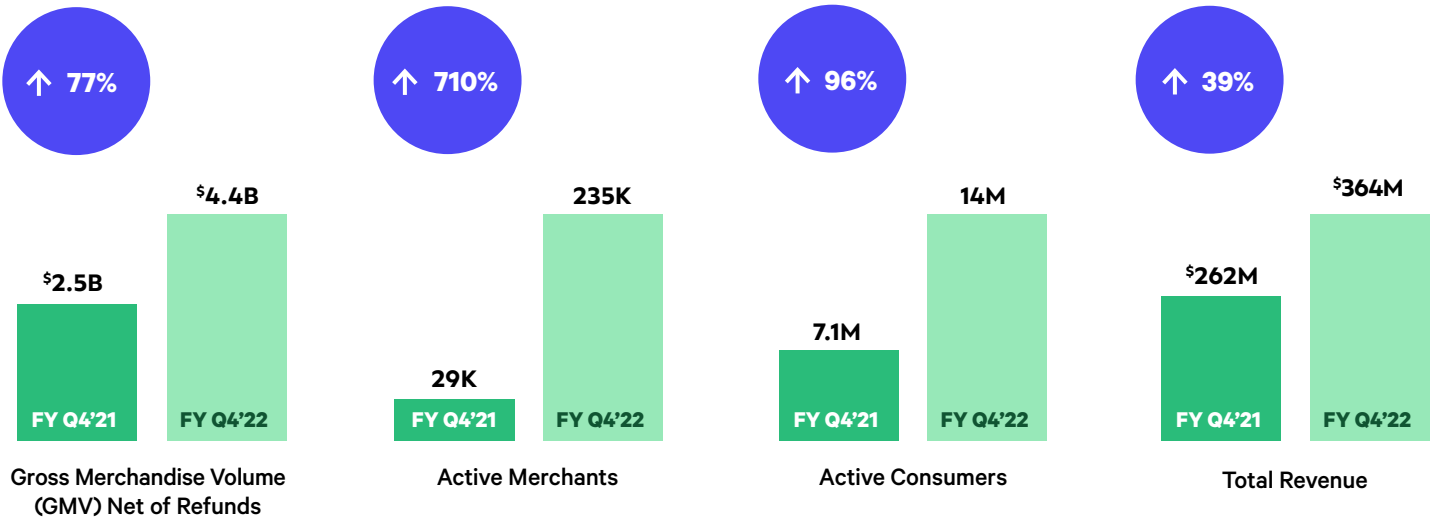




# Q4 & FY 2022 Earnings

## Our Q4 performance by the numbers



### Key highlights from FY 2022<sup>1</sup>

Delivering strong growth with attractive unit economics

- ~7M** new Affirm consumers
- 87%** growth in GMV
- 55%** increase in revenue
- 176%** growth in total transactions
- 79%** of all Affirm transactions were from repeat users
- 35%** increase in revenue less transaction costs
- 4.3%** revenue less transaction costs as a percentage of GMV<sup>2</sup>
- 3** consecutive quarters of declining allowance for losses as a percentage of loans held for investment

1. All comparisons are made versus the same period in fiscal year 2021 unless otherwise stated.  
 2. For fiscal year 2022, total GAAP net revenue was \$1.3B, transaction costs were \$687M, revenue less transaction costs was \$662M, and GMV was \$15.5B. See "Use of Non-GAAP Financial Measures" below.

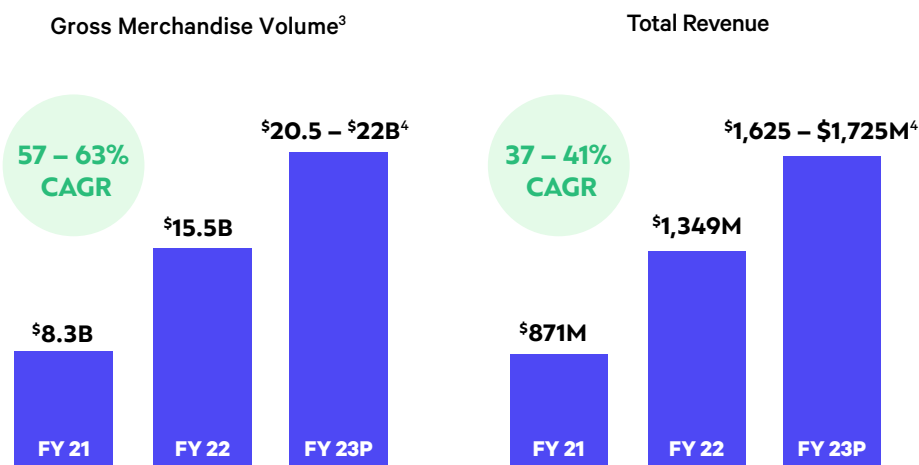
"Affirm delivered strong performance in the fourth quarter. We grew GMV by 77% and set a new record for consumer re-engagement with 85% of transactions coming from repeat users, all while prudently managing risk. We remain focused on scaling our network, maintaining attractive unit economics, capturing greater share, and helping our partners grow."

While the growth of online commerce is falling back to pre-COVID levels, the secular trend toward adopting honest financial products is gaining momentum. Not only does this make our mission more important but it also plays directly into Affirm's strengths. With our breadth of product offerings, risk management expertise and superior technology, we stand ready to meet the moment by making money more efficient for all of our network's participants."



**Max Levchin**  
Founder & CEO

## Well-positioned for growth and value creation



"We believe that we are well-positioned to continue scaling our network while maintaining attractive unit economics. In light of the uncertain macroeconomic backdrop, we are approaching our next fiscal year prudently while maintaining our focus on driving responsible growth and continuing to invest in strengthening our leadership position. We continue to expect to achieve a sustained profitability run rate, on an adjusted operating income basis, by the end of fiscal 2023."

3. Gross Merchandise Volume ("GMV") is the total dollar amount of all transactions on the Affirm platform during the applicable period, net of refunds. All metrics are unaudited.  
 4. Projected amounts are based on the Company's full-year fiscal 2023 outlook provided on August 25, 2022.

**Michael Linford**  
Chief Financial Officer



# Fintech category leader with massive and rapidly expanding market opportunities

## Diversified across categories

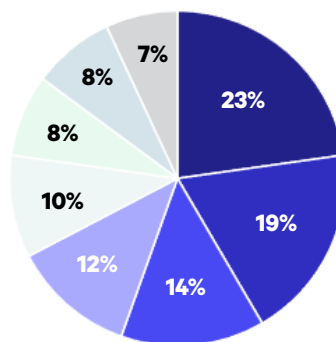
Buy now, pay later (BNPL) is among the fastest growing payment methods<sup>5</sup> in the world

Evolving consumer preferences and merchant needs driving demand for Affirm's solutions

Partnerships span across all verticals, and Affirm addresses more than 60% of U.S. ecommerce

Solutions become even more valuable in an uncertain macroeconomic environment

Underwrite every individual transaction before extending access to credit



### FY Q4 '22 Industry GMV Mix

General merchandise
Fashion / Beauty
Travel/Ticketing
Home / Lifestyle
Electronics
Sporting Goods/Outdoor
Equipment/Auto
Other

### Category Volume Growth: Q4 Year over Year % Change

+477%
+68%
+87%
+18%
+100%
-19%
+21%
+414%

5. Worldpay Global Payments Report (2021).

## Affirm's key advantages

- ✓ Superior technology offers greater reliability, scalability, customization and flexibility for consumers and merchants with no gotchas
- ✓ Ability to address broad range of cart sizes: \$50-\$17,500 and terms ranging from six weeks to 60 months
- ✓ Key competitive advantages further supported by proprietary underwriting and capital markets expertise
- ✓ Alignment with consumers, no late or hidden fees, ever

## 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 our 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 the Company's condensed consolidated financial statements, which are prepared and presented in accordance with generally accepted accounting principles in the United States ("GAAP"), the Company presents, among other non-GAAP financial measures, revenue less transaction costs and revenue less transaction costs as a percentage of GMV. The Company defines "revenue less transaction costs as a percentage of GMV" as revenue less transaction costs as a percentage of gross merchandise volume. The Company defines "revenue less transaction costs" as GAAP total revenue less transaction costs. The Company defines "transaction costs" as the sum of loss on loan purchase commitment, provision for credit losses, funding costs, and processing and servicing expense. The Company believes that both revenue less transaction costs and revenue less transaction costs as a percentage of GMV are useful financial measures to the Company and investors of the unit economics and the economic value of transactions processed on the Company's platform.

The Company uses these and other non-GAAP financial measures in conjunction with financial measures prepared in accordance with GAAP for planning purposes, including the preparation of its annual operating budget, and for evaluating the effectiveness of its business strategy. However, these non-GAAP financial measures are presented for supplemental informational purposes only, and these non-GAAP financial measures have limitations as analytical tools. For example, revenue less transaction costs and revenue less transaction costs as a percentage of GMV are not intended to be measures of operating profit or loss as they exclude key operating expenses such as technology and data analytics, sales and marketing, and general and administrative expenses. Accordingly, investors should not consider these non-GAAP financial measures in isolation or as substitutes for analysis of the Company's 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 the business.