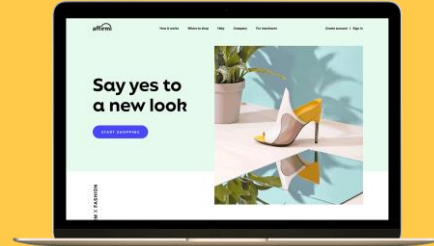


FY Q2 2021 Earnings Supplement

February 11, 2021



Safe Harbor Statement/Use of Non-GAAP Financial Measures

Cautionary Note About Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties. All statements other than statements of historical fact are forward-looking statements, including statements regarding: our strategy and future operations; our future financial position, gross market value, revenue, transaction costs, operating income, provision for credit losses, and cash flows; and general economic trends and trends in the industry and markets. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

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

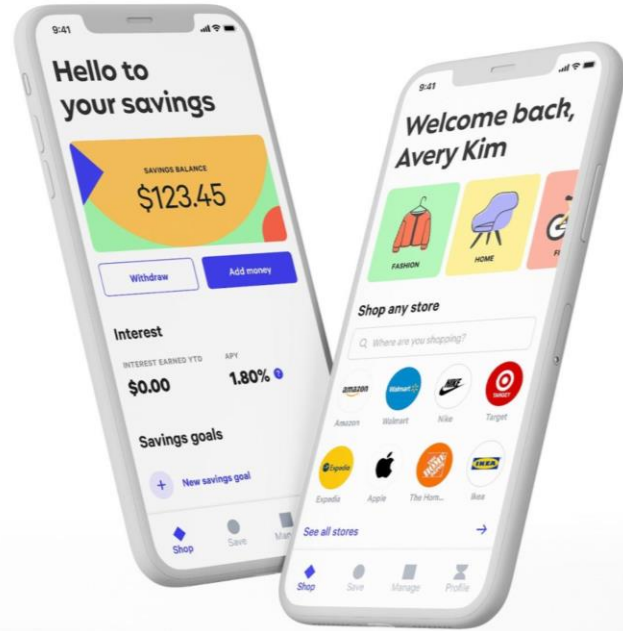
January 14, 2021 pursuant to Rule 424(b) under the Securities Act and in our other filings with the SEC.

These forward-looking statements reflect our views with respect to future events as of the date hereof and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. The forward-looking statements are made as of the date hereof, and we assume no obligation and do not intend to update these forward-looking statements.

Use of Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we present the following non-GAAP financial measures: Revenue less transaction costs, revenue less transaction costs as a percentage of GMV, adjusted operating loss, adjusted operating margin, adjusted cash flow from operations, free cash flow, cash flow from loan financing and repayment, and free cash flow after loan financing and repayment. Definitions of each non-GAAP financial measure and reconciliations of each non-GAAP financial measure with the most directly comparable GAAP financial measure are included in this presentation. 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 analytical tools. Accordingly, you should not consider these non-GAAP financial measures in isolation or as substitutes for analysis of our financial results as reporting under GAAP, and these non-GAAP measures should be considered along with other operating and financial performance measures presented in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.

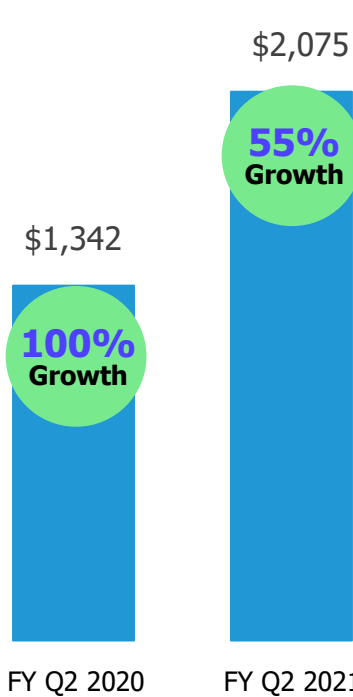
Our Mission:
Build honest
financial products
that improve
lives.



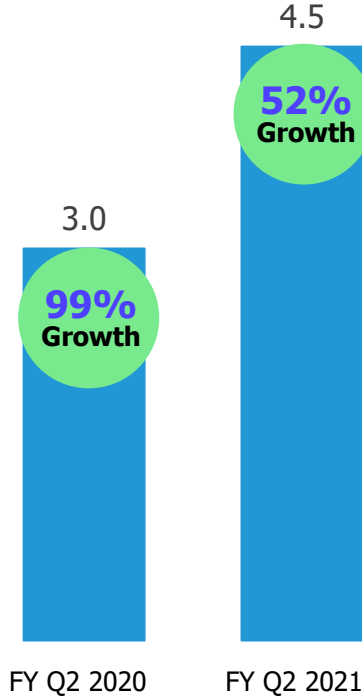
FY Q2 2021 Operating and Financial Highlights

Second Quarter 2021 Highlights

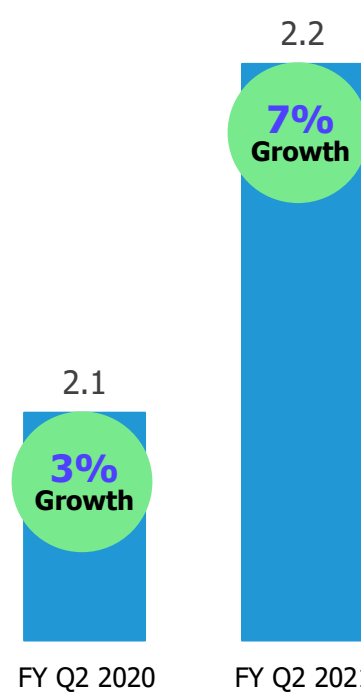
GROSS MERCHANDISE VOLUME (\$M)



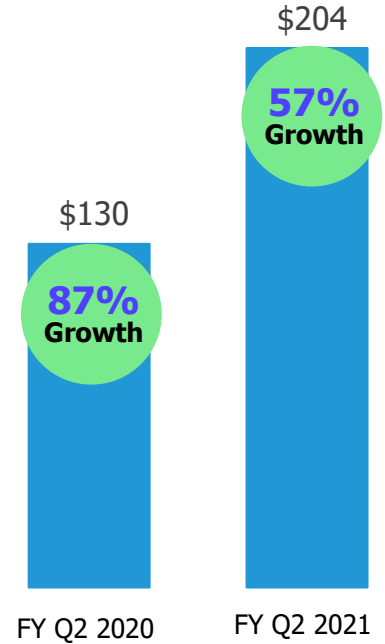
ACTIVE CONSUMERS (M)



TRANS. PER ACTIVE CONSUMER



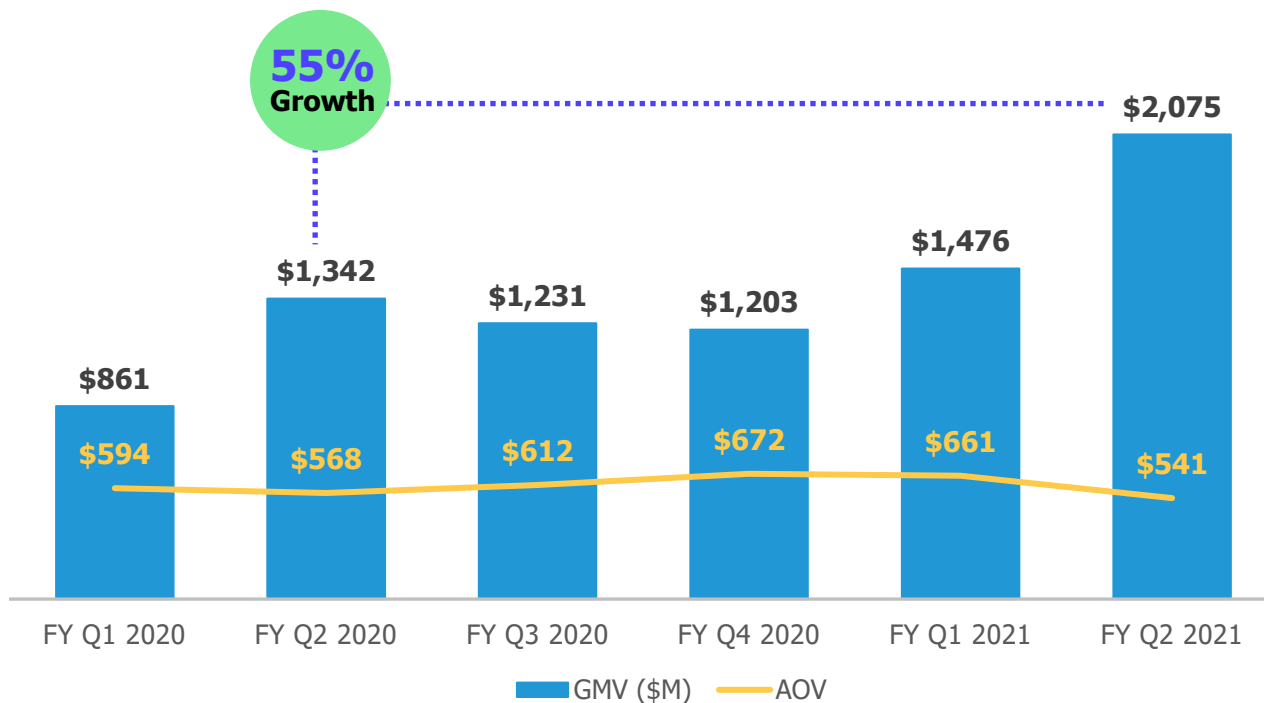
REVENUE (\$M)



FY Q2 2021

Business Highlights

Gross Merchandise Volume

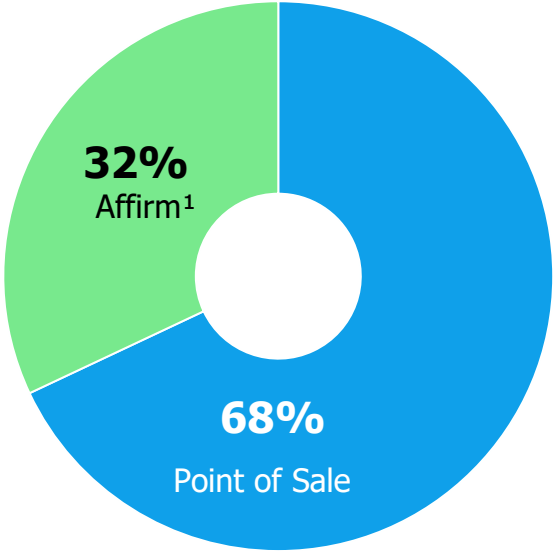


Notes:

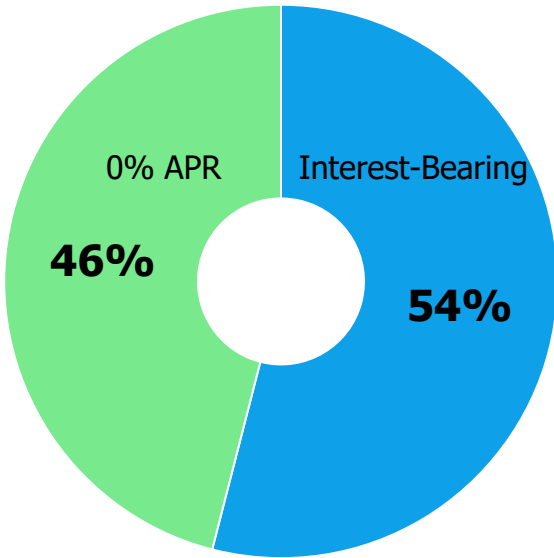
1. GMV defined as the total dollar amount of all transactions on the Affirm platform during the period, net of refunds
2. AOV defined as GMV divided by the number of transactions conducted on the Affirm platform during the period
3. Metrics are unaudited

Power Transactions Across Diverse Channels

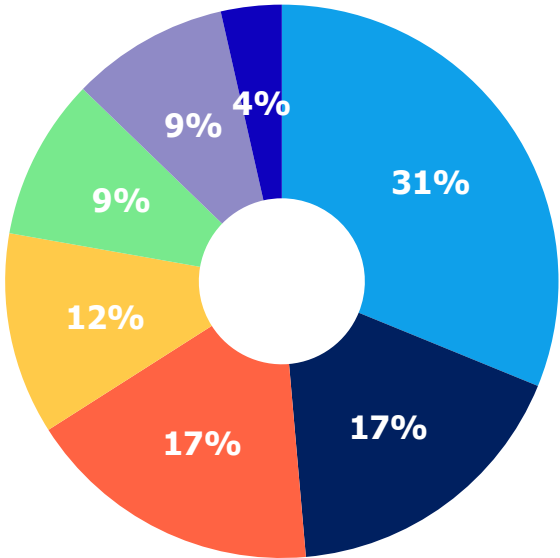
POS VS. AFFIRM¹ TRANSACTIONS
FY Q2 2021



Interest-Bearing vs 0% APR GMV
FY Q2 2021



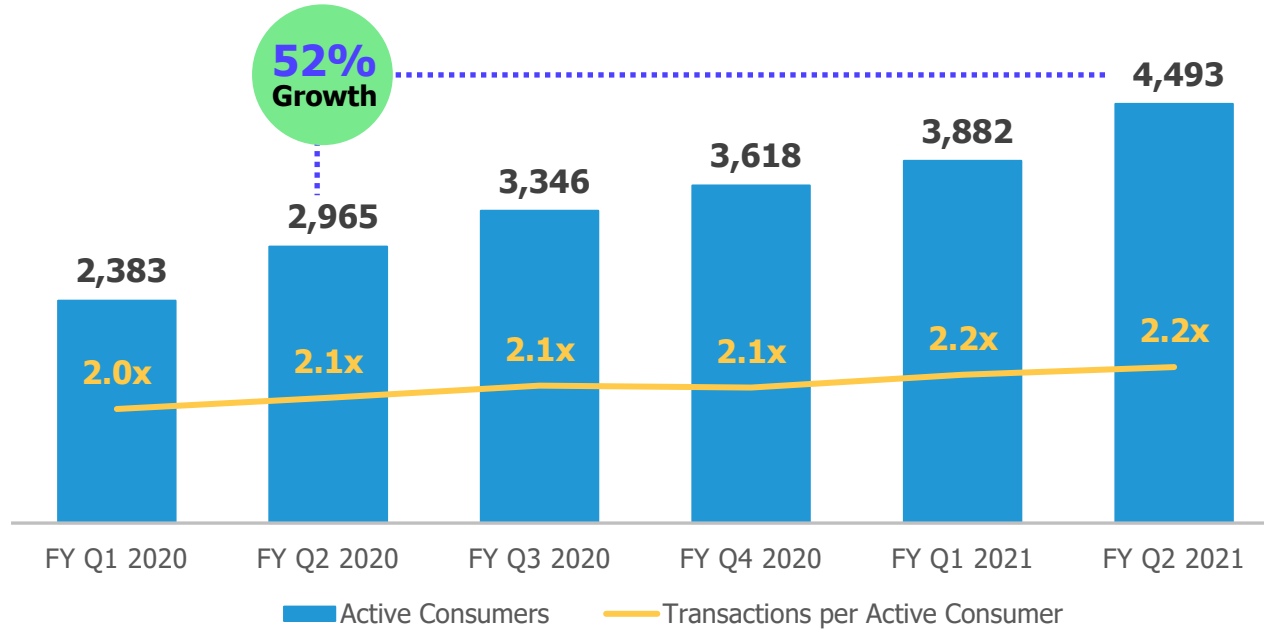
Industry GMV Mix²
FY Q2 2021



Notes:
 1. Based on transactions initiated by Affirm through mobile app and website channels
 2. Excludes volume from Affirm Anywhere
 3. Metrics are unaudited

- Sporting Goods and Outdoors
- Home / Lifestyle
- Fashion / Beauty
- Other
- Equipment / Auto
- Electronics
- Travel / Ticketing

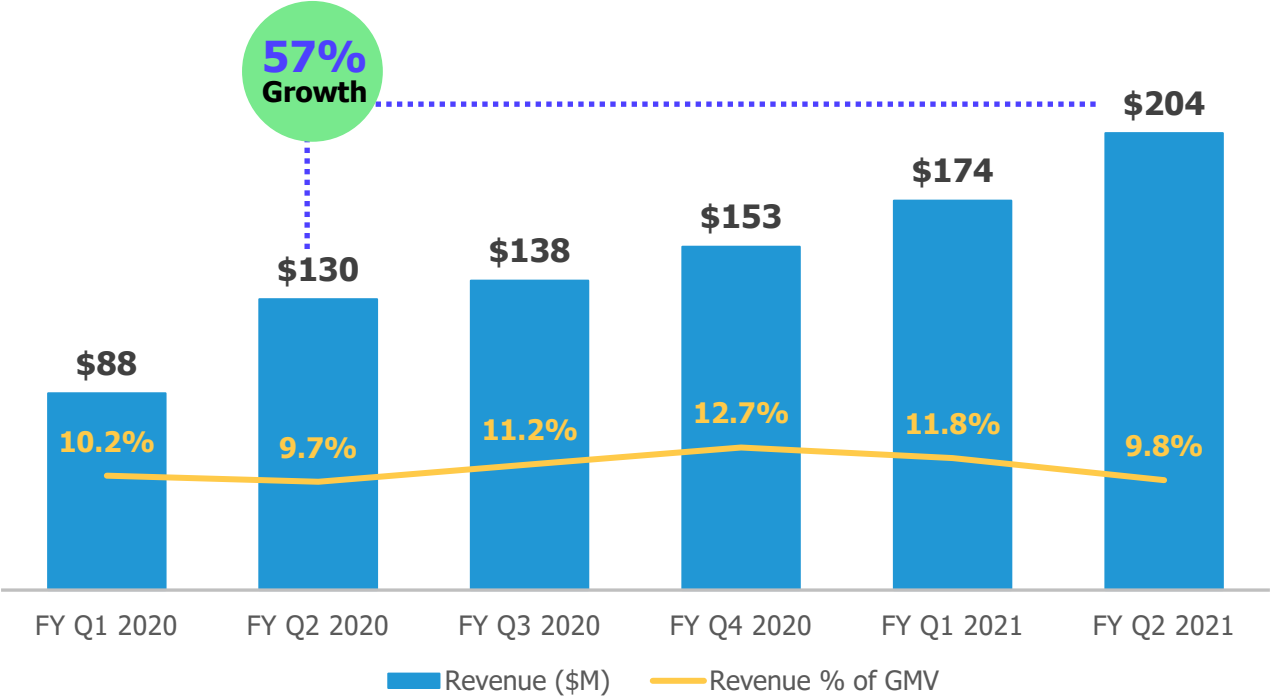
Active Consumers



Notes:

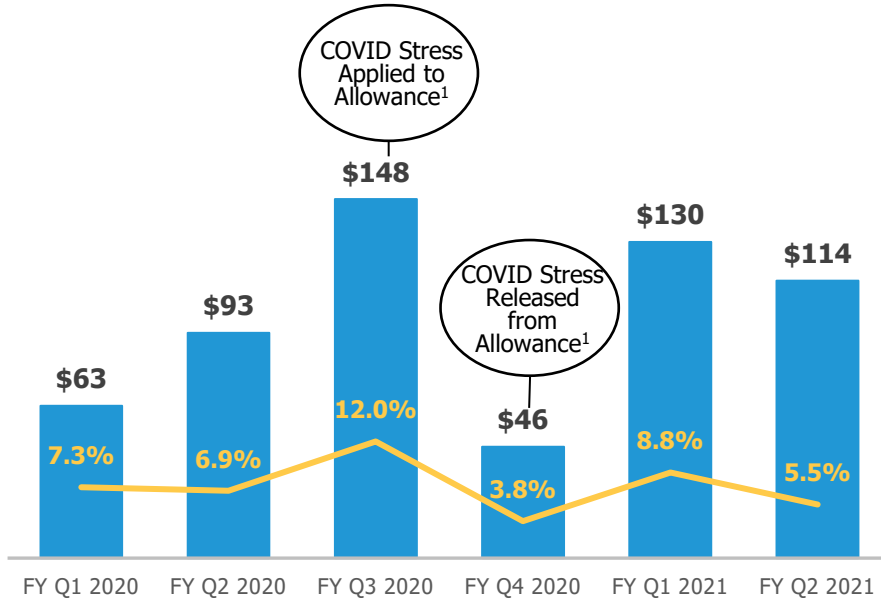
1. Active Consumer defined as a consumer who engages in at least one transaction on our platform during the 12 months prior to the measurement date, presented as of the end of the period
2. Transactions per Active Consumer defined as the average number of transactions that an active consumer has conducted on our platform during the 12 months prior to the measurement date, presented as of the end of the period
3. Metrics are unaudited

Revenue

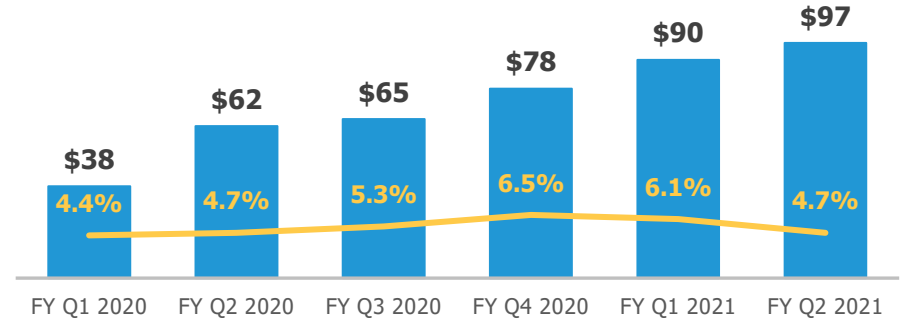


Transaction Costs

Transaction Costs



Transaction Costs ex-Provision



Transaction Costs (\$M) Transaction Costs % of GMV

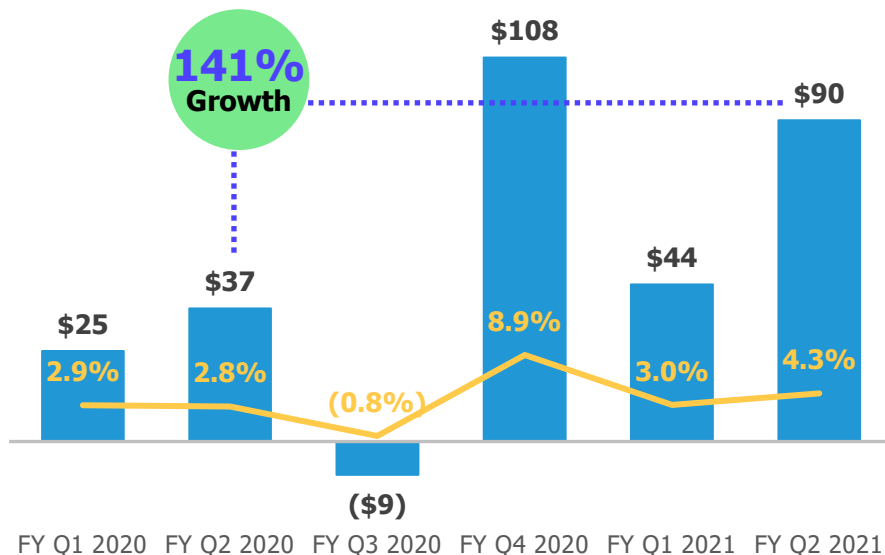
Transaction Costs ex-Provision (\$M) Transaction Costs ex-Provision % of GMV

Notes:

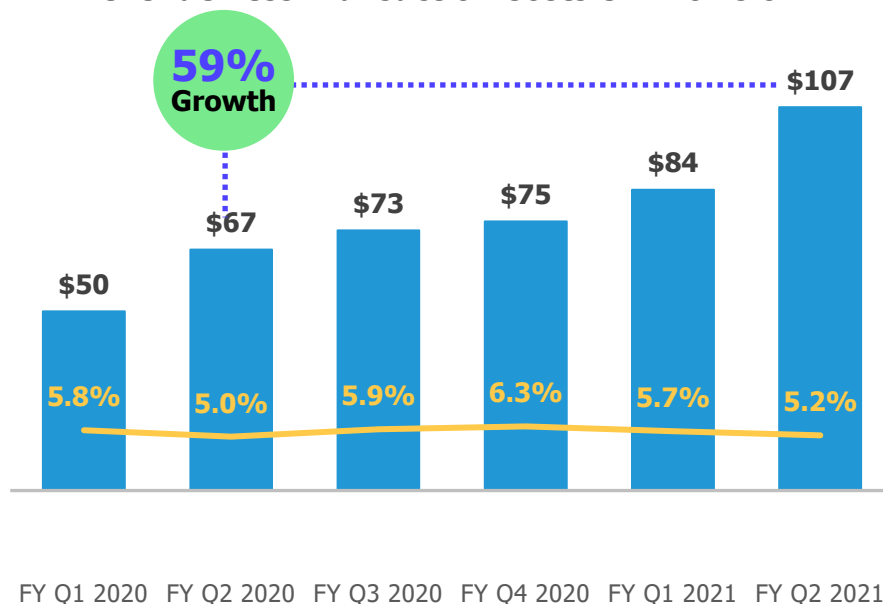
- In March 2020, we updated loss assumptions in our allowance for credit losses to reflect expected stressed emerging from forecasted delinquencies and defaults. This resulted in an increase of the allowance for credit losses as a percent of loans held for investment from 8.9% as of February 29, 2020, to 14.8% as of March 31, 2020. In the months subsequent to this, we have seen stronger than expected repayment history in the portfolio resulting in a release of the allowance. These applications or releases of stress on the allowance impact the income statement via the provision for credit losses operating expense line.
- Transaction Costs include Loss on loan purchase commitment, Provision for credit losses, Funding costs and Processing and servicing
- Transaction Costs ex-Provision include Loss on loan purchase commitment, Funding costs and Processing and servicing
- Metrics are unaudited

Revenue Less Transaction Costs

Revenue Less Transaction Costs



Revenue Less Transaction Costs ex-Provision



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

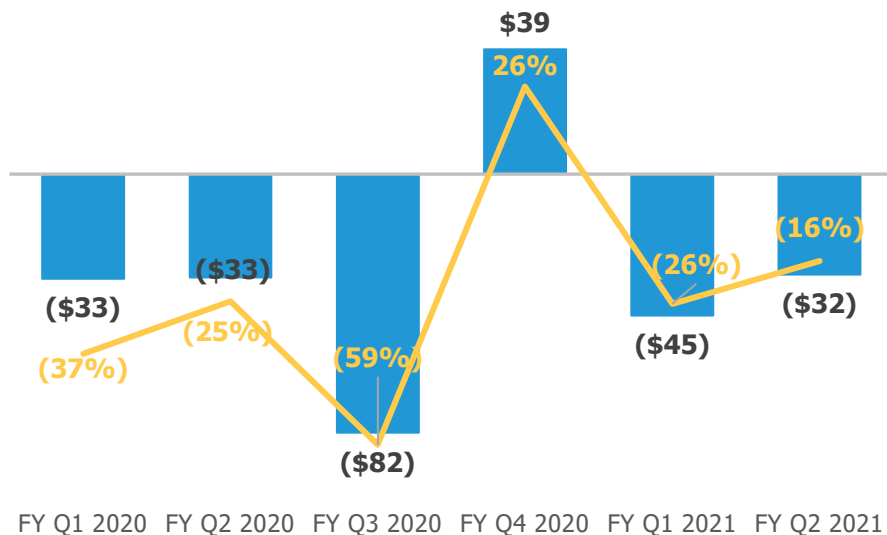
■ Revenue Less Transaction Costs ex-Provision (\$M)
— Revenue Less Transaction Costs ex-Provision % of GMV

Notes:

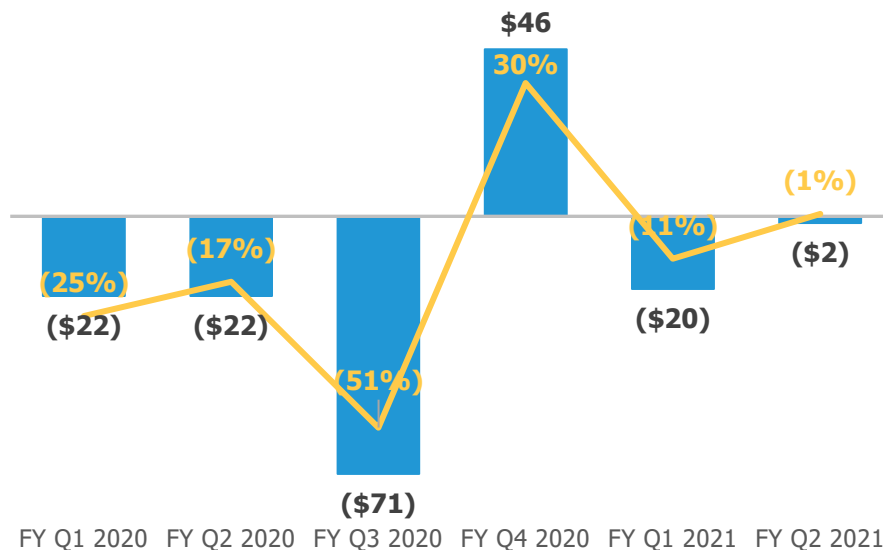
1. Transaction Costs include Loss on loan purchase commitment, Provision for credit losses, Funding costs and Processing and servicing
2. Transaction Costs ex-Provision include Loss on loan purchase commitment, Funding costs and Processing and servicing
3. Metrics are unaudited

GAAP and Adj. Operating Income / (Loss)

GAAP Operating Income / (Loss)



Adjusted Operating Income / (Loss)



Operating Income / (Loss) (\$M)

Op Margin

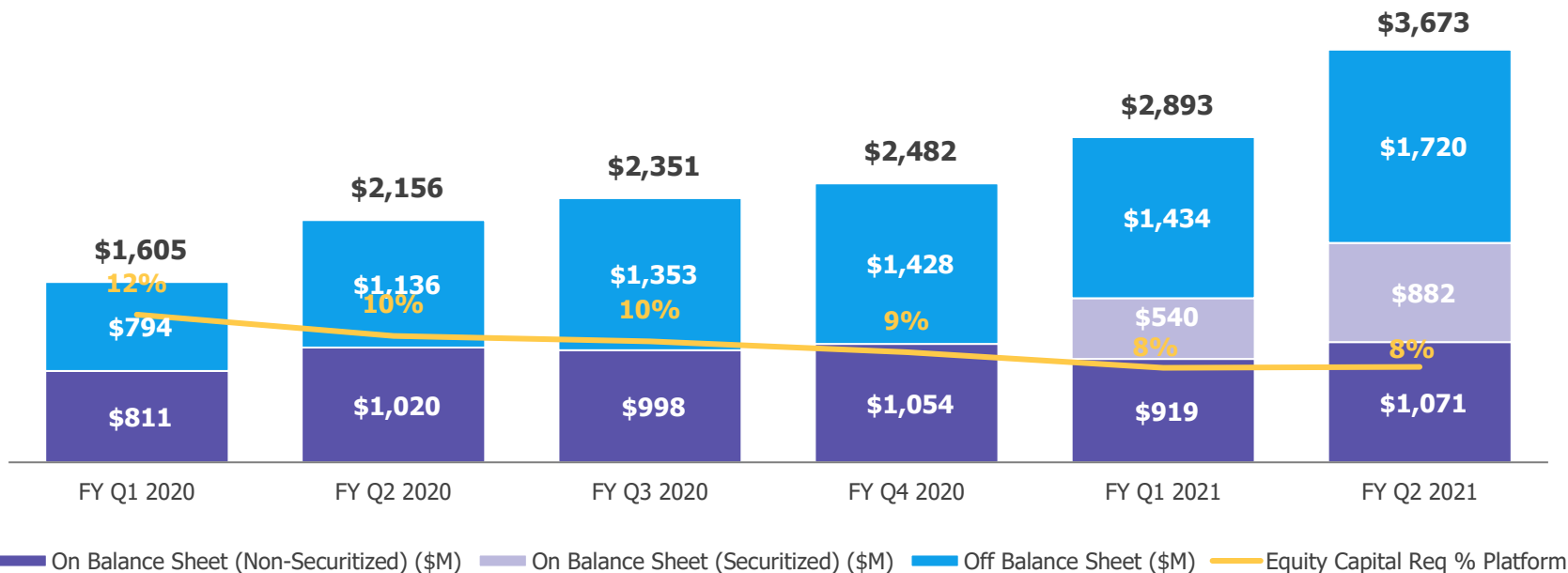
Adj. Operating Income / (Loss) (\$M)

Adj. Op Margin

Notes:

- Adjusted Operating Income calculated as GAAP operating loss, excluding: (a) depreciation and amortization; (b) stock-based compensation included in GAAP operating loss; (c) the amortization of its commercial agreement asset; and (d) certain other non-recurring items
- Metrics are unaudited

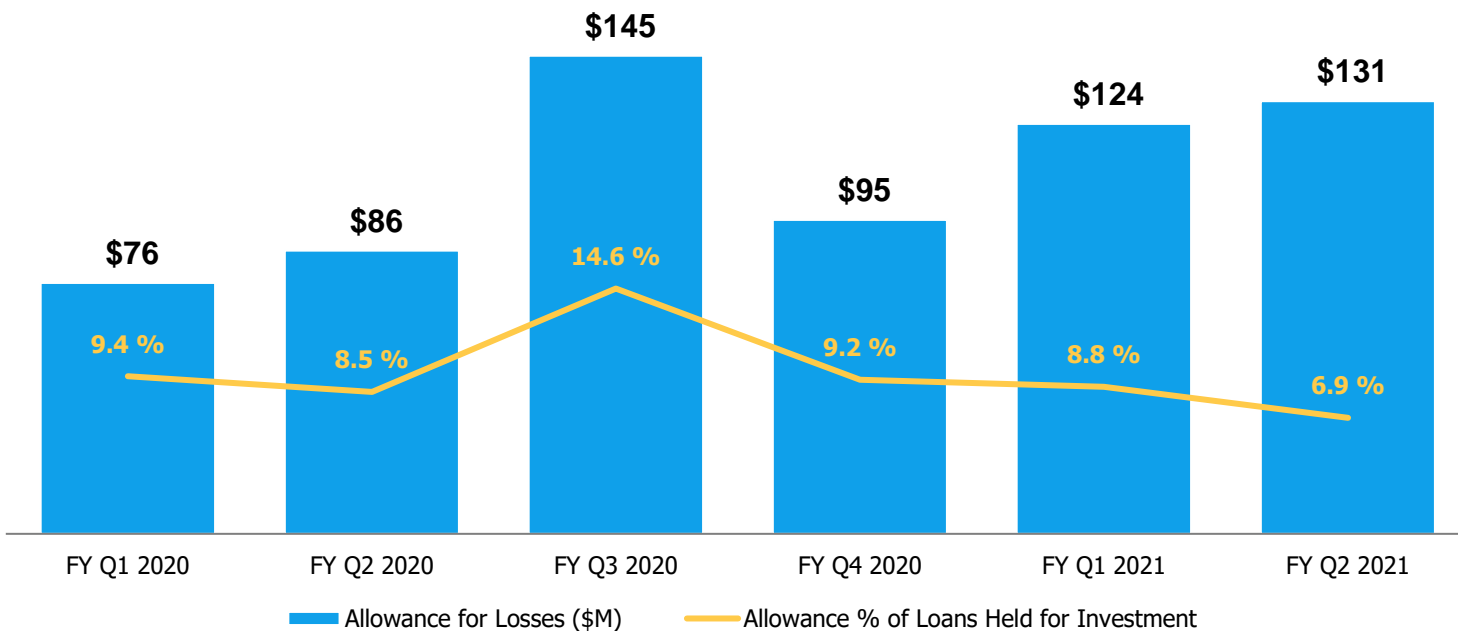
Platform Portfolio and Funding Mix



Notes:

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

Allowance and Loans Held for Investment



Non-GAAP Free Cash Flow

	Three Months Ended						Q2 YoY Growth	
	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020	YoY #	YoY %
Statement of Cash Flows (\$K)								
Net Loss	\$ (30,795)	\$ (30,996)	\$ (85,620)	\$ 34,813	\$ (15,275)	\$ (31,557)	\$ (561)	2%
Provision for losses	24,844	30,178	82,216	(32,171)	40,267	17,468	(12,710)	(42%)
Net charge-offs	(15,090)	(20,153)	(19,887)	(17,533)	(11,320)	(9,116)	11,037	(55%)
Amortization of premiums and discounts on loans	(6,303)	(6,891)	(7,474)	(6,937)	(11,123)	(20,330)	-	-
Stock-based compensation	8,425	8,369	7,795	5,036	6,203	6,521	(1,848)	(22%)
Depreciation and amortization	2,112	2,432	2,877	2,023	3,720	3,351	919	38%
Amortization of commercial agreement	-	-	-	-	14,261	17,039	17,039	-
Changes in fair value of convertible debt derivatives	-	-	-	3,834	(30,106)	-	-	-
Other net loss reconciliations from cash flow from operations	(18)	2,263	(1,870)	1,032	1,491	2,824	561	25%
Change in operating assets and liabilities	(736)	5,623	31,226	(5,137)	12,644	(4,121)	(9,744)	(173%)
Change in restricted cash	(4,564)	(36,604)	14,006	3,416	(40,382)	(14,598)	22,006	(60%)
Adj. Cash Flow from Operations	\$ (22,125)	\$ (45,779)	\$ 23,269	\$ (11,624)	\$ (29,620)	\$ (32,519)	\$ 13,260	(29%)
Additions to property, equipment and software	\$ (5,411)	\$ (8,091)	\$ (5,202)	\$ (2,315)	\$ (4,169)	\$ (2,894)	\$ 5,197	(64%)
Free Cash Flow	\$ (27,536)	\$ (53,870)	\$ 18,067	\$ (13,939)	\$ (33,789)	\$ (35,413)	\$ 18,457	(34%)
Loan Purchases & Originations	\$ (901,793)	\$ (1,522,868)	\$ (1,244,575)	\$ (1,262,567)	\$ (1,524,647)	\$ (2,201,056)	\$ (678,188)	45%
Loan Sale Balances Sold	385,513	793,202	588,426	526,323	397,541	778,098	(15,104)	(2%)
Debt Financing, Net	47,308	181,495	(30,599)	44,759	382,220	425,935	244,440	135%
Principal repayments of loans	437,642	505,844	664,401	686,946	749,128	951,681	445,837	88%
Net charge-offs	15,090	20,153	19,887	17,533	11,320	9,116	(11,037)	(55%)
Cash Flow from Loan Financing & Repayment	\$ (16,240)	\$ (22,174)	\$ (2,460)	\$ 12,994	\$ 15,562	\$ (36,226)	\$ (14,052)	63%
Free Cash Flow After Loan Financing & Repayment	\$ (43,776)	\$ (76,044)	\$ 15,607	\$ (945)	\$ (18,227)	\$ (71,639)	\$ 4,405	(6%)
Plus: Change in restricted cash	4,564	36,604	(14,006)	(3,416)	40,382	14,598	(22,006)	(60%)
Less: Acquisition funds in transit	-	-	-	-	-	(113,628)	(113,628)	-
Less: Proceeds from issuance of convertible debt, net	-	-	-	75,000	-	-	-	-
Less: Proceeds, Repurchases & Issuance of Preferred & Common Stock	15,361	(39,704)	154	958	435,591	21,585	61,289	(154%)
Net Increase (Decrease) in Cash and Restricted Cash, GAAP	\$ (23,851)	\$ (79,144)	\$ 1,755	\$ 71,597	\$ 457,746	\$ (149,084)	\$ (69,940)	88%
Cash and restricted cash, Beginning of Period	357,771	333,920	254,776	256,531	328,128	785,874	451,954	135%
Cash and Restricted Cash, End of Period	\$ 333,920	\$ 254,776	\$ 256,531	\$ 328,128	\$ 785,874	\$ 636,790	\$ 382,014	150%

Notes:

1. Loan purchases & origination includes Purchases of loans held for sale, Purchases of loans, and Origination of loans from Cash Flow Statement
2. Loan sale balances sold includes (Gain) loss on sales of loans, Purchases of loans held for sale and Proceeds from the sale of loans from Cash Flow Statement
3. Debt Financing, Net includes Proceeds from funding debt, Capitalization of debt issuance costs, Principal repayments of funding debt, Proceeds from issuance of notes and certificates by securitization trust and Principal repayments of notes issued by securitization trust
4. Metrics are unaudited

Guidance

FY Q3 2021 and FY 2021 Guidance

	<u>FY Q3 2021</u>	<u>FY 2021</u>
GMV	\$1.80 to \$1.85 billion	\$7.25 to \$7.35 billion
Revenue	\$185 to \$195 million	\$760 to \$780 million
Transaction Costs	\$125 to \$130 million	\$500 to \$510 million
Revenue Less Transaction Costs	\$60 to \$65 million	\$260 to \$270 million
Adjusted Operating Loss	(\$47.5) to (\$52.5) million	(\$120) to (\$130) million
Weighted Average Shares Outstanding	226 million	155 million

Financials

Balance Sheet

	Three Months Ended					
	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020
Balance Sheet (\$K)						
Cash and cash equivalents	\$ 292,033	\$ 176,285	\$ 192,046	\$ 267,059	\$ 684,423	\$ 520,741
Restricted cash	41,887	78,491	64,485	61,069	101,451	116,049
Loans held for sale	-	6,255	8,979	4,459	4,085	12,302
Loans held for investment	808,683	1,012,987	989,597	1,034,312	1,414,157	1,888,432
Allowance for loan losses	(76,060)	(85,855)	(144,930)	(95,137)	(124,273)	(131,165)
Loans held for investment, net	732,623	927,132	844,667	939,175	1,289,884	1,757,267
Accounts receivable, net	45,085	46,160	44,014	59,001	49,026	67,046
Property, equipment and software, net	37,842	44,286	47,278	48,140	49,562	49,358
Other assets	41,878	48,176	16,287	23,348	72,118	185,359
Total Assets	\$ 1,191,348	\$ 1,326,785	\$ 1,217,756	\$ 1,402,251	\$ 2,250,549	\$ 2,708,122
Accounts payable	\$ 8,667	\$ 12,837	\$ 12,410	\$ 18,361	\$ 24,471	\$ 26,224
Payable to third-party loan buyers	19,859	23,589	22,960	24,998	21,205	33,043
Accrued interest payable	2,392	2,688	2,224	1,860	2,132	3,133
Accrued expenses and other liabilities	14,716	21,479	21,929	27,810	25,877	44,629
Convertible debt	-	-	-	74,222	-	-
Notes issued by securitization trusts	-	-	-	-	498,921	818,446
Funding debt	617,142	799,178	769,099	817,926	698,892	804,960
Total liabilities	\$ 662,776	\$ 859,771	\$ 828,622	\$ 965,177	\$ 1,271,498	\$ 1,730,435
Redeemable convertible preferred stock	\$ 813,555	\$ 804,170	\$ 804,170	\$ 804,170	\$ 1,327,163	\$ 1,327,271
Common stock, \$0.00001 par value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class A common stock, \$0.00001 par value	-	-	-	-	-	-
Class B common stock, \$0.00001 par value	-	-	-	-	-	-
Additional paid in capital	64,890	59,195	67,809	80,373	114,226	142,477
Accumulated other comprehensive income (loss)	25	10	(864)	(302)	104	1,938
Accumulated deficit	(349,898)	(396,361)	(481,981)	(447,167)	(462,442)	(493,999)
Total stockholders' deficit	\$ (284,983)	\$ (337,156)	\$ (415,036)	\$ (367,096)	\$ (348,112)	\$ (349,584)
Total Liabilities, Redeemable Preferred and Stockholders' Deficit	\$ 1,191,348	\$ 1,326,785	\$ 1,217,756	\$ 1,402,251	\$ 2,250,549	\$ 2,708,122

Income Statement

	Three Months Ended						Q2 YoY Growth	
	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020	YoY #	YoY %
Active Consumers (k)	2,383	2,965	3,346	3,618	3,882	4,493	1,528	52%
Transactions per Active Consumer	2.0	2.1	2.1	2.1	2.2	2.2	0.1	7%
Gross Merchandise Volume (GMV) (\$M)	\$ 861	\$ 1,342	\$ 1,231	\$ 1,203	\$ 1,476	\$ 2,075	\$ 734	55%
Income Statement (\$K)								
Merchant network revenue	\$ 36,389	\$ 67,764	\$ 67,350	\$ 85,249	\$ 93,265	\$ 99,630	\$ 31,866	47%
Virtual card network revenue	3,601	7,110	5,930	2,699	5,958	10,820	3,710	52%
Interest income	40,168	45,073	52,372	49,117	54,237	73,857	28,784	64%
Gain on sales of loans	5,725	4,738	9,866	11,578	16,434	14,560	9,822	207%
Servicing Income	2,064	5,291	2,755	4,689	4,084	5,174	(117)	(2%)
Total Revenues	\$ 87,947	\$ 129,976	\$ 138,273	\$ 153,332	\$ 173,978	\$ 204,041	\$ 74,065	57%
Operating Expenses								
Loss on loan purchase commitment	\$ 19,961	\$ 42,661	\$ 43,519	\$ 55,311	\$ 65,868	\$ 67,768	\$ 25,107	59%
Provision for credit losses	24,844	30,178	82,216	(32,171)	40,267	17,468	(12,710)	(42%)
Funding costs	8,128	8,167	8,204	7,817	10,352	12,060	3,893	48%
Processing and servicing	9,695	11,652	13,678	14,806	13,498	16,802	5,150	44%
Total Transaction Costs	\$ 62,628	\$ 92,658	\$ 147,617	\$ 45,763	\$ 129,985	\$ 114,098	\$ 21,440	23%
Technology and data analytics	25,368	31,612	33,654	31,744	33,768	41,634	10,022	32%
Sales and marketing	5,219	7,651	7,108	5,066	22,582	39,112	31,461	411%
General and administrative	27,704	30,688	31,399	31,439	32,266	40,916	10,228	33%
Total Operating Expenses	\$ 120,919	\$ 162,609	\$ 219,778	\$ 114,012	\$ 218,601	\$ 235,760	\$ 73,151	45%
Operating Income (Loss)	\$ (32,972)	\$ (32,633)	\$ (81,505)	\$ 39,320	\$ (44,623)	\$ (31,719)	\$ 914	(3%)
Other Income*	\$ 2,273	\$ 1,730	\$ (4,022)	\$ (4,413)	\$ 29,445	\$ 240	\$ (1,490)	(86%)
Income (Loss) Before Income Taxes	\$ (30,699)	\$ (30,903)	\$ (85,527)	\$ 34,907	\$ (15,178)	\$ (31,479)	\$ (576)	2%
Income tax benefit (expense)	\$ (96)	\$ (93)	\$ (93)	\$ (94)	\$ (97)	\$ (78)	\$ 15	(16%)
Net Income	\$ (30,795)	\$ (30,996)	\$ (85,620)	\$ 34,813	\$ (15,275)	\$ (31,557)	\$ (561)	2%
Excess Return to Preferred on Repurchase	\$ -	\$ (13,205)	\$ -	\$ -	\$ -	\$ -	\$ 13,205	(100%)
Net Income (Loss) to Common Stockholders	\$ (30,795)	\$ (44,201)	\$ (85,620)	\$ 34,813	\$ (15,275)	\$ (31,557)	\$ 12,644	(29%)
Revenue Less Transaction Costs	\$ 25,319	\$ 37,318	\$ (9,344)	\$ 107,569	\$ 43,993	\$ 89,943	\$ 52,625	141%
% of GMV	2.9%	2.8%	(0.8%)	8.9%	3.0%	4.3%		
Adjusted Operating Income (Loss)	\$ (22,415)	\$ (21,907)	\$ (70,658)	\$ 46,374	\$ (19,248)	\$ (1,837)	\$ 20,070	(92%)
% of Revenue	(25.5%)	(16.9%)	(51.1%)	30.2%	(11.1%)	(0.9%)		



Notes:

1. In Q1 2021E Other Income includes non-cash gain resulting from the extinguishment of a beneficial conversion feature embedded within the Convertible Debt that was raised in FQ4'20 and converted to preferred stock in FQ1'21
2. Metrics are unaudited

GAAP Statement of Cash Flows

	Three Months Ended					
	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020
Statement of Cash Flows (\$K)						
Net Income (Loss)	\$ (30,795)	\$ (30,996)	\$ (85,620)	\$ 34,813	\$ (15,275)	\$ (31,557)
Provision for losses	24,844	30,178	82,216	(32,171)	40,267	17,468
Amortization of premiums and discounts on loans	(6,303)	(6,891)	(7,474)	(6,937)	(11,123)	(20,330)
(Gain) loss on sales of loans	(5,725)	(4,738)	(9,866)	(11,578)	(16,434)	(14,560)
Changes in fair value of servicing assets and liabilities	(741)	1,643	(1,608)	(281)	(96)	(92)
Changes in fair value of convertible debt derivatives	-	-	-	3,834	(30,106)	-
Changes in fair value of residual trust certificates	-	-	-	-	-	(274)
Amortization of commercial agreement	-	-	-	-	14,261	17,039
Amortization of debt issuance costs	600	542	519	652	1,083	1,278
Stock-based compensation	8,425	8,369	7,795	5,036	6,203	6,521
Depreciation and amortization	2,112	2,432	2,877	2,023	3,720	3,351
Deferred tax (benefit) expense	96	93	93	103	97	78
Other	27	(15)	(874)	558	407	1,834
Purchases of loans held for sale	(343,488)	(741,322)	(551,140)	(465,533)	(346,878)	(687,037)
Proceeds from the sale of loans held for sale	333,156	718,965	523,646	446,171	338,926	662,747
Change in operating assets and liabilities:	(736)	5,623	31,226	(5,137)	12,644	(4,121)
Cash Flows from Operating Activities	\$ (18,528)	\$ (16,117)	\$ (8,210)	\$ (28,447)	\$ (2,304)	\$ (47,655)
Purchases of loans	\$ (558,305)	\$ (781,546)	\$ (693,435)	\$ (797,034)	\$ (1,177,769)	\$ (1,404,972)
Origination of loans	-	-	-	-	-	(109,047)
Proceeds from the sale of loans	58,082	78,975	74,646	91,730	75,049	129,911
Principal repayments of loans	437,642	505,844	664,401	686,946	749,128	951,681
Acquisition funds in transit	-	-	-	-	-	(113,628)
Additions to property, equipment and software	(5,411)	(8,091)	(5,202)	(2,315)	(4,169)	(2,894)
Purchases of intangible assets	-	-	-	-	-	-
Cash Flows from Investing Activities	\$ (67,992)	\$ (204,818)	\$ 40,410	\$ (20,673)	\$ (357,761)	\$ (548,949)
Proceeds from funding debt	\$ 410,534	\$ 559,248	\$ 558,965	\$ 604,058	\$ 773,938	\$ 759,441
Capitalization of debt issuance costs	-	(1,371)	(12)	(6,304)	(4,617)	(2,170)
Principal repayments of funding debt	(363,226)	(376,382)	(589,552)	(552,995)	(890,556)	(653,946)
Proceeds from issuance of notes and certificates by securitization trust	-	-	-	-	518,232	378,223
Principal repayments of notes issued by securitization trust	-	-	-	-	(14,777)	(55,613)
Proceeds from issuance of convertible debt, net	-	-	-	75,000	-	-
Proceeds from issuance of preferred stock, net	15,483	(2)	-	-	434,434	108
Repurchase of preferred stock	-	(22,591)	-	-	-	-
Proceeds from issuance of common stock	743	478	554	958	1,741	21,676
Repurchase of common stock	(865)	(17,589)	(400)	-	(584)	(199)
Cash Flows from Financing Activities	\$ 62,669	\$ 141,791	\$ (30,445)	\$ 120,717	\$ 817,811	\$ 447,520
Net Increase (Decrease) in Cash and Restricted Cash	\$ (23,851)	\$ (79,144)	\$ 1,755	\$ 71,597	\$ 457,746	\$ (149,084)
Cash and restricted cash, Beginning of Period	357,771	333,920	254,776	256,531	328,128	785,874
Cash and Restricted Cash, End of Period	\$ 333,920	\$ 254,776	\$ 256,531	\$ 328,128	\$ 785,874	\$ 636,790

Reconciliations

Income Statement Reconciliations

	Three Months Ended						Q2 YoY Growth	
	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020	YoY #	YoY %
Income Statement Reconciliations (\$K)								
Total Revenues	\$ 87,947	\$ 129,976	\$ 138,273	\$ 153,332	\$ 173,978	\$ 204,041	\$ 74,065	57%
Operating Expenses								
Loss on loan purchase commitment	\$ 19,961	\$ 42,661	\$ 43,519	\$ 55,311	\$ 65,868	\$ 67,768	\$ 25,107	59%
Provision for credit losses	24,844	30,178	82,216	(32,171)	40,267	17,468	(12,710)	(42%)
Funding costs	8,128	8,167	8,204	7,817	10,352	12,060	3,893	48%
Processing and servicing	9,695	11,652	13,678	14,806	13,498	16,802	5,150	44%
Total Transaction Costs	\$ 62,628	\$ 92,658	\$ 147,617	\$ 45,763	\$ 129,985	\$ 114,098	\$ 21,440	23%
Technology and data analytics	25,368	31,612	33,654	31,744	33,768	41,634	10,022	32%
Sales and marketing	5,219	7,651	7,108	5,066	22,582	39,112	31,461	411%
General and administrative	27,704	30,688	31,399	31,439	32,266	40,916	10,228	33%
Total Operating Expenses	\$ 120,919	\$ 162,609	\$ 219,778	\$ 114,012	\$ 218,601	\$ 235,760	\$ 73,151	45%
Operating Income (Loss)	\$ (32,972)	\$ (32,633)	\$ (81,505)	\$ 39,320	\$ (44,623)	\$ (31,719)	\$ 914	(3%)
Reconciliation from Revenues to Revenue Less Transaction Costs and Revenue Less Transaction Costs ex-Provision								
Total Revenues	\$ 87,947	\$ 129,976	\$ 138,273	\$ 153,332	\$ 173,978	\$ 204,041	\$ 74,065	57%
Less: Loss on loan purchase commitment	19,961	42,661	43,519	55,311	65,868	67,768	25,107	59%
Less: Provision for credit losses	24,844	30,178	82,216	(32,171)	40,267	17,468	(12,710)	(42%)
Less: Funding costs	8,128	8,167	8,204	7,817	10,352	12,060	3,893	48%
Less: Processing and servicing	9,695	11,652	13,678	14,806	13,498	16,802	5,150	44%
Revenue Less Transaction Costs	\$ 25,319	\$ 37,318	\$ (9,344)	\$ 107,569	\$ 43,993	\$ 89,943	\$ 52,625	141%
Plus: Provision for credit losses	24,844	30,178	82,216	(32,171)	40,267	17,468	(12,710)	(42%)
Revenue Less Transaction Costs ex-Provision	\$ 50,163	\$ 67,496	\$ 72,872	\$ 75,398	\$ 84,260	\$ 107,411	\$ 39,915	59%
Reconciliation from Operating Income (Loss) to Adjusted Operating Income (Loss)								
Operating Income (Loss)	\$ (32,972)	\$ (32,633)	\$ (81,505)	\$ 39,320	\$ (44,623)	\$ (31,719)	\$ 914	(3%)
Plus: Depreciation & Amortization	2,112	2,432	2,877	2,023	3,720	3,351	919	38%
Plus: Stock-Based Compensation (included in OpEx)	8,445	8,294	7,970	5,031	6,203	6,521	(1,773)	(21%)
Plus: Amortization of commercial agreement	-	-	-	-	14,261	17,039	17,039	-
Plus: Other Non-Recurring Items*	-	-	-	-	1,191	2,971	2,971	-
Adjusted Operating Income (Loss)	\$ (22,415)	\$ (21,907)	\$ (70,658)	\$ 46,374	\$ (19,248)	\$ (1,837)	\$ 20,070	(92%)

Notes:

1. Other Non-Recurring Items includes adjustment for one-time IPO expenses (\$1.2M in Q1'21, \$1.0M in Q2'21) and \$2.0M for one-time Paybright acquisition expenses in Q2'21
2. Metrics are unaudited

Cash Flow Statement Reconciliations

Three Months Ended

	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020
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Statement of Cash Flows Reconciliations (\$K)

Reconciliation from Adjusted Cash Flow from Operations to Cash Flows from Operating Activities

Adj. Cash Flow from Operations	\$ (22,125)	\$ (45,779)	\$ 23,269	\$ (11,624)	\$ (29,620)	\$ (32,519)
Plus: Net charge-offs	15,090	20,153	19,887	17,533	11,320	9,116
Plus: Change in restricted cash	4,564	36,604	(14,006)	(3,416)	40,382	14,598
Plus: Purchases of loans held for sale	(343,488)	(741,322)	(551,140)	(465,533)	(346,878)	(687,037)
Plus: Proceeds from the sale of loans held for sale	333,156	718,965	523,646	446,171	338,926	662,747
Plus: (Gain) loss on sales of loans	(5,725)	(4,738)	(9,866)	(11,578)	(16,434)	(14,560)
Cash Flows from Operating Activities	\$ (18,528)	\$ (16,117)	\$ (8,210)	\$ (28,447)	\$ (2,304)	\$ (47,655)

Reconciliation from Free Cash Flow After Loan Financing & Repayment to Net Increase (Decrease) in Cash and Restricted Cash

Free Cash Flow After Loan Financing & Repayment	\$ (43,776)	\$ (76,044)	\$ 15,607	\$ (945)	\$ (18,227)	\$ (71,639)
Plus: Change in restricted cash	4,564	36,604	(14,006)	(3,416)	40,382	14,598
Less: Acquisition funds in transit	-	-	-	-	-	(113,628)
Less: Proceeds from issuance of convertible debt, net	-	-	-	75,000	-	-
Less: Proceeds, Repurchases & Issuance of Preferred & Common Stock	15,361	(39,704)	154	958	435,591	21,585
Net Increase (Decrease) in Cash and Restricted Cash	\$ (23,851)	\$ (79,144)	\$ 1,755	\$ 71,597	\$ 457,746	\$ (149,084)

Net Increase (Decrease) in Cash and Restricted Cash	\$ (23,851)	\$ (79,144)	\$ 1,755	\$ 71,597	\$ 457,746	\$ (149,084)
Cash and restricted cash, Beginning of Period	357,771	333,920	254,776	256,531	328,128	785,874
Cash and Restricted Cash, End of Period	\$ 333,920	\$ 254,776	\$ 256,531	\$ 328,128	\$ 785,874	\$ 636,790