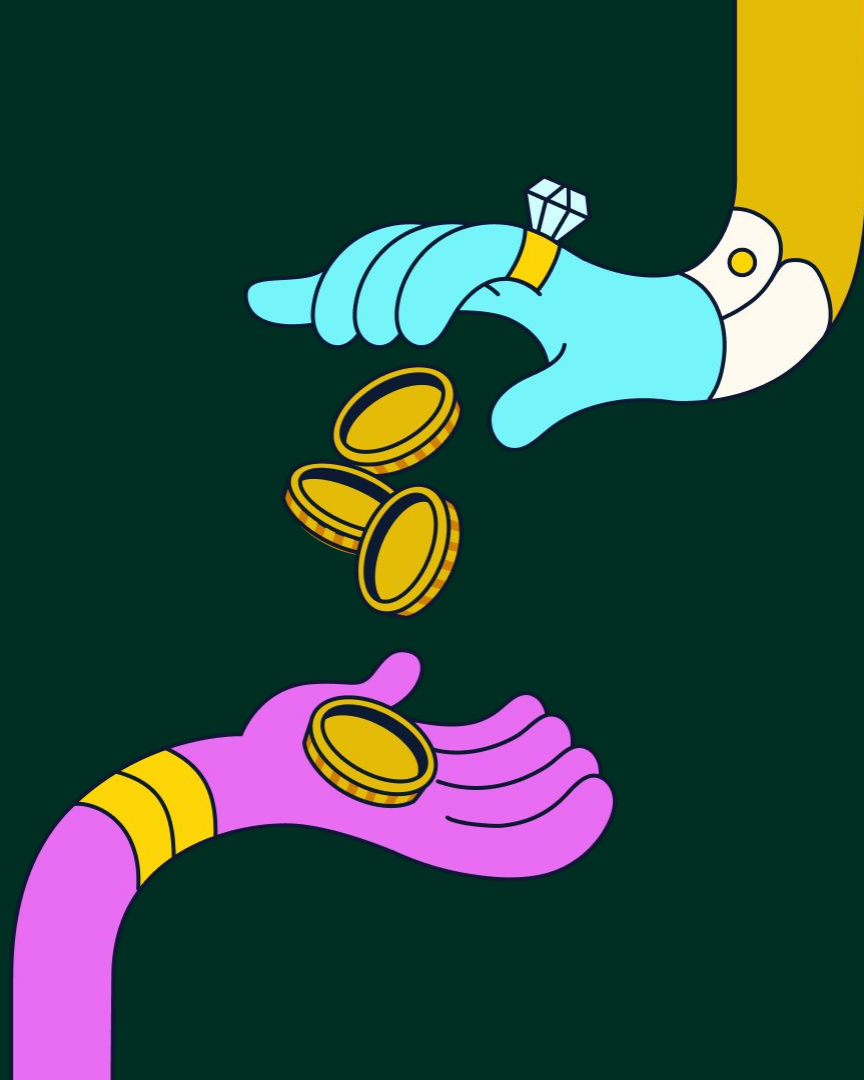


Expensify

# Q2 2024 Earnings

August 8th, 2024



Expensify

# Disclaimer

All information included in this presentation is unaudited.

## FORWARD-LOOKING STATEMENTS

Forward-looking statements in this presentation, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding our strategy, future financial condition, future operations, future cash flow, projected costs, prospects, plans, objectives of management, expected market growth, and our stock-based compensation estimates, and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “can,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “goal,” “objective,” “seeks,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: our expectations regarding our financial performance and future operating performance; our ability to attract and retain members, expand usage of our platform, sell subscriptions to our platform and convert individuals and organizations into paying customers; the timing and success of new features, integrations, capabilities and enhancements by us, or by competitors to their products, or any other changes in the competitive landscape of our market; the amount and timing of operating expenses and capital expenditures that we may incur to maintain and expand our business and operations to remain competitive; the sufficiency of our cash, cash equivalents and investments to meet our liquidity needs; our ability to make required payments under and to comply with the various requirements of our current and future indebtedness; our cash flows, the prevailing stock prices, general economic and market conditions and other considerations that could affect the specific timing, price and size of repurchases under our stock repurchase program or our ability to fund any stock repurchases; geopolitical tensions, including the war in Ukraine and the conflict in Israel, Gaza and surrounding areas; the impact on inflation on us and our members; our borrowing costs have and may continue to increase as a result of increases in interest rates; our ability to effectively manage our exposure to fluctuations in foreign currency exchange rates; the expenses associated with being a public company; the size of our addressable markets, market share and market trends; anticipated trends, developments and challenges in our industry, business and the highly competitive markets in which we operate; our expectations regarding our income tax liabilities and the adequacy of our reserves; our ability to effectively manage our growth and expand our infrastructure and maintain our corporate culture; our ability to identify, recruit and retain skilled personnel, including key members of senior management; the safety, affordability and convenience of our platform and our offerings; our ability to successfully defend litigation brought against us; our ability to successfully identify, manage and integrate any existing and potential acquisitions of businesses, talent, technologies or intellectual property; general economic conditions in either domestic or international markets, and geopolitical uncertainty and instability, including as a result of the 2024 United States presidential election; our protections against security breaches, technical difficulties, or interruptions to our platform; our ability to maintain, protect and enhance our intellectual property; and other risks discussed in our filings with the SEC. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this presentation. We do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

## NON-GAAP FINANCIAL MEASURES

This presentation contains certain Non-GAAP financial measures, such as Non-GAAP net income (loss), adjusted EBITDA, and free cash flow which we believe are useful in evaluating our business, results of operations and financial condition. These measures are not prepared in accordance with generally accepted accounting principles in the United States (“GAAP”) and have important limitations as analytical tools. Non-GAAP financial measures are supplemental, should only be used in conjunction with results presented in accordance with GAAP, should not be considered in isolation or as a substitute for such GAAP results, and may be different from similarly titled metrics or measures presented by other companies. For a reconciliation of Non-GAAP net income, adjusted EBITDA and free cash flow to the nearest comparable GAAP figures, please see the appendix to this presentation.

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Q2 24

Financials

Expensify

Q2 2024

Revenue

\$33.3MM

Average Paid Members

684,000

Interchange

\$4.0MM

# Expensify

## Q2 2024

### Operating Cash Flow

(Includes timing of customer funds)

**\$9.3MM**

### Free Cash Flow<sup>1</sup>

(Excludes timing of customer funds)

**\$5.7MM**

### Net Loss

**\$(2.8MM)**

### Non-GAAP Net Income<sup>2</sup>

**\$5.6MM**

### Adj. EBITDA<sup>3</sup>

**\$10.2MM**

<sup>1</sup> We define Free cash flow as net cash (used in) provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development costs. Please see appendix for GAAP to non-GAAP reconciliation.

<sup>2</sup> We define non-GAAP net income (loss) as net loss from operations in accordance with US GAAP excluding stock-based compensation.

<sup>3</sup> We define Adjusted EBITDA as net income (loss) excluding provision for income taxes, interest and other expenses, net, depreciation and amortization and stock-based compensation. Please see appendix for GAAP to Non-GAAP reconciliation.

## Expensify Card updates

- **Strong growth:** Quarterly interchange derived from the Expensify Card grew **48% y/y to \$4.0MM** in Q2.
- **Program management & accounting improvement:** The company continued transitioning members to its new card program during Q2. In Q2, **\$0.5MM** of interchange derived from the Expensify Card was attributed to the new card program.

Net interchange

**\$3.5MM**

Interchange in revenue

**\$0.5MM**

Total Interchange

**\$4.0MM**

# Free Cash Flow<sup>1</sup>

- In Q1 2024 we increased our full year Free Cash Flow guidance to \$11.0-\$13.0MM from \$10.0-\$12.0MM.
- We are now increasing that guidance to **\$15.0-16.0MM<sup>2</sup> FY 2024 Free Cash Flow.**

**Q2<sup>3</sup> Free Cash Flow was \$5.7MM, a 10% increase from Q1<sup>3</sup>.**

<sup>1</sup> We define Free cash flow as net cash (used in) provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development costs.

<sup>2</sup> The Company does not provide a reconciliation for free cash flow estimates on a forward-looking basis because it is unable, without making unreasonable efforts, to provide a meaningful or reasonably accurate calculation or estimation of net cash used in operating activities and certain reconciling items on a forward-looking basis, which could be significant to the Company's results.

<sup>3</sup> Please see appendix for GAAP to non-GAAP reconciliation.

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# Q2 2024

## Monthly Paid Members



July Paid Members

689,000

Denotes July 2024 and July activity from previous years

Note: There can be no assurances that the trends of previous third quarters are representative of future trends.



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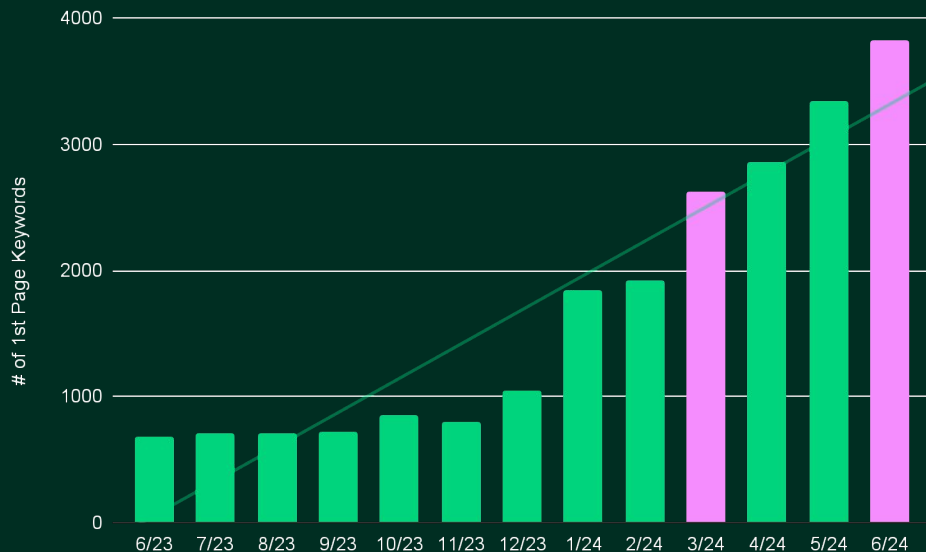
# Q2 Business Highlights

# +122% y/y SEO keyword Increase



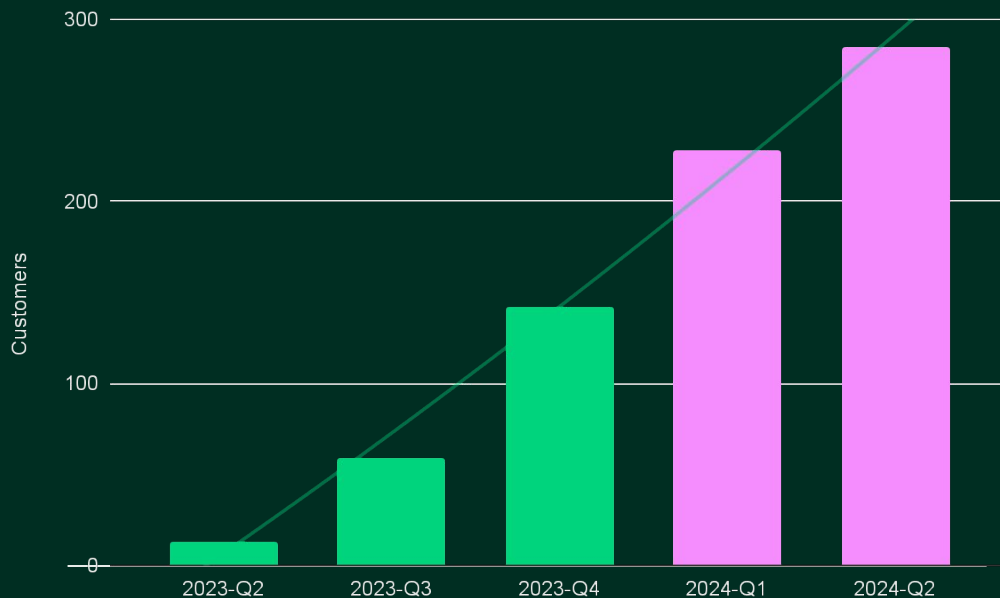
Note: SEO Keywords represent the amount of keywords that populate in the top 100 results for that search term.

# +57% q/q in first page SEO keywords



Note: First page SEO keywords represent search terms that result in Expensify content being shown on the first page of search results. Data reflects end of Q1 to end of Q2 2024.

# 25% q/q global reimbursement customers



Note: Count of distinct companies triggering a global reimbursement in a each quarter

# Apple partnership

- The company announced its partnership with Apple in its upcoming 2025 blockbuster, F1. Expensify will be the title team sponsor in their biggest budget feature film to date.
- Since announcement as title sponsor, Expensify has been named in press coverage across TV and online, achieving global audience reach of over 600M.
- Given Expensify's key placement on the team's livery and the impressive coverage of the film to date, the partnership has already generated earned media coverage estimated over \$100MM.

Note: Reach data, story mentions, and media value equivalency are calculated through the metrics platform Critical Mention; video views are aggregated from Youtube.com. Release date of June 2025 subject to change.



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Q2 Product Update

New Expensify

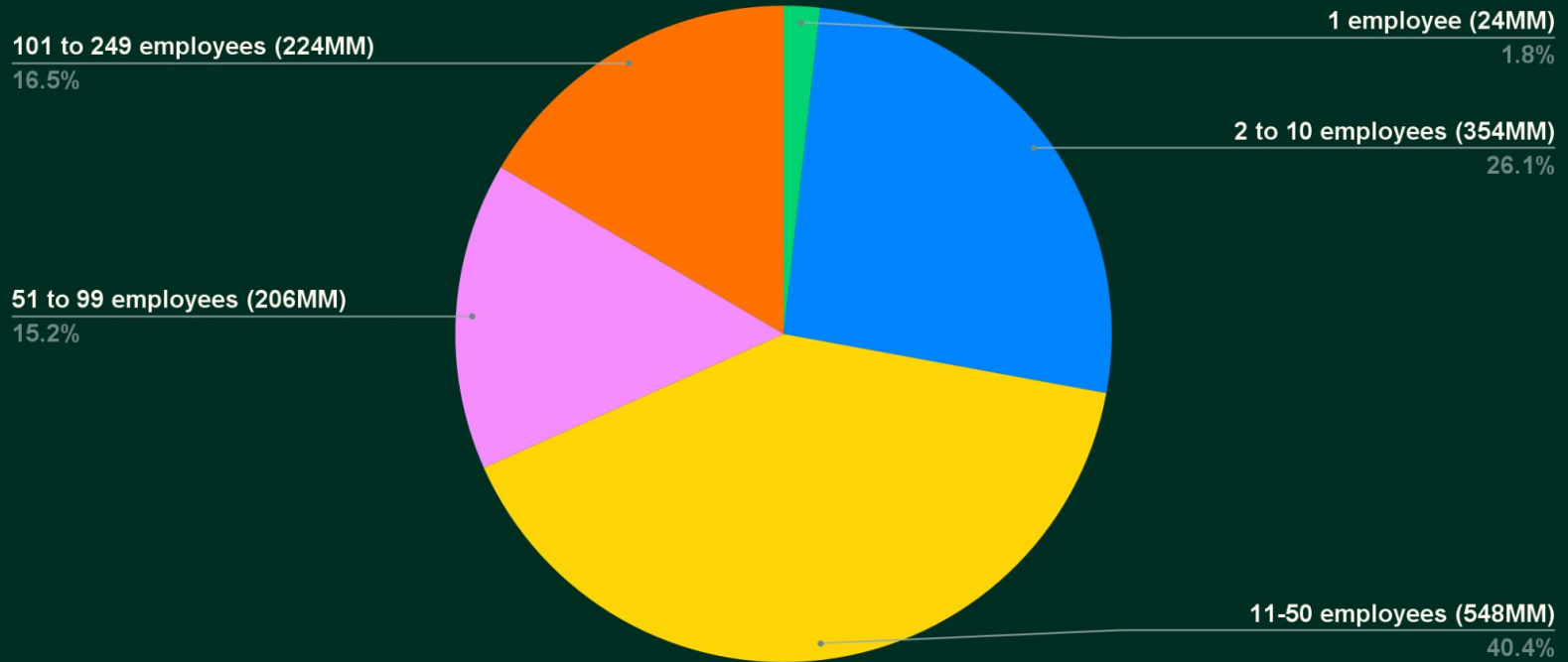
# Strategies for Expensify's Success

1 Capture the untapped 99% of the market, starting with VSB/SMB

2 With a viral, bottom-up, word-of-mouth leadgen strategy

3 Monetized with high margin monthly subscriptions

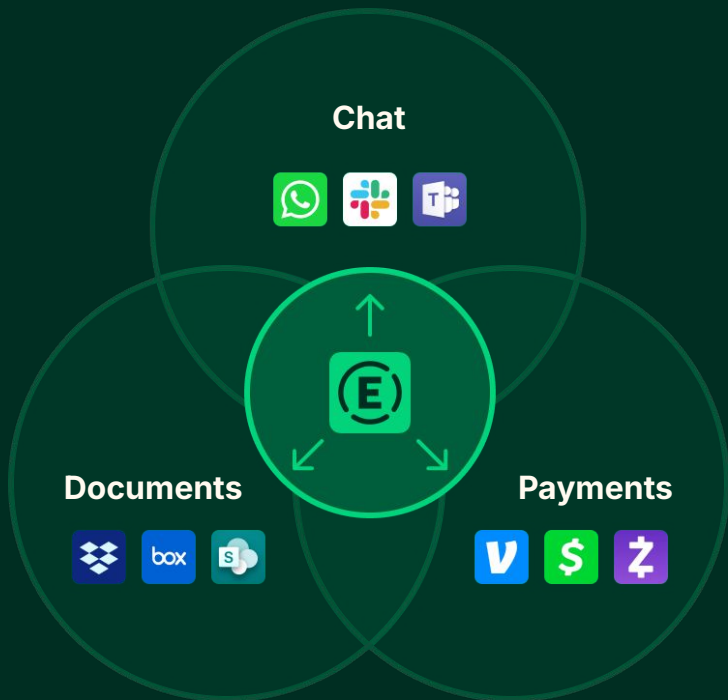
# 1.3B untapped users in the VSB/SMB





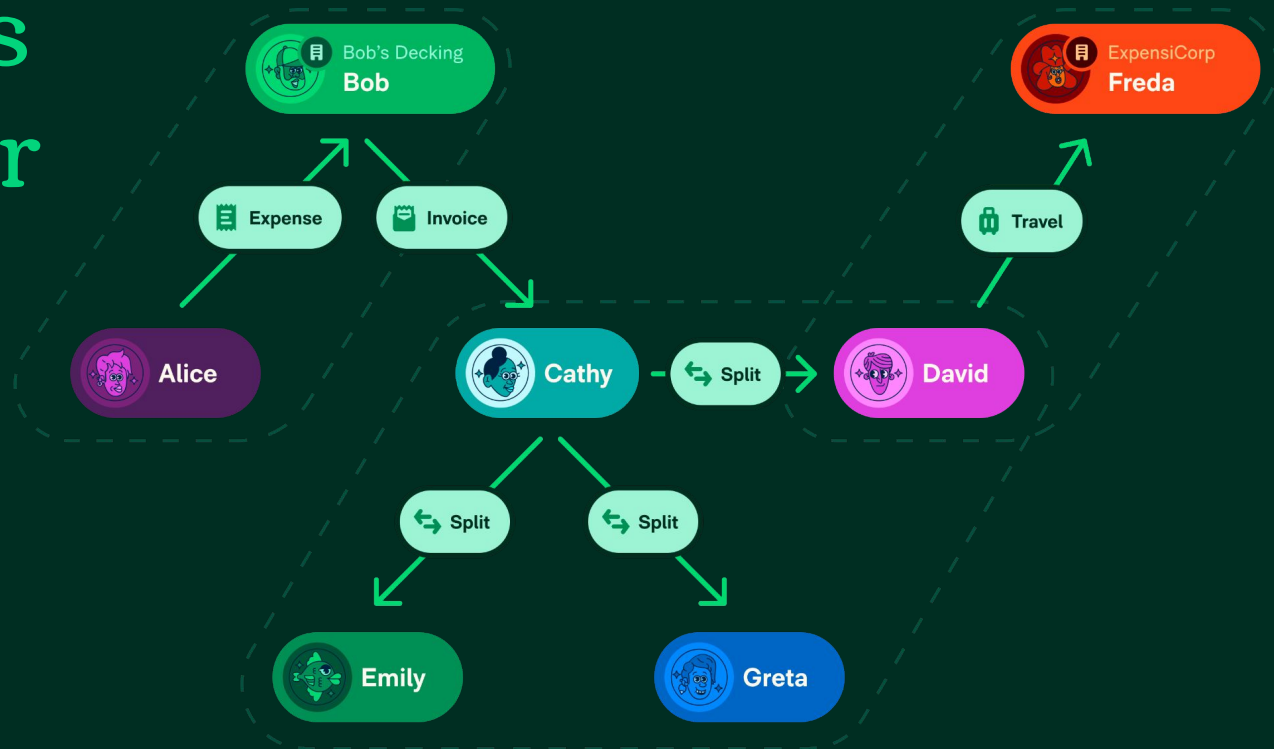
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# Viral use cases address the whole market



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# Superapps have super virality



## New homepage

Overhauling homepage in preparation for final app reunification push.

### Expensify

Sign In

## The expense management app that does it all.

4.5 (4,889 reviews)

- ✓ **All inclusive.** Manage expenses, track receipts, reimburse employees, create expense reports, and send invoices.
- ✓ **Corporate card.** Cash back on all US purchases. Fraud protection.
- ✓ **40+ integrations.** ADP, Quickbooks, Gusto, Sage, Workday, and Oracle...

I want to:

  
**Organize my own expenses**

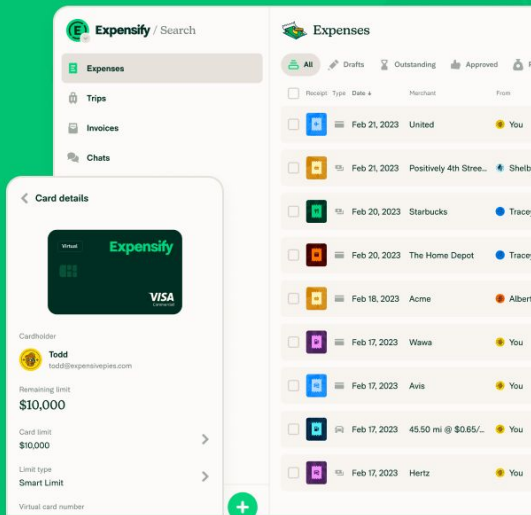
  
**Manage my company's expenses**  
(1-9 employees)

  
**Manage my company's expenses**  
(10+ employees)

Email or Phone

Get Started

Or sign up with



Join 12 million+ users who trust Expensify



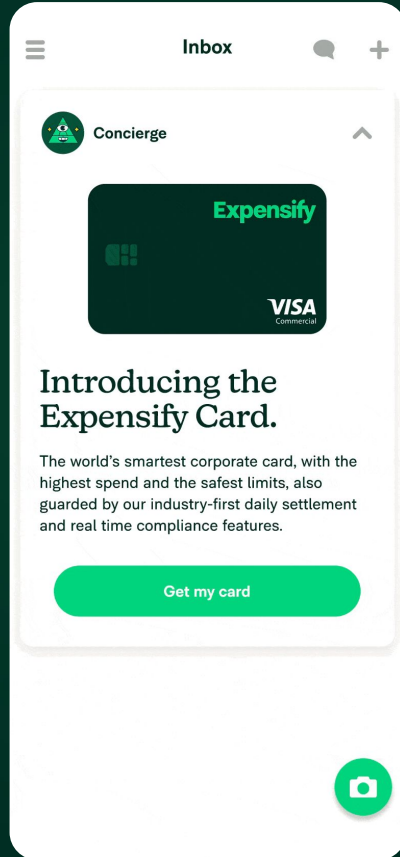
WARRY PARKER



# “Hybrid app”

**Expensify**

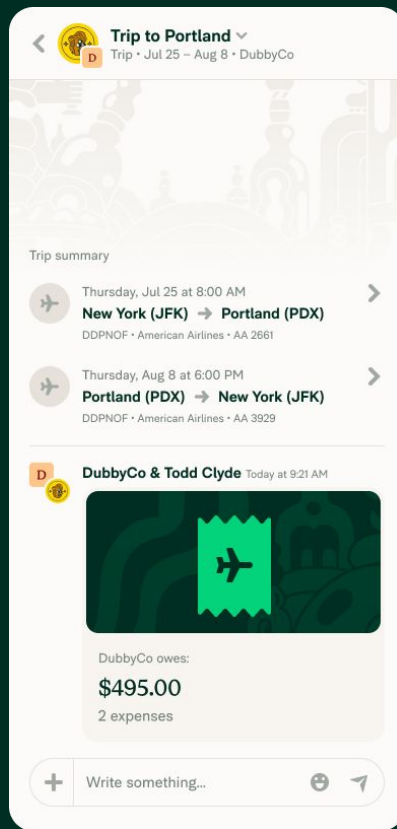
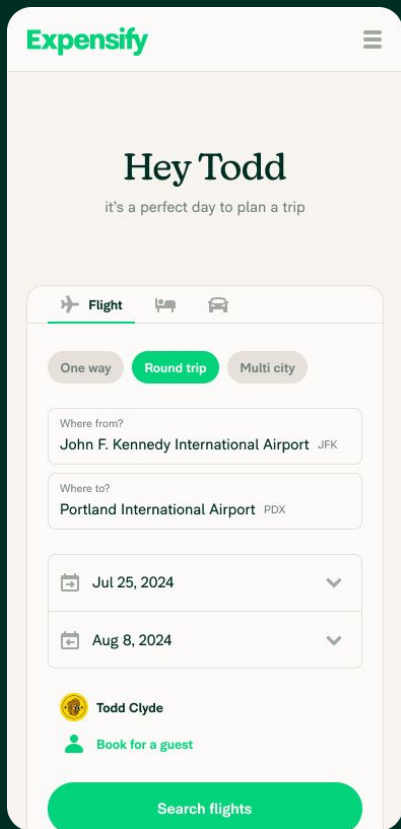
Inputting New Expensify in Expensify Classic so users don't need to download a new app.



# Launched Travel

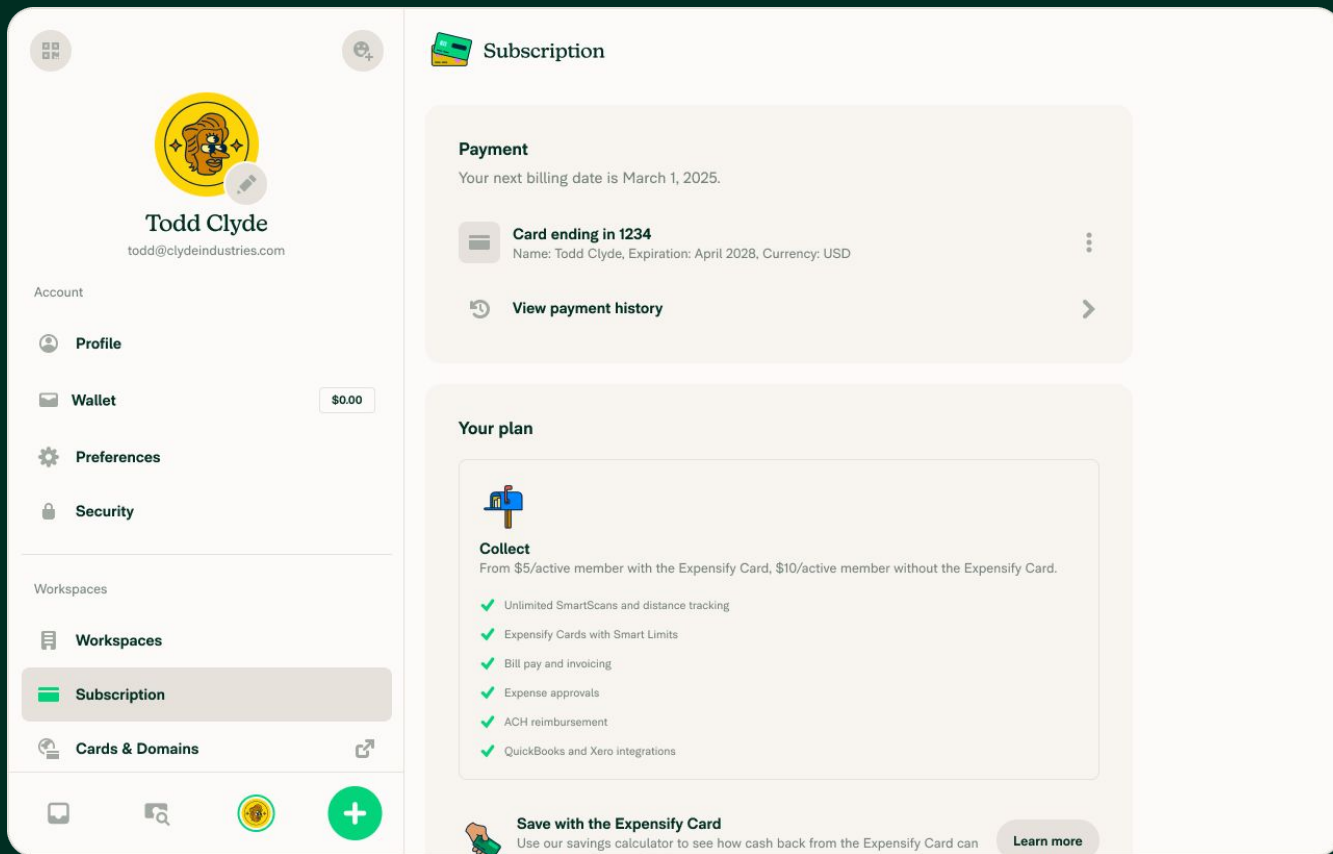
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Beta customers currently booking travel, which is expected to drive new revenue stream in Q3.



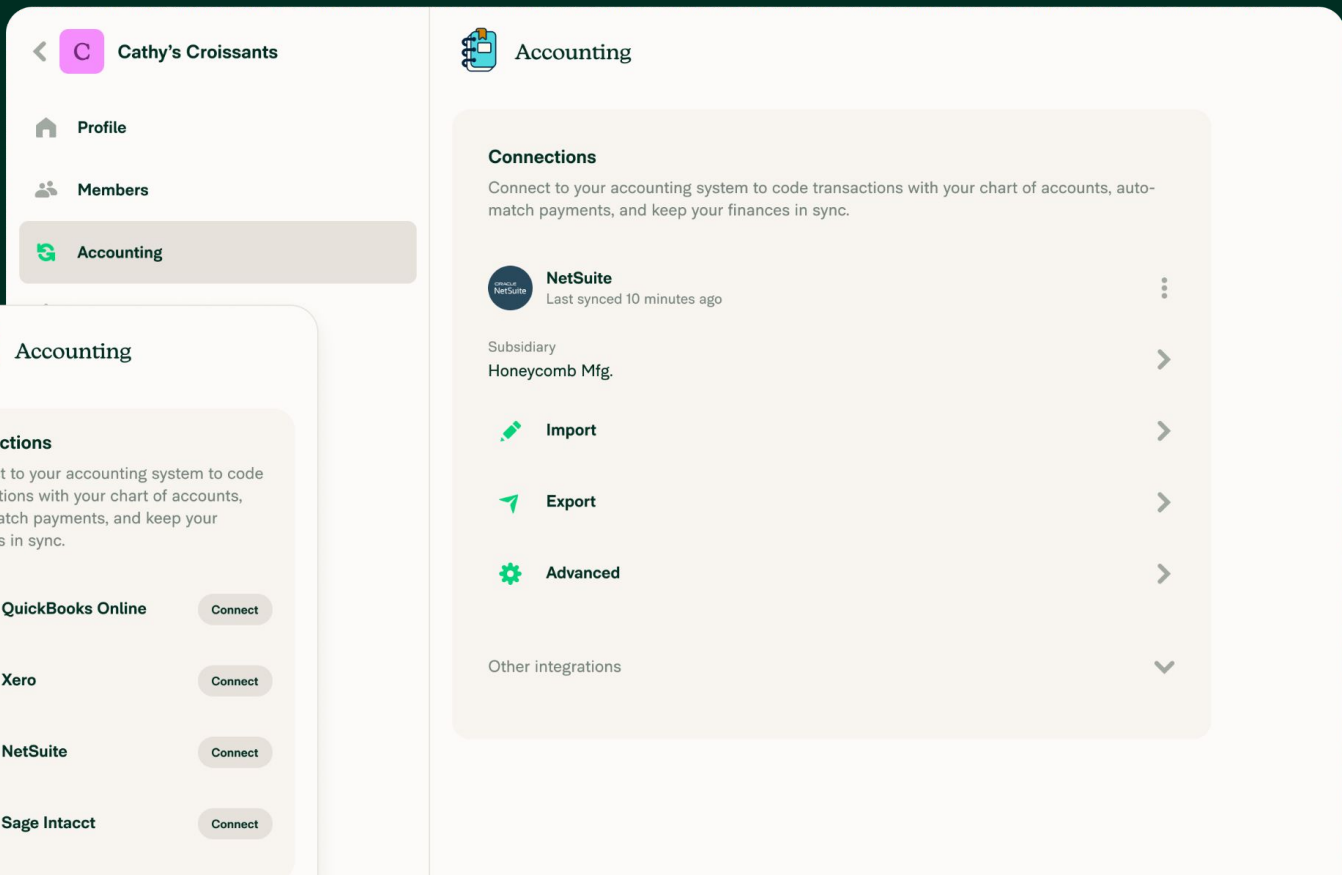
## Billing on New Expensify

Customers can now add a billing card so they can fully onboard on New Expensify.



# Accounting Integrations on New Expensify

Launched accounting integrations with major partners.



# Expensify

## Search V1 Live

Creating the base for one of the most powerful search functionality in the world including money, travel, tasks, chats, and more.

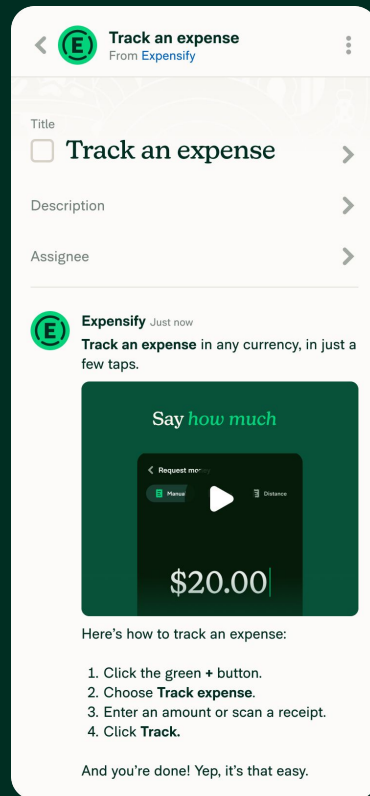
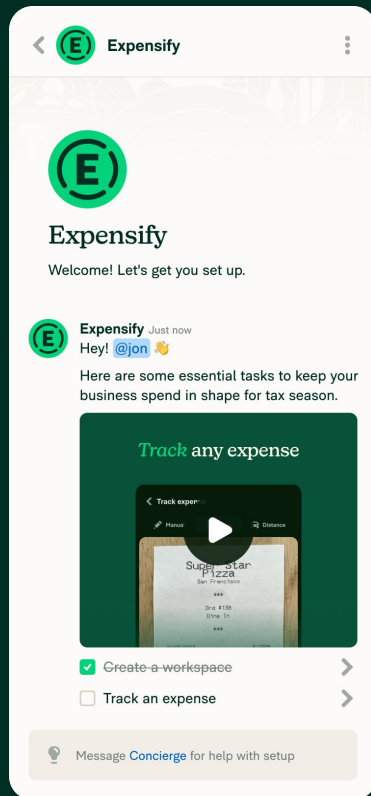
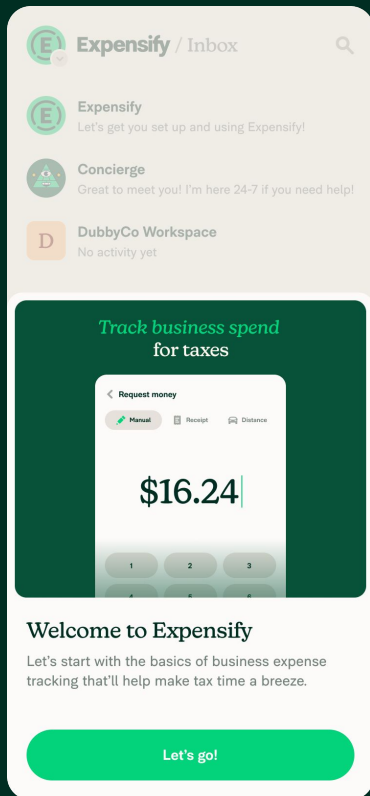
The screenshot displays the Expensify mobile application interface. On the left is a navigation sidebar with icons for Expenses, Chats, Tasks, Invoices, and Trips. The main content area is titled 'Expenses' and features a filter bar with options: All, Drafts, Outstanding, Approved, and Paid. Below the filter bar is a table of expense entries. Each entry includes a checkbox, a receipt icon, the date, merchant name, from/to person, category, total amount, and an action button (Submit, Review, Approve, View, or Paid).

<input type="checkbox"/>	Receipt	Type	Date	Merchant	From	To	Category	Total	Action
<input type="checkbox"/>			Feb 21	United	You	DubbyCo	Travel	\$125.00	Submit
<input type="checkbox"/>			Feb 21	Positively 4th Stree...	Shelby	DubbyCo	Meals & Entertain...	\$5.00	Review
<input type="checkbox"/>			Feb 20	Starbucks	Tracey	DubbyCo	Meals & Entertain...	\$10.00	Review
<input type="checkbox"/>			Feb 20	The Home Depot	Tracey	DubbyCo	Equipment	\$100.00	Approve
<input type="checkbox"/>			Feb 18	Acme	Alberto	DubbyCo	Grocery Stores	\$50.00	Approve
<input type="checkbox"/>			Feb 17	Wawa	You	DubbyCo	Gas Stations	\$33.00	View
<input type="checkbox"/>			Feb 17	Avis	You	DubbyCo	Rental Cars	\$565.00	Paid
<input type="checkbox"/>			Feb 17	45.50 mi @ \$0.65/...	You	DubbyCo	Travel & Airfare	\$29.56	Paid
<input type="checkbox"/>			Feb 17	Wawa	You	DubbyCo	Rental Cars	\$565.00	Paid



## New User Onboarding

Engineering is moving past core feature development and toward onboarding optimizations.



## In conclusion:

- **Q2'24 was a great quarter**
  - Delivered strong Operating Cash Flow and FCF growth again
  - Continued New Expensify development progress
  - Expanded our reach into the travel market
- **Looking forward to Q3'24:**
  - New Expensify expected to be producing revenue
  - Expensify Travel expected to be producing revenue
  - New card program transition nearing completion

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Learn more at [expfy.com/roadmap](https://expfy.com/roadmap)



Q&A



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# Appendix

## Expensify

# GAAP to Non-GAAP Reconciliation: Non-GAAP Net Income

	Three months ended June 30, 2024 <i>(unaudited, in thousands)</i>	Three months ended June 30, 2023 <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (2,764)</b>	<b>\$ (11,304)</b>
Add:		
Stock-based compensation	8,381	10,341
<b>Non-GAAP Net Income (Loss)<sup>1</sup></b>	<b>\$ 5,617</b>	<b>\$ (963)</b>

<sup>1</sup> We define Non-GAAP Net Income as net income (loss) excluding stock-based compensation.

# GAAP to Non-GAAP Reconciliation: Adjusted EBITDA

	Three months ended June 30, 2024 <i>(unaudited, in thousands)</i>	Three months ended June 30, 2023 <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (2,764)</b>	<b>\$ (11,304)</b>
Provision for income taxes	2,723	376
Interest and other expenses, net	260	1,367
Depreciation and amortization	1,590	1,376
Stock-based compensation	8,381	10,341
<b>Adjusted EBITDA</b>	<b>\$ 10,190</b>	<b>\$ 2,156</b>

Note: We define Adjusted EBITDA as net income (loss) excluding provision for income taxes, interest and other expenses, net, depreciation and amortization and stock-based compensation.



# GAAP to Non-GAAP Reconciliation: Free Cash Flow

	Three months ended June 30, 2024 <i>(unaudited, in thousands)</i>	Three months ended March 30, 2024 <i>(unaudited, in thousands)</i>	Three months ended June 30, 2023 <i>(unaudited, in thousands)</i>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 9,317</b>	<b>\$ 3,471</b>	<b>\$ (434)</b>
<b>(Increase) decrease in changes in customer assets and liabilities</b>			
Settlement assets	1,756	6,120	2,561
Settlement liabilities	(3,317)	(1,570)	644
<b>Adjusted operating cash flow</b>	<b>\$ 7,756</b>	<b>\$ 8,021</b>	<b>\$ 2,771</b>
<b>Less:</b>			
Purchases of property and equipment	—	—	(451)
Software development costs	(2,038)	(2,829)	(1,173)
<b>Free cash flow</b>	<b>\$ 5,718</b>	<b>\$ 5,192</b>	<b>\$ 1,147</b>

Note: We define Free cash flow as net cash (used in) provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development costs.

# Estimated Stock-Based Compensation (Millions) - Next 4 Quarters

	Q3 2024		Q4 2024		Q1 2025		Q2 2025	
	Low	High	Low	High	Low	High	Low	High
Cost of revenue, net	\$ 2.4	\$ 3.1	\$ 2.3	\$ 3.0	\$ 2.2	\$ 2.9	\$ 1.9	\$ 2.6
Research and development	3.2	4.0	3.1	3.9	2.9	3.7	2.5	3.3
General and administrative	1.2	1.5	1.2	1.5	1.1	1.4	1.0	1.3
Sales and marketing	0.5	0.7	0.5	0.7	0.4	0.6	0.4	0.6
<b>Total</b>	<b>\$ 7.3</b>	<b>\$ 9.3</b>	<b>\$ 7.1</b>	<b>\$ 9.1</b>	<b>\$ 6.6</b>	<b>\$ 8.6</b>	<b>\$ 5.8</b>	<b>\$ 7.8</b>

Note: Expensify's outlook statements are based on current expectations. These statements are forward-looking and actual results could differ materially depending on market conditions and the factors set forth in the Disclaimer at the front of this presentation.

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