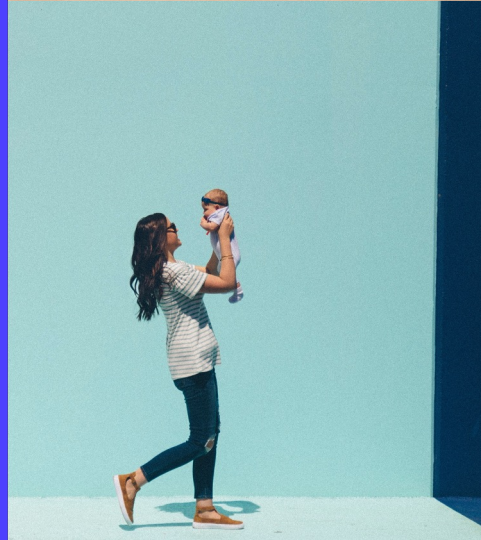
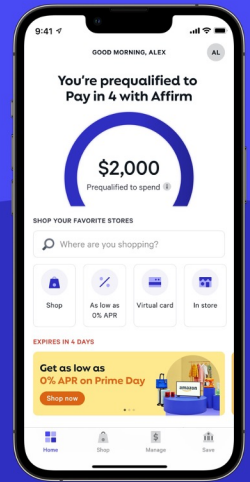


# Investor

# Presentation

Q4 FY 2022



# Safe Harbor Statement/Use of Non-GAAP Financial

## 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; the development, innovation, introduction and performance of, and demand for, the Company's products, including the Debit Card; acquisition and retention of merchants and consumers; the Company's future growth, investments, network expansion, product mix, brand awareness, financial position, gross market value, revenue, transaction costs, operating income, provision for credit losses, and cash flows; and general economic trends and trends in the Company's industry and markets. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Risks, uncertainties and assumptions include factors relating to: the Company's need to attract additional merchants, partners and consumers and retain and grow its relationships with existing merchants, partners and consumers; the highly competitive 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; the terms of its agreement with one of its originating bank partners; its existing funding arrangements that may not be renewed or replaced or its existing funding sources that may be unwilling or unable to provide funding to it on terms acceptable to it, or at all; its ability to effectively underwrite loans facilitated through its platform and accurately price credit risk; the performance of loans facilitated through its platform; changes in market interest rates; its securitizations, warehouse credit facilities and forward flow agreements; the impact on its business of general economic conditions, the financial performance of its merchants, and fluctuations in the U.S. consumer credit market; its ability to grow effectively through acquisitions or other strategic investments or alliances; seasonal fluctuations in its revenue as a result of consumer spending patterns; pending and future litigation, regulatory actions and/or compliance issues; 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.

## Industry and Market Data

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

Our Mission:

**Deliver Honest  
Financial Products  
that Improve Lives**



# Investment Summary

## Fintech category leader

with massive growth and rapidly expanding market opportunities

## Technology-driven advantages

across products, underwriting, risk management and capital markets expertise

## Powerful two-sided network

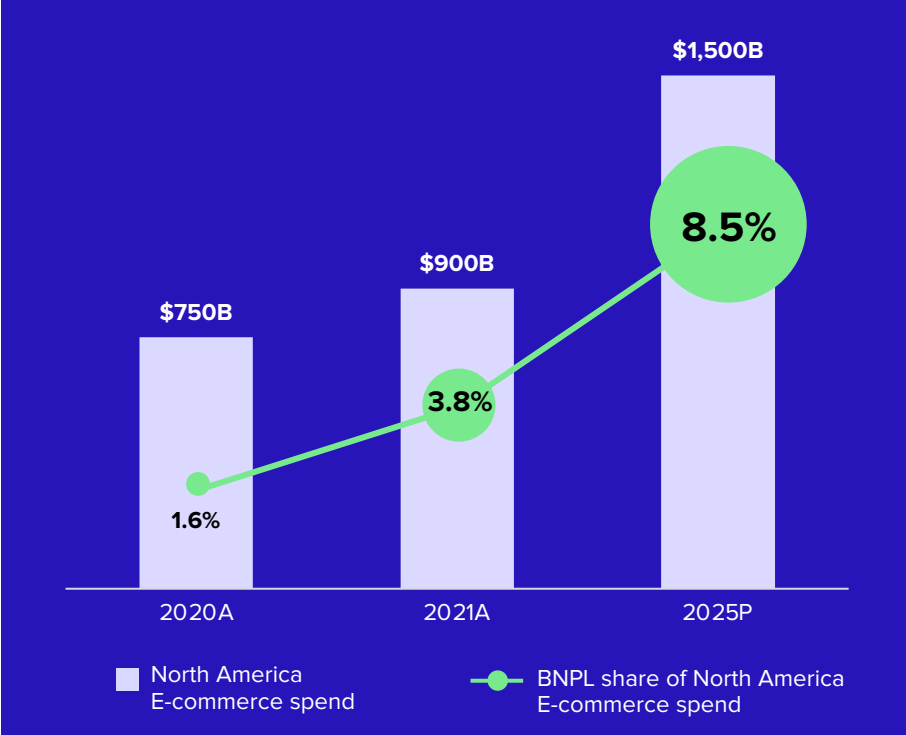
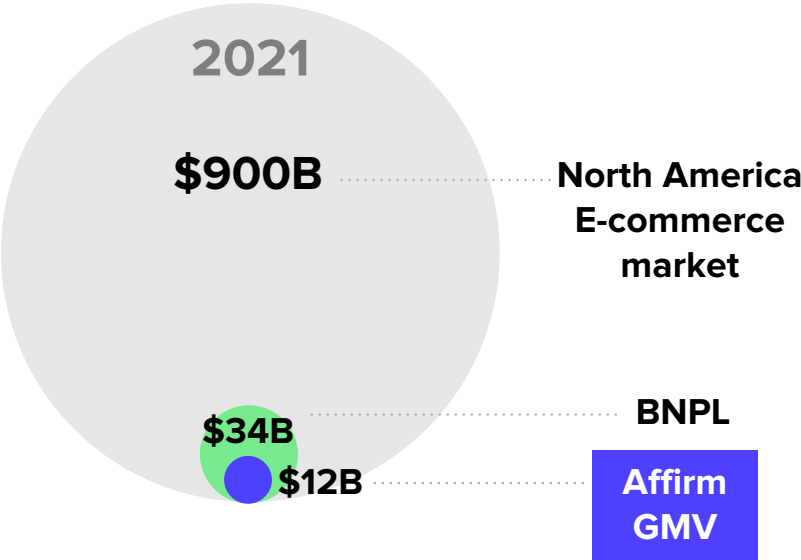
with growing consumer and merchant bases reinforcing one another

## Compelling business model

with strong growth and attractive unit economics at scale

# Fintech Category Leader

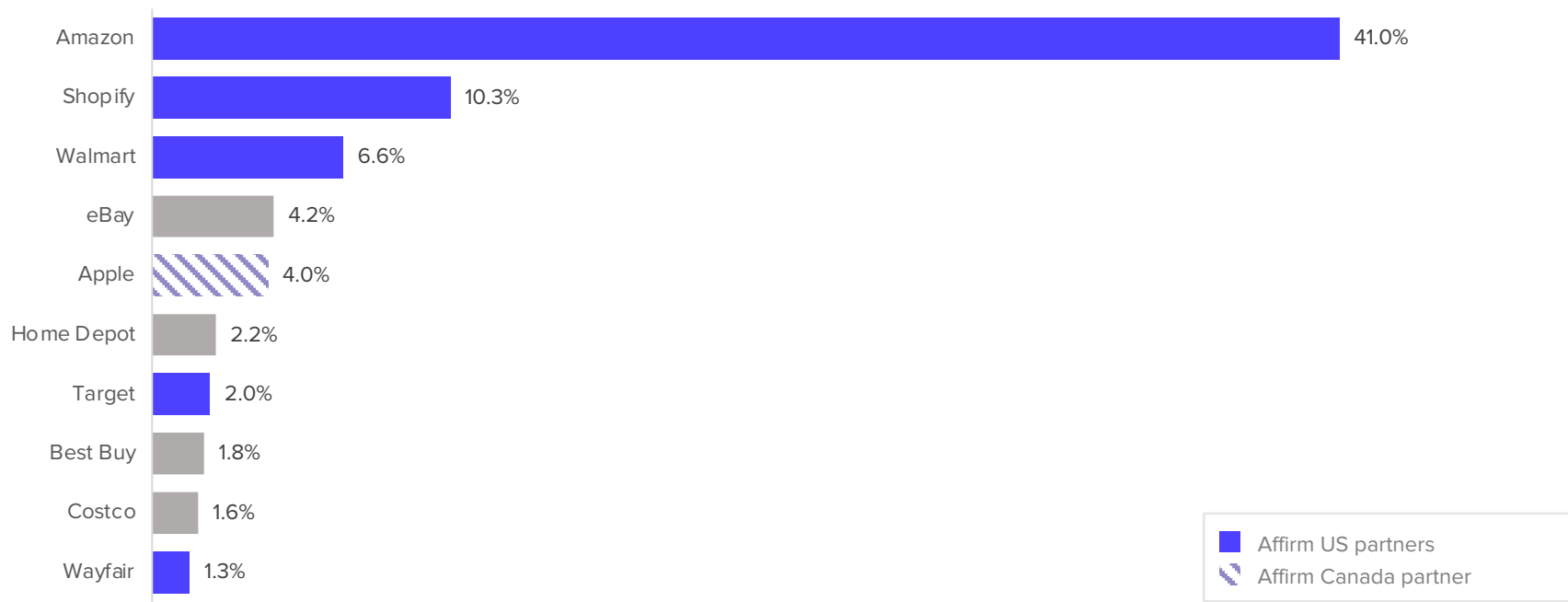
# Large and Rapidly Expanding Market Opportunity



1. Gross Merchandise Volume ("GMV") defined as the total dollar amount of all transactions on the Affirm platform for the twelve months ending December 31, 2021, net of refunds

Source: emarketer, Statista & Worldpay FIS

# Affirm's Integrated Partners Address More than 60% of U.S. Retail E-Commerce Sales



# Leadership Driven by Durable Competitive Advantages



**Powerful network  
of merchants and  
consumers**

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



**Technology is a core  
competitive advantage**

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



**Compelling  
business model**

- Driving hyper growth
- Attractive unit economics
- Efficient capital funding capabilities



# Powerful Two-Sided Network

# Delivering Value for Consumers and Merchants



## FOR CONSUMERS

**Flexible**  
payment term options

**No**  
late or  
hidden fees

**Never**  
pay more than agreed

**Transparent**  
and easy to understand



## FOR MERCHANTS

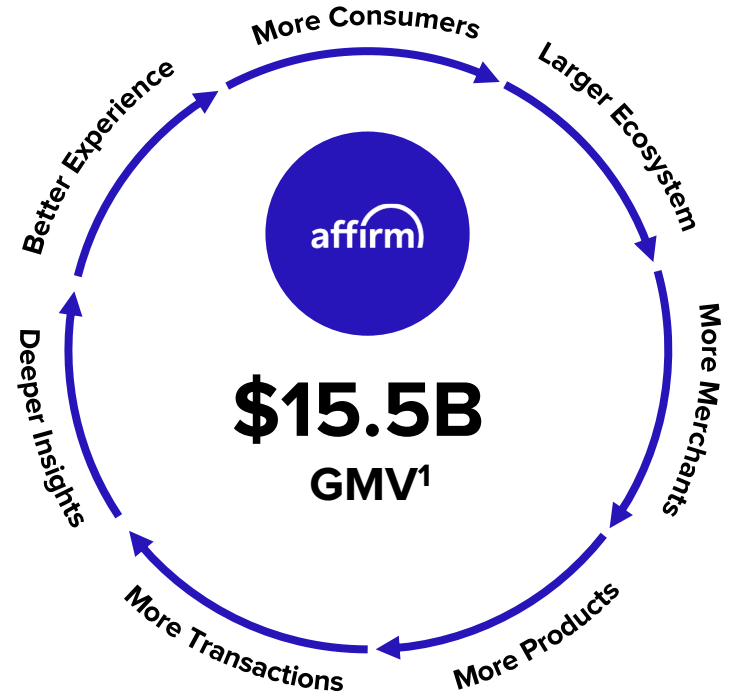
✓  
**Customer  
Insights**

✓  
**Minimize  
Discounting**

✓  
**Greater  
Sales**

✓  
**Satisfied  
Customers**

# Platform Strengthens With Every Transaction



# Advantages Position Affirm as Industry Partner of Choice

## Exceptional Technology

Quality, Reliability, Scalability and Ease of Use

## Wide Breadth of Offerings with Ability to Address

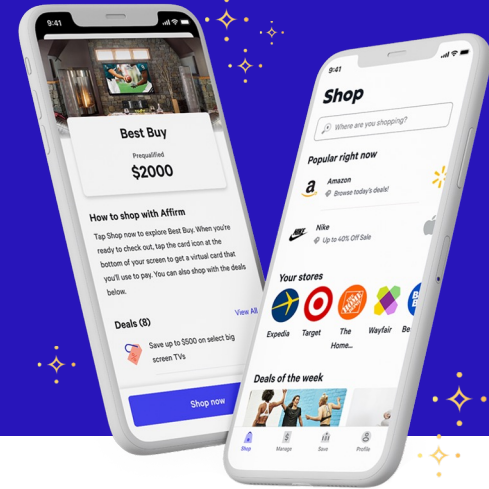
Broad Range of Transaction Types

## Superior Risk Management

Proprietary Underwriting and Capital Markets Expertise

## Alignment & Transparency

No Late or Hidden Fees



Affirm partners with **half of the top 10 U.S. retailers and commerce platforms** – more than the next two largest core BNPL providers combined



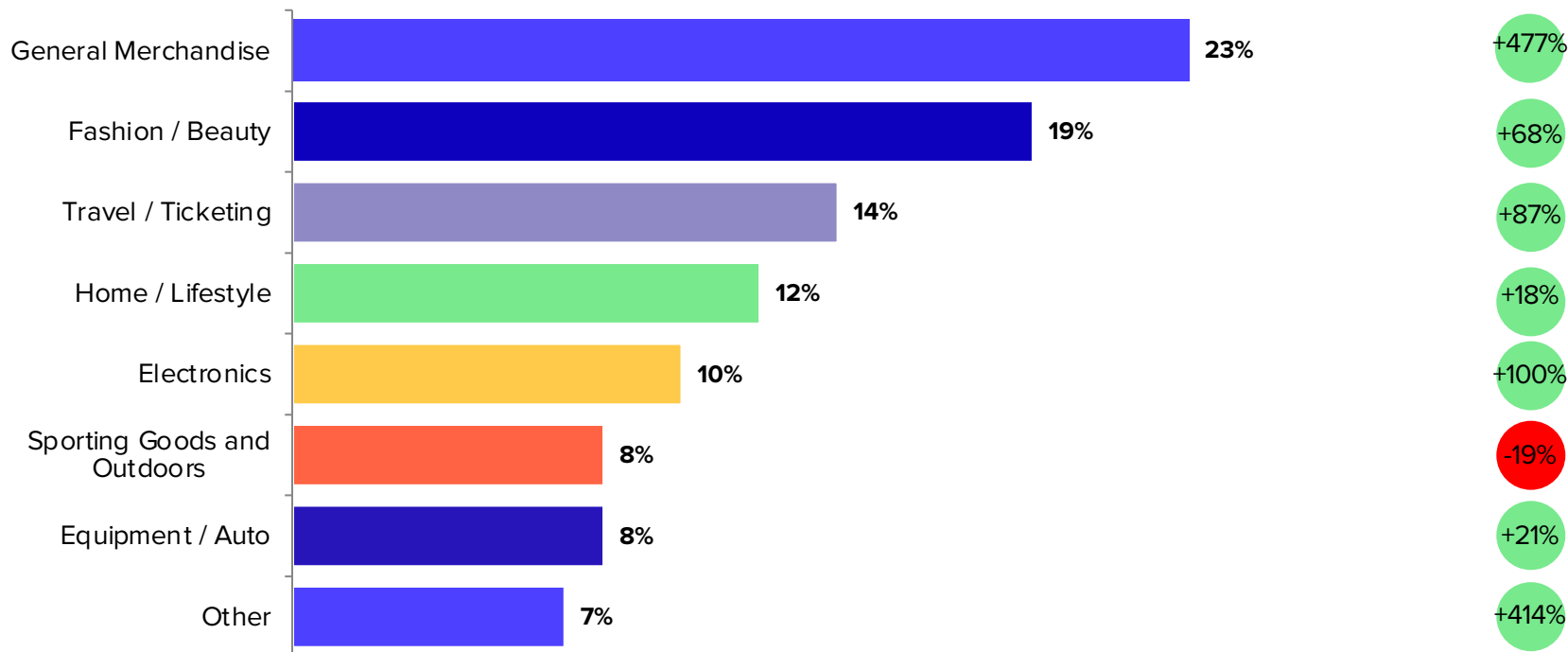
# Partnerships Across Wide Range of Consumer Categories

## Diversified Across Categories

FY Q4 2022 Industry Gross Merchandise Volume Mix

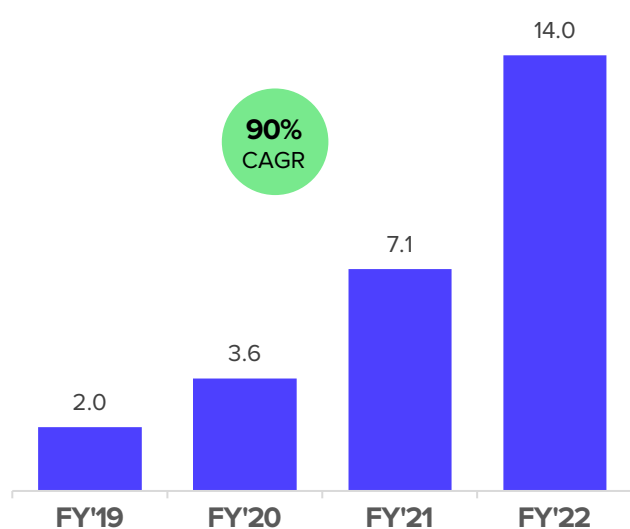
## Category Volume Growth

Q4 Year over Year % Change

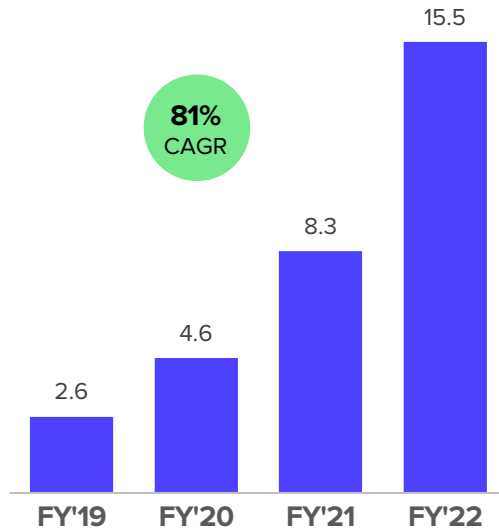


# Growing Consumer & Merchant Bases Reinforce One Another

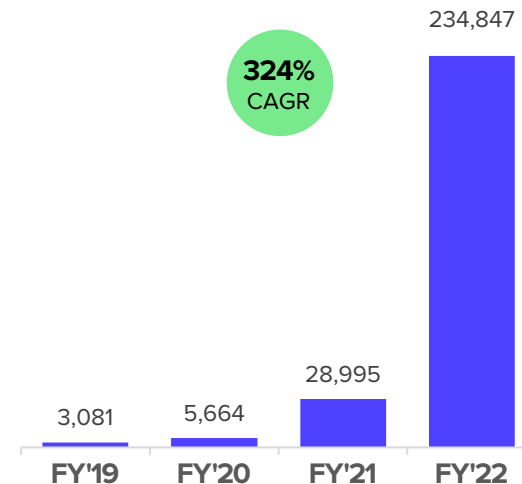
## Active Consumers (M)



## Gross Merchandise Volume (\$B)



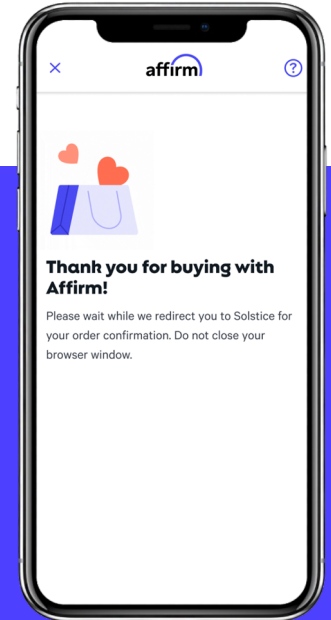
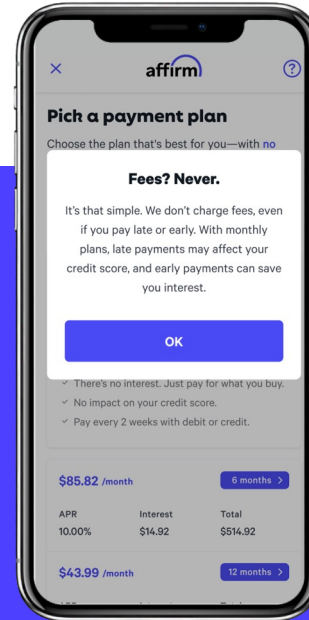
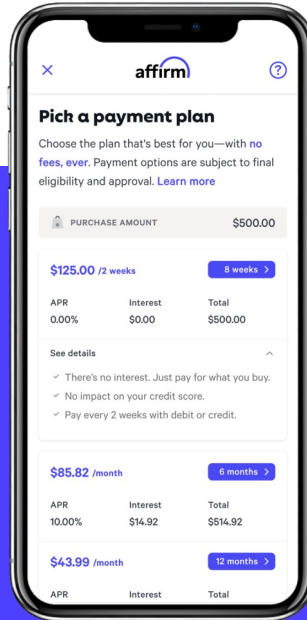
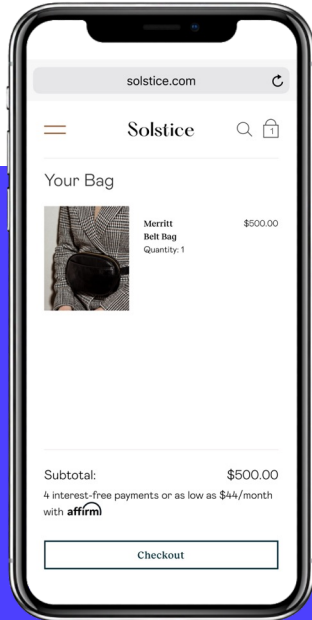
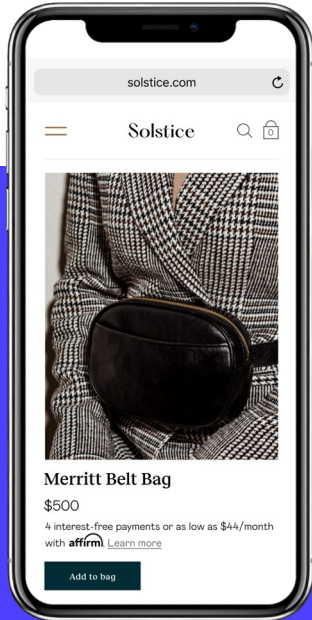
## Active Merchants



Active Consumers defined as consumers who engage in at least one transaction on Affirm's platform during the 12 months prior to the measurement date  
Gross Merchandise Volume ("GMV") defined as the total dollar amount of all transactions on the Affirm platform during the period, net of refunds  
Active Merchants defined as merchants which engaged in at least one transaction on Affirm's platform during the 12 months prior to the measurement date  
All metrics are unaudited

# Technology-Driven Advantages

# Seamless Checkout Experience

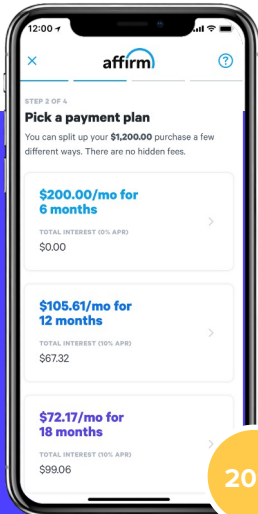




# Strong Track Record of Innovation

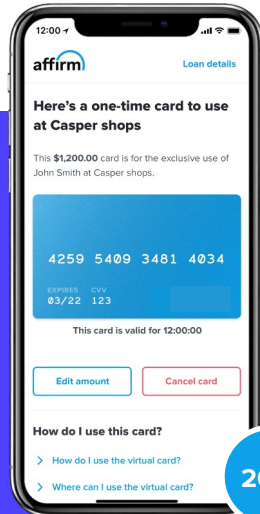
## Integrated Checkout

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



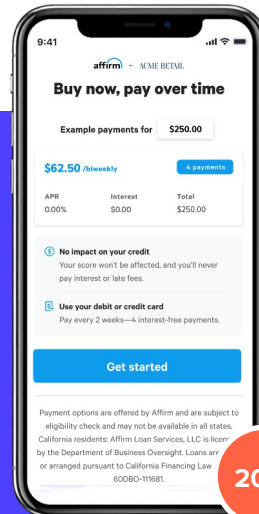
## Virtual Card

Universally accepted method of payment on Visa rails



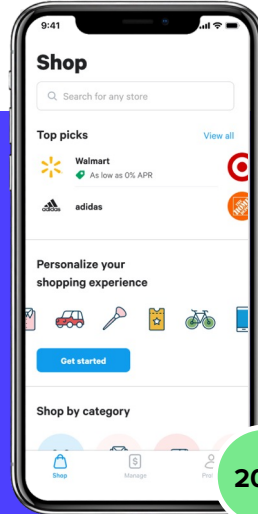
## Split Pay

0% APR biweekly payment option



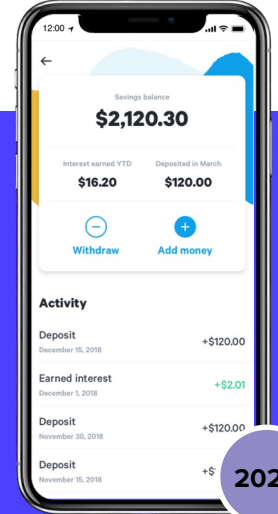
## Marketplace

Personalized data-driven product discovery



## Savings

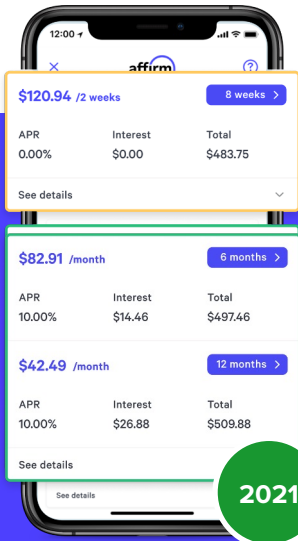
FDIC-insured, interest-bearing savings account



# Accelerating Product Roadmap

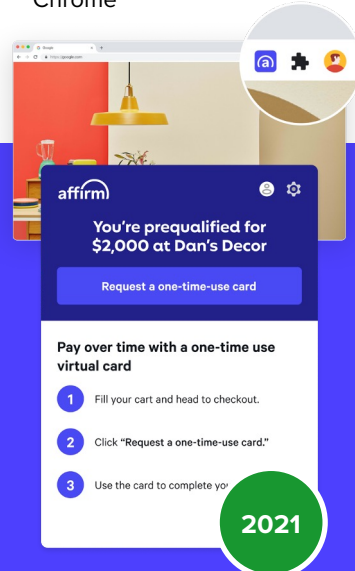
## Adaptive Checkout™

Dynamically provides optimized biweekly and monthly payment options in a single integrated checkout solution



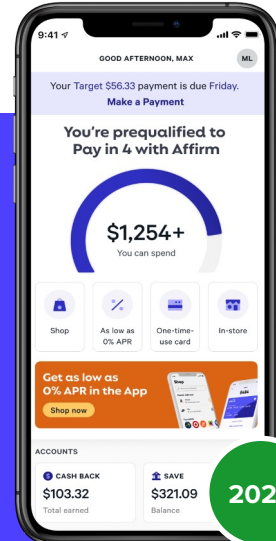
## Browser Extension

Enables consumers to pay with Affirm for virtually any online purchase via Google Chrome



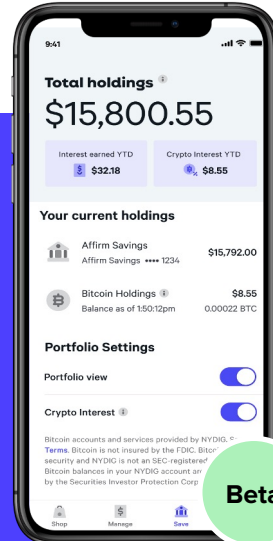
## SuperApp

Combines commerce, payments and financial services into one app



## Crypto Savings

Allows customers to buy/sell crypto directly from savings account



## Affirm Debit+

Debit card that supports debit transactions and also enables consumers to split eligible purchases into installments via the app



# Wide Breadth of Offerings

Consumer Offerings

Merchant Services

0% APR  
Installment Loans

User Acquisition

Interest Bearing (IB)  
Installment Loans

Customer Insights

Split Pay, Four Biweekly  
Interest-Free Payments

Returnly

← **affirm** debit+ →



# Ability to Address Wide Range of Transaction Types

Terms ranging from six weeks to 60 months, and cart sizes from \$50 - \$17,500+

	Split Pay	Short Term 0%	Long Term 0%	Simple Interest-Bearing
Merchant Discount Rate	Up to 8%	4–8%	8–15+%	Up to 5%
APR	0% APR	0% APR	0% APR	10-36% APR
Term Lengths	6–8 weeks	3–12 months	13–60 months	3-60 months
Payment Frequency	Bi-Weekly	Monthly	Monthly	Monthly
Representative AOV <sup>1</sup>	\$100-250	\$500–\$750	\$800–\$1,200	\$500-\$1,000



1. Representative AOV is the illustrative average order value for typical merchants offering this product. All metrics are unaudited.

# Sophisticated Technology Powers Platform Innovation

## Full Control

- Adaptability of systems
- Predictability

## Unique Datasets

- Product level information
- Consumer insights

## AI/ML-Based Feedback Loop

- Real-time fraud decisions
- Sophisticated funding

**Breadth &  
Depth of Data**

---

**Flexibility  
and Scale**

---

**Fully Managed  
& Optimized  
Ledger**

---

**World Class  
Technology  
Team**

---



# Risk Management Starts Before an Application is Submitted



## New Merchant

All merchants undergo evaluation and approval process to review key business metrics and assess potential risks to help inform pricing.



## Proprietary Underwriting

Advanced machine learning models provide advantages over traditional credit models and leverage billions of data points to assess every transaction before extending access to credit, including:

- Credit bureau data
- Credit utilization
- Transaction history
- Affirm repayment history
- Merchant & transaction details



## Constant Monitoring

Ongoing monitoring of credit performance and mix at merchant and transaction level provides ability to quickly refine models. Structural advantage of Affirm's short weighted-average-life of loan of 5 months provides increased flexibility and agility.

**500+**

*Data points for risk management*

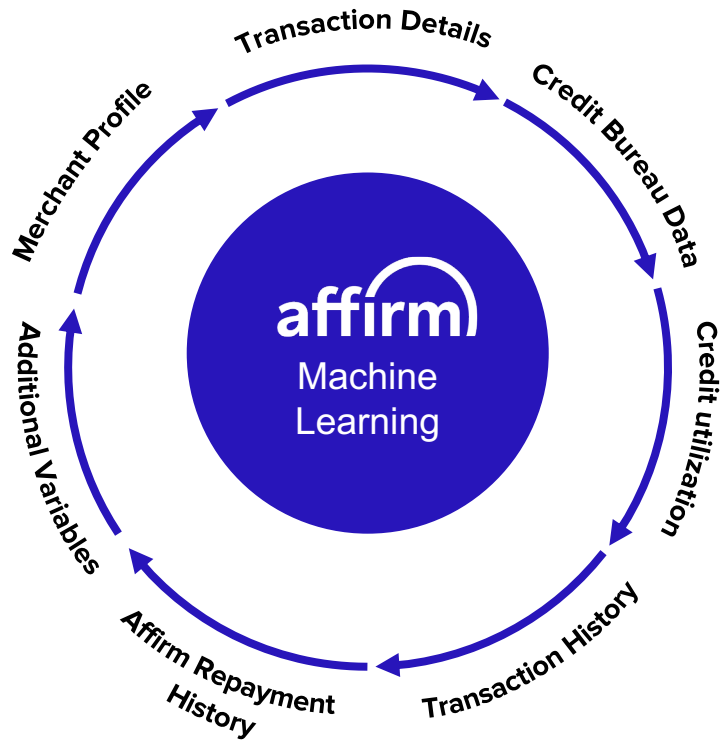
**~80**

*Specific inputs to detect fraud*

**70M+**

*Loans power and improve models*

# Affirm Underwrites Every Transaction Before Extending Access to Credit



## Immediate Credit Decisioning Based Upon:

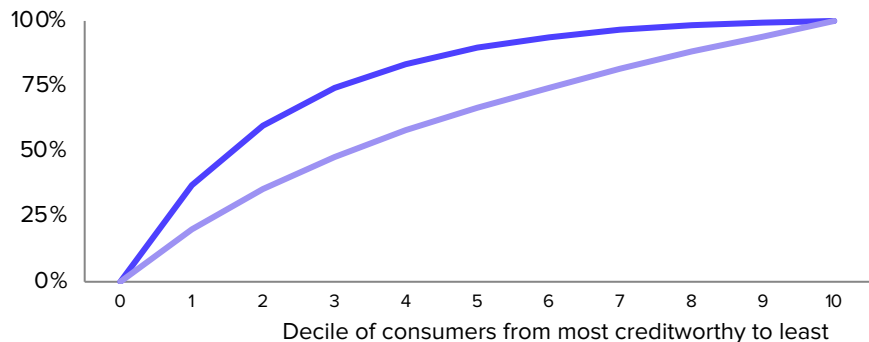
1. Point-in-time repayment probability
2. Estimate expected loss content / yield
3. Evaluation of ongoing performance and continuously improving underwriting
4. Constant monitoring and ability to quickly adjust limits

# Proprietary Underwriting is a Key Competitive Advantage

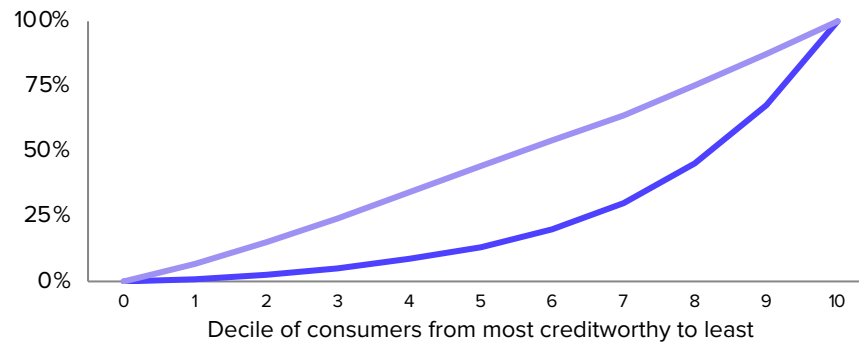
Affirm Can Approve More Consumers with the Same Amount of Losses...

...Or Take on Less Losses with the Same Amount of Consumers

### Approval Rates



### Cumulative Delinquencies



Affirm Consumer Rank

FICO Consumer Rank

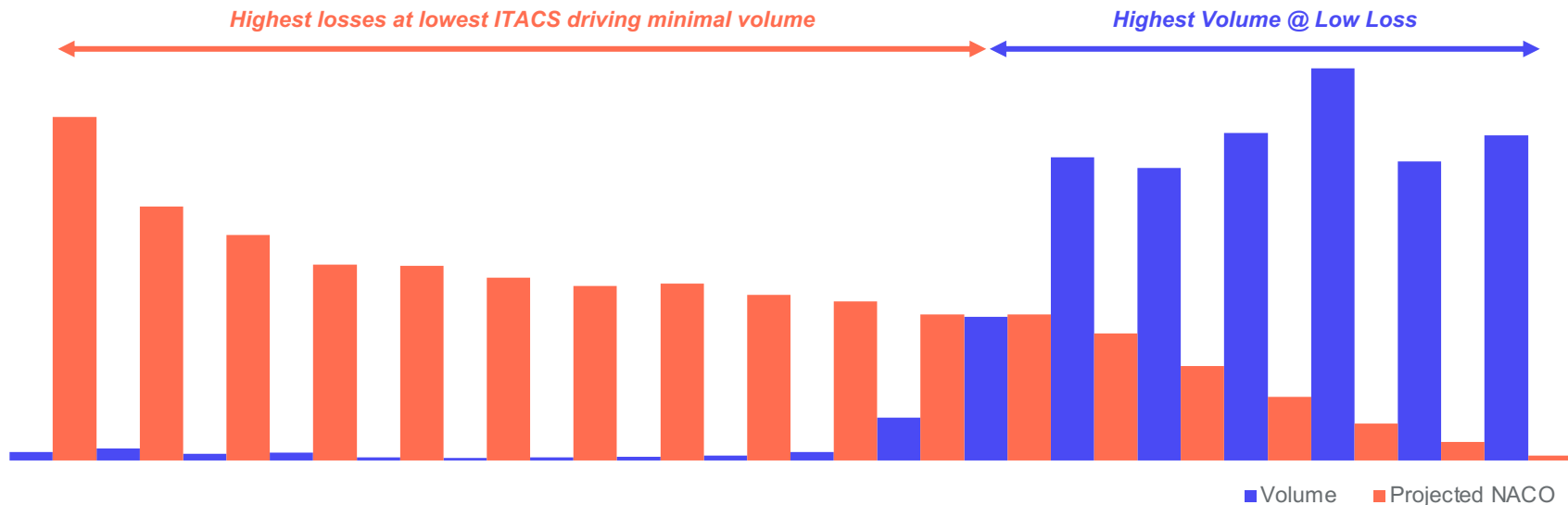
For a given level of risk, our proprietary model is capable of accepting significantly more applications when compared to FICO's scoring methods through a superior ability to price risk. Alternatively, for any given consumer sub-segment, our model produces lower risk outcomes than FICO scoring.



# Volume Concentrated in Highest Credit Quality Transactions

High ITACS consumers drive the majority of our GMV, Revenue, and Profitability

Projected NACO and Volume Concentration  
(By Proprietary ITACS Score of Transaction)



■ Volume ■ Projected NACO

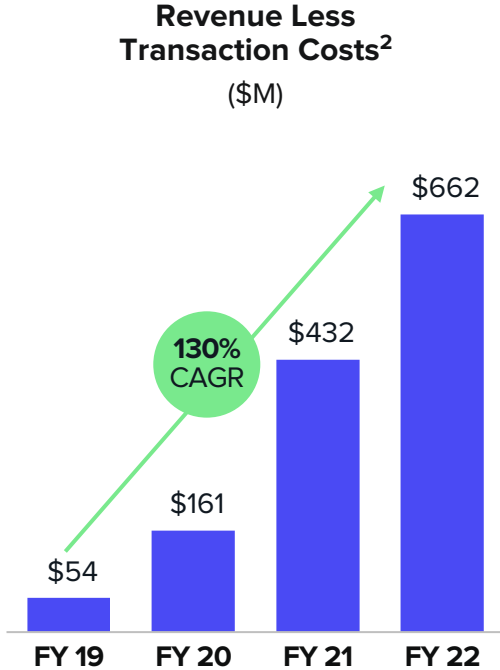
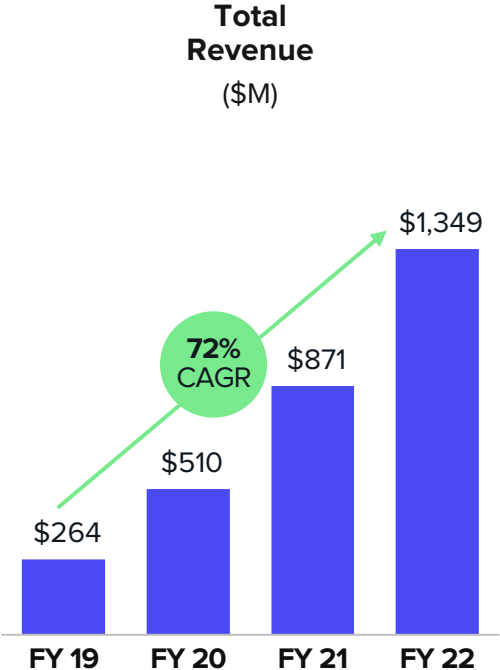
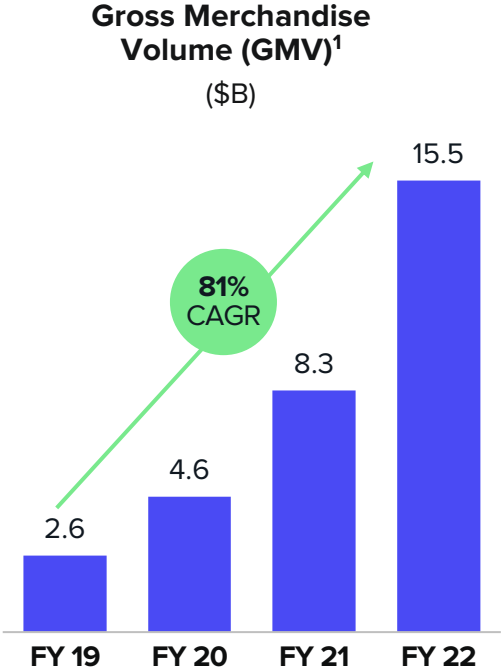


1. ITACS is Affirm's proprietary transaction credit scoring; dataset includes Affirm loans originated and purchased from originating bank partners in the United States  
2. Projected NACO defined as projected dollar losses on a vintage of loans divided by total loan volume (in dollars)

All metrics are unaudited.

# Compelling Business Model

# Driving Hyper Growth with Attractive Economics



1. Gross Merchandise Volume ("GMV") is the total dollar amount of all transactions on the Affirm platform during the applicable period, net of refunds.  
2. Transaction Costs is a non-GAAP financial measure equal to the sum of loss on loan purchase commitment, provision for credit losses, funding costs, and processing and servicing expense.  
All metrics are unaudited.

# Disciplined Investment Approach Based on Growth

	“Hyper Growth”		Current Period	“Growth”	“Long Term”
	Actual FY 2021	Actual FY 2022	Outlook FY 2023	@ 30–40% GMV Growth	@ <30% GMV Growth
<b>GMV Growth</b>	79%	87%	32-42%	30–40%	
<b>Total Revenue Growth</b>	71%	55%	20-28%	20–30%	
<b>Revenue as a % of GMV</b>	10%	9%	~8%	~8%	6–8%
<b>Revenue Less Transaction Costs as a % of GMV</b>	5%	4%	~4%	3–4%	3–4%
<b>Revenue Less Transaction Costs as a % of Revenue</b>	50%	49%	~47%	37.5–50%	37.5–50%
<b>Adjusted Other Operating Expenses as a % of Revenue<sup>1</sup></b>	48%	55%	51–53%	37.5–40%	17.5–20%
<b>Adjusted Operating Margin<sup>2</sup></b>	2%	(6)%	(6.5)%–(4.5)%	0–10%	20–30%

FY 2023P growth rates and margins correspond to Affirm’s FY23 Financial Outlook, as provided on August 25, 2022; “Growth” and “Long Term” Growth rates and margins correspond to Affirm’s long-term financial framework presented on September 28, 2021. All metrics are unaudited.

- Adjusted Other Operating Expenses is a non-GAAP financial measure that is equal to total operating expenses excluding (a) transaction costs; (b) depreciation and amortization; (c) stock-based compensation included in GAAP operating expenses; (d) the expense related to warrants and share-based payments granted to enterprise partners; and (e) certain other costs.
- Adjusted Operating Margin is a non-GAAP financial measure that is equal to operating income (loss) excluding (a) depreciation and amortization; (b) stock-based compensation included in GAAP operating expenses; (c) the expense related to warrants and share-based payments granted to enterprise partners; and (d) certain other costs, divided by total revenue.