



FY Q2 2024 Earnings Supplement

February 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

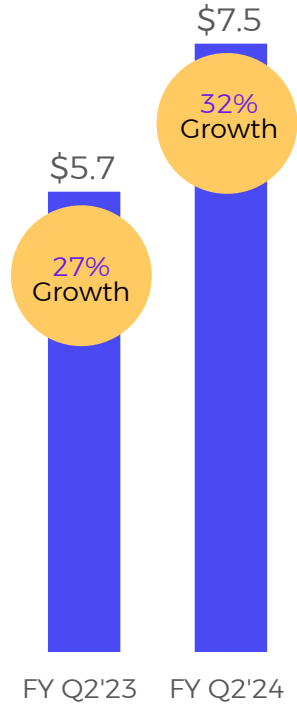


FY Q2 2024

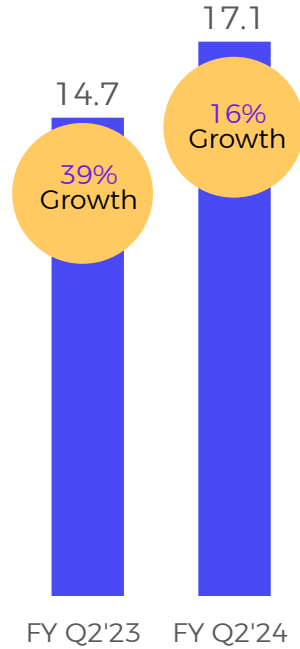
Operating & Financial Highlights

Second Quarter FY'24 Highlights

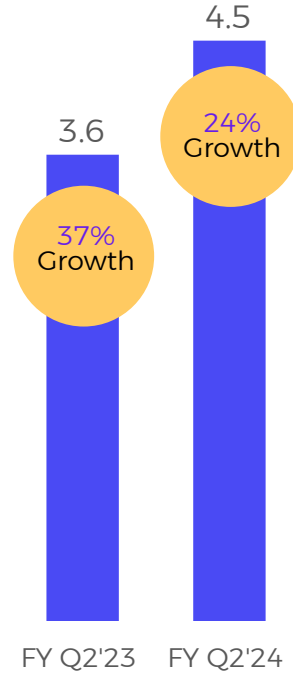
GROSS MERCHANDISE VOLUME (\$B)



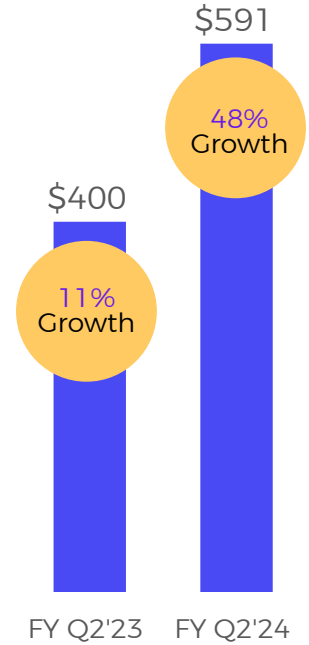
ACTIVE CONSUMERS (M) ⁽²⁾



TRANS. PER ACTIVE CONSUMER ⁽²⁾



REVENUE (\$M)



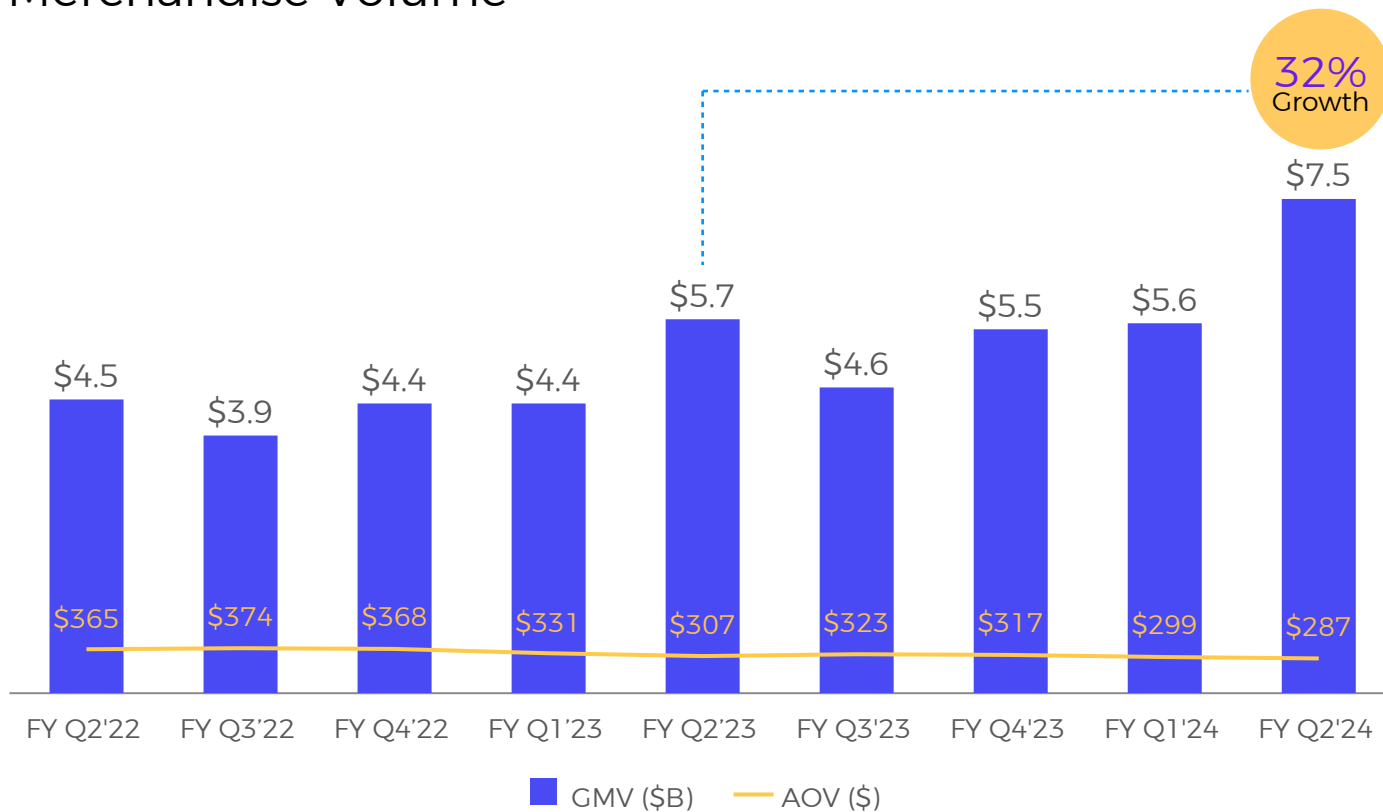
Notes:

1. Metrics are unaudited
2. Active consumer count excludes 866 thousand and 556 thousand Returnly-only users from FYQ2 '23 and FYQ2 '24, respectively. Refer to slide 11 for active consumer historical trends with Returnly-only disaggregation.

FY Q2 2024

Business Highlights

Gross Merchandise Volume

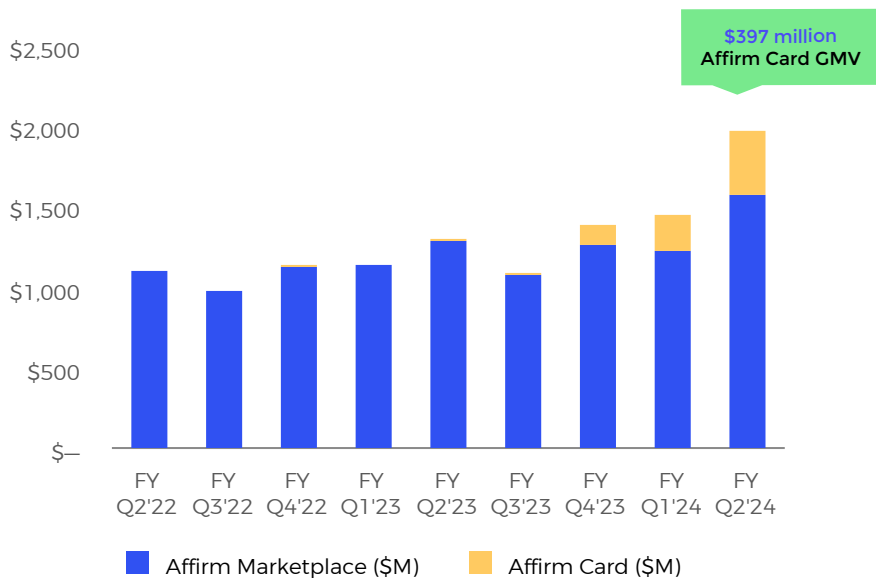


Notes:

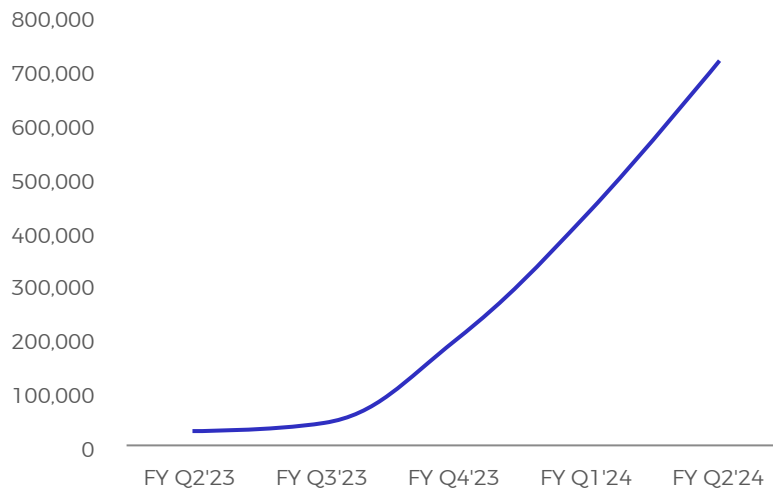
1. GMV defined as the total dollar amount of all transactions on the Affirm platform during the period, net of refunds
2. Average Order Value (AOV) defined as GMV divided by the number of transactions conducted on the Affirm platform during the period
3. Metrics are unaudited

Affirm Direct-to-Consumer Business Highlights

Direct-to-Consumer GMV ^(1, 2)



Affirm Card Active Consumers ⁽³⁾

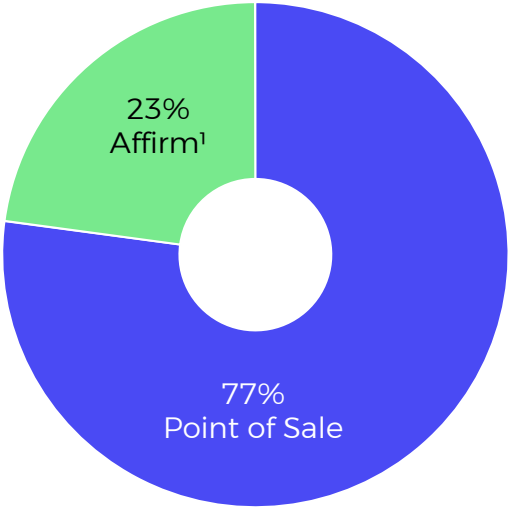


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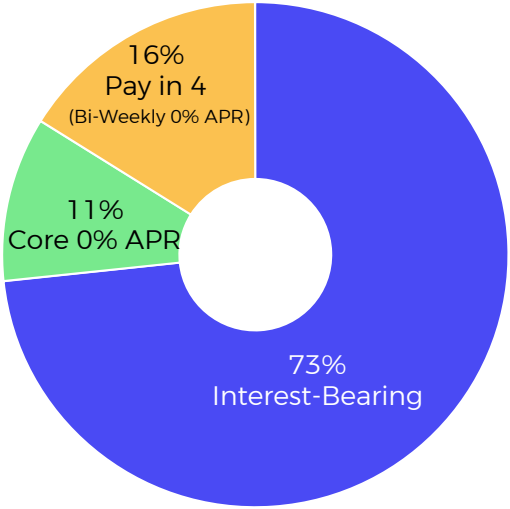
1. Affirm Marketplace GMV is based on transactions initiated by Affirm through mobile app and website channels.
2. Affirm Card GMV includes transactions initiated by consumers via Affirm Card rather than through an Affirm direct integration checkout flow which may be initiated either through the Affirm 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. Affirm¹ Transactions
FY Q2 2024



Affirm Product Composition^{2,3}
FY Q2 2024



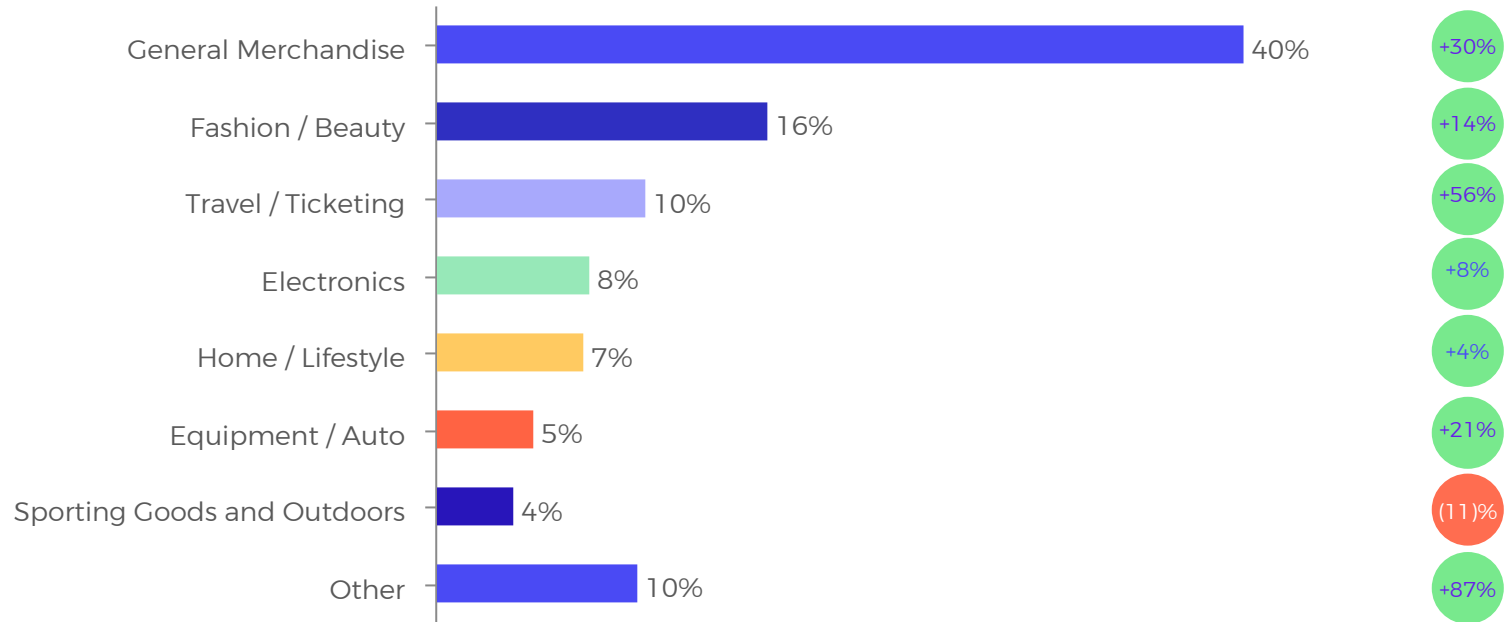
Notes:

- 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 Q2'24 Industry Gross Merchandise Volume Mix

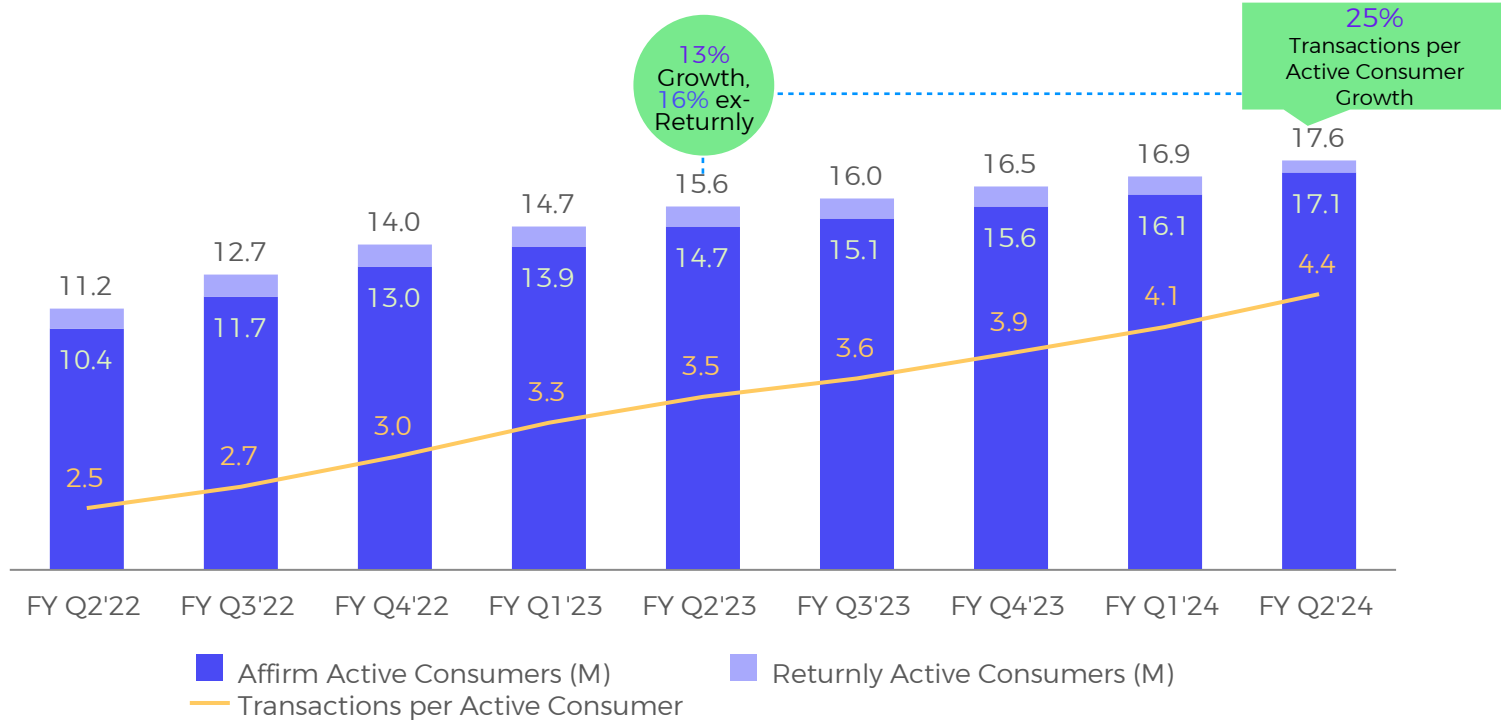
Category Volume Growth
Q2 Year over Year % Change



Notes:

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

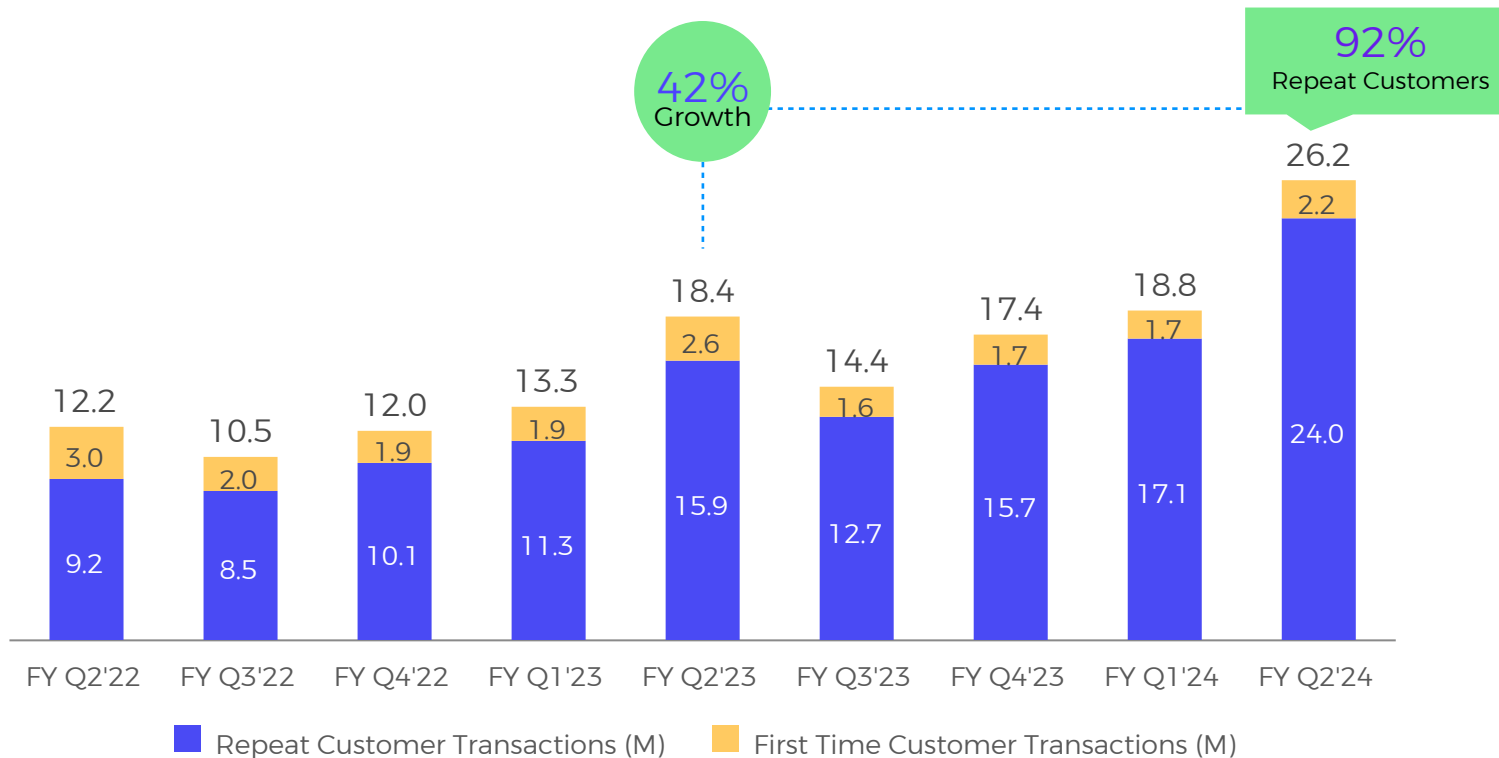
Active Consumers



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

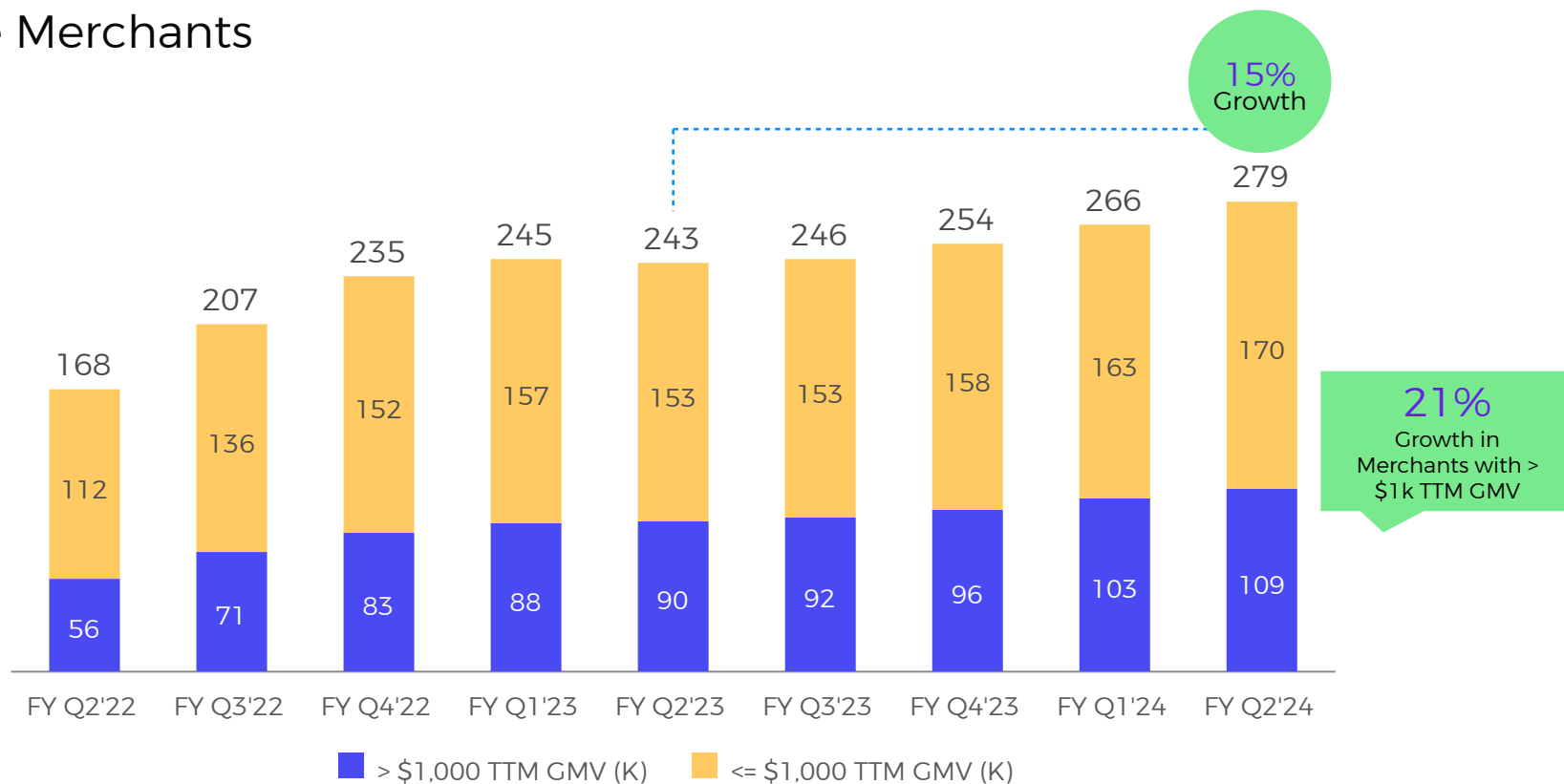
Quarterly Transactions



Notes:

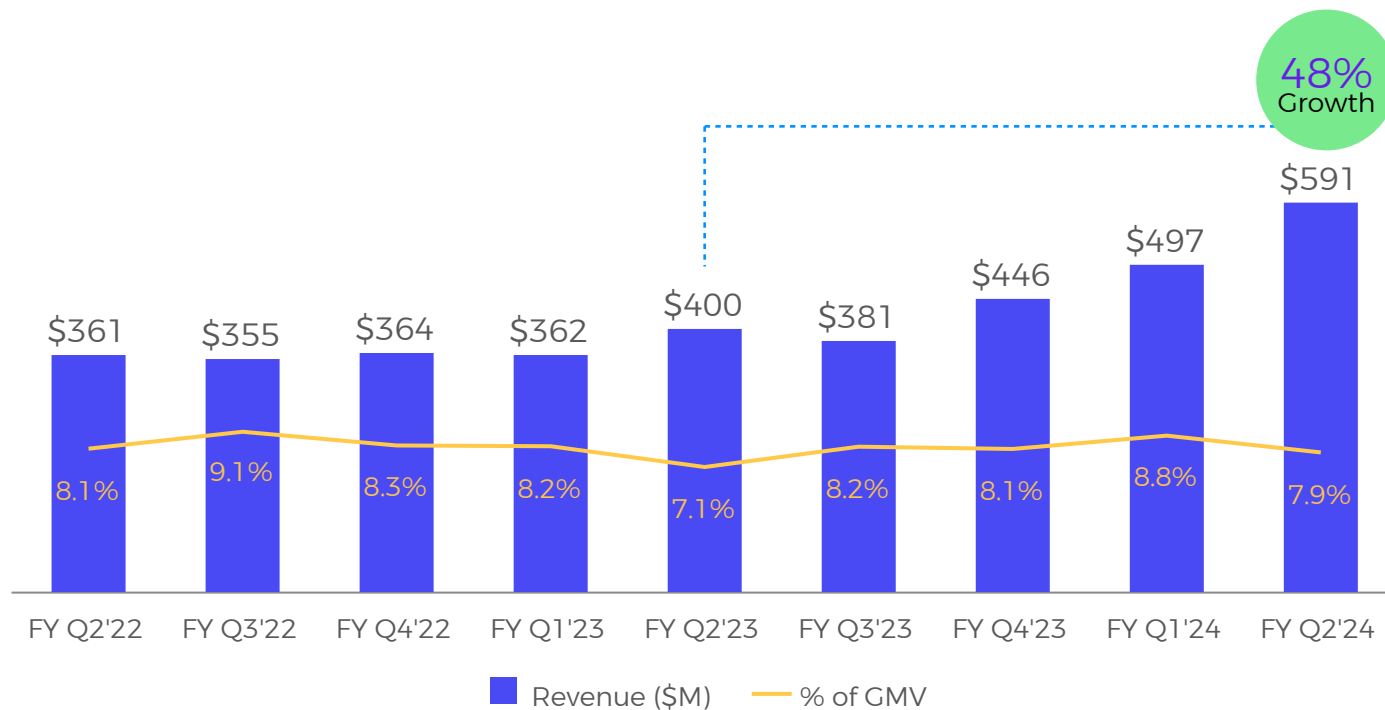
1. Metrics are unaudited
2. Includes transactions from legacy Returnly business in all quarters through FY Q1'24; excludes Returnly transactions beginning in FY Q2'24

Active Merchants



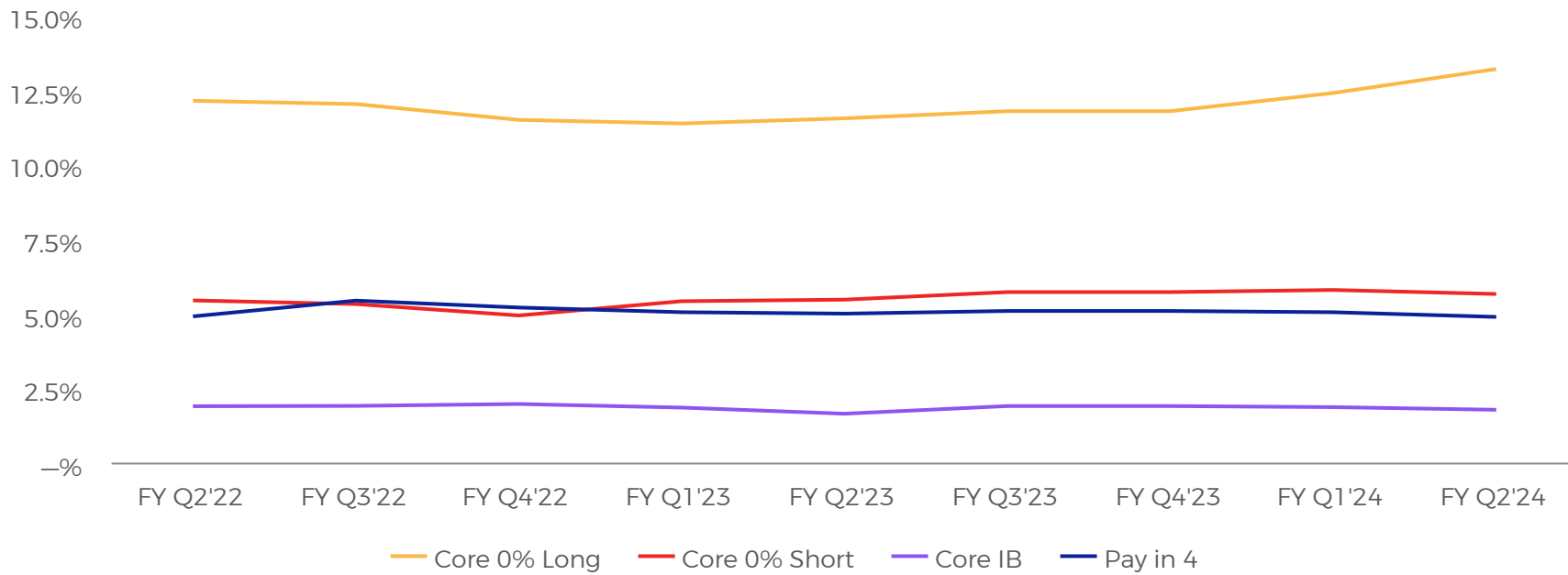
Notes:
1. Metrics are unaudited

Revenue



Merchant Fee Rates

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



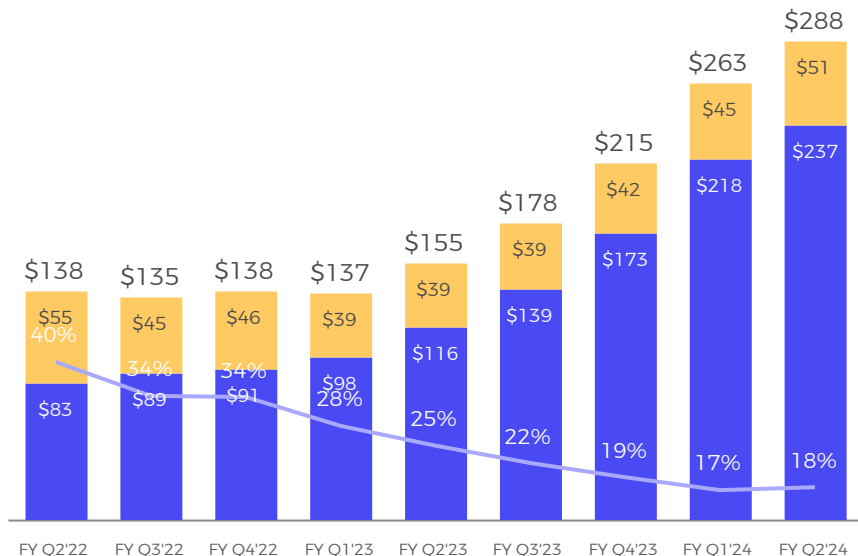
Notes:

- 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

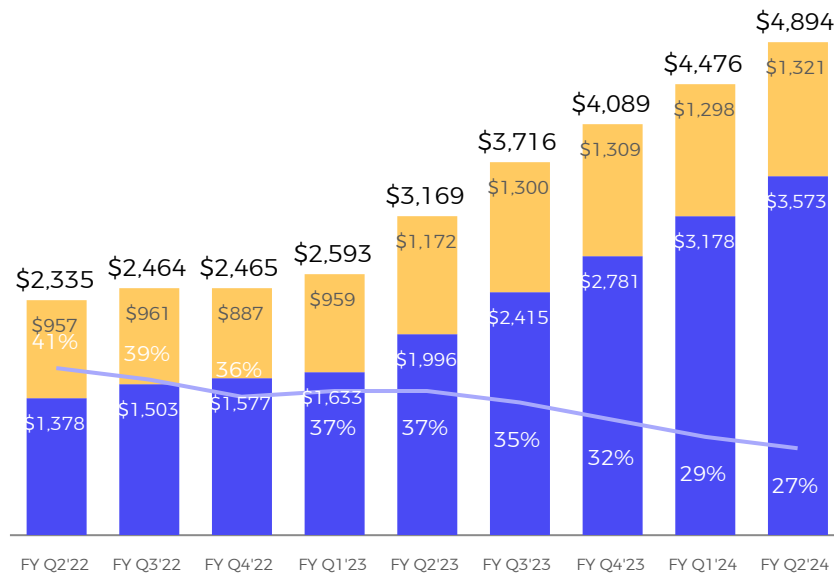


Interest Income and Loans Held for Investment Composition

Interest Income Composition (\$ millions)



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

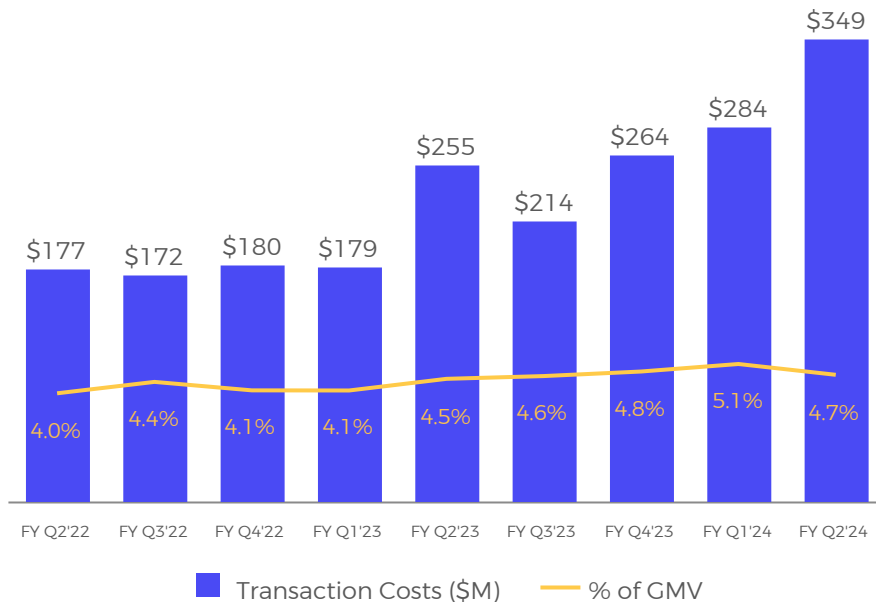
- Avg. Interest Bearing LHFI Balance
- Avg. 0% APR LHFI Balance
- 0% APR Balance % of Avg LHFI

Notes:

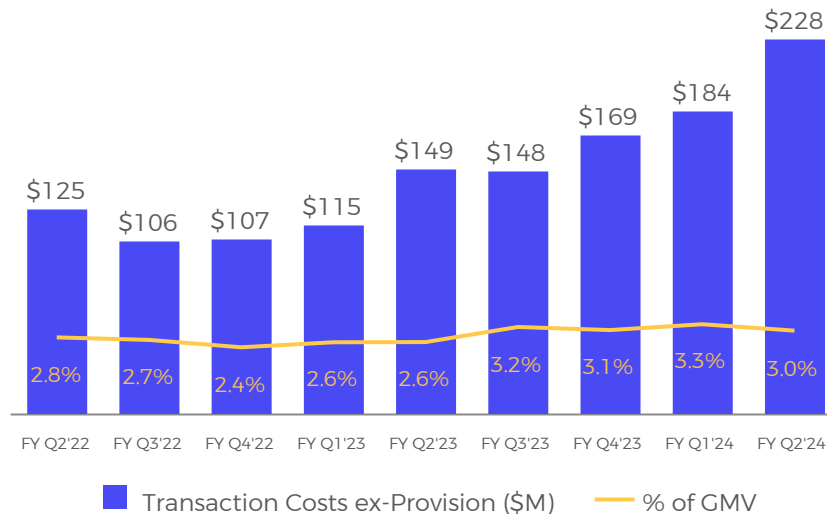
1. Amortization of discount is driven by either loan purchases from originating bank partners or the origination of loans with 0% APR or below market interest rates; Consumer & Other Interest Income consists primarily of interest charged to consumers over the term of the consumers' loans based on the 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

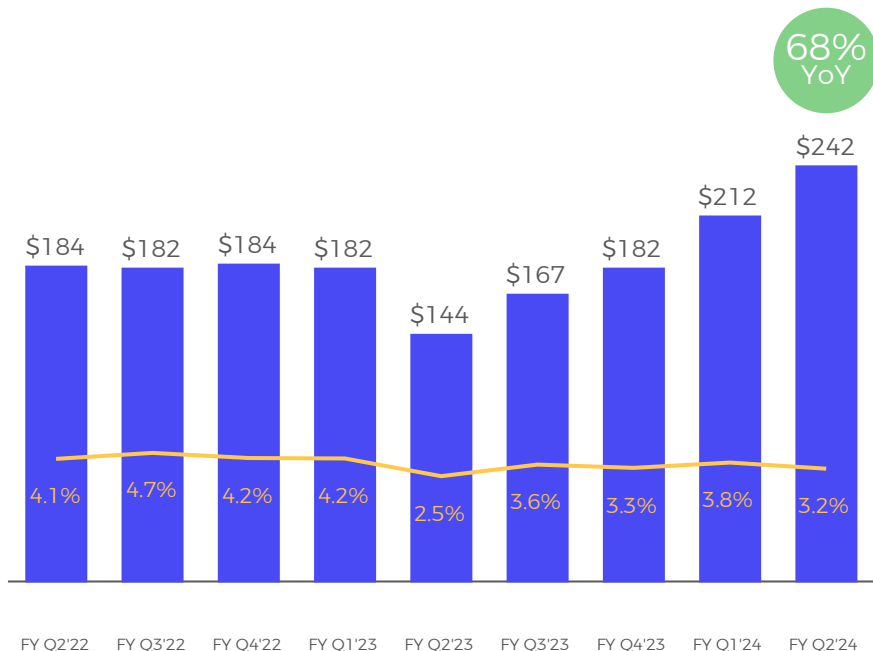


Notes:

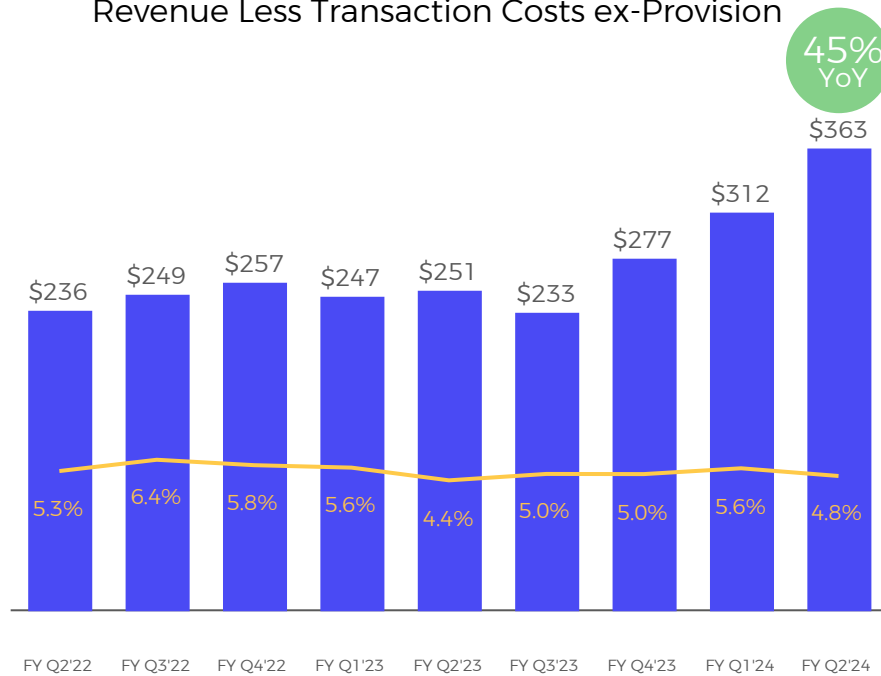
1. Transaction Costs include Loss on loan purchase commitment, Provision for credit losses, Funding costs and Processing and servicing
2. Transaction Costs ex-Provision include Loss on loan purchase commitment, Funding costs and Processing and servicing
3. Metrics are unaudited

Revenue Less Transaction Costs

Revenue Less Transaction Costs



Revenue Less Transaction Costs ex-Provision



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

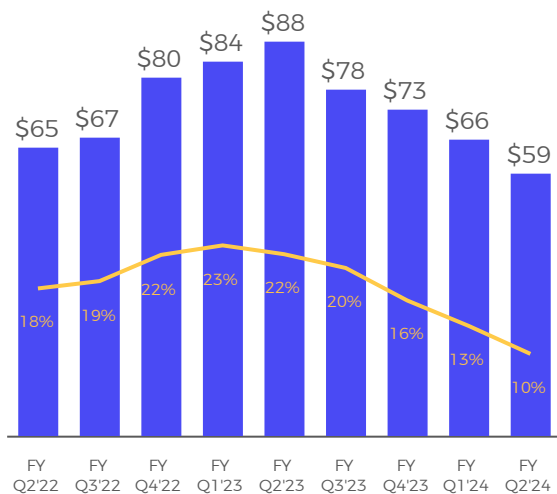
■ Revenue Less Transaction Costs ex-Provision (\$M) — % of GMV

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

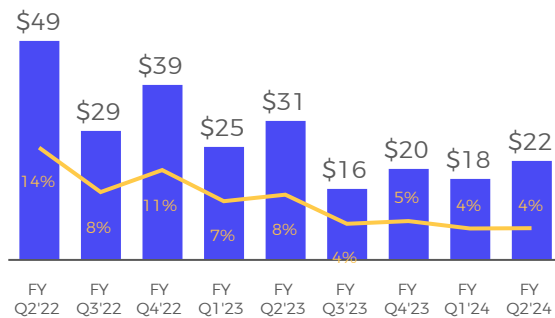
Non-GAAP Operating Expenses

Technology & Data Analytics



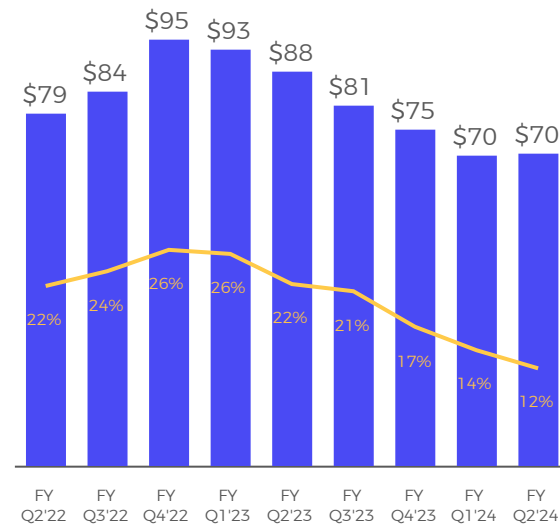
■ Technology & Data Analytics (\$M)
 — % of Revenue

Sales and Marketing



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

General and Administrative



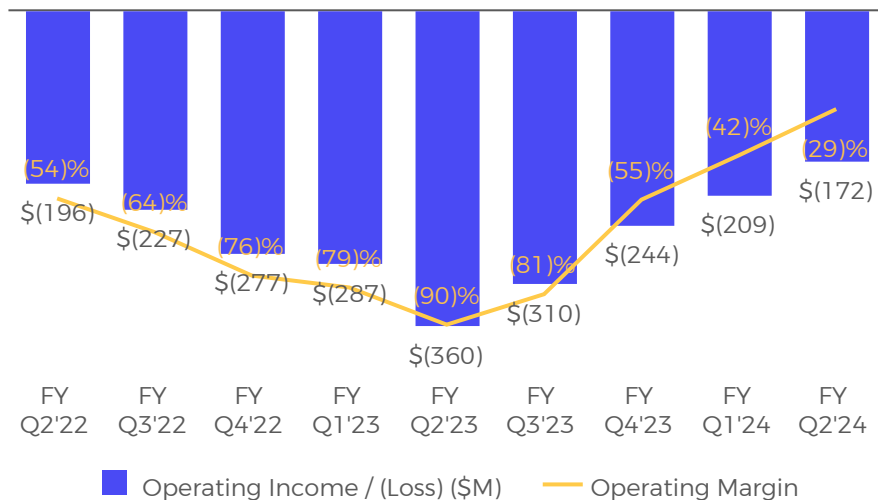
■ General and Administrative (\$M)
 — % of Revenue

Notes:

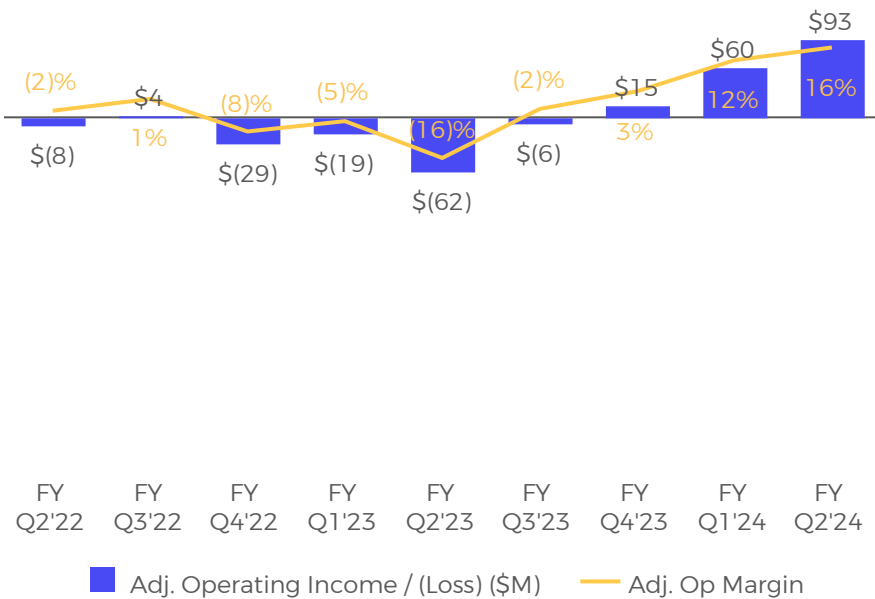
1. Non-GAAP operating expenses exclude (a) depreciation and amortization; (b) stock-based compensation included in GAAP operating loss; (c) expenses related to warrants and share-based payments granted to enterprise partners; and (d) certain other costs
2. Metrics are unaudited

GAAP and Adj. Operating Income / (Loss)

GAAP Operating Income / (Loss)



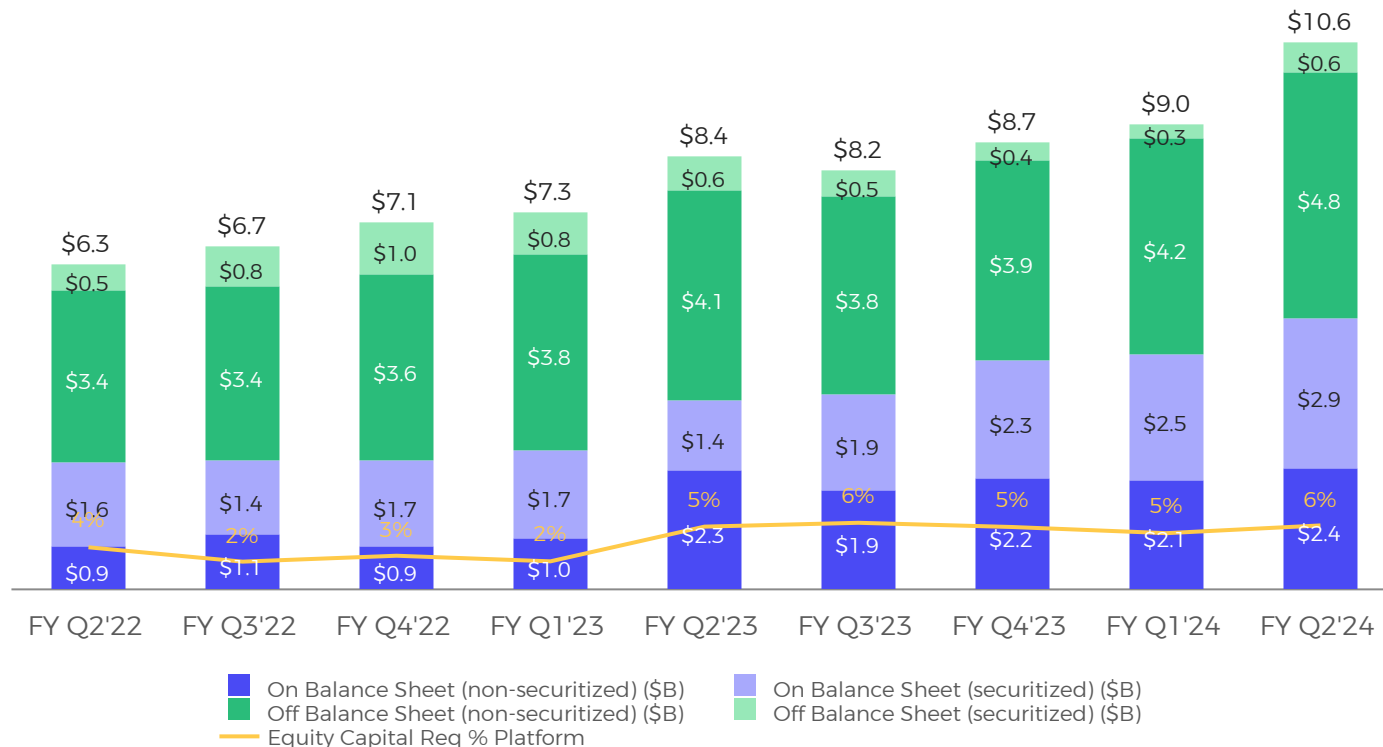
Adjusted Operating Income / (Loss)



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

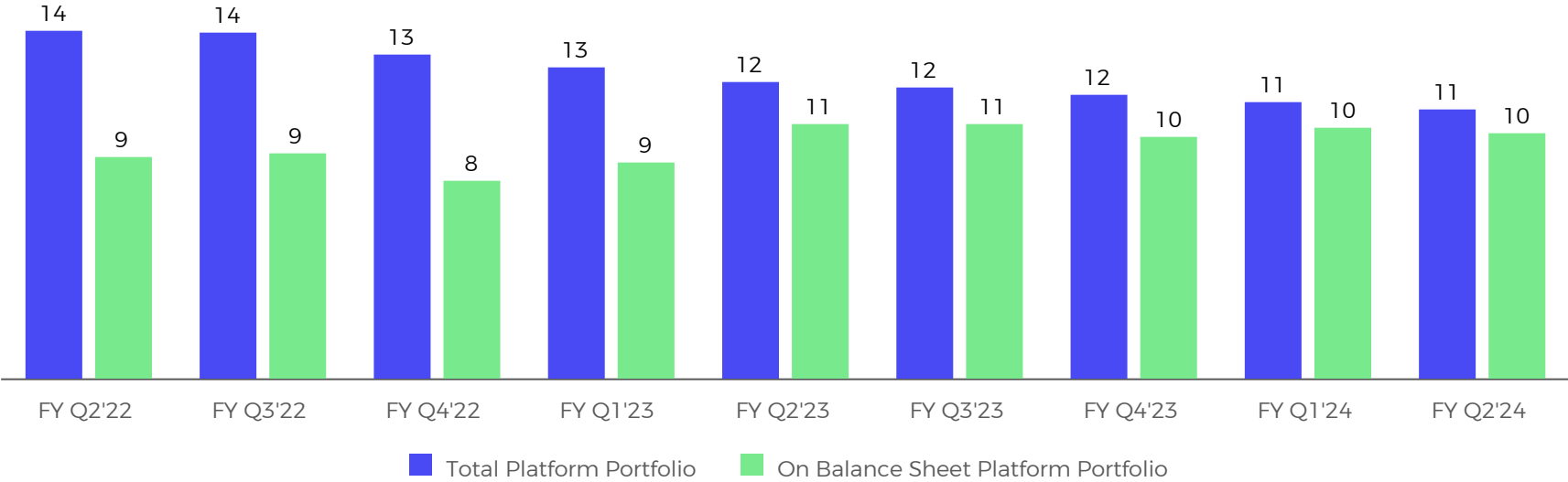


Notes:

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

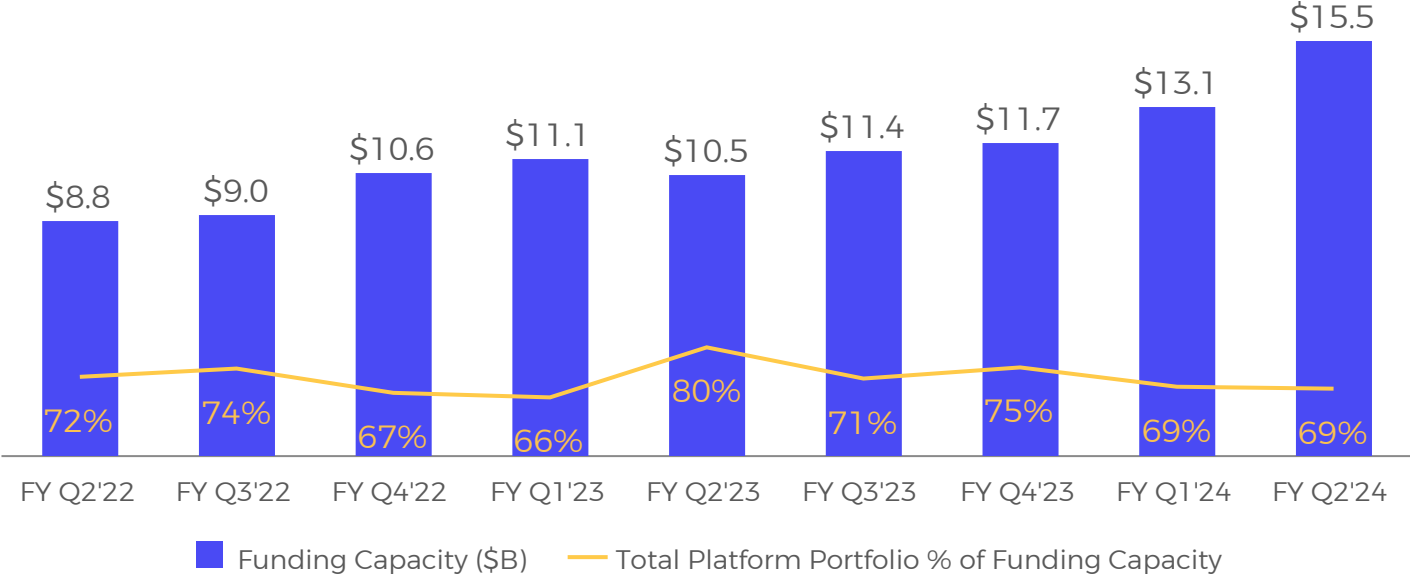


Notes:

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

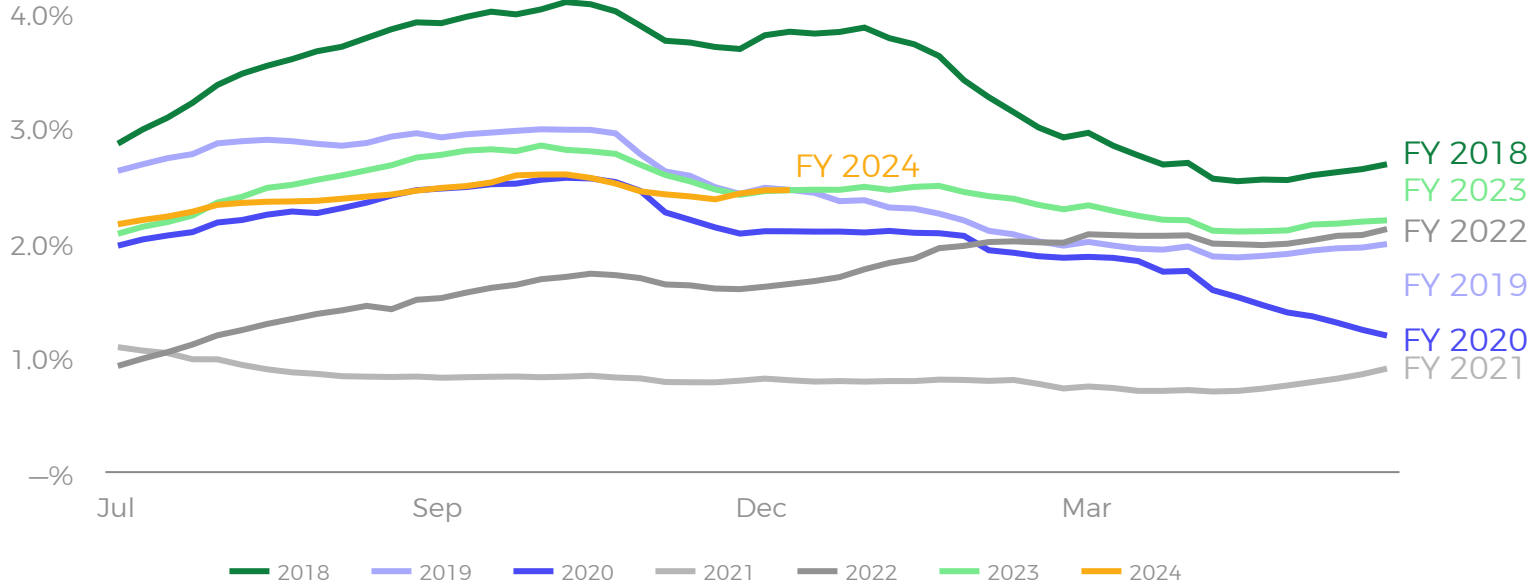


Notes:

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



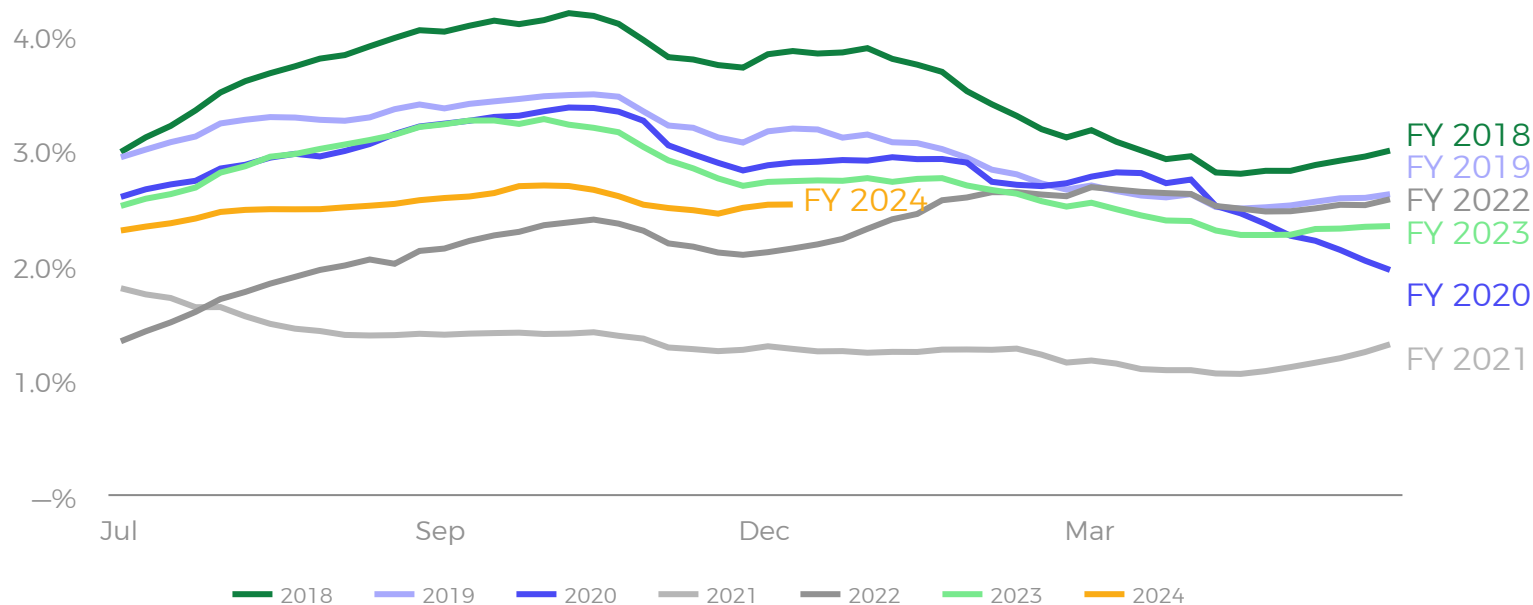
Notes:

1. Data as of October 2023
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 October 2023
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


	Three Months Ending			
	September 30	December 31	March 31	June 30
30+ Days Delinquent				
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%		
60+ Days Delinquent				
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%		
90+ Days Delinquent				
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%		

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

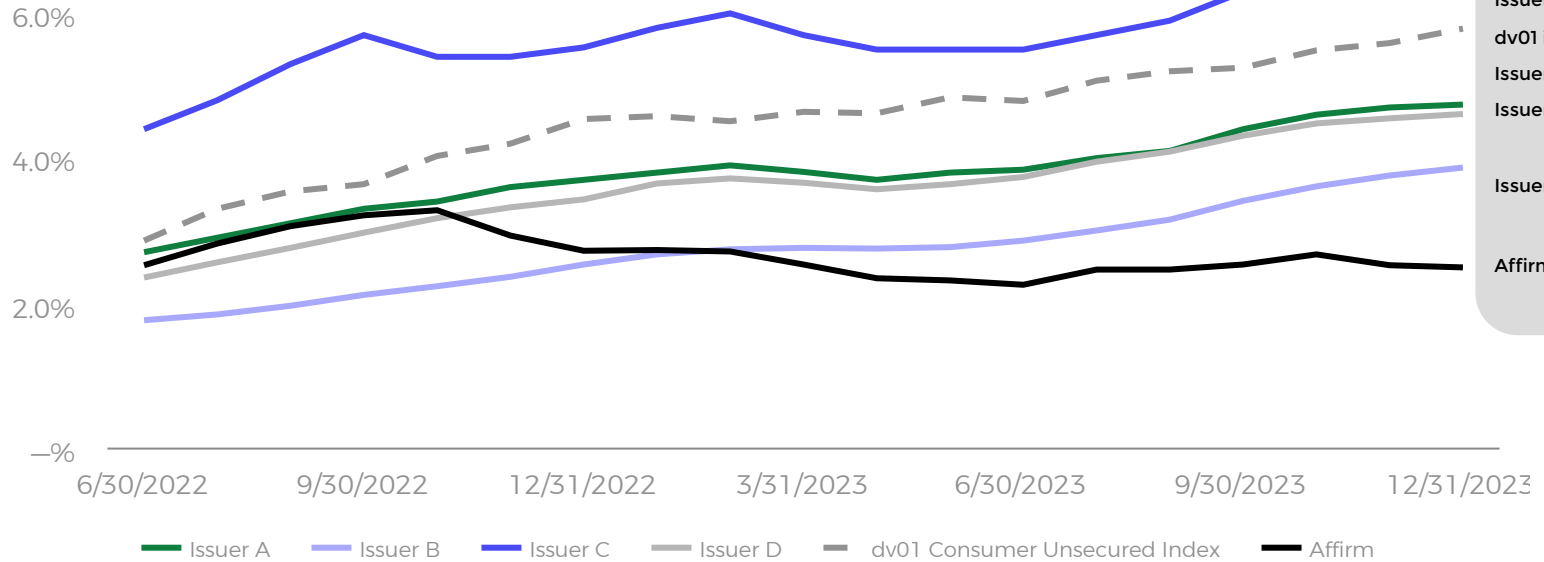
Monthly Installment Loan Delinquency Rates Ex-Peloton

	Three Months Ending			
	September 30	December 31	March 31	June 30
30+ Days Delinquent				
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%		
60+ Days Delinquent				
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%		
90+ Days Delinquent				
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%		


 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



% Non-Prime Receivables	
Issuer C	43%
dv01 index	n.a.
Issuer A	27%
Issuer D	31%
Issuer B	19%
Affirm	44%

Notes:

Select consumer lenders include Bread Financial, Capital One, Discover, and Synchrony Financial. Non-Prime receivable mix as of September 30, 2023 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

	December 31 2021	March 31 2022	June 30 2022	September 30 2022	December 31 2022	March 31 2023	June 30 2023	September 30 2023	December 31 2023
<u>Amortized Cost Basis of Loans Held for Investment by ITACS Score</u>									
96+	\$ 1,392,997	\$ 1,409,388	\$ 1,374,223	\$ 1,539,374	\$ 2,211,085	\$ 2,322,665	\$ 2,689,847	\$ 2,724,435	\$ 3,010,413
94-96	532,108	584,290	632,431	663,923	900,297	905,258	1,112,832	1,183,422	1,410,374
90-94	229,844	232,187	223,952	161,883	127,076	107,785	137,088	163,444	238,518
<90	87,594	59,753	44,437	34,795	28,979	19,589	14,992	16,013	19,256
No score	190,797	200,470	210,491	265,409	355,556	386,419	407,206	415,077	504,802
Total loan receivables	\$ 2,433,340	\$ 2,486,088	\$ 2,485,534	\$ 2,665,384	\$ 3,622,993	\$ 3,741,716	\$ 4,361,965	\$ 4,502,391	\$ 5,183,363

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

96+	57 %	57 %	55 %	58 %	61 %	62 %	62 %	61 %	58 %
94-96	22 %	24 %	25 %	25 %	25 %	24 %	26 %	26 %	27 %
90-94	9 %	9 %	9 %	6 %	4 %	3 %	3 %	4 %	5 %
<90	4 %	2 %	2 %	1 %	1 %	1 %	— %	— %	— %
No score	8 %	8 %	8 %	10 %	10 %	10 %	9 %	9 %	10 %
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

Q2'24 Loan Balance and Net Charge-offs by Loan Origination Year

(\$ in 000s)

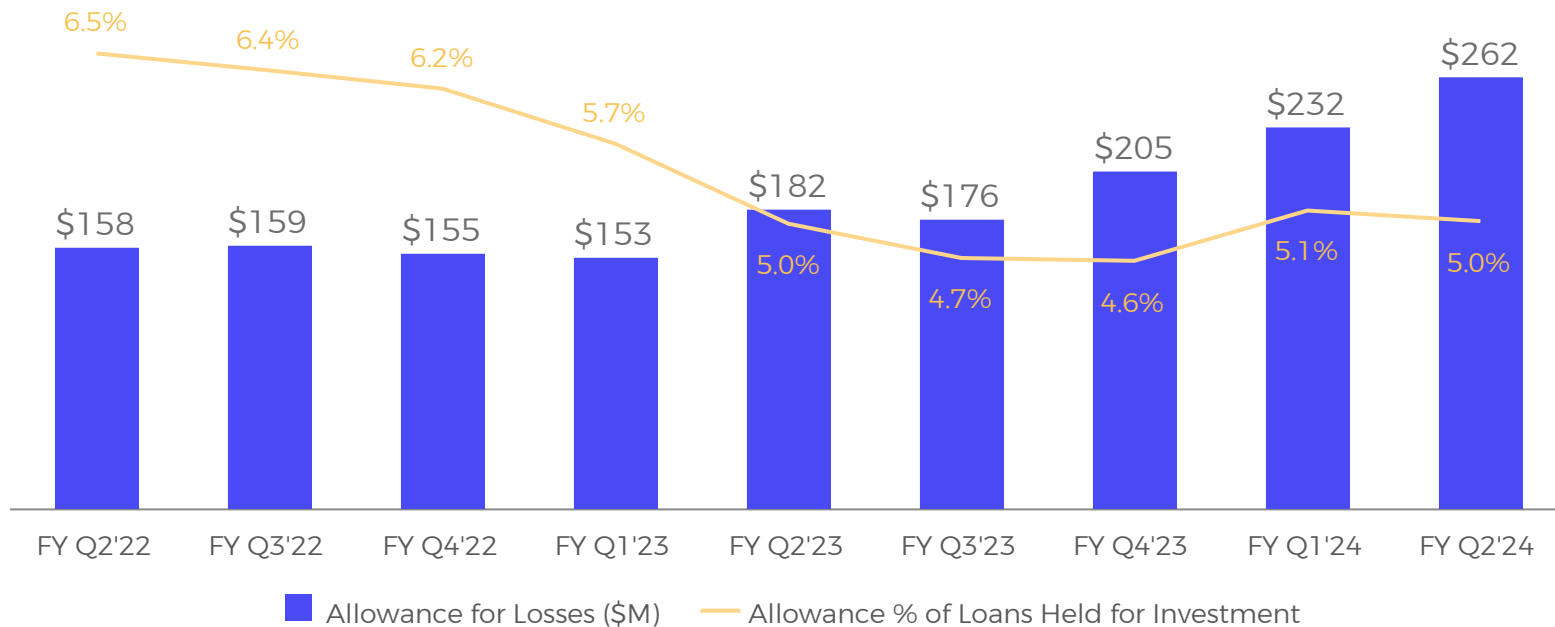
as of December 31, 2023	2024	2023	2022	2021	2020	Prior	Total
<u>Amortized Cost Basis by Fiscal Year of Origination</u>							
Loans Held for Investment and Loans Held for Sale ⁽²⁾	\$ 3,981,375	\$ 1,146,498	\$ 50,999	\$ 4,115	\$ 198	\$ 178	\$ 5,183,363
Current period charge-offs	(12,615)	(77,322)	(1,482)	(175)	(27)	(12)	(91,633)
Current period recoveries	118	3,534	1,666	247	20	24	5,609
Current period net charge-offs	(12,497)	(73,788)	184	72	(7)	12	(86,024)

Notes:

1. Metrics are unaudited

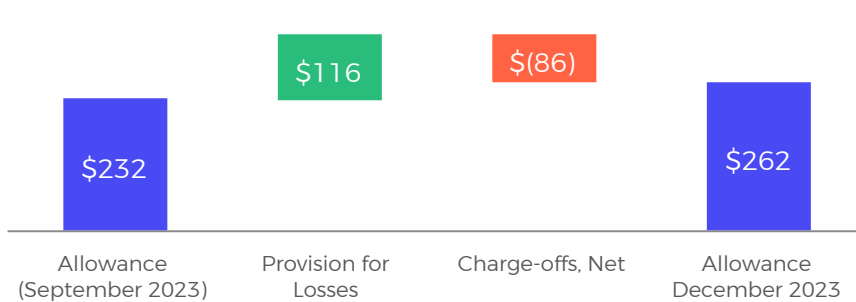
2. Totals shown include the amortized cost basis excluding accrued interest receivable, by fiscal year of origination as of December 31, 2023.

Allowance and Loans Held for Investment

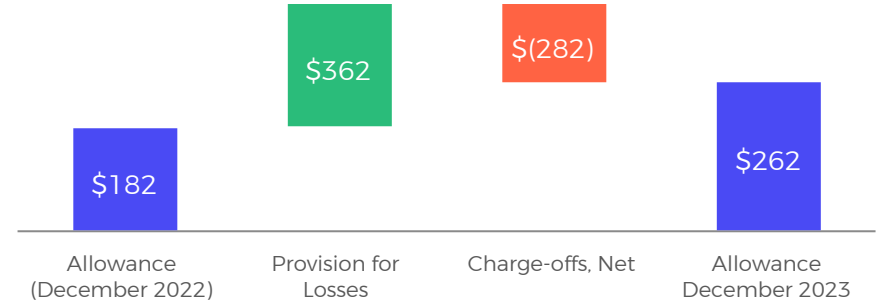


Change in Allowance for Credit Losses

Quarterly Change in Allowance



Last 12 Months Change in Allowance



Last 12 Months Change in Allowance

	Quarter Ending				12 Months Ending
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	December 31, 2023
Beginning of Period Allowance	\$ 182	\$ 176	\$ 205	\$ 232	\$ 182
(+) Provision for Loan Losses ³	61	92	93	116	362
(-) Charge-offs, Net	(67)	(64)	(65)	(86)	(282)
End of Period Allowance	\$ 176	\$ 205	\$ 232	\$ 262	\$ 262
Loans Held for Investment	\$ 3,776	\$ 4,403	\$ 4,549	\$ 5,239	\$ 5,239
Allowance % of Loans Held for Investment	4.7 %	4.7 %	5.1 %	5.0 %	5.0 %

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 5% for the remainder of the fiscal year.
- 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 and no longer be a headwind as we exit the fiscal year.

Revenue and Transaction Costs:

- The substantial majority of the benefit from our interest-bearing loan pricing initiatives will be realized by second fiscal half 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 Q3 2024 and FY 2024 Outlook

The following summarizes Affirm's financial outlook for the full year Fiscal 2024:

- **GMV** of more than \$25.25 billion
- **Revenue as a % of GMV** increase ~65 basis points from FY'23
- **Revenue Less Transaction Costs as a % of GMV** increase ~20 basis points from FY'23
- **Adjusted Operating Margin** of more than 11 percent
- **Weighted Average Shares Outstanding** of 311 million

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

	Fiscal Q3 2024
GMV	\$5.8 to \$6.0 billion
Revenue	\$530 to \$550 million
Transaction Costs	\$325 to \$335 million
Revenue Less Transaction Costs	\$205 to \$215 million
Adjusted Operating Margin	6 to 8 percent
Weighted Average Shares Outstanding	314 million

Financials

Components of Interest Income

(\$ in 000s)	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023
Interest income on unpaid principal balance	\$ 88,674	\$ 95,253	\$ 99,125	\$ 106,138	\$ 125,858	\$ 147,759	\$ 181,437	\$ 226,158	\$ 248,083
Amortization of discount on loans held for investment	54,965	45,443	46,197	38,969	38,838	39,130	41,766	45,118	51,024
Amortization of premiums on loans	(2,995)	(3,407)	(3,946)	(4,374)	(4,580)	(4,515)	(4,159)	(3,980)	(4,183)
Interest receivable charged-off, net of recoveries	(2,289)	(2,690)	(3,752)	(3,931)	(4,795)	(4,104)	(4,220)	(4,617)	(6,578)
Total interest income	\$ 138,355	\$ 134,599	\$ 137,624	\$ 136,802	\$ 155,321	\$ 178,270	\$ 214,824	\$ 262,679	\$ 288,346

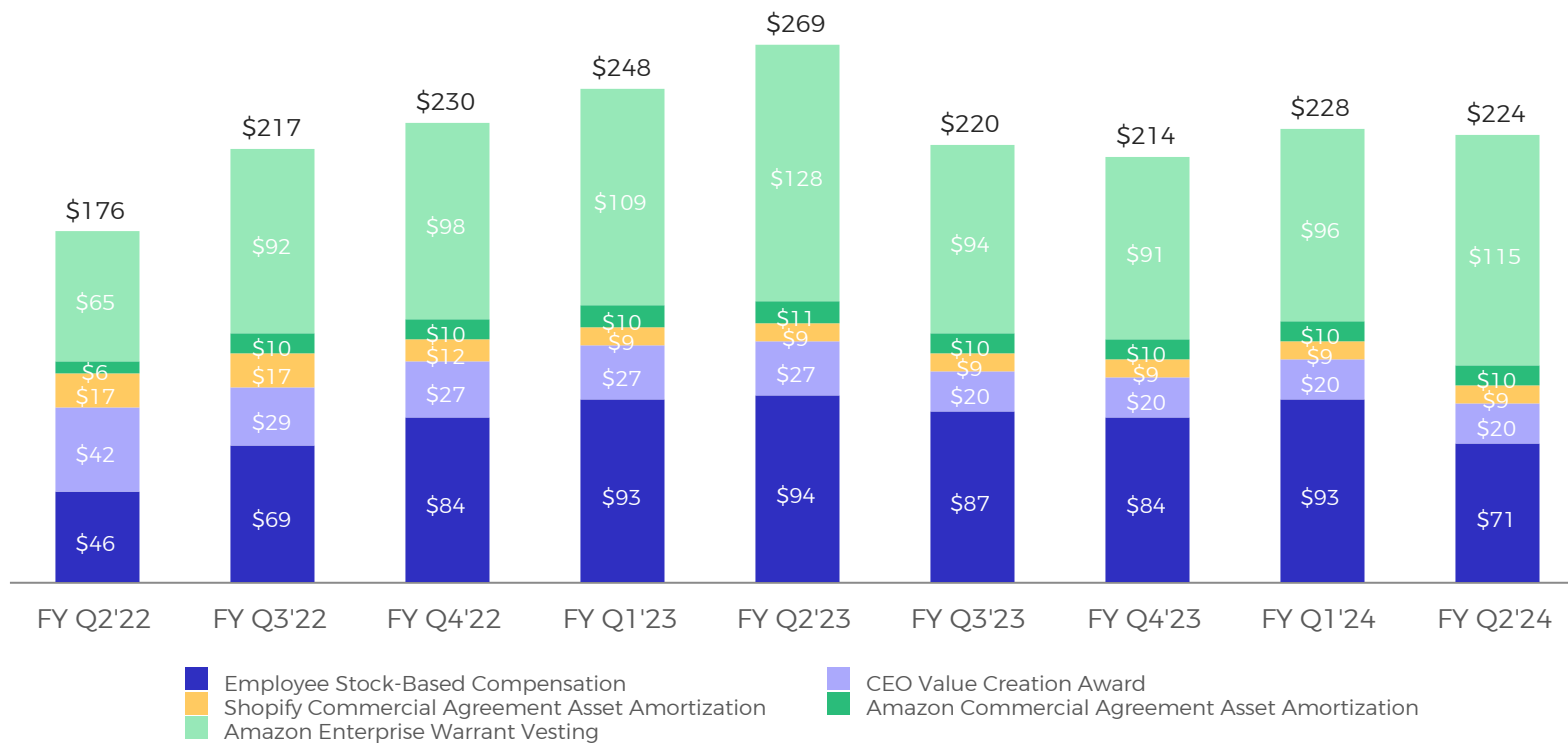
Fully Diluted Shares Outstanding (FY Q2'24)

	(Shares in millions)
Common Shares Outstanding	306
Plus: Balance of Options, Weighted Average Strike Price: \$15.47	17
Plus: Vested Warrants, Weighted Average Strike Price: \$0.01	5
Less: Treasury Stock Reduction of Options and Vested Warrants Outstanding	(6)
Plus: Restricted Stock Units	19
Fully Diluted Shares, Treasury Stock Method	341

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

- Common shares outstanding and restricted stock units are as of December 31, 2023
- Balance of options and vested warrants outstanding as of December 31, 2023 and reduced by 6 million shares using treasury stock method with \$44.61 closing stock price as of 2/7/2024
- 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
- Shopify Commercial Agreement Asset Amortization
- Amazon Commercial Agreement Asset Amortization
- CEO Value Creation Award
- Amazon Enterprise Warrant Vesting

Notes:

1. Metrics are unaudited
2. Dollars in millions
3. Amounts above are included in Operating Expenses

Reconciliations

Quarterly Revenue & Transaction Cost Detail

(\$ in 000s except GMV)	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023
Gross Merchandise Value (\$M)	\$ 4,458	\$ 3,916	\$ 4,396	\$ 4,389	\$ 5,658	\$ 4,659	\$ 5,515	\$ 5,617	\$ 7,494
Revenue									
Merchant network revenue	\$ 127,087	\$ 121,054	\$ 118,126	\$ 113,149	\$ 134,019	\$ 119,013	\$ 141,419	\$ 145,950	\$ 188,357
Virtual card network revenue	26,558	23,169	31,574	26,708	29,117	29,469	34,044	33,476	39,269
Total network revenue	\$ 153,645	\$ 144,223	\$ 149,700	\$ 139,857	\$ 163,136	\$ 148,482	\$ 175,463	\$ 179,426	\$ 227,626
Interest income	138,355	134,599	137,624	136,802	155,321	178,270	214,824	262,679	288,346
Gain (loss) on sales of loans	57,690	52,484	55,282	63,595	59,607	32,813	32,326	34,285	52,702
Servicing income	11,321	23,456	21,528	21,370	21,494	21,413	23,212	20,157	22,436
Total Revenue, net	\$ 361,011	\$ 354,762	\$ 364,134	\$ 361,624	\$ 399,558	\$ 380,978	\$ 445,825	\$ 496,547	\$ 591,110
Transaction Costs									
Loss on loan purchase commitment	\$ 65,265	\$ 46,853	\$ 40,285	\$ 35,610	\$ 38,422	\$ 31,224	\$ 35,009	\$ 34,866	\$ 53,630
Provision for credit losses	52,640	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880
Funding costs	17,700	15,824	19,417	25,066	43,751	51,188	63,008	73,931	84,617
Processing and servicing	41,849	43,371	47,393	54,359	66,508	65,229	71,247	75,671	90,203
Total Transaction Costs	\$ 177,454	\$ 172,342	\$ 179,786	\$ 179,285	\$ 255,370	\$ 214,079	\$ 263,747	\$ 284,164	\$ 349,330
Revenue Less Transaction Costs	\$ 183,557	\$ 182,420	\$ 184,348	\$ 182,339	\$ 144,188	\$ 166,899	\$ 182,078	\$ 212,383	\$ 241,780
Line Items as a % of GMV									
Gross Merchandise Value	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Revenue									
Merchant network revenue	2.9 %	3.1 %	2.7 %	2.6 %	2.4 %	2.6 %	2.6 %	2.6 %	2.5 %
Virtual card network revenue	0.6 %	0.6 %	0.7 %	0.6 %	0.5 %	0.6 %	0.6 %	0.6 %	0.5 %
Total network revenue	3.4 %	3.7 %	3.4 %	3.2 %	2.9 %	3.2 %	3.2 %	3.2 %	3.0 %
Interest income	3.1 %	3.4 %	3.1 %	3.1 %	2.7 %	3.8 %	3.9 %	4.7 %	3.8 %
Gain (loss) on sales of loans	1.3 %	1.3 %	1.3 %	1.4 %	1.1 %	0.7 %	0.6 %	0.6 %	0.7 %
Servicing income	0.3 %	0.6 %	0.5 %	0.5 %	0.4 %	0.5 %	0.4 %	0.4 %	0.3 %
Total Revenue, net	8.1 %	9.1 %	8.3 %	8.2 %	7.1 %	8.2 %	8.1 %	8.8 %	7.9 %
Transaction Costs									
Loss on loan purchase commitment	1.5 %	1.2 %	0.9 %	0.8 %	0.7 %	0.7 %	0.6 %	0.6 %	0.7 %
Provision for credit losses	1.2 %	1.7 %	1.7 %	1.5 %	1.9 %	1.4 %	1.7 %	1.8 %	1.6 %
Funding costs	0.4 %	0.4 %	0.4 %	0.6 %	0.8 %	1.1 %	1.1 %	1.3 %	1.1 %
Processing and servicing	0.9 %	1.1 %	1.1 %	1.2 %	1.2 %	1.4 %	1.3 %	1.3 %	1.2 %
Total Transaction Costs	4.0 %	4.4 %	4.1 %	4.1 %	4.5 %	4.6 %	4.8 %	5.1 %	4.7 %
Revenue Less Transaction Costs	4.1 %	4.7 %	4.2 %	4.2 %	2.5 %	3.6 %	3.3 %	3.8 %	3.2 %

Notes:

1. Metrics are unaudited

Annual Revenue & Transaction Cost Detail

(\$ in 000s except GMV)	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
Virtual 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
Total Revenue, net	\$	870,464	\$	1,349,292	\$	1,587,985
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
Total Transaction Costs	\$	438,856	\$	686,861	\$	912,481
Revenue Less Transaction Costs	\$	431,608	\$	662,431	\$	675,504
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 %
Total Revenue, net		10.5 %		8.7 %		7.9 %
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 %
Total Transaction Costs		5.3 %		4.4 %		4.5 %
Revenue Less Transaction Costs		5.2 %		4.3 %		3.3 %

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

	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023
Income Statement Reconciliations (\$K)									
Total Revenue	\$ 361,011	\$ 354,762	\$ 364,134	\$ 361,624	\$ 399,558	\$ 380,978	\$ 445,825	\$ 496,547	\$ 591,110
Operating Expenses									
Loss on loan purchase commitment	\$ 65,265	\$ 46,853	\$ 40,285	\$ 35,610	\$ 38,422	\$ 31,224	\$ 35,009	\$ 34,866	\$ 53,630
Provision for credit losses	52,640	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880
Funding costs	17,700	15,824	19,417	25,066	43,751	51,188	63,008	73,931	84,617
Processing and servicing	41,849	43,371	47,393	54,359	66,508	65,229	71,247	75,671	90,203
Total Transaction Costs	\$ 177,454	\$ 172,342	\$ 179,786	\$ 179,285	\$ 255,370	\$ 214,079	\$ 263,747	\$ 284,164	\$ 349,330
Technology and data analytics	94,989	110,291	135,350	144,961	156,747	161,797	152,318	132,965	119,833
Sales and marketing	143,476	156,214	168,693	163,873	188,334	140,942	145,131	146,866	161,265
Restructuring and other	—	—	—	—	—	34,934	936	1,665	56
General and administrative	141,292	142,466	157,531	160,972	158,639	139,266	127,521	140,334	132,777
Total Operating Expenses	\$ 557,211	\$ 581,313	\$ 641,360	\$ 649,091	\$ 759,090	\$ 691,013	\$ 689,653	\$ 705,994	\$ 763,261
Operating Income (Loss)	\$ (196,200)	\$ (226,551)	\$ (277,226)	\$ (287,467)	\$ (359,532)	\$ (310,035)	\$ (243,828)	\$ (209,447)	\$ (172,151)
Reconciliation from Revenue to Revenue Less Transaction Costs and Revenue Less Transaction Costs ex-Provision									
Total Revenue	\$ 361,011	\$ 354,762	\$ 364,134	\$ 361,624	\$ 399,558	\$ 380,978	\$ 445,825	\$ 496,547	\$ 591,110
Less: Loss on loan purchase commitment	65,265	46,853	40,285	35,610	38,422	31,224	35,009	34,866	53,630
Less: Provision for credit losses	52,640	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880
Less: Funding costs	17,700	15,824	19,417	25,066	43,751	51,188	63,008	73,931	84,617
Less: Processing and servicing	41,849	43,371	47,393	54,359	66,508	65,229	71,247	75,671	90,203
Revenue Less Transaction Costs	\$ 183,557	\$ 182,420	\$ 184,348	\$ 182,339	\$ 144,188	\$ 166,899	\$ 182,078	\$ 212,383	\$ 241,780
Plus: Provision for credit losses	52,640	66,294	72,691	64,250	106,689	66,438	94,483	99,696	120,880
Revenue Less Transaction Costs ex-Provision	\$ 236,197	\$ 248,714	\$ 257,039	\$ 246,589	\$ 250,877	\$ 233,337	\$ 276,561	\$ 312,079	\$ 362,660
Reconciliation from from Operating Income (Loss) to Adjusted Operating Income (Loss)									
Operating Income (Loss)	\$ (196,200)	\$ (226,551)	\$ (277,226)	\$ (287,467)	\$ (359,532)	\$ (310,035)	\$ (243,828)	\$ (209,447)	\$ (172,151)
Plus: Depreciation and amortization	11,964	13,102	17,115	20,882	23,004	46,068	43,279	40,060	40,372
Plus: Stock-based compensation expense	88,537	98,387	110,870	119,808	121,775	106,789	103,337	112,359	90,164
Plus: Enterprise warrant and share-based expense	87,673	119,039	119,517	128,205	147,516	112,961	110,467	115,373	134,167
Plus: Restructuring and other	—	—	—	—	—	34,934	936	1,665	56
Plus: Other non-recurring items ¹	94	25	415	5	5,203	2,858	517	(66)	—
Adjusted Operating Income (Loss)	\$ (7,932)	\$ 4,002	\$ (29,309)	\$ (18,567)	\$ (62,034)	\$ (6,425)	\$ 14,709	\$ 59,944	\$ 92,608

Notes:

- Other costs consist of expenses incurred in the period associated with the Company's initial public offering, acquisitions, impairment charges, restructuring, severance, and exit and disposal costs
- Metrics are unaudited

Income Statement Reconciliations - Fiscal Year

	Twelve Months Ended					
	June 30, 2021		June 30, 2022		June 30, 2023	
Income Statement Reconciliations (\$K)						
Total Revenue	\$	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
Total Operating Expenses	\$	1,254,131	\$	2,215,340	\$	2,788,847
Operating Income (Loss)	\$	(383,667)	\$	(866,048)	\$	(1,200,862)
Reconciliation from Revenue to Revenue Less Transaction Costs and Revenue Less Transaction Costs ex-Provision						
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
Reconciliation from from Operating Income (Loss) to Adjusted Operating Income (Loss)						
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 initial public offering, acquisitions, impairment charges, restructuring, severance, and exit and disposal costs

4. Metrics are unaudited

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				
Total Transaction Costs	\$ 349,330	\$ 158	\$ 1,353	\$ 0	\$ 0	\$ 0	\$ 347,819				
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				
Other Operating Expenses	\$ 413,931	\$ 40,213	\$ 88,811	\$ 134,167	\$ 56	\$ 0	\$ 150,683				
Total Operating Expenses	\$ 763,261	\$ 40,372	\$ 90,164	\$ 134,167	\$ 56	\$ —	\$ 498,502				

(\$ 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				
Total Transaction Costs	\$ 284,164	\$ 99	\$ 1,575	\$ 0	\$ 0	\$ 0	\$ 282,490				
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				
Other Operating Expenses	\$ 421,830	\$ 39,961	\$ 110,784	\$ 115,373	\$ 1,665	\$ (66)	\$ 154,113				
Total Operating Expenses	\$ 705,994	\$ 40,060	\$ 112,359	\$ 115,373	\$ 1,665	\$ (66)	\$ 436,603				

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				
Total Transaction Costs	\$ 263,747	\$ 109	\$ 1,411	\$ 0	\$ 0	\$ 0	\$ 262,227				
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				
Other Operating Expenses	\$ 425,906	\$ 43,170	\$ 101,926	\$ 110,467	\$ 936	\$ 517	\$ 168,889				
Total Operating Expenses	\$ 689,653	\$ 43,279	\$ 103,337	\$ 110,467	\$ 936	\$ 517	\$ 431,116				

(\$ 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				
Total Transaction Costs	\$ 214,079	\$ 100	\$ 1,120	\$ 0	\$ 0	\$ 0	\$ 212,859				
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				
Other Operating Expenses	\$ 476,934	\$ 45,968	\$ 105,669	\$ 112,961	\$ 34,934	\$ 2,858	\$ 174,544				
Total Operating Expenses	\$ 691,013	\$ 46,068	\$ 106,789	\$ 112,961	\$ 34,934	\$ 2,858	\$ 387,403				

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				
Total Transaction Costs	\$ 255,370	\$ 108	\$ 1,033	\$ 0	\$ 0	\$ 0	\$ 254,229				
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				
Other Operating Expenses	\$ 503,720	\$ 22,896	\$ 120,742	\$ 147,516	\$ 0	\$ 5,203	\$ 207,363				
Total Operating Expenses	\$ 759,090	\$ 23,004	\$ 121,775	\$ 147,516	\$ —	\$ 5,203	\$ 461,592				

(\$ 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				
Total Transaction Costs	\$ 179,285	\$ 95	\$ 912	\$ 0	\$ 0	\$ 0	\$ 178,278				
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				
Other Operating Expenses	\$ 469,806	\$ 20,787	\$ 118,896	\$ 128,205	\$ 0	\$ 5	\$ 201,913				
Total Operating Expenses	\$ 649,091	\$ 20,882	\$ 119,808	\$ 128,205	\$ —	\$ 5	\$ 380,191				

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
Total Transaction Costs	\$	179,786	\$	145	\$	895	\$	0	\$	0	\$	0	\$	178,746
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
Other Operating Expenses	\$	461,574	\$	16,970	\$	109,975	\$	119,517	\$	0	\$	415	\$	214,697
Total Operating Expenses	\$	641,360	\$	17,115	\$	110,870	\$	119,517	\$	—	\$	415	\$	393,443

(\$ 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
Total Transaction Costs	\$	172,342	\$	124	\$	650	\$	0	\$	0	\$	0	\$	171,568
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
Other Operating Expenses	\$	408,971	\$	12,978	\$	97,737	\$	119,039	\$	0	\$	25	\$	179,192
Total Operating Expenses	\$	581,313	\$	13,102	\$	98,387	\$	119,039	\$	—	\$	25	\$	350,760

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
Total Transaction Costs	\$	177,454	\$	108	\$	530	\$	0	\$	0	\$	0	\$	176,816
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
Other Operating Expenses	\$	379,757	\$	11,856	\$	88,007	\$	87,673	\$	0	\$	94	\$	192,127
Total Operating Expenses	\$	557,211	\$	11,964	\$	88,537	\$	87,673	\$	—	\$	94	\$	368,942

(\$ 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
Total Transaction Costs	\$	157,279	\$	227	\$	356	\$	0	\$	0	\$	0	\$	156,696
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
Other Operating Expenses	\$	278,177	\$	10,314	\$	92,833	\$	17,039	\$	0	\$	209	\$	157,782
Total Operating Expenses	\$	435,456	\$	10,541	\$	93,189	\$	17,039	\$	—	\$	209	\$	314,478

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
Total Transaction Costs	\$	912,481	\$	412	\$	4,476	\$	0	\$	0	\$	0	\$	907,593
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
Other Operating Expenses	\$	1,876,366	\$	132,821	\$	447,233	\$	499,150	\$	35,870	\$	8,583	\$	752,708
Total Operating Expenses	\$	2,788,847	\$	133,233	\$	451,709	\$	499,150	\$	35,870	\$	8,583	\$	1,660,301

(\$ 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
Total Transaction Costs	\$	686,861	\$	604	\$	2,431	\$	0	\$	0	\$	0	\$	683,826
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
Other Operating Expenses	\$	1,528,479	\$	52,118	\$	388,552	\$	343,268	\$	0	\$	743	\$	743,797
Total Operating Expenses	\$	2,215,340	\$	52,722	\$	390,983	\$	343,268	\$	—	\$	743	\$	1,427,623

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			
Total Transaction Costs	\$ 686,861	\$ 604	\$ 2,431	\$ 0	\$ 0	\$ 0	\$ 683,826			
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			
Other Operating Expenses	\$ 1,528,479	\$ 52,118	\$ 388,552	\$ 343,268	\$ 0	\$ 743	\$ 743,797			
Total Operating Expenses	\$ 2,215,340	\$ 52,722	\$ 390,983	\$ 343,268	\$ —	\$ 743	\$ 1,427,623			