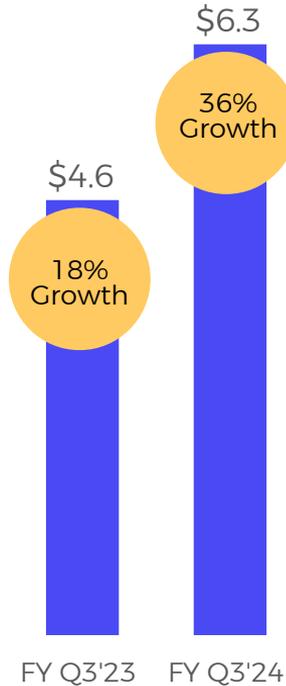


FY Q3 2024

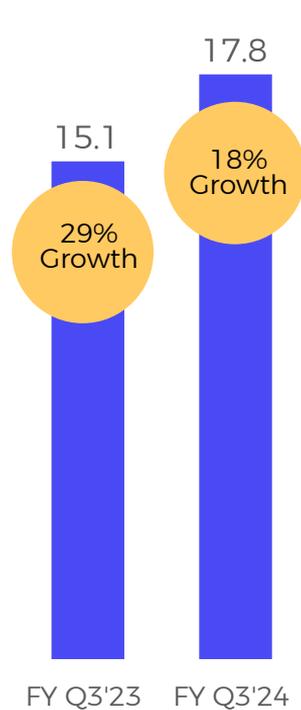
# Operating & Financial Highlights

# Third Quarter FY'24 Highlights

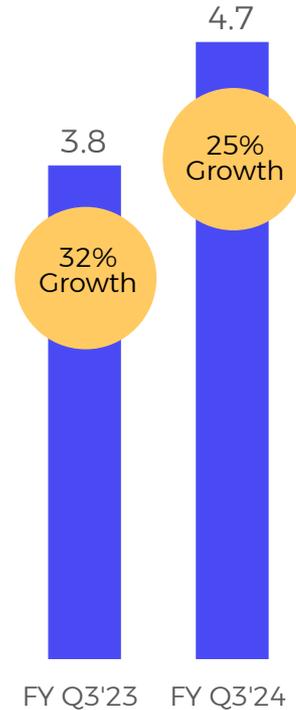
GROSS MERCHANDISE  
VOLUME (\$B)



ACTIVE  
CONSUMERS (M) <sup>(2)</sup>



TRANS. PER  
ACTIVE CONSUMER <sup>(2)</sup>



REVENUE (\$M)



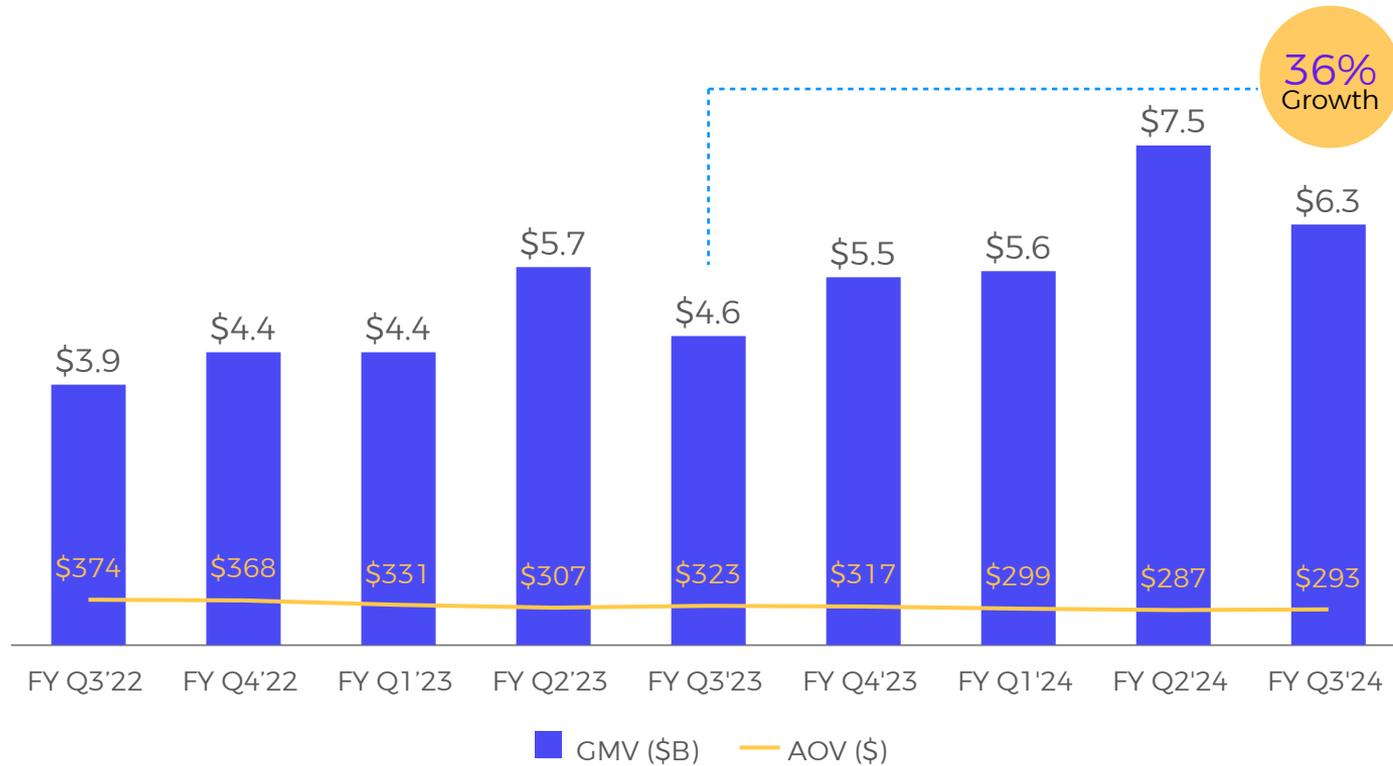
Notes:

1. Metrics are unaudited
2. Active consumer count excludes 346 thousand and 869 thousand Returnly-only users from FYQ3 '24 and FYQ3 '23, respectively. Refer to slide 11 for active consumer historical trends with Returnly-only disaggregation.

FY Q3 2024

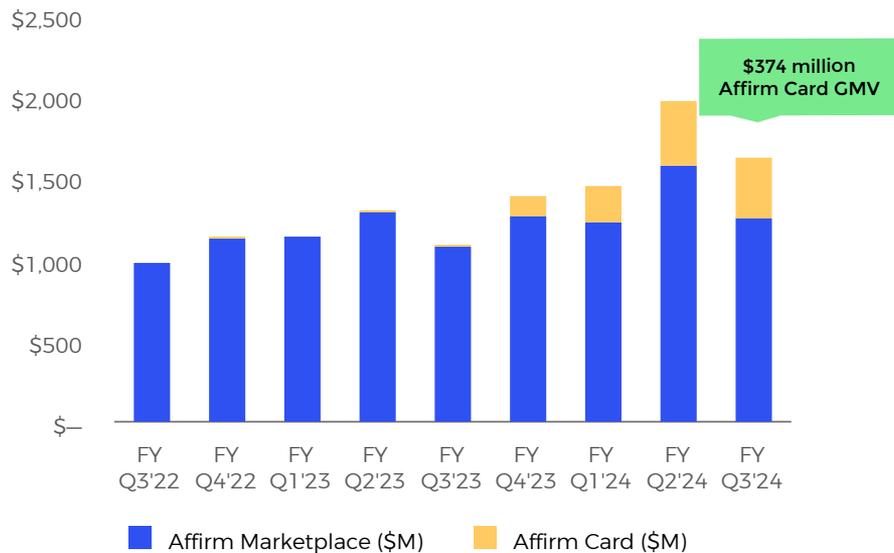
# Business Highlights

# Gross Merchandise Volume

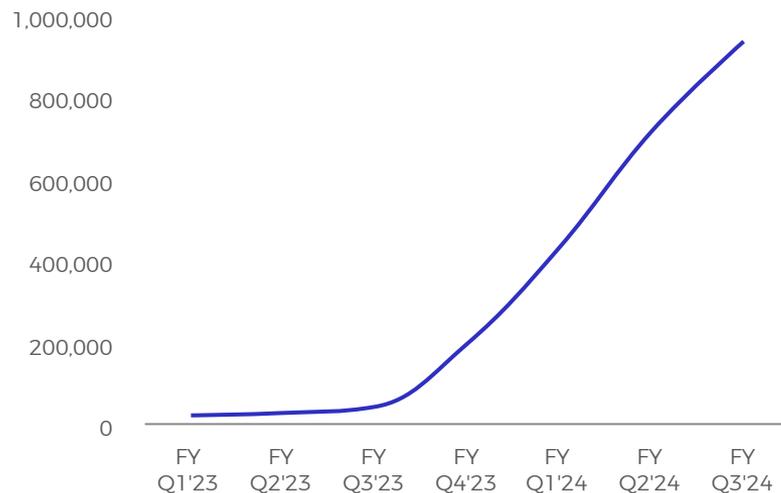


# Affirm Direct-to-Consumer Business Highlights

## Direct-to-Consumer GMV <sup>(1, 2)</sup>



## Affirm Card Active Consumers <sup>(3)</sup>



### Notes:

1. Affirm Marketplace GMV is based on transactions initiated by Affirm through mobile app and website channels.

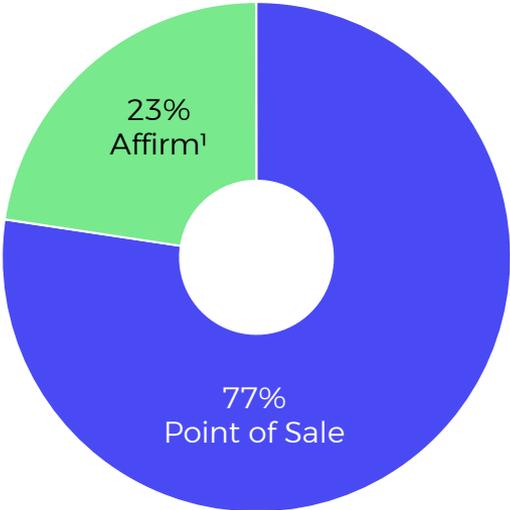
2. Affirm Card GMV includes transactions initiated by consumers via Affirm Card rather than through an Affirm direct integration checkout flow which may be initiated either through the Affirm app or via a physical card.

3. 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.

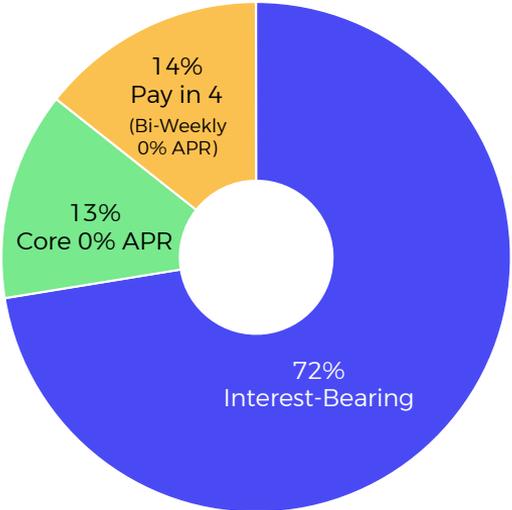
4. Metrics are unaudited.

# Power Transactions Across Diverse Channels

POS vs. Affirm<sup>1</sup> Transactions  
FY Q3 2024



Affirm Product Composition<sup>2,3</sup>  
FY Q3 2024



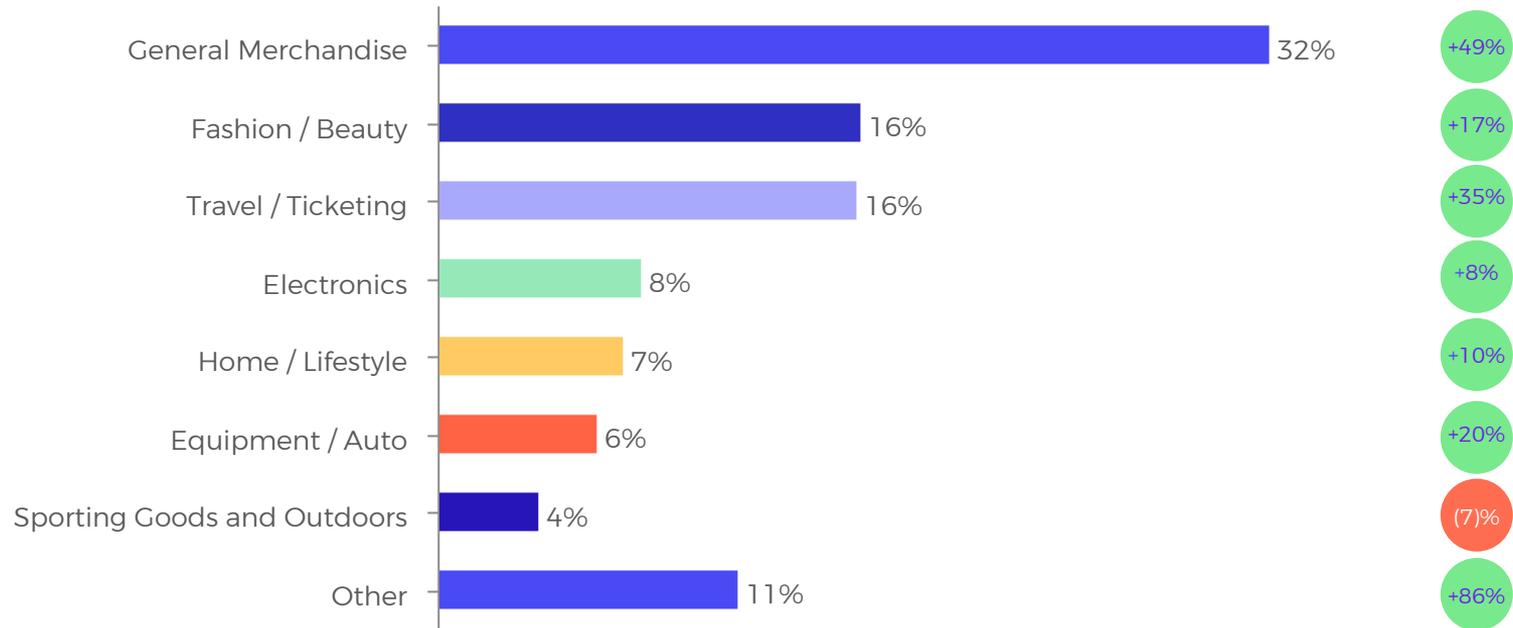
Notes:

- 1. Based on transactions initiated by Affirm through mobile app and website channels as well as Affirm Card
- 2. Beginning in Fiscal Q1 2023, Affirm modified the definition of its low Average Order Value product from Split Pay to Pay in 4. Pay in 4 includes volume from loan transactions with 0% APR and 6-8 week term lengths but now excludes volume from monthly installment loans with 0% APR and 3 month term lengths
- 3. Excludes Debit (non installment and non Pay in 4 transaction volume) from the Affirm Card product
- 4. Metrics are unaudited

# Partnerships Across Wide Range of Categories

FY Q3'24 Industry Gross Merchandise Volume Mix

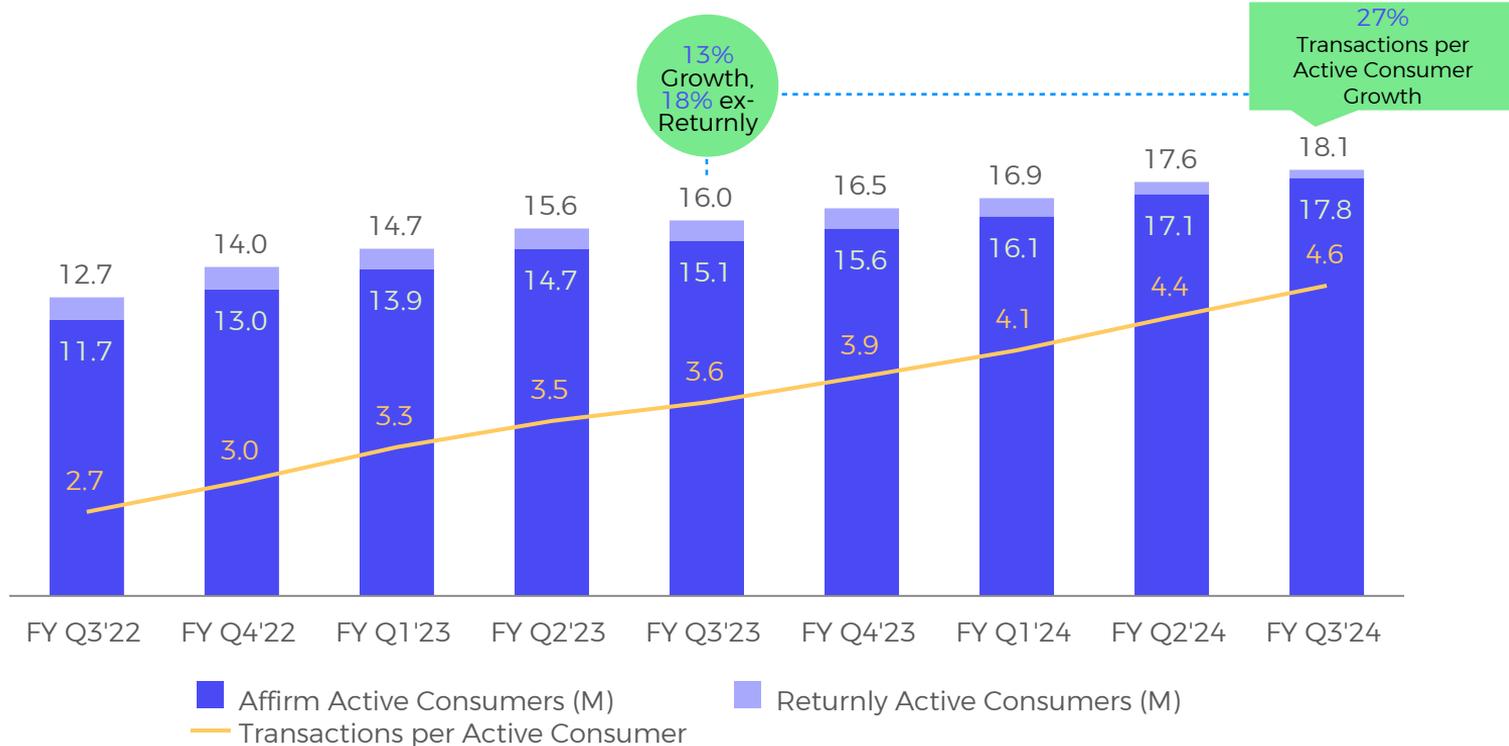
Category Volume Growth  
Q3 Year over Year % Change



Notes:

- 1. Metrics are unaudited
- 2. Excludes volume from transactions facilitated through Affirm virtual card and Affirm Card at non-integrated merchants

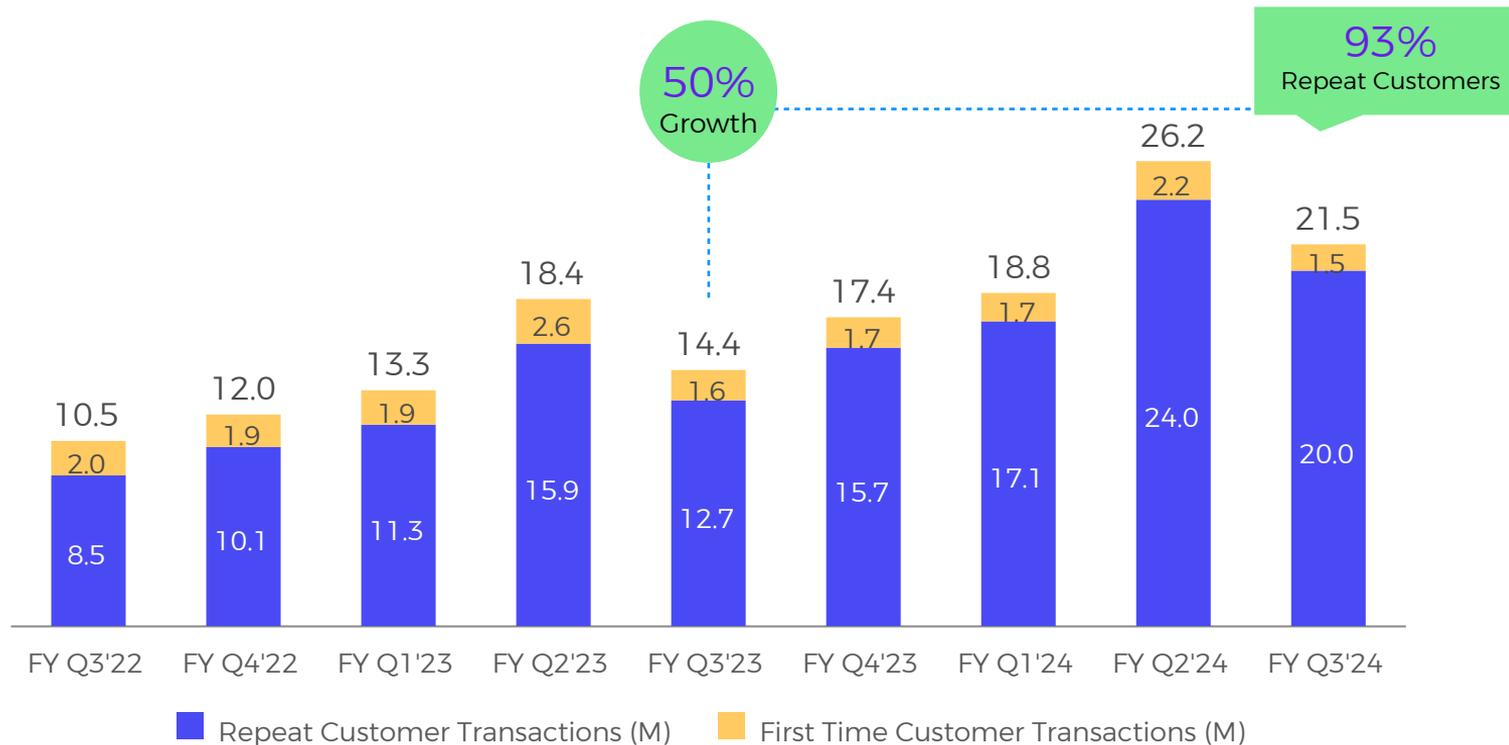
# Active Consumers



Notes:

- 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. A Returnly Active Consumer is defined as a consumer who engaged in at least one Returnly transaction and no Affirm transactions on our platform during the 12 months prior to the measurement date, presented as of the end of the period.
- 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 in all periods through FY Q1'24.
- Metrics are unaudited

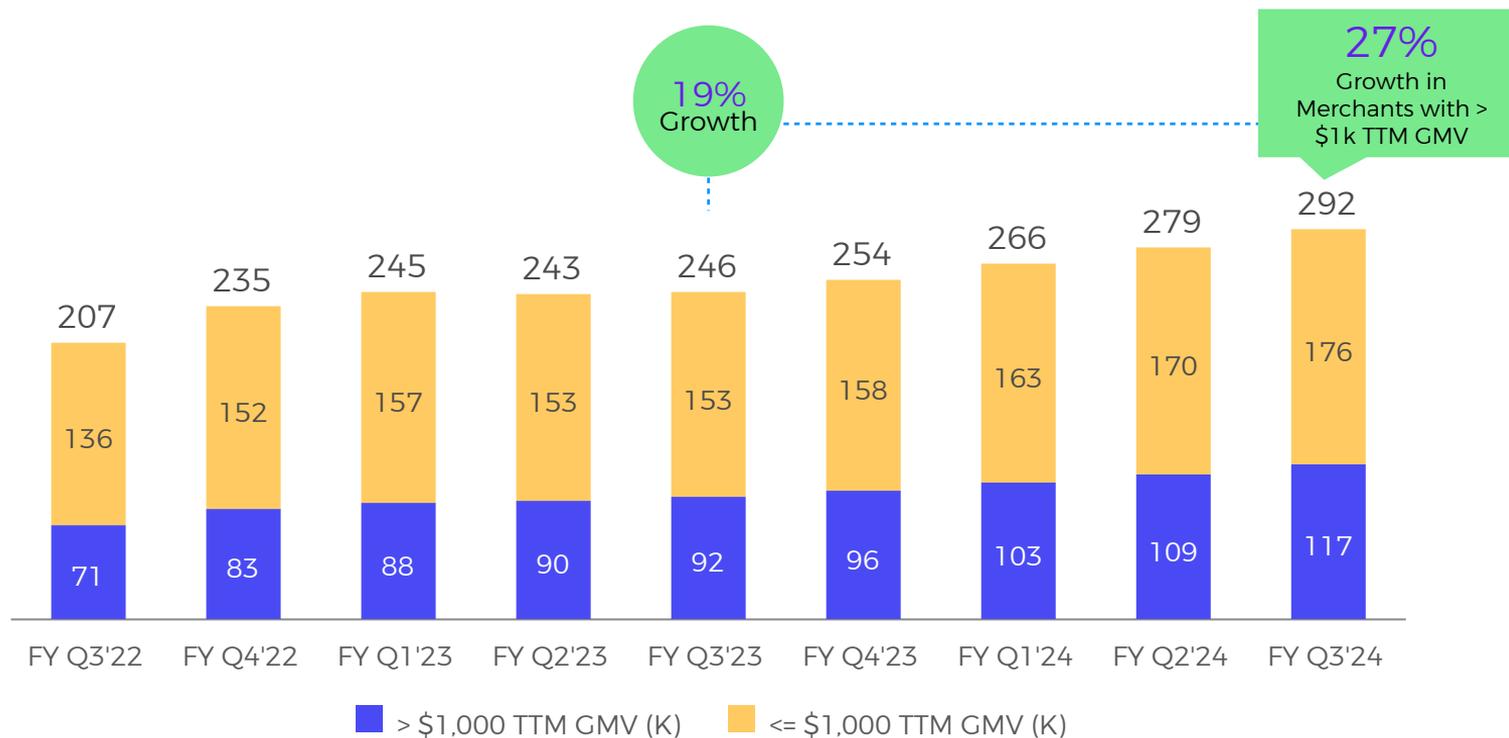
# Quarterly Transactions



Notes:

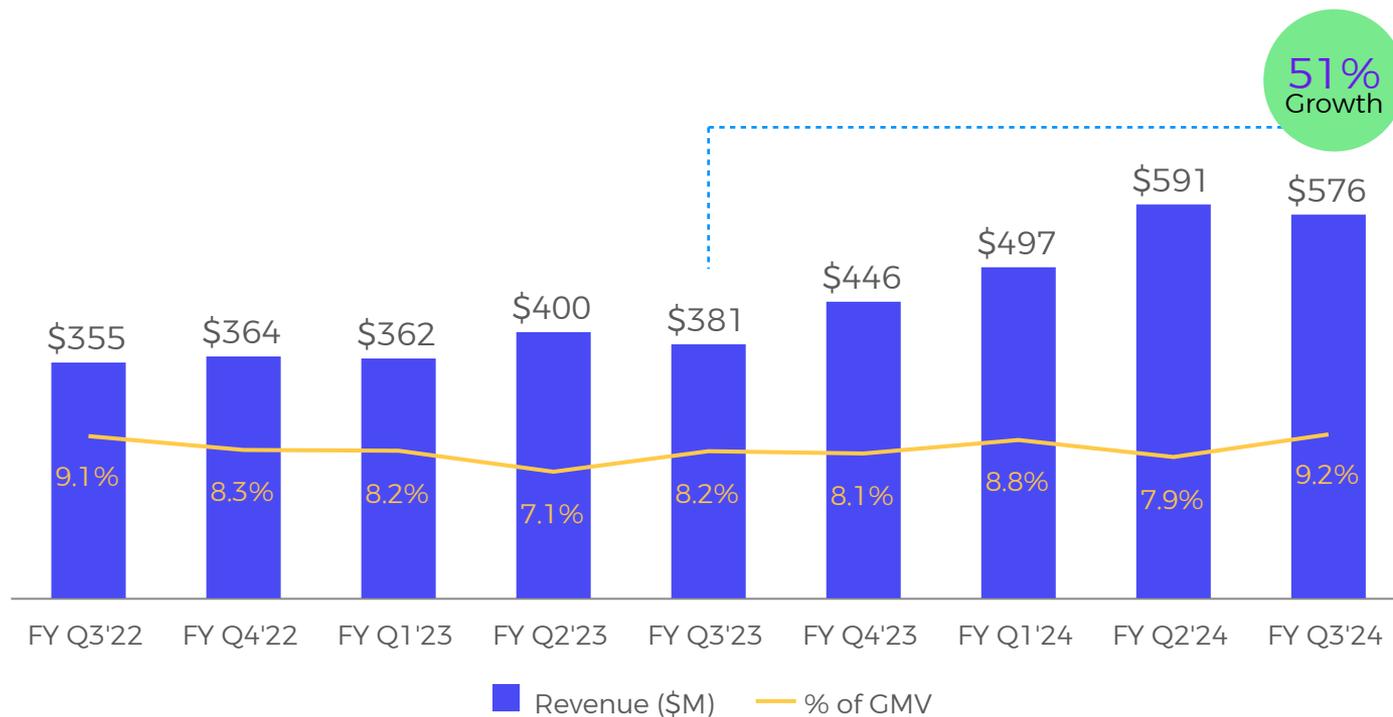
1. Metrics are unaudited
2. Includes transactions from legacy Returnly business in all quarters through FY Q1'24; excludes Returnly transactions beginning in FY Q2'24

# Active Merchants



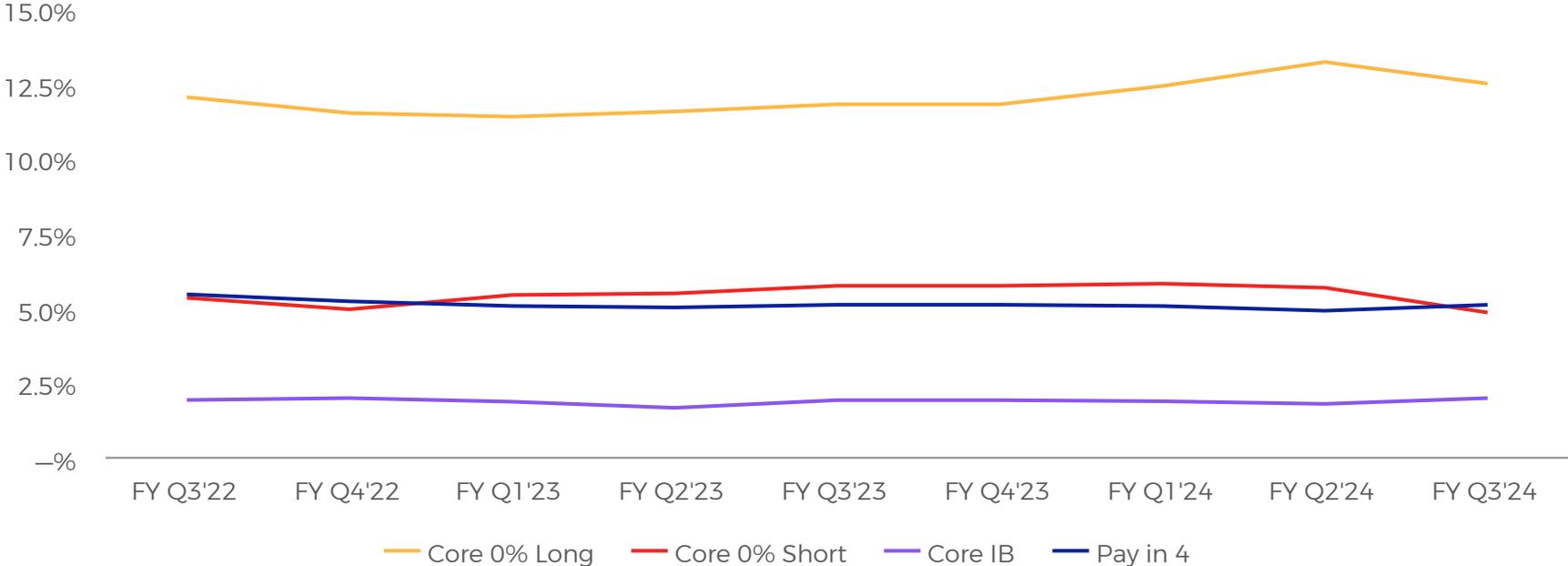
Notes:  
1. Metrics are unaudited

# Revenue



# Merchant Fee Rates

Illustrative merchant fees, transaction fees, and virtual card network fees divided by product level GMV



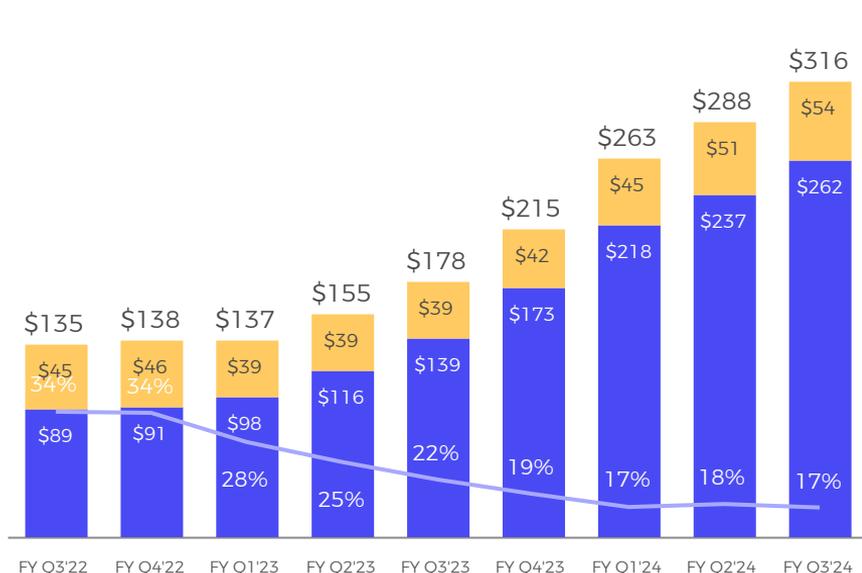
Notes:

1. Includes lending transactions with Affirm integrated merchants in the US only
2. Core 0% Long includes loans with term lengths greater than 12 months and 0% APR; Core 0% Short includes loans with term lengths at least three months long but less than or equal to 12 months and 0% APR; Core IB includes loans with interest; Pay in 4 (formerly known as Split Pay) includes loans with 0% APR and 6-8 week term lengths
3. Excludes Non-Integrated Virtual Card and Affirm Card interchange rates (which are principally set by card networks), loans made outside of the US, PayNow transactions and Returnly transactions
4. Metrics are unaudited

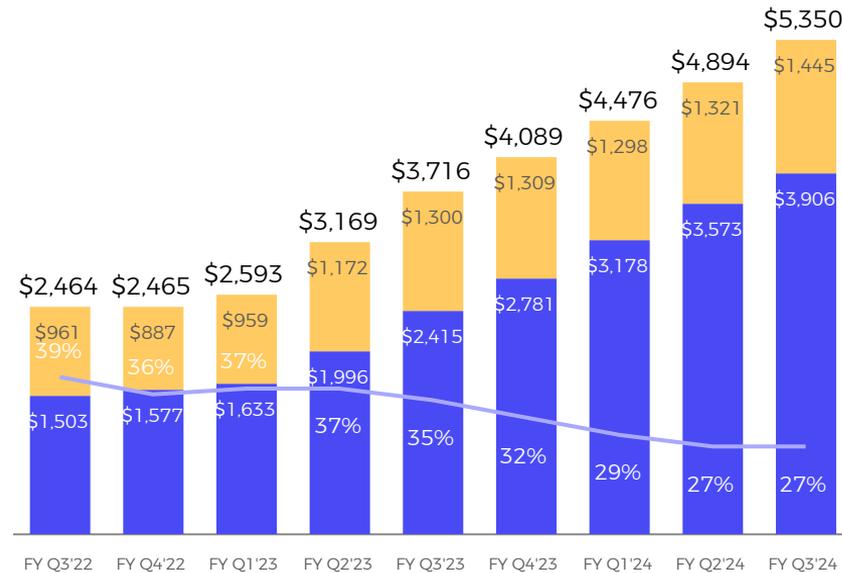


# Interest Income and Loans Held for Investment Composition

## Interest Income Composition



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



- Consumer & Other Interest Income (\$M)
- Amortization of Discount (\$M)
- Amortization of Discount as % of Total Interest Income

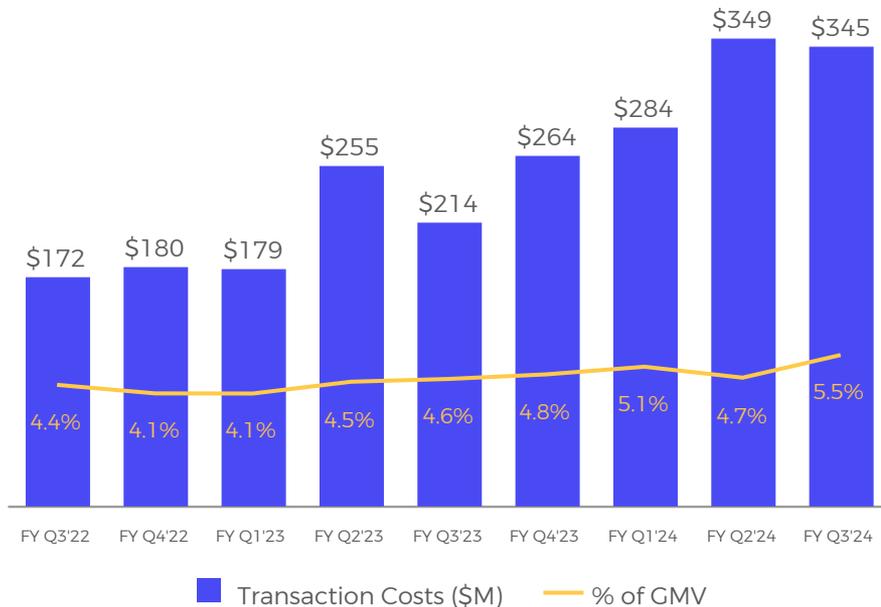
- Avg. Interest Bearing LHFI Balance (\$M)
- Avg. 0% APR LHFI Balance (\$M)
- 0% APR Balance % of Avg LHFI

Notes:

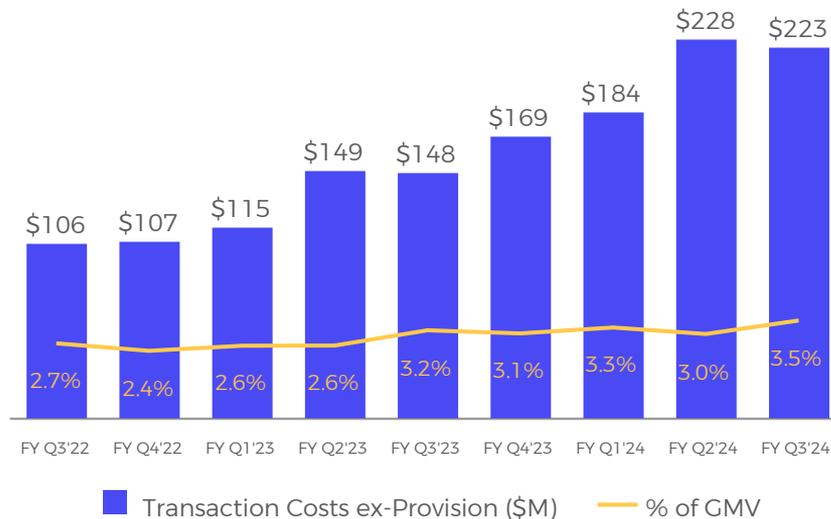
1. Amortization of discount is driven by either loan purchases from originating bank partners or the origination of loans with 0% APR or below market interest rates; Consumer & Other Interest Income consists primarily of interest charged to consumers over the term of the consumers' loans based on the principal outstanding
2. 0% APR Loans Held For Investment include all loans that are not interest bearing, including Pay in 4 (formerly known as Split Pay) loans
3. Metrics are unaudited

# Transaction Costs

## Transaction Costs



## Transaction Costs ex-Provision



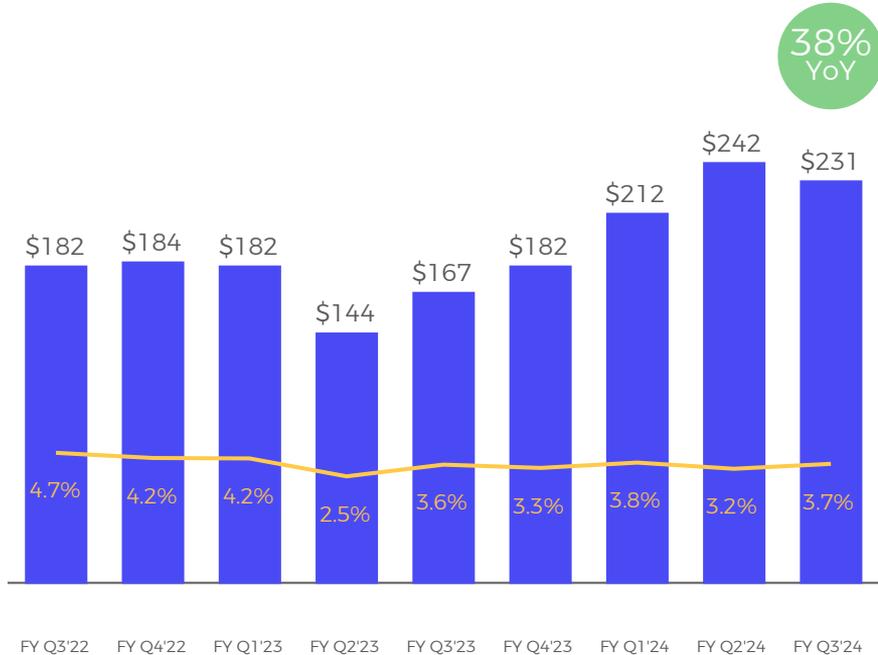
Notes:

1. Transaction Costs include Loss on loan purchase commitment, Provision for credit losses, Funding costs and Processing and servicing
2. Transaction Costs ex-Provision include Loss on loan purchase commitment, Funding costs and Processing and servicing
3. Metrics are unaudited

# Revenue Less Transaction Costs

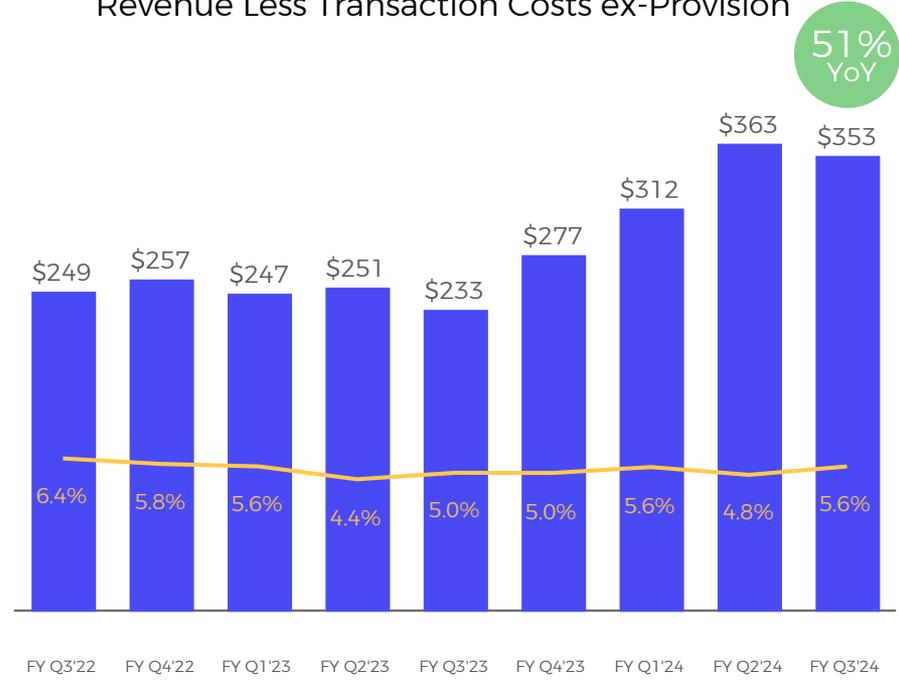
## Revenue Less Transaction Costs

38%  
YoY



## Revenue Less Transaction Costs ex-Provision

51%  
YoY



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

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

Notes:

1. Transaction Costs include Loss on loan purchase commitment, Provision for credit losses, Funding costs and Processing and servicing
2. Transaction Costs ex-Provision include Loss on loan purchase commitment, Funding costs and Processing and servicing
3. Metrics are unaudited

# Non-GAAP Operating Expenses

## Technology & Data Analytics



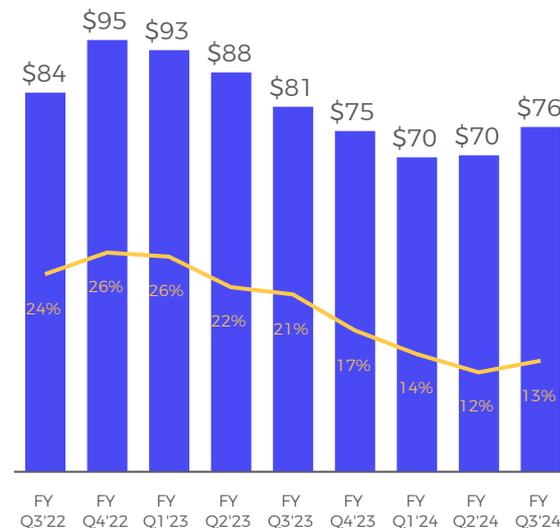
■ Technology & Data Analytics (\$M)  
 — % of Revenue

## Sales and Marketing



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

## General and Administrative



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

Notes:

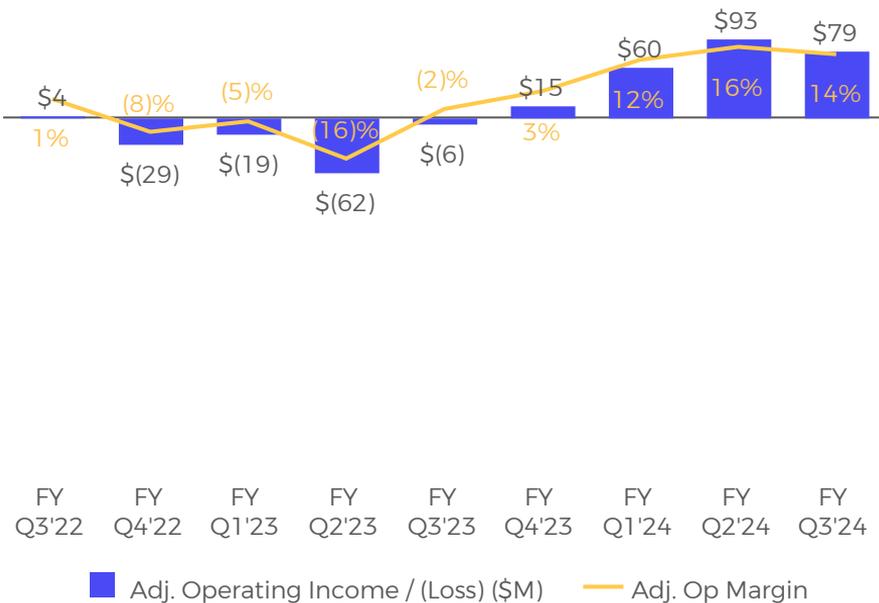
1. Non-GAAP operating expenses exclude (a) depreciation and amortization; (b) stock-based compensation included in GAAP operating loss; (c) expenses related to warrants and share-based payments granted to enterprise partners; and (d) certain other costs
2. Metrics are unaudited

# GAAP and Adj. Operating Income / (Loss)

## GAAP Operating Income / (Loss)



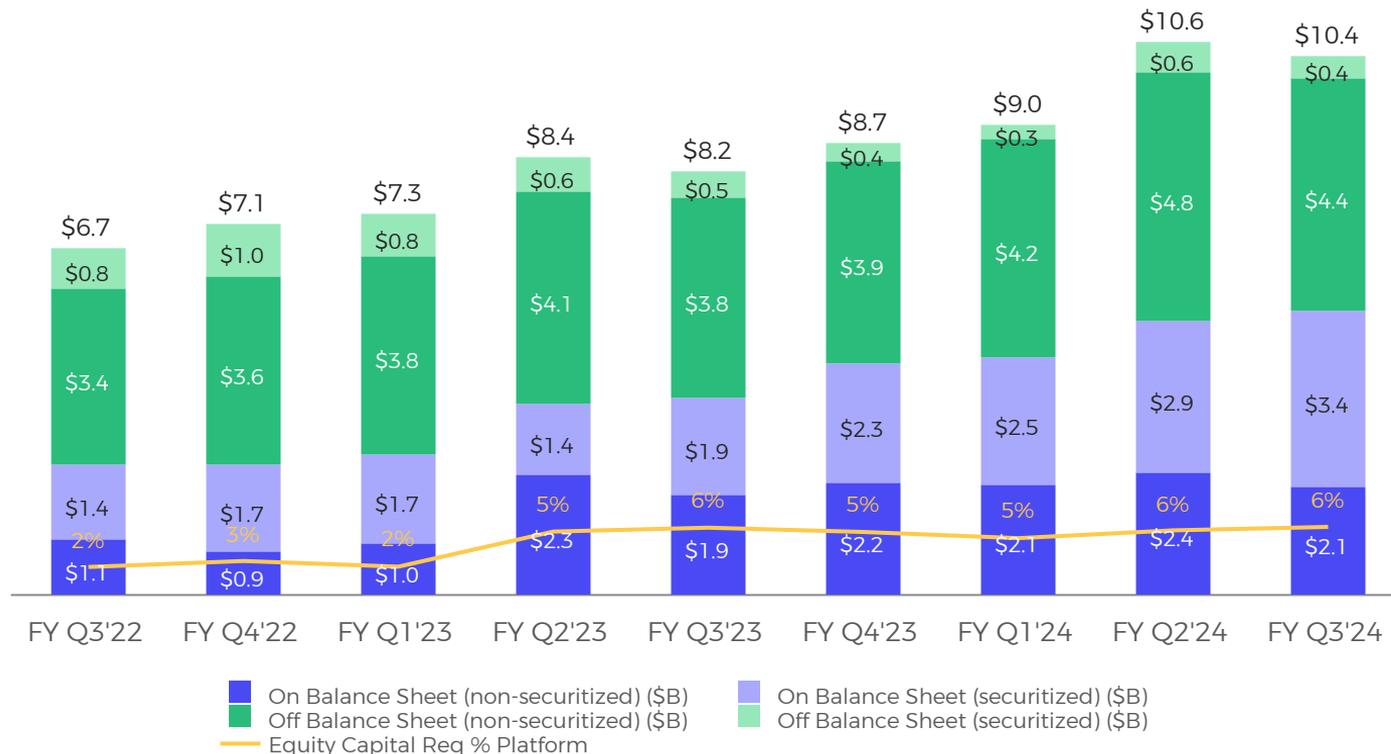
## Adjusted Operating Income / (Loss)



Notes:

- Adjusted Operating Income calculated as GAAP operating loss, excluding: (a) depreciation and amortization; (b) stock-based compensation included in GAAP operating loss; (c) expenses related to warrants and share-based payments granted to enterprise partners; and (d) certain other costs
- Metrics are unaudited

# Platform Portfolio and Funding Mix

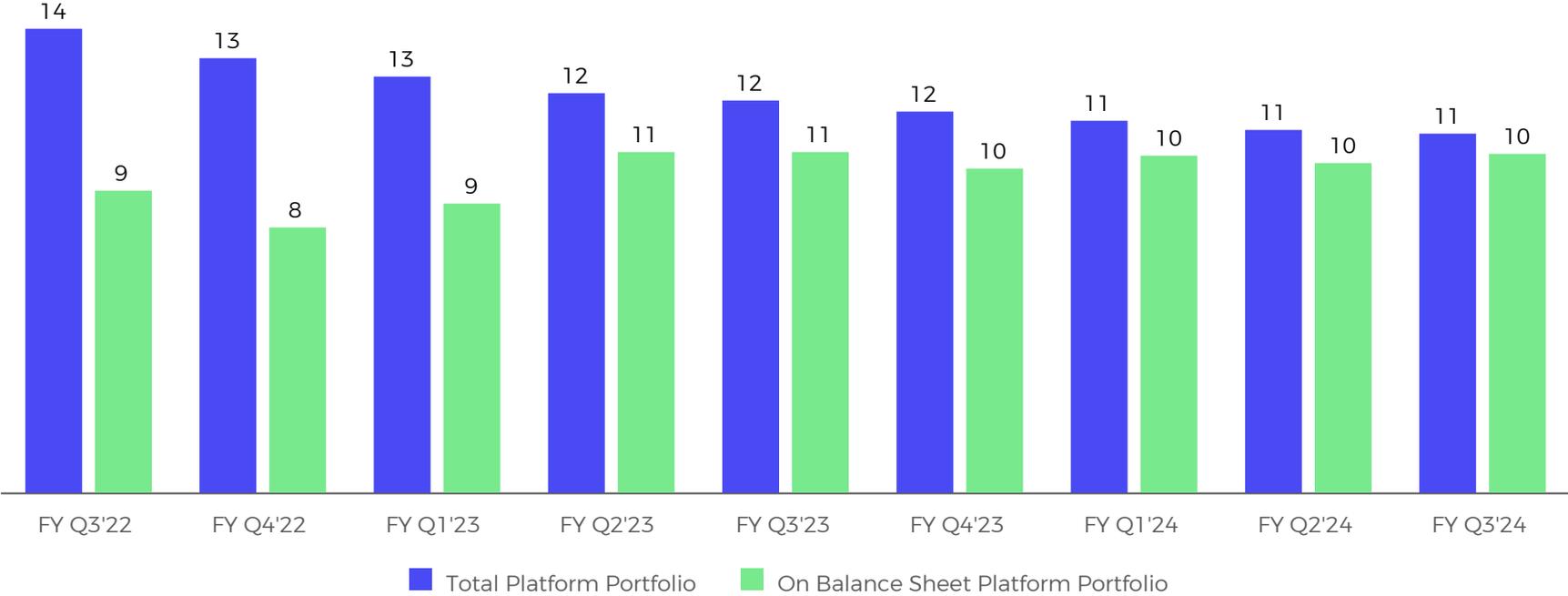


Notes:

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. Off Balance Sheet (Securitized) includes Loans Pledged as Collateral in securitizations and not consolidated on Affirm's balance sheet
5. 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
6. Metrics are unaudited

# Platform Portfolio Loans - Remaining Term Length

Weighted average remaining term of Total and On Balance Sheet Platform Portfolio (in months), as of quarter end date

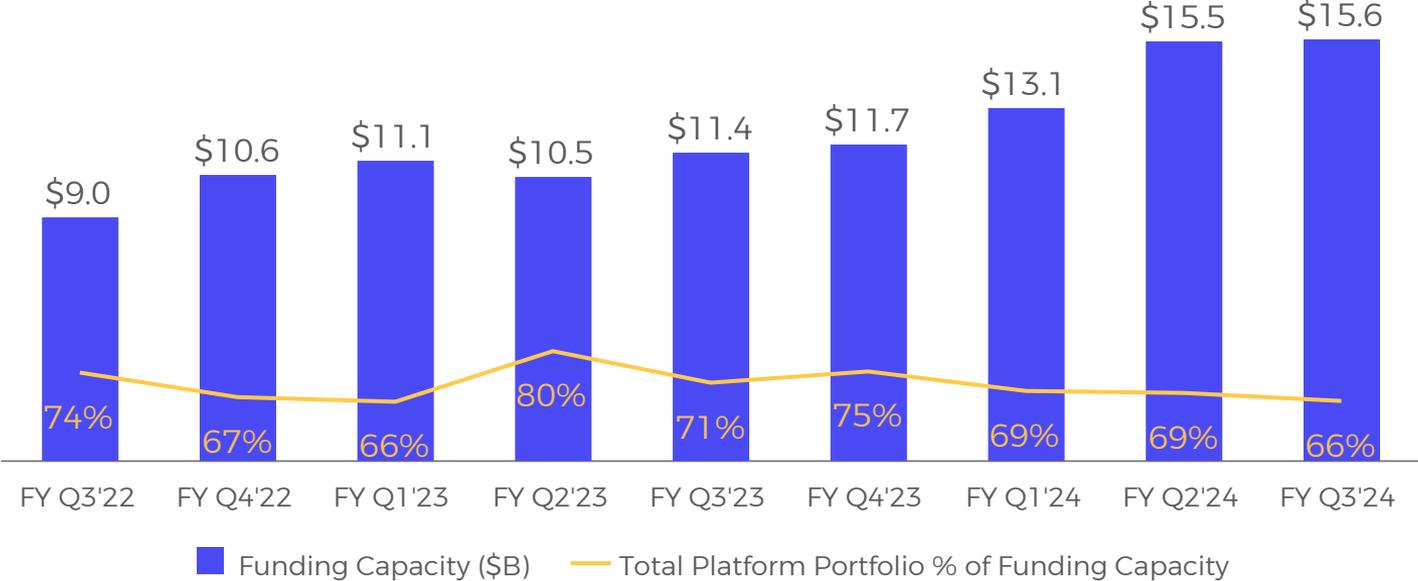


Notes:

- 1. Total Platform Portfolio includes loans owned by Affirm and third parties, on balance sheet portfolio includes loans owned by Affirm
- 2. Excludes loans made internationally via Affirm or legacy Paybright business and excludes Returnly transactions
- 3. Metrics are unaudited



# Funding Capacity



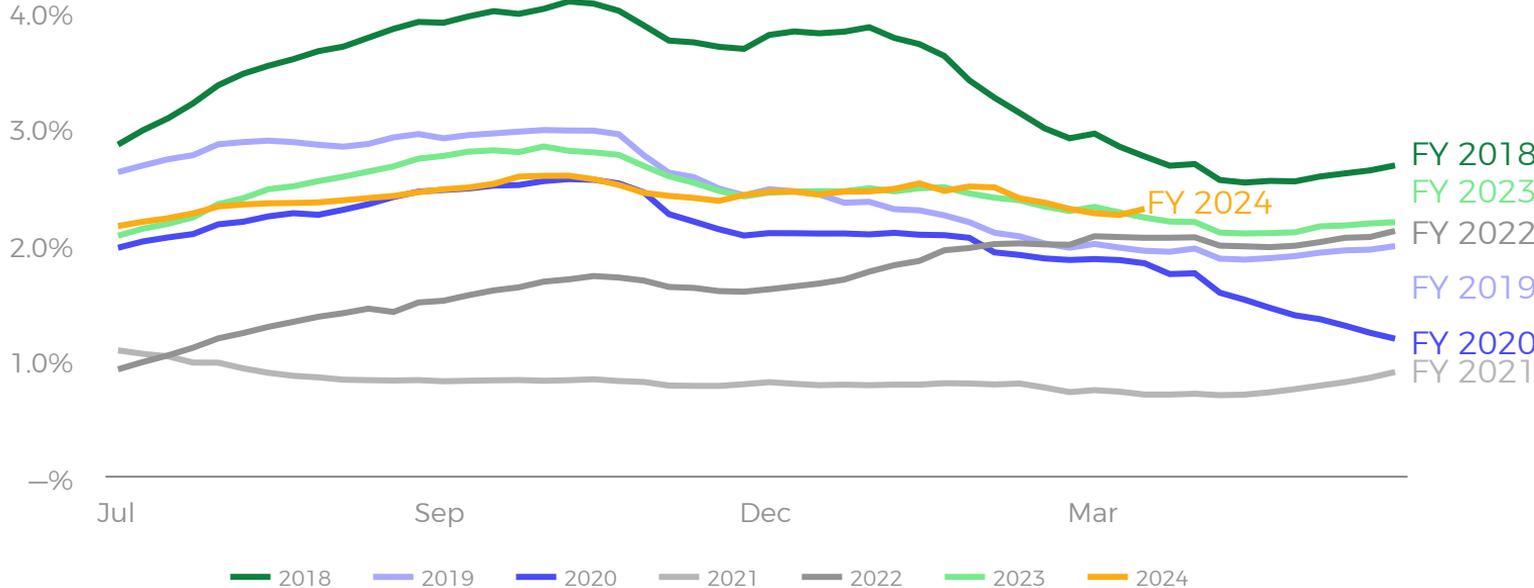
Notes:

1. Metrics are unaudited
2. The Company defines funding capacity as the total amount of committed funding provided by warehouse credit facilities, securitizations, and forward flow loan sale agreements available for the purchase or financing of loans. Funding capacity also includes the utilized portion of uncommitted forward flow loan sale agreements as of the measurement date. The Company believes that funding capacity is a useful performance indicator to both the Company and investors of its ability to fund loan transactions on the Affirm platform.



# Delinquency Performance: Monthly DQ30+

Delinquencies (DQ) of 30+ days as % of Active Balances Excluding Pay in 4 Loans



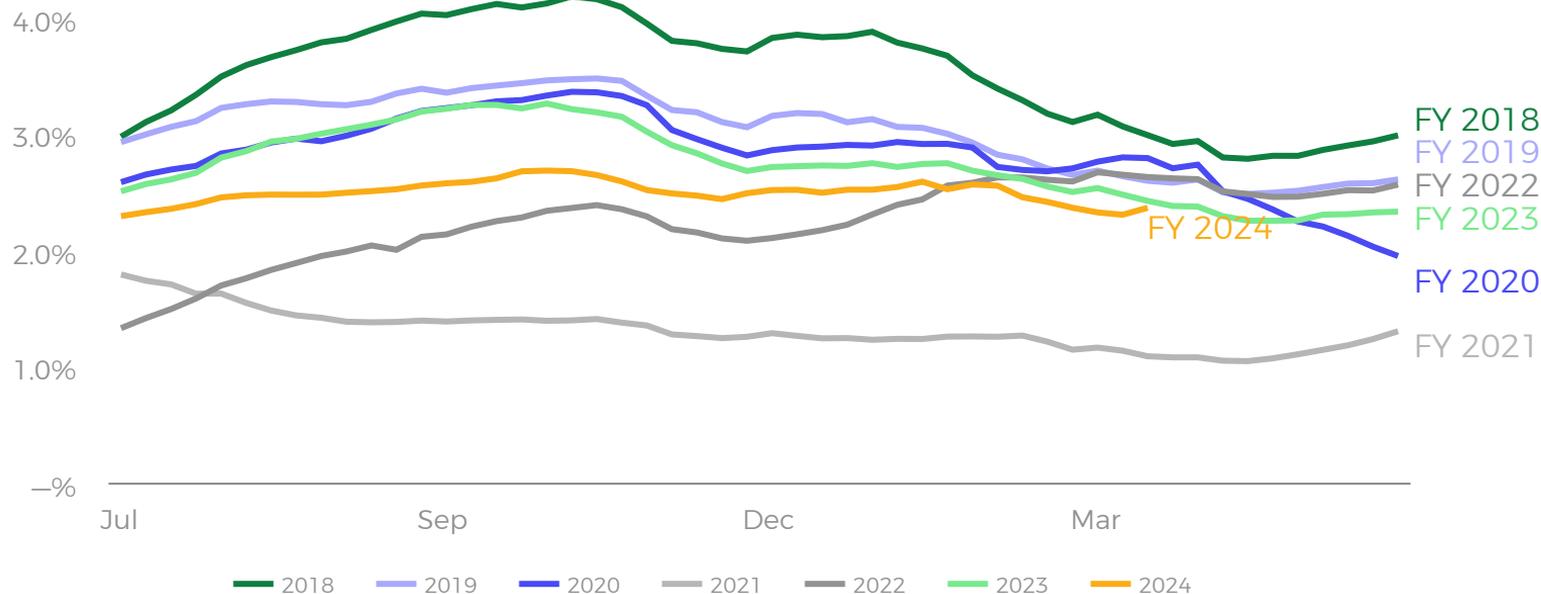
Notes:

1. Data as of April 2024
2. US loans only, excludes Pay in 4 (formerly known as Split Pay) loan transactions with 0% APR and 6-8 week term lengths
3. Metrics are unaudited



# Delinquency Performance: Monthly DQ30+ ex-Peloton

Delinquencies (DQ) of 30+ days as % of Active Balances Excluding Pay in 4 and Peloton Loans



Notes:

1. Data as of April 2024
2. US loans only, excludes Pay in 4 (formerly known as Split Pay) loan transactions with 0% APR and 6-8 week term lengths and loans made for Peloton purchases
3. Metrics are unaudited



# Monthly Installment Loan Delinquency Rates

	As of the Three Months Ending			
	September 30	December 31	March 31	June 30
<b>30+ Days Delinquent</b>				
FY 2018	3.9%	3.8%	2.9%	2.6%
FY 2019	2.9%	2.5%	2.0%	1.9%
FY 2020	2.5%	2.1%	1.9%	1.1%
FY 2021	0.8%	0.8%	0.7%	0.9%
FY 2022	1.5%	1.6%	2.1%	2.1%
FY 2023	2.7%	2.4%	2.3%	2.1%
FY 2024	2.4%	2.4%	2.3%	
<b>60+ Days Delinquent</b>				
FY 2018	2.3%	2.2%	1.7%	1.4%
FY 2019	1.6%	1.4%	1.2%	1.1%
FY 2020	1.4%	1.2%	1.1%	0.8%
FY 2021	0.5%	0.4%	0.4%	0.5%
FY 2022	0.9%	0.9%	1.2%	1.2%
FY 2023	1.6%	1.5%	1.4%	1.2%
FY 2024	1.4%	1.4%	1.4%	
<b>90+ Days Delinquent</b>				
FY 2018	1.0%	1.0%	0.8%	0.6%
FY 2019	0.8%	0.7%	0.5%	0.5%
FY 2020	0.6%	0.6%	0.5%	0.4%
FY 2021	0.2%	0.2%	0.2%	0.2%
FY 2022	0.4%	0.4%	0.5%	0.5%
FY 2023	0.7%	0.7%	0.6%	0.5%
FY 2024	0.7%	0.7%	0.6%	



Notes:

1. US loans only, excludes Pay in 4 (formerly known as Split Pay) loan transactions with 0% APR and 6-8 week term lengths
2. Metrics are unaudited

# Monthly Installment Loan Delinquency Rates Ex-Peloton

	As of the Three Months Ending			
	September 30	December 31	March 31	June 30
<b>30+ Days Delinquent</b>				
FY 2018	4.0%	3.8%	3.2%	2.9%
FY 2019	3.3%	3.2%	2.7%	2.6%
FY 2020	3.2%	2.9%	2.8%	1.8%
FY 2021	1.4%	1.3%	1.2%	1.3%
FY 2022	2.1%	2.1%	2.7%	2.5%
FY 2023	3.2%	2.7%	2.5%	2.3%
FY 2024	2.5%	2.5%	2.4%	
<b>60+ Days Delinquent</b>				
FY 2018	2.3%	2.2%	1.8%	1.6%
FY 2019	1.9%	1.8%	1.6%	1.5%
FY 2020	1.8%	1.7%	1.6%	1.3%
FY 2021	0.8%	0.7%	0.7%	0.7%
FY 2022	1.2%	1.2%	1.6%	1.4%
FY 2023	1.9%	1.6%	1.5%	1.3%
FY 2024	1.5%	1.5%	1.4%	
<b>90+ Days Delinquent</b>				
FY 2018	1.1%	1.0%	0.9%	0.7%
FY 2019	0.9%	0.9%	0.7%	0.6%
FY 2020	0.8%	0.8%	0.7%	0.6%
FY 2021	0.4%	0.3%	0.3%	0.3%
FY 2022	0.6%	0.6%	0.6%	0.6%
FY 2023	0.9%	0.8%	0.7%	0.6%
FY 2024	0.7%	0.7%	0.7%	

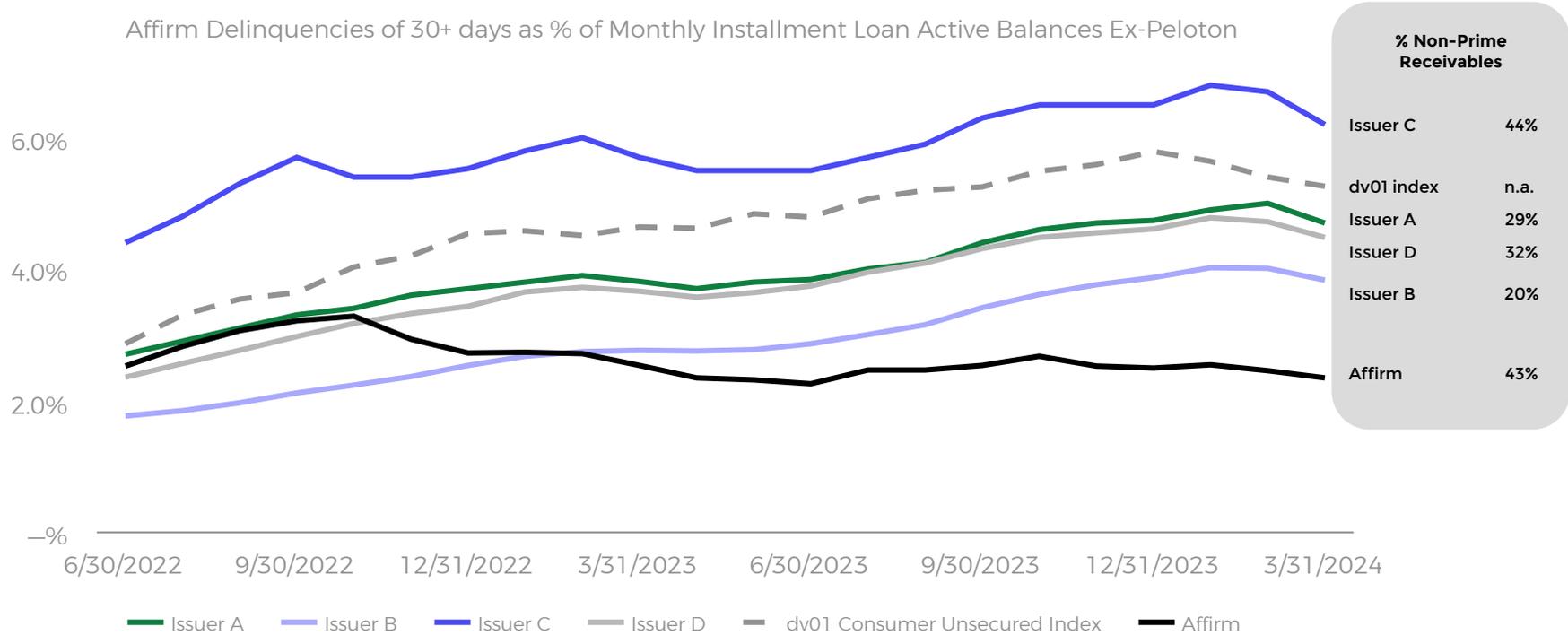


Notes:

1. US loans only, excludes Pay in 4 (formerly known as Split Pay) loan transactions with 0% APR and 6-8 week term lengths and loans made for Peloton purchases
2. Metrics are unaudited

# 30+ Day Delinquency Performance Against Select Consumer Lenders

Affirm Delinquencies of 30+ days as % of Monthly Installment Loan Active Balances Ex-Peloton



**Notes:**

Select consumer lenders include Bread Financial, Capital One, Discover, and Synchrony Financial. Non-Prime receivable mix as of March 31, 2024 or most recently available period based upon publicly available data. Non-Prime is generally defined as a FICO score below 650 to 660. U.S. loans only. Affirm 30+ day delinquencies and non-Prime Receivables mix excludes Pay in 4 and Peloton loans. The dv01 consumer unsecured index looks at over 4.9 million active loans from leading U.S. online consumer lenders. dv01 delinquency data is owned by, and used with the permission of, dv01, Inc. and may not be reproduced or redistributed outside of this letter without dv01, Inc.'s prior consent. dv01 data reflects 30+ day loan impairments, which includes delinquencies and loan modifications. dv01 data is subject to subsequent revisions.

# Loans Held for Investment by ITACS Score

(\$ in 000s)

	Three Months Ending									
	March 31	June 30	September 30	December 31	March 31	June 30	September 30	December 31	March 31	
	2022	2022	2022	2022	2023	2023	2023	2023	2024	
<u>Amortized Cost Basis of Loans Held for Investment by ITACS Score</u>										
96+	\$ 1,409,388	\$ 1,374,223	\$ 1,539,374	\$ 2,211,085	\$ 2,322,665	\$ 2,689,847	\$ 2,724,435	\$ 3,010,413	\$ 3,194,962	
94-96	584,290	632,431	663,923	900,297	905,258	1,112,832	1,183,422	1,410,374	1,452,764	
90-94	232,187	223,952	161,883	127,076	107,785	137,088	163,444	238,518	245,788	
<90	59,753	44,437	34,795	28,979	19,589	14,992	16,013	19,256	14,273	
No score	200,470	210,491	265,409	355,556	386,419	407,206	415,077	504,802	493,288	
Total loan receivables	\$ 2,486,088	\$ 2,485,534	\$ 2,665,384	\$ 3,622,993	\$ 3,741,716	\$ 4,361,965	\$ 4,502,391	\$ 5,183,363	\$ 5,401,075	

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

96+	57 %	55 %	58 %	61 %	62 %	62 %	61 %	58 %	59 %	
94-96	24 %	25 %	25 %	25 %	24 %	26 %	26 %	27 %	27 %	
90-94	9 %	9 %	6 %	4 %	3 %	3 %	4 %	5 %	5 %	
<90	2 %	2 %	1 %	1 %	1 %	— %	— %	— %	— %	
No score	8 %	8 %	10 %	10 %	10 %	9 %	9 %	10 %	9 %	
Total loan receivables	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	

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 by the Affirm scoring methodology

# Q3'24 Loan Balance and Net Charge-offs by Loan Origination Year

(\$ in 000s)

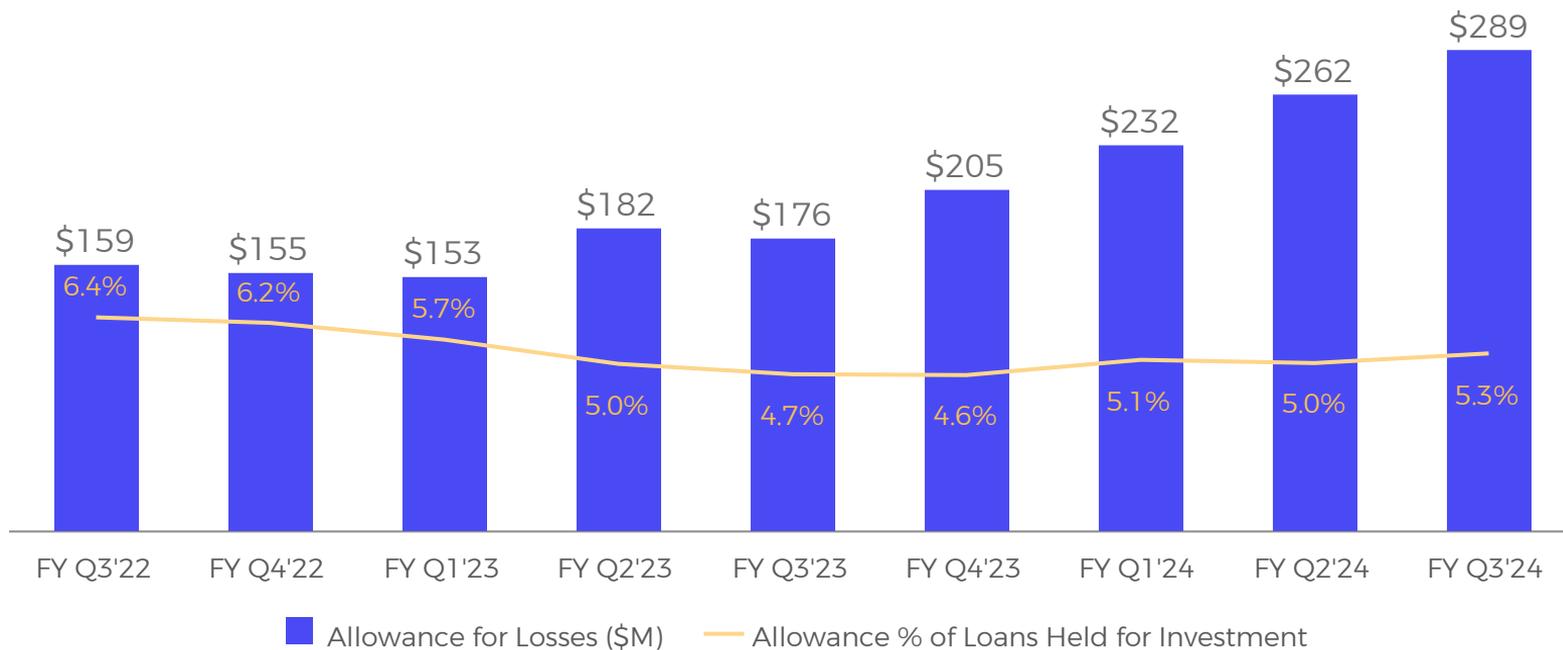
as of March 31, 2024	2024	2023	2022	2021	2020	Prior	Total
<u>Amortized Cost Basis by Fiscal Year of Origination</u>							
Loans Held for Investment and Loans Held for Sale <sup>(2)</sup>	\$ 4,800,292	\$ 564,488	\$ 34,755	\$ 1,258	\$ 138	\$ 144	\$ 5,401,075
Current period charge-offs	(49,761)	(48,482)	(794)	(99)	(28)	(17)	(99,181)
Current period recoveries	2,101	4,693	2,094	311	21	25	9,245
Current period net charge-offs	(47,660)	(43,789)	1,300	212	(7)	8	(89,936)

Notes:

1. Metrics are unaudited

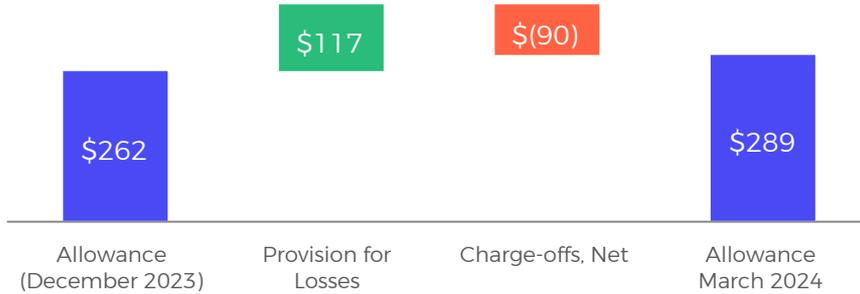
2. Totals shown include the amortized cost basis excluding accrued interest receivable, by fiscal year of origination as of March 31, 2024.

# Allowance and Loans Held for Investment



# Change in Allowance for Credit Losses

## Quarterly Change in Allowance



## Last 12 Months Change in Allowance



## Last 12 Months Change in Allowance

	Quarter Ending				12 Months Ending
	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	March 31, 2024
Beginning of Period Allowance	\$ 176	\$ 205	\$ 232	\$ 262	\$ 176
(+) Provision for Loan Losses <sup>3</sup>	92	93	116	117	418
(-) Charge-offs, Net	(64)	(65)	(86)	(90)	(305)
<b>End of Period Allowance</b>	<b>\$ 205</b>	<b>\$ 232</b>	<b>\$ 262</b>	<b>\$ 289</b>	<b>\$ 289</b>
Loans Held for Investment	\$ 4,403	\$ 4,549	\$ 5,239	\$ 5,461	\$ 5,461
Allowance % of Loans Held for Investment	4.6 %	5.1 %	5.0 %	5.3 %	5.3 %

Notes:

1. Dollars in millions
2. Metrics are unaudited
3. Table details activity in the allowance for credit losses, including charge-offs, recoveries and provision for loan losses; excludes provision for merchant and affiliate network revenue losses

# Outlook

# Key Assumptions Incorporated in Outlook

## **Funding:**

- Equity Capital Required (“ECR”) as a percentage of Total Platform Portfolio (“ECR Ratio”) is expected to remain near FQ3’24 levels.
- Based upon the current forward interest rate curve which is embedded in our outlook, the year-over-year change from higher benchmark interest rates will diminish during the remainder of the fiscal year.

## **Revenue and Transaction Costs:**

- The substantial majority of the benefit from our pricing initiatives will be realized by the end of fiscal year 2024.

## **Product and Go-to-Market Initiatives:**

- Affirm Money Account, the business-to-business (B2B) product, and international growth outside of North America are not expected to be material contributors during fiscal year 2024.

# FY Q4 2024 Outlook

The following table summarizes Affirm's financial outlook for the fourth fiscal quarter of 2024:

	Fiscal Q4 2024
<b>GMV</b>	\$6.75 to \$6.95 billion
<b>Revenue</b>	\$585 to \$605 million
<b>Transaction Costs</b>	\$335 to \$345 million
<b>Revenue Less Transaction Costs</b>	\$250 to \$260 million
<b>Adjusted Operating Margin</b>	15 to 17 percent
<b>Weighted Average Shares Outstanding</b>	316 million

# Financials

# Components of Interest Income

Three Months Ended:

(\$ in 000s)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024
Interest income on unpaid principal balance	\$ 95,253	\$ 99,125	\$ 106,138	\$ 125,858	\$ 147,759	\$ 181,437	\$ 226,158	\$ 248,083	\$ 273,581
Amortization of discount on loans held for investment	45,443	46,197	38,969	38,838	39,130	41,766	45,118	51,024	53,960
Amortization of premiums on loans	(3,407)	(3,946)	(4,374)	(4,580)	(4,515)	(4,159)	(3,980)	(4,183)	(4,256)
Interest receivable charged-off, net of recoveries	(2,690)	(3,752)	(3,931)	(4,795)	(4,104)	(4,220)	(4,617)	(6,578)	(7,573)
Total interest income	\$ 134,599	\$ 137,624	\$ 136,802	\$ 155,321	\$ 178,270	\$ 214,824	\$ 262,679	\$ 288,346	\$ 315,712

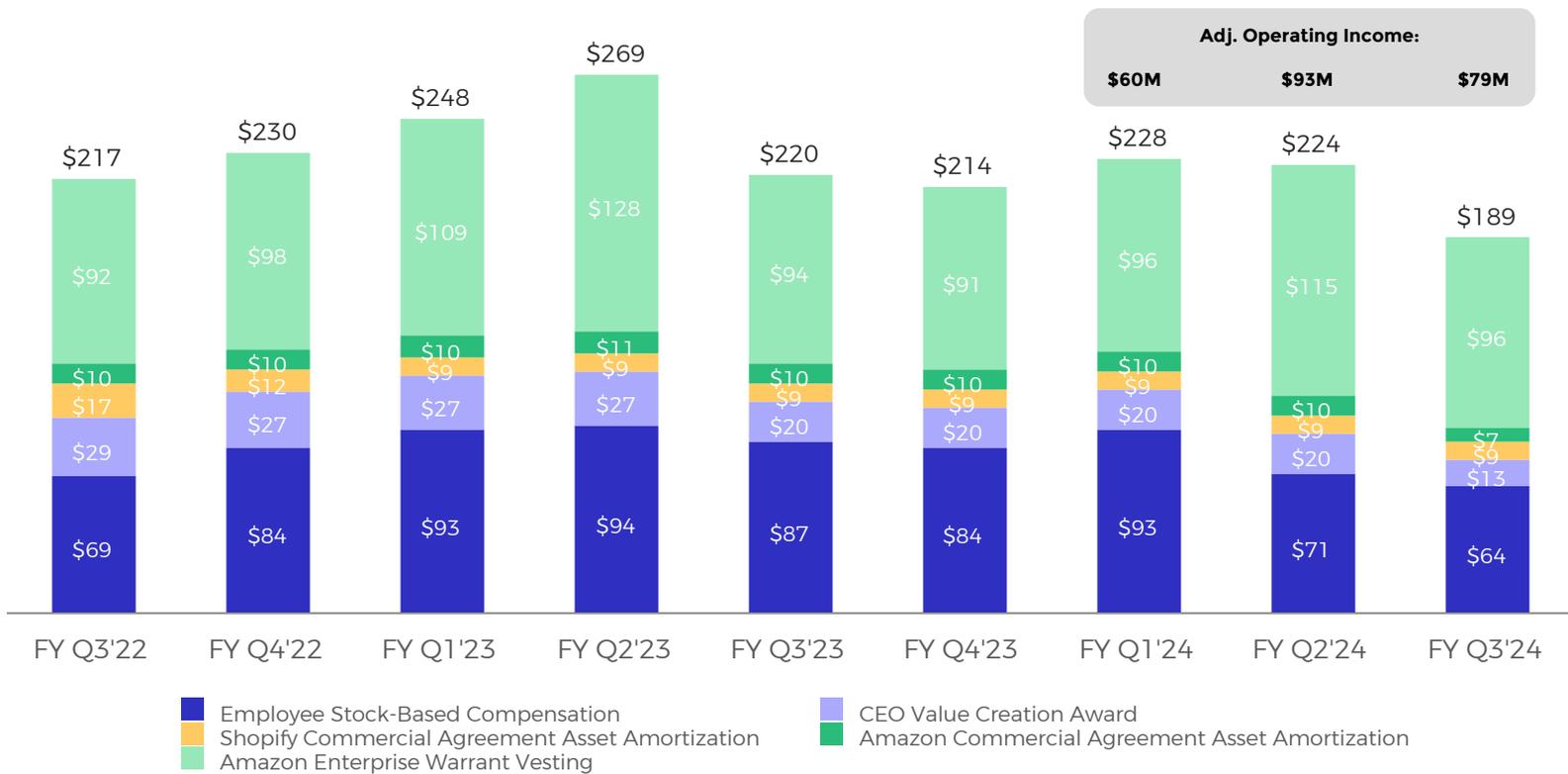
# Fully Diluted Shares Outstanding (FY Q3'24)

	(Shares in millions)
Common Shares Outstanding	309
Plus: Balance of Options, Weighted Average Strike Price: \$15.64	17
Plus: Vested Warrants, Weighted Average Strike Price: \$0.01	6
Less: Treasury Stock Reduction of Options and Vested Warrants Outstanding	(8)
Plus: Restricted Stock Units	18
<b>Fully Diluted Shares, Treasury Stock Method</b>	<b>341</b>

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

- Common shares outstanding and restricted stock units are as of March 31, 2024
- Balance of options and vested warrants outstanding as of March 31, 2024 and reduced by 8 million shares using treasury stock method with \$34.90 closing stock price as of 5/7/2024
- Vested warrants include penny warrants
- Excludes 12.5 million Value Creation Awards with \$49.00 strike price and \$100.00 strike price warrants

# Share-Based Payment Expense



■ Employee Stock-Based Compensation      ■ CEO Value Creation Award  
■ Shopify Commercial Agreement Asset Amortization      ■ Amazon Commercial Agreement Asset Amortization  
■ Amazon Enterprise Warrant Vesting

# Reconciliations

# Quarterly Revenue & Transaction Cost Detail

(\$ in 000s except GMV)	Three Months Ended									
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	
<b>Gross Merchandise Value (\$M)</b>	\$ 3,916	\$ 4,396	\$ 4,389	\$ 5,658	\$ 4,639	\$ 5,515	\$ 5,617	\$ 7,494	\$ 6,294	
<b>Revenue</b>										
Merchant network revenue	\$ 121,054	\$ 118,126	\$ 113,149	\$ 134,019	\$ 119,013	\$ 141,419	\$ 145,950	\$ 188,357	\$ 159,292	
Card network revenue	23,169	31,574	26,708	29,117	29,469	34,044	33,476	39,269	35,676	
Total network revenue	\$ 144,223	\$ 149,700	\$ 139,857	\$ 163,136	\$ 148,482	\$ 175,463	\$ 179,426	\$ 227,626	\$ 194,968	
Interest income	134,599	137,624	136,802	155,321	178,270	214,824	262,679	288,346	315,712	
Gain (loss) on sales of loans	52,484	55,282	63,595	59,607	32,813	32,326	34,285	52,702	40,183	
Servicing income	23,456	21,528	21,370	21,494	21,413	23,212	20,157	22,436	25,294	
<b>Total Revenue, net</b>	\$ 354,762	\$ 364,134	\$ 361,624	\$ 399,558	\$ 380,978	\$ 445,825	\$ 496,547	\$ 591,110	\$ 576,157	
<b>Transaction Costs</b>										
Loss on loan purchase commitment	\$ 46,853	\$ 40,285	\$ 35,610	\$ 38,422	\$ 31,224	\$ 35,009	\$ 34,866	\$ 53,630	\$ 44,143	
Provision for credit losses	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880	122,443	
Funding costs	15,824	19,417	25,066	43,751	51,188	63,008	73,931	84,617	90,449	
Processing and servicing	43,371	47,393	54,359	66,508	65,229	71,247	75,671	90,203	88,209	
<b>Total Transaction Costs</b>	\$ 172,342	\$ 179,786	\$ 179,285	\$ 255,370	\$ 214,079	\$ 263,747	\$ 284,164	\$ 349,330	\$ 345,244	
<b>Revenue Less Transaction Costs</b>	\$ 182,420	\$ 184,348	\$ 182,339	\$ 144,188	\$ 166,899	\$ 182,078	\$ 212,383	\$ 241,780	\$ 230,913	
<b>Line Items as a % of GMV</b>										
<b>Gross Merchandise Value</b>	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	
<b>Revenue</b>										
Merchant network revenue	3.1 %	2.7 %	2.6 %	2.4 %	2.6 %	2.6 %	2.6 %	2.5 %	2.5 %	
Virtual card network revenue	0.6 %	0.7 %	0.6 %	0.5 %	0.6 %	0.6 %	0.6 %	0.5 %	0.6 %	
Total network revenue	3.7 %	3.4 %	3.2 %	2.9 %	3.2 %	3.2 %	3.2 %	3.0 %	3.1 %	
Interest income	3.4 %	3.1 %	3.1 %	2.7 %	3.8 %	3.9 %	4.7 %	3.8 %	5.0 %	
Gain (loss) on sales of loans	1.3 %	1.3 %	1.4 %	1.1 %	0.7 %	0.6 %	0.6 %	0.7 %	0.6 %	
Servicing income	0.6 %	0.5 %	0.5 %	0.4 %	0.5 %	0.4 %	0.4 %	0.3 %	0.4 %	
<b>Total Revenue, net</b>	9.1 %	8.3 %	8.2 %	7.1 %	8.2 %	8.1 %	8.8 %	7.9 %	9.2 %	
<b>Transaction Costs</b>										
Loss on loan purchase commitment	1.2 %	0.9 %	0.8 %	0.7 %	0.7 %	0.6 %	0.6 %	0.7 %	0.7 %	
Provision for credit losses	1.7 %	1.7 %	1.5 %	1.9 %	1.4 %	1.7 %	1.8 %	1.6 %	1.9 %	
Funding costs	0.4 %	0.4 %	0.6 %	0.8 %	1.1 %	1.1 %	1.3 %	1.1 %	1.4 %	
Processing and servicing	1.1 %	1.1 %	1.2 %	1.2 %	1.4 %	1.3 %	1.3 %	1.2 %	1.4 %	
<b>Total Transaction Costs</b>	4.4 %	4.1 %	4.1 %	4.5 %	4.6 %	4.8 %	5.1 %	4.7 %	5.5 %	
<b>Revenue Less Transaction Costs</b>	4.7 %	4.2 %	4.2 %	2.5 %	3.6 %	3.3 %	3.8 %	3.2 %	3.7 %	

Notes:

1. Metrics are unaudited

# Annual Revenue & Transaction Cost Detail

(\$ in 000s except GMV)	Twelve Months Ended:					
	June 30, 2021		June 30, 2022		June 30, 2023	
Gross Merchandise Value (\$M)	\$	8,292	\$	15,483	\$	20,201
Revenue						
Merchant network revenue	\$	379,551	\$	458,511	\$	507,600
Card network revenue		49,851		100,696		119,338
Total network revenue	\$	429,402	\$	559,207	\$	626,938
Interest income		326,417		527,880		685,217
Gain (loss) on sales of loans		89,926		196,435		188,341
Servicing income		24,719		65,770		87,489
<b>Total Revenue, net</b>	<b>\$</b>	<b>870,464</b>	<b>\$</b>	<b>1,349,292</b>	<b>\$</b>	<b>1,587,985</b>
Transaction Costs						
Loss on loan purchase commitment	\$	246,700	\$	204,081	\$	140,265
Provision for credit losses		65,878		255,272		331,860
Funding costs		52,700		69,694		183,013
Processing and servicing		73,578		157,814		257,343
<b>Total Transaction Costs</b>	<b>\$</b>	<b>438,856</b>	<b>\$</b>	<b>686,861</b>	<b>\$</b>	<b>912,481</b>
<b>Revenue Less Transaction Costs</b>	<b>\$</b>	<b>431,608</b>	<b>\$</b>	<b>662,431</b>	<b>\$</b>	<b>675,504</b>
Line Items as a % of GMV						
Gross Merchandise Value		100.0 %		100.0 %		100.0 %
Revenue						
Merchant network revenue		4.6 %		3.0 %		2.5 %
Virtual card network revenue		0.6 %		0.7 %		0.6 %
Total network revenue		5.2 %		3.6 %		3.1 %
Interest income		3.9 %		3.4 %		3.4 %
Gain (loss) on sales of loans		1.1 %		1.3 %		0.9 %
Servicing income		0.3 %		0.4 %		0.4 %
<b>Total Revenue, net</b>		<b>10.5 %</b>		<b>8.7 %</b>		<b>7.9 %</b>
Transaction Costs						
Loss on loan purchase commitment		3.0 %		1.3 %		0.7 %
Provision for credit losses		0.8 %		1.6 %		1.6 %
Funding costs		0.6 %		0.5 %		0.9 %
Processing and servicing		0.9 %		1.0 %		1.3 %
<b>Total Transaction Costs</b>		<b>5.3 %</b>		<b>4.4 %</b>		<b>4.5 %</b>
<b>Revenue Less Transaction Costs</b>		<b>5.2 %</b>		<b>4.3 %</b>		<b>3.3 %</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
2. FY Q3'21 amounts include adjustments to amounts previously reported due to an adjustment to stock-based compensation expense
3. Metrics are unaudited

# Income Statement Reconciliations - Fiscal Quarter

	Three Months Ended									
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	
<b>Income Statement Reconciliations (\$K)</b>										
Total Revenue	\$ 354,762	\$ 364,134	\$ 361,624	\$ 399,558	\$ 380,978	\$ 445,825	\$ 496,547	\$ 591,110	\$ 576,157	
<b>Operating Expenses</b>										
Loss on loan purchase commitment	\$ 46,853	\$ 40,285	\$ 35,610	\$ 38,422	\$ 31,224	\$ 35,009	\$ 34,866	\$ 53,630	\$ 44,143	
Provision for credit losses	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880	122,443	
Funding costs	15,824	19,417	25,066	43,751	51,188	63,008	73,931	84,617	90,449	
Processing and servicing	43,371	47,393	54,359	66,508	65,229	71,247	75,671	90,203	88,209	
Total Transaction Costs	\$ 172,342	\$ 179,786	\$ 179,285	\$ 255,370	\$ 214,079	\$ 263,747	\$ 284,164	\$ 349,330	\$ 345,244	
Technology and data analytics	110,291	135,350	144,961	156,747	161,797	152,318	132,965	119,833	124,828	
Sales and marketing	156,214	168,693	163,873	188,334	140,942	145,131	146,866	161,265	132,950	
Restructuring and other	—	—	—	—	34,934	936	1,665	56	5,203	
General and administrative	142,466	157,531	160,972	158,639	139,266	127,521	140,334	132,777	128,721	
Total Operating Expenses	\$ 581,313	\$ 641,360	\$ 649,091	\$ 759,090	\$ 691,013	\$ 689,653	\$ 705,994	\$ 763,261	\$ 736,946	
Operating Income (Loss)	\$ (226,551)	\$ (277,226)	\$ (287,467)	\$ (359,532)	\$ (310,035)	\$ (243,828)	\$ (209,447)	\$ (172,151)	\$ (160,789)	
<b>Reconciliation from Revenue to Revenue Less Transaction Costs and Revenue Less Transaction Costs ex-Provision</b>										
Total Revenue	\$ 354,762	\$ 364,134	\$ 361,624	\$ 399,558	\$ 380,978	\$ 445,825	\$ 496,547	\$ 591,110	\$ 576,157	
Less: Loss on loan purchase commitment	46,853	40,285	35,610	38,422	31,224	35,009	34,866	53,630	44,143	
Less: Provision for credit losses	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880	122,443	
Less: Funding costs	15,824	19,417	25,066	43,751	51,188	63,008	73,931	84,617	90,449	
Less: Processing and servicing	43,371	47,393	54,359	66,508	65,229	71,247	75,671	90,203	88,209	
Revenue Less Transaction Costs	\$ 182,420	\$ 184,348	\$ 182,339	\$ 144,188	\$ 166,899	\$ 182,078	\$ 212,383	\$ 241,780	\$ 230,913	
Plus: Provision for credit losses	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880	122,443	
Revenue Less Transaction Costs ex-Provision	\$ 248,714	\$ 257,039	\$ 246,589	\$ 250,877	\$ 233,337	\$ 276,561	\$ 312,079	\$ 362,660	\$ 353,356	
<b>Reconciliation from from Operating Income (Loss) to Adjusted Operating Income (Loss)</b>										
Operating Income (Loss)	\$ (226,551)	\$ (277,226)	\$ (287,467)	\$ (359,532)	\$ (310,035)	\$ (243,828)	\$ (209,447)	\$ (172,151)	\$ (160,789)	
Plus: Depreciation and amortization	13,102	17,115	20,882	23,004	46,068	43,279	40,060	40,372	45,189	
Plus: Stock-based compensation expense	98,387	110,870	119,808	121,775	106,789	103,337	112,359	90,164	77,075	
Plus: Enterprise warrant and share-based expense	119,039	119,517	128,205	147,516	112,961	110,467	115,373	134,167	111,829	
Plus: Restructuring and other	—	—	—	—	34,934	936	1,665	56	5,203	
Plus: Other non-recurring items*	25	415	5	5,203	2,858	517	(66)	—	—	
Adjusted Operating Income (Loss)	\$ 4,002	\$ (29,309)	\$ (18,567)	\$ (62,034)	\$ (6,425)	\$ 14,709	\$ 59,944	\$ 92,608	\$ 78,506	

Notes:

1. Other costs consist of expenses incurred in the period associated with the Company's acquisitions, impairment charges, and exit and disposal costs

2. Metrics are unaudited

# Income Statement Reconciliations - Fiscal Year

	Twelve Months Ended					
	June 30, 2021		June 30, 2022		June 30, 2023	
<b>Income Statement Reconciliations (\$K)</b>						
<b>Total Revenue</b>	\$	870,464	\$	1,349,292	\$	1,587,985
Operating Expenses						
Loss on loan purchase commitment	\$	246,700	\$	204,081	\$	140,265
Provision for credit losses		65,878		255,272		331,860
Funding costs		52,700		69,694		183,013
Processing and servicing		73,578		157,814		257,343
Total Transaction Costs	\$	438,856	\$	686,861	\$	912,481
Technology and data analytics		249,336		418,643		615,818
Sales and marketing		182,190		532,343		638,280
Restructuring and other		—		—		35,870
General and administrative		383,749		577,493		586,398
<b>Total Operating Expenses</b>	\$	1,254,131	\$	2,215,340	\$	2,788,847
<b>Operating Income (Loss)</b>	\$	(383,667)	\$	(866,048)	\$	(1,200,862)
<b>Reconciliation from Revenue to Revenue Less Transaction Costs and Revenue Less Transaction Costs ex-Provision</b>						
Total Revenue	\$	870,464	\$	1,349,292	\$	1,587,985
Less: Loss on loan purchase commitment		246,700		204,081		140,265
Less: Provision for credit losses		65,878		255,272		331,860
Less: Funding costs		52,700		69,694		183,013
Less: Processing and servicing		73,578		157,814		257,343
Revenue Less Transaction Costs	\$	431,608	\$	662,431	\$	675,504
Plus: Provision for credit losses		65,878		255,272		331,860
Revenue Less Transaction Costs ex-Provision	\$	497,486	\$	917,703	\$	1,007,364
<b>Reconciliation from from Operating Income (Loss) to Adjusted Operating Income (Loss)</b>						
Operating Income (Loss)	\$	(383,667)	\$	(866,048)	\$	(1,200,862)
Plus: Depreciation and amortization		19,979		52,722		133,233
Plus: Stock-based compensation expense		292,507		390,983		451,709
Plus: Enterprise warrant and share-based expense		64,821		343,268		499,150
Plus: Restructuring and other		—		—		35,870
Plus: Other non-recurring items*		20,697		743		8,583
Adjusted Operating Income (Loss)	\$	14,337	\$	(78,332)	\$	(72,317)

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

2. FY Q3'21 amounts include adjustments to amounts previously reported due to an adjustment to stock-based compensation expense

3. Other costs consist of expenses incurred in the period associated with the Company's acquisitions, impairment charges, and exit and disposal costs

4. Metrics are unaudited

# GAAP to Non-GAAP Expense Reconciliations, H2'24

(\$ in 000s)

	Three Months Ended March 31, 2024									
	GAAP	D&A	Stock-Based Compensation Expense	Enterprise Warrant & Share Based Expenses	Restructuring and other	Other Non-Recurring Items	Non-GAAP			
Loss on loan purchase commitment	\$ 44,143	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 44,143
Provision for credit losses	122,443	0	0	0	0	0	0	0	0	122,443
Funding costs	90,449	0	0	0	0	0	0	0	0	90,449
Processing and servicing	88,209	58	165	0	0	0	0	0	0	87,986
<b>Total Transaction Costs</b>	<b>\$ 345,244</b>	<b>\$ 58</b>	<b>\$ 165</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 345,021</b>
Technology and data analytics	\$ 124,828	\$ 43,841	\$ 21,105	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 59,882
Sales and marketing	132,950	683	3,858	111,829	0	0	0	0	0	16,580
General and administrative	128,721	606	51,947	0	0	0	0	0	0	76,168
Restructuring and other	5,203	0	0	0	5,203	0	0	0	0	0
<b>Other Operating Expenses</b>	<b>\$ 391,702</b>	<b>\$ 45,130</b>	<b>\$ 76,910</b>	<b>\$ 111,829</b>	<b>\$ 5,203</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 152,630</b>
<b>Total Operating Expenses</b>	<b>\$ 736,946</b>	<b>\$ 45,189</b>	<b>\$ 77,075</b>	<b>\$ 111,829</b>	<b>\$ 5,203</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 497,651</b>

# GAAP to Non-GAAP Expense Reconciliations, H1'24

(\$ in 000s)

	Three Months Ended December 31, 2023										
	GAAP	D&A	Stock-Based Compensation Expense	Enterprise Warrant & Share Based Expenses	Restructuring and other	Other Non-Recurring Items	Non-GAAP				
Loss on loan purchase commitment	\$ 53,630	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,630				
Provision for credit losses	120,880	0	0	0	0	0	120,880				
Funding costs	84,617	0	0	0	0	0	84,617				
Processing and servicing	90,203	158	1,353	0	0	0	88,692				
<b>Total Transaction Costs</b>	<b>\$ 349,330</b>	<b>\$ 158</b>	<b>\$ 1,353</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 347,819</b>				
Technology and data analytics	\$ 119,833	\$ 38,531	\$ 22,567	\$ 0	\$ 0	\$ 0	\$ 58,735				
Sales and marketing	161,265	721	4,305	134,167	0	0	22,072				
General and administrative	132,777	962	61,939	0	0	0	69,876				
Restructuring and other	56	0	0	0	56	0	0				
<b>Other Operating Expenses</b>	<b>\$ 413,931</b>	<b>\$ 40,213</b>	<b>\$ 88,811</b>	<b>\$ 134,167</b>	<b>\$ 56</b>	<b>\$ 0</b>	<b>\$ 150,683</b>				
<b>Total Operating Expenses</b>	<b>\$ 763,261</b>	<b>\$ 40,372</b>	<b>\$ 90,164</b>	<b>\$ 134,167</b>	<b>\$ 56</b>	<b>\$ —</b>	<b>\$ 498,502</b>				

(\$ in 000s)

	Three Months Ended September 30, 2023										
	GAAP	D&A	Stock-Based Compensation Expense	Enterprise Warrant & Share Based Expenses	Restructuring and other	Other Non-Recurring Items	Non-GAAP				
Loss on loan purchase commitment	\$ 34,866	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 34,866				
Provision for credit losses	99,696	0	0	0	0	0	99,696				
Funding costs	73,931	0	0	0	0	0	73,931				
Processing and servicing	75,671	99	2	0	0	0	73,997				
<b>Total Transaction Costs</b>	<b>\$ 284,164</b>	<b>\$ 99</b>	<b>\$ 1,575</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 282,490</b>				
Technology and data analytics	\$ 132,965	\$ 31,676	\$ 35,135	\$ 0	\$ 0	\$ 0	\$ 66,154				
Sales and marketing	146,866	7,681	5,465	115,373	0	0	18,347				
General and administrative	140,334	604	70,184	0	0	(66)	69,612				
Restructuring and other	1,665	0	0	0	1,665	0	0				
<b>Other Operating Expenses</b>	<b>\$ 421,830</b>	<b>\$ 39,961</b>	<b>\$ 110,784</b>	<b>\$ 115,373</b>	<b>\$ 1,665</b>	<b>\$ (66)</b>	<b>\$ 154,113</b>				
<b>Total Operating Expenses</b>	<b>\$ 705,994</b>	<b>\$ 40,060</b>	<b>\$ 112,359</b>	<b>\$ 115,373</b>	<b>\$ 1,665</b>	<b>\$ (66)</b>	<b>\$ 436,603</b>				



Notes:

1. Metrics are unaudited
2. Other costs consist of expenses incurred in the period associated with the Company's acquisitions, impairment charges, and exit and disposal costs

# GAAP to Non-GAAP Expense Reconciliations, H2'23

(\$ in 000s)

	Three Months Ended June 30, 2023										
	GAAP	D&A	Stock-Based Compensation Expense	Enterprise Warrant & Share Based Expenses	Restructuring charges, net	Other Non-Recurring Items	Non-GAAP				
Loss on loan purchase commitment	\$ 35,009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,009				
Provision for credit losses	94,483	0	0	0	0	0	94,483				
Funding costs	63,008	0	0	0	0	0	63,008				
Processing and servicing	71,247	109	1,411	0	0	0	69,727				
<b>Total Transaction Costs</b>	<b>\$ 263,747</b>	<b>\$ 109</b>	<b>\$ 1,411</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 262,227</b>				
Technology and data analytics	\$ 152,318	\$ 34,737	\$ 44,394	\$ 0	\$ 0	\$ 0	\$ 73,187				
Sales and marketing	145,131	7,773	6,397	110,467	0	0	20,493				
General and administrative	127,521	660	51,135	0	0	517	75,208				
Restructuring and other	936	0	0	0	936	0	0				
<b>Other Operating Expenses</b>	<b>\$ 425,906</b>	<b>\$ 43,170</b>	<b>\$ 101,926</b>	<b>\$ 110,467</b>	<b>\$ 936</b>	<b>\$ 517</b>	<b>\$ 168,889</b>				
<b>Total Operating Expenses</b>	<b>\$ 689,653</b>	<b>\$ 43,279</b>	<b>\$ 103,337</b>	<b>\$ 110,467</b>	<b>\$ 936</b>	<b>\$ 517</b>	<b>\$ 431,116</b>				

(\$ in 000s)

	Three Months Ended March 31, 2023										
	GAAP	D&A	Stock-Based Compensation Expense	Enterprise Warrant & Share Based Expenses	Restructuring charges, net	Other Non-Recurring Items	Non-GAAP				
Loss on loan purchase commitment	\$ 31,224	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 31,224				
Provision for credit losses	66,438	0	0	0	0	0	66,438				
Funding costs	51,188	0	0	0	0	0	51,188				
Processing and servicing	65,229	100	1,120	0	0	0	64,009				
<b>Total Transaction Costs</b>	<b>\$ 214,079</b>	<b>\$ 100</b>	<b>\$ 1,120</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 212,859</b>				
Technology and data analytics	\$ 161,792	\$ 39,167	\$ 45,040	\$ 0	\$ 0	\$ 0	\$ 77,585				
Sales and marketing	140,942	5,890	5,840	112,961	0	0	16,251				
General and administrative	139,266	911	54,789	0	0	2,858	80,708				
Restructuring and other	34,934	0	0	0	34,934	0	0				
<b>Other Operating Expenses</b>	<b>\$ 476,934</b>	<b>\$ 45,968</b>	<b>\$ 105,669</b>	<b>\$ 112,961</b>	<b>\$ 34,934</b>	<b>\$ 2,858</b>	<b>\$ 174,544</b>				
<b>Total Operating Expenses</b>	<b>\$ 691,013</b>	<b>\$ 46,068</b>	<b>\$ 106,789</b>	<b>\$ 112,961</b>	<b>\$ 34,934</b>	<b>\$ 2,858</b>	<b>\$ 387,403</b>				

# GAAP to Non-GAAP Expense Reconciliations, H1'23

(\$ in 000s)

	Three Months Ended December 31, 2022													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring charges, net		Other Non-Recurring Items		Non-GAAP	
Loss on loan purchase commitment	\$	38,422	\$	0	\$	0	\$	0	\$	0	\$	0	\$	38,422
Provision for credit losses		106,689		0		0		0		0		0		106,689
Funding costs		43,751		0		0		0		0		0		43,751
Processing and servicing		66,508		108		1,033		0		0		0		65,367
<b>Total Transaction Costs</b>	<b>\$</b>	<b>255,370</b>	<b>\$</b>	<b>108</b>	<b>\$</b>	<b>1,033</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>254,229</b>
Technology and data analytics	\$	156,747	\$	20,154	\$	48,534	\$	0	\$	0	\$	0	\$	88,059
Sales and marketing		188,334		2,161		5,549		147,516		0		1,930		31,179
General and administrative		158,639		581		66,659		0		0		3,273		88,126
Restructuring and other		0		0		0		0		0		0		0
<b>Other Operating Expenses</b>	<b>\$</b>	<b>503,720</b>	<b>\$</b>	<b>22,896</b>	<b>\$</b>	<b>120,742</b>	<b>\$</b>	<b>147,516</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>5,203</b>	<b>\$</b>	<b>207,363</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>759,090</b>	<b>\$</b>	<b>23,004</b>	<b>\$</b>	<b>121,775</b>	<b>\$</b>	<b>147,516</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>5,203</b>	<b>\$</b>	<b>461,592</b>

(\$ in 000s)

	Three Months Ended September 30, 2022													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring charges, net		Other Non-Recurring Items		Non-GAAP	
Loss on loan purchase commitment	\$	35,610	\$	0	\$	0	\$	0	\$	0	\$	0	\$	35,610
Provision for credit losses		64,250		0		0		0		0		0		64,250
Funding costs		25,066		0		0		0		0		0		25,066
Processing and servicing		54,359		95		912		0		0		0		53,352
<b>Total Transaction Costs</b>	<b>\$</b>	<b>179,285</b>	<b>\$</b>	<b>95</b>	<b>\$</b>	<b>912</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>178,278</b>
Technology and data analytics	\$	144,961	\$	17,963	\$	43,428	\$	0	\$	0	\$	0	\$	83,570
Sales and marketing		163,873		2,199		8,128		128,205		0		0		25,341
General and administrative		160,972		625		67,340		0		0		5		93,002
Restructuring and other		0		0		0		0		0		0		0
<b>Other Operating Expenses</b>	<b>\$</b>	<b>469,806</b>	<b>\$</b>	<b>20,787</b>	<b>\$</b>	<b>118,896</b>	<b>\$</b>	<b>128,205</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>5</b>	<b>\$</b>	<b>201,913</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>649,091</b>	<b>\$</b>	<b>20,882</b>	<b>\$</b>	<b>119,808</b>	<b>\$</b>	<b>128,205</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>5</b>	<b>\$</b>	<b>380,191</b>



Notes:

1. Metrics are unaudited
2. Other costs consist of expenses incurred in the period associated with the Company's acquisitions, impairment charges, and exit and disposal costs

# GAAP to Non-GAAP Expense Reconciliations, H2'22

(\$ in 000s)

	Three Months Ended June 30, 2022													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring charges, net		Other Non-Recurring Items		Non-GAAP	
Loss on loan purchase commitment	\$	40,285	\$	0	\$	0	\$	0	\$	0	\$	0	\$	40,285
Provision for credit losses		72,691		0		0		0		0		0		72,691
Funding costs		19,417		0		0		0		0		0		19,417
Processing and servicing		47,393		145		895		0		0		0		46,353
<b>Total Transaction Costs</b>	<b>\$</b>	<b>179,786</b>	<b>\$</b>	<b>145</b>	<b>\$</b>	<b>895</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>178,746</b>
Technology and data analytics	\$	135,350	\$	13,992	\$	41,398	\$	0	\$	0	\$	0	\$	79,960
Sales and marketing		168,693		2,314		7,569		119,517		0		0		39,293
General and administrative		157,531		664		61,008		0		0		415		95,444
Restructuring and other		0		0		0		0		0		0		0
<b>Other Operating Expenses</b>	<b>\$</b>	<b>461,574</b>	<b>\$</b>	<b>16,970</b>	<b>\$</b>	<b>109,975</b>	<b>\$</b>	<b>119,517</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>415</b>	<b>\$</b>	<b>214,697</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>641,360</b>	<b>\$</b>	<b>17,115</b>	<b>\$</b>	<b>110,870</b>	<b>\$</b>	<b>119,517</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>415</b>	<b>\$</b>	<b>393,443</b>

(\$ in 000s)

	Three Months Ended March 31, 2022													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring charges, net		Other Non-Recurring Items		Non-GAAP	
Loss on loan purchase commitment	\$	46,853	\$	0	\$	0	\$	0	\$	0	\$	0	\$	46,853
Provision for credit losses		66,294		0		0		0		0		0		66,294
Funding costs		15,824		0		0		0		0		0		15,824
Processing and servicing		43,371		124		650		0		0		0		42,597
<b>Total Transaction Costs</b>	<b>\$</b>	<b>172,342</b>	<b>\$</b>	<b>124</b>	<b>\$</b>	<b>650</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>171,568</b>
Technology and data analytics	\$	110,291	\$	10,058	\$	33,639	\$	0	\$	0	\$	0	\$	66,594
Sales and marketing		156,214		2,372		5,998		119,039		0		0		28,805
General and administrative		142,466		549		58,100		0		0		25		83,792
Restructuring and other		0		0		0		0		0		0		0
<b>Other Operating Expenses</b>	<b>\$</b>	<b>408,971</b>	<b>\$</b>	<b>12,978</b>	<b>\$</b>	<b>97,737</b>	<b>\$</b>	<b>119,039</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>25</b>	<b>\$</b>	<b>179,192</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>581,313</b>	<b>\$</b>	<b>13,102</b>	<b>\$</b>	<b>98,387</b>	<b>\$</b>	<b>119,039</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>25</b>	<b>\$</b>	<b>350,760</b>



Notes:

1. Metrics are unaudited
2. Other costs consist of expenses incurred in the period associated with the Company's acquisitions, impairment charges, and exit and disposal costs

# GAAP to Non-GAAP Expense Reconciliations, H1'22

(\$ in 000s)

	Three Months Ended December 31, 2021													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring charges, net		Other Non-Recurring Items		Non-GAAP	
Loss on loan purchase commitment	\$	65,265	\$	0	\$	0	\$	0	\$	0	\$	0	\$	65,265
Provision for credit losses		52,640		0		0		0		0		0		52,640
Funding costs		17,700		0		0		0		0		0		17,700
Processing and servicing		41,849		108		530		0		0		0		41,211
<b>Total Transaction Costs</b>	<b>\$</b>	<b>177,454</b>	<b>\$</b>	<b>108</b>	<b>\$</b>	<b>530</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>176,816</b>
Technology and data analytics	\$	94,989	\$	9,012	\$	21,427	\$	0	\$	0	\$	0	\$	64,550
Sales and marketing		143,476		2,377		4,633		87,673		0		0		48,794
General and administrative		141,292		467		61,947		0		0		94		78,784
Restructuring and other		0		0		0		0		0		0		0
<b>Other Operating Expenses</b>	<b>\$</b>	<b>379,757</b>	<b>\$</b>	<b>11,856</b>	<b>\$</b>	<b>88,007</b>	<b>\$</b>	<b>87,673</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>94</b>	<b>\$</b>	<b>192,127</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>557,211</b>	<b>\$</b>	<b>11,964</b>	<b>\$</b>	<b>88,537</b>	<b>\$</b>	<b>87,673</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>94</b>	<b>\$</b>	<b>368,942</b>

(\$ in 000s)

	Three Months Ended September 30, 2021													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring charges, net		Other Non-Recurring Items		Non-GAAP	
Loss on loan purchase commitment	\$	51,678	\$	0	\$	0	\$	0	\$	0	\$	0	\$	51,678
Provision for credit losses		63,647		0		0		0		0		0		63,647
Funding costs		16,753		0		0		0		0		0		16,753
Processing and servicing		25,201		227		356		0		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>0</b>	<b>\$</b>	<b>156,696</b>
Technology and data analytics	\$	78,013	\$	7,418	\$	20,067	\$	0	\$	0	\$	0	\$	50,528
Sales and marketing		63,960		482		5,024		17,039		0		0		41,415
General and administrative		136,204		2,414		67,742		0		0		209		65,839
Restructuring and other		0		0		0		0		0		0		0
<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>0</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>—</b>	<b>\$</b>	<b>209</b>	<b>\$</b>	<b>314,478</b>



Notes:

1. Metrics are unaudited

2. Other costs consist of expenses incurred in the period associated with the Company's acquisitions, impairment charges, and exit and disposal costs

# GAAP to Non-GAAP Expense Reconciliations (FY'22 & FY'23)

(\$ in 000s)

	Twelve Months Ended June 30, 2023													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring and Other		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	140,265	\$	0	\$	0	\$	0	\$	0	\$	0	\$	140,265
Provision for credit losses		331,860		0		0		0		0		0		331,860
Funding costs		183,013		0		0		0		0		0		183,013
Processing and servicing		257,343		412		4,476		0		0		0		252,455
<b>Total Transaction Costs</b>	<b>\$</b>	<b>912,481</b>	<b>\$</b>	<b>412</b>	<b>\$</b>	<b>4,476</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>907,593</b>
Technology and data analytics	\$	615,818	\$	112,021	\$	181,396	\$	0	\$	0	\$	0	\$	322,401
Sales and marketing		638,280		18,023		25,914		499,150		0		1,930		93,263
General and administrative		586,398		2,777		239,923		0		0		6,653		337,044
Restructuring and other		35,870		0		0		0		35,870		0		0
<b>Other Operating Expenses</b>	<b>\$</b>	<b>1,876,366</b>	<b>\$</b>	<b>132,821</b>	<b>\$</b>	<b>447,233</b>	<b>\$</b>	<b>499,150</b>	<b>\$</b>	<b>35,870</b>	<b>\$</b>	<b>8,583</b>	<b>\$</b>	<b>752,708</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>2,788,847</b>	<b>\$</b>	<b>133,233</b>	<b>\$</b>	<b>451,709</b>	<b>\$</b>	<b>499,150</b>	<b>\$</b>	<b>35,870</b>	<b>\$</b>	<b>8,583</b>	<b>\$</b>	<b>1,660,301</b>

(\$ in 000s)

	Twelve Months Ended June 30, 2022													
	GAAP		D&A		Stock-Based Compensation Expense		Enterprise Warrant & Share Based Expenses		Restructuring and Other		Other Costs		Non-GAAP	
Loss on loan purchase commitment	\$	204,081	\$	0	\$	0	\$	0	\$	0	\$	0	\$	204,081
Provision for credit losses		255,272		0		0		0		0		0		255,272
Funding costs		69,694		0		0		0		0		0		69,694
Processing and servicing		157,814		604		2,431		0		0		0		154,779
<b>Total Transaction Costs</b>	<b>\$</b>	<b>686,861</b>	<b>\$</b>	<b>604</b>	<b>\$</b>	<b>2,431</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>683,826</b>
Technology and data analytics	\$	418,643	\$	40,480	\$	116,531	\$	0	\$	0	\$	0	\$	261,631
Sales and marketing		532,343		7,544		23,224		343,268		0		0		158,307
General and administrative		577,493		4,094		248,797		0		0		743		323,859
Restructuring and other		0		0		0		0		0		0		0
<b>Other Operating Expenses</b>	<b>\$</b>	<b>1,528,479</b>	<b>\$</b>	<b>52,118</b>	<b>\$</b>	<b>388,552</b>	<b>\$</b>	<b>343,268</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>743</b>	<b>\$</b>	<b>743,797</b>
<b>Total Operating Expenses</b>	<b>\$</b>	<b>2,215,340</b>	<b>\$</b>	<b>52,722</b>	<b>\$</b>	<b>390,983</b>	<b>\$</b>	<b>343,268</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>743</b>	<b>\$</b>	<b>1,427,623</b>



Notes:

1. Metrics are unaudited
2. Other costs consist of expenses incurred in the period associated with the Company's acquisitions and restructuring and exit and disposal costs

# GAAP to Non-GAAP Expense Reconciliation (FY'21)

(\$ in 000s)

	Twelve Months Ended June 30, 2021									
	GAAP	D&A	Stock-Based Compensation Expense	Enterprise Warrant & Share Based Expenses	Restructuring charges, net	Other Non-Recurring Items	Non-GAAP			
Loss on loan purchase commitment	\$ 204,081	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 204,081			
Provision for credit losses	255,272	0	0	0	0	0	255,272			
Funding costs	69,694	0	0	0	0	0	69,694			
Processing and servicing	157,814	604	2,431	0	0	0	154,779			
<b>Total Transaction Costs</b>	<b>\$ 686,861</b>	<b>\$ 604</b>	<b>\$ 2,431</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 683,826</b>			
Technology and data analytics	\$ 418,643	\$ 40,480	\$ 116,531	\$ 0	\$ 0	\$ 0	\$ 261,631			
Sales and marketing	532,343	7,544	23,224	343,268	0	0	158,307			
General and administrative	577,493	4,094	248,797	0	0	743	323,859			
Restructuring and other	0	0	0	0	0	0	0			
<b>Other Operating Expenses</b>	<b>\$ 1,528,479</b>	<b>\$ 52,118</b>	<b>\$ 388,552</b>	<b>\$ 343,268</b>	<b>\$ 0</b>	<b>\$ 743</b>	<b>\$ 743,797</b>			
<b>Total Operating Expenses</b>	<b>\$ 2,215,340</b>	<b>\$ 52,722</b>	<b>\$ 390,983</b>	<b>\$ 343,268</b>	<b>\$ —</b>	<b>\$ 743</b>	<b>\$ 1,427,623</b>			