

# Expensify

# Q3 2025 Earnings

November 6th, 2025

The screenshot displays the Expensify web interface. On the left is a sidebar menu with icons for Reports, Inbox, Workspaces, and Account. The main content area is titled 'Reports' and includes a 'To-do' list with 'Submit', 'Approve', 'Pay', and 'Export' options. A 'Card details' modal is open, showing a virtual Visa Commercial card for 'Patty' with a remaining limit of \$10,000. The main area features a search bar and a list of expense reports with columns for Receipt, Type, Date, Merchant, and From.

Receipt	Type	Date	Merchant	From
<input type="checkbox"/>		June 27	Velocitech Systems	Drew
<input type="checkbox"/>		June 27	Nitro Fuel Supply Co.	Jamie
<input type="checkbox"/>		June 26	Hairpin Nutrition Group	Quinn
<input type="checkbox"/>		June 26	TrackSuit Outfitters	Devon
<input type="checkbox"/>		June 26	Pitlane Center	Avery
<input type="checkbox"/>		June 25	Carbon Crank Catering	Logan
<input type="checkbox"/>		June 24	Ignition Media	Rowan
<input type="checkbox"/>		June 23	Slipstream Simulators	Jordan
<input type="checkbox"/>		June 22	Downforce Research Lab	Taylor
<input type="checkbox"/>		June 21	ThrottleCart Freight	Blake

# 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 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 of inflation on us and our members; our borrowing costs, which 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 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; any adverse impact on our business operations as a result of using artificial intelligence or other machine learning technologies in our services; 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, including geopolitical uncertainty and instability, and their effects on software spending; our ability to protect against security incidents, technical difficulties, or interruptions to our platform; our ability to maintain, protect and enhance our intellectual property; the impact of tariffs and global trade disruptions on us, our customers and our vendors, including the impact on inflation, supply chains and consumer sentiment; 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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# Q3 2025 Financials

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**Q3 2025**

**Revenue**

**\$35.1M**

**Average Paid Members**

**642,000**

**Total Interchange**

**\$5.4MM**

# Q3 2025

## Operating Cash Flow

(Includes timing of customer funds)

**\$4.2MM**

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

(Excludes timing of customer funds)

**\$1.2MM**

## Net Loss

**\$(2.3)MM**

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

**\$4.3MM**

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

**\$6.5MM**

<sup>1</sup> We define free cash flow as net cash 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 as net loss excluding stock-based compensation expense.

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

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

- **Q3 FCF was \$1.2MM, a decrease of 82% from the same period last year<sup>2</sup>.**
  - *This decrease is primarily due to unfavorable timing of cash payments related to working capital items in the current quarter as compared to the same period last year.*
- **We reiterate our FY 2025 FCF guidance of \$19.0MM - \$23.0MM<sup>3</sup>.**

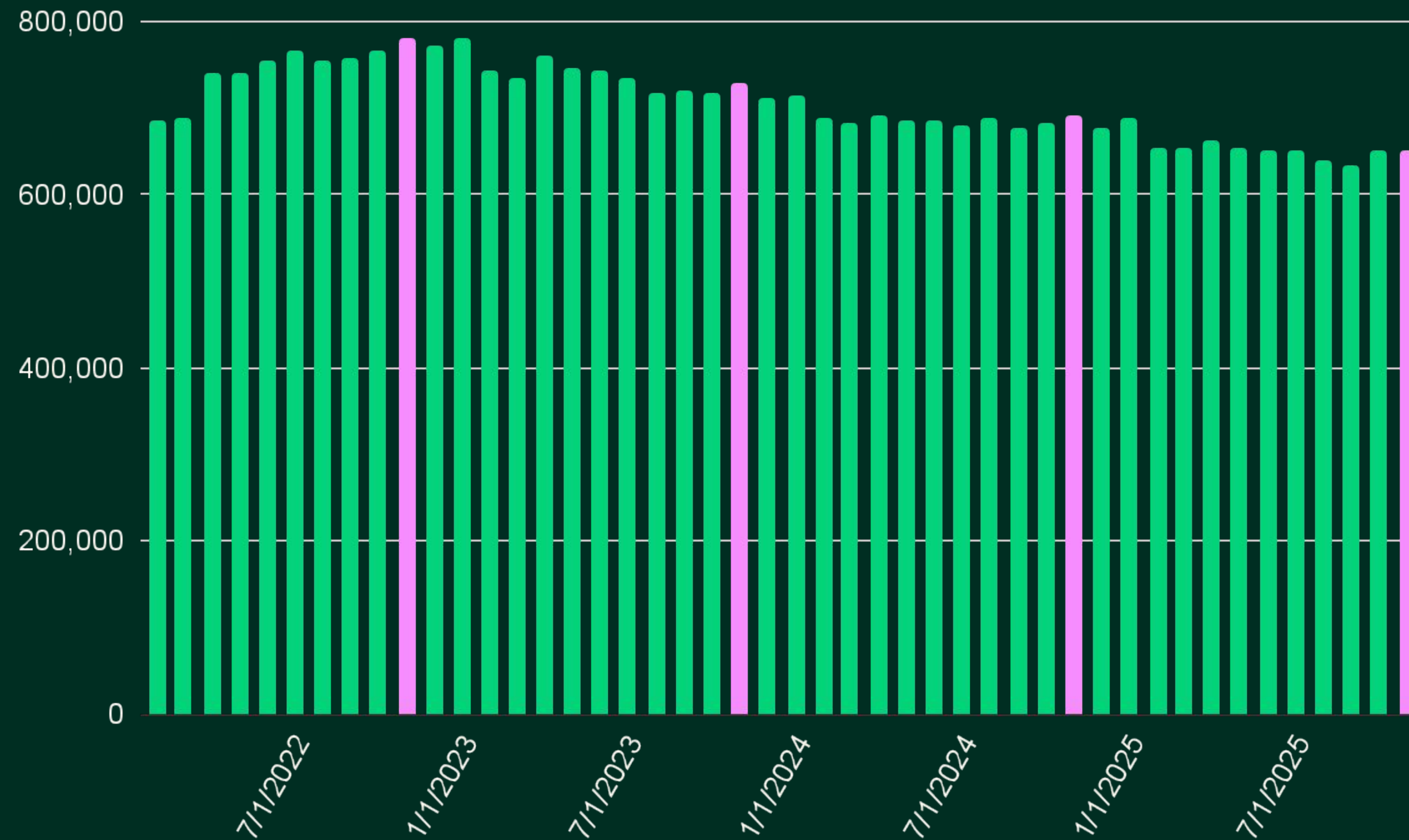
<sup>1</sup> We define free cash flow as net cash provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development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

<sup>2</sup> Please see appendix for GAAP to non-GAAP reconciliation.

<sup>3</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.

# Q4 2025 Flash

## Monthly Paid Members



**October Paid Members**

**653,000**

 Denotes October 2025 and October activity from previous years

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

# Q3 Business Highlights

- **Marquee customer expansion**

- *Expensify is now the Official Travel and Expense partner of the Brooklyn Nets, with the long-time customer adopting Expensify Travel in Q3.*

- **Expensify Travel**

- *Expensify Travel bookings continue to climb, growing 36% from Q2 to Q3 and 95% since Q1.*

- **Share repurchase**

- *The company repurchased 1,579,763 shares of its Class A common stock. The purchases were made from August 12, 2025 to September 30, 2025, totaling approximately \$3.0MM.*

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# Product Update

# New Expensify Migration

- **New Expensify is nearly to Classic feature parity**
  - *Targeting "90% feature parity" by EOY*
  - *Maintain Classic for remaining customers*
- **All Collect customers have been "nudged" to New Expensify**
  - *Vast majority actively choose to stay on New Expensify over Expensify Classic*
  - *Rapidly addressing feedback as we carefully migrate the rest*
- **100% of new leads start on New Expensify**
  - *Classic still available to those customers who prefer it*

# Concierge AI Update

- **Hybrid**

- *Automated response for most common questions*
- *Realtime escalation of complex or emotional issues to human agent 24/7*

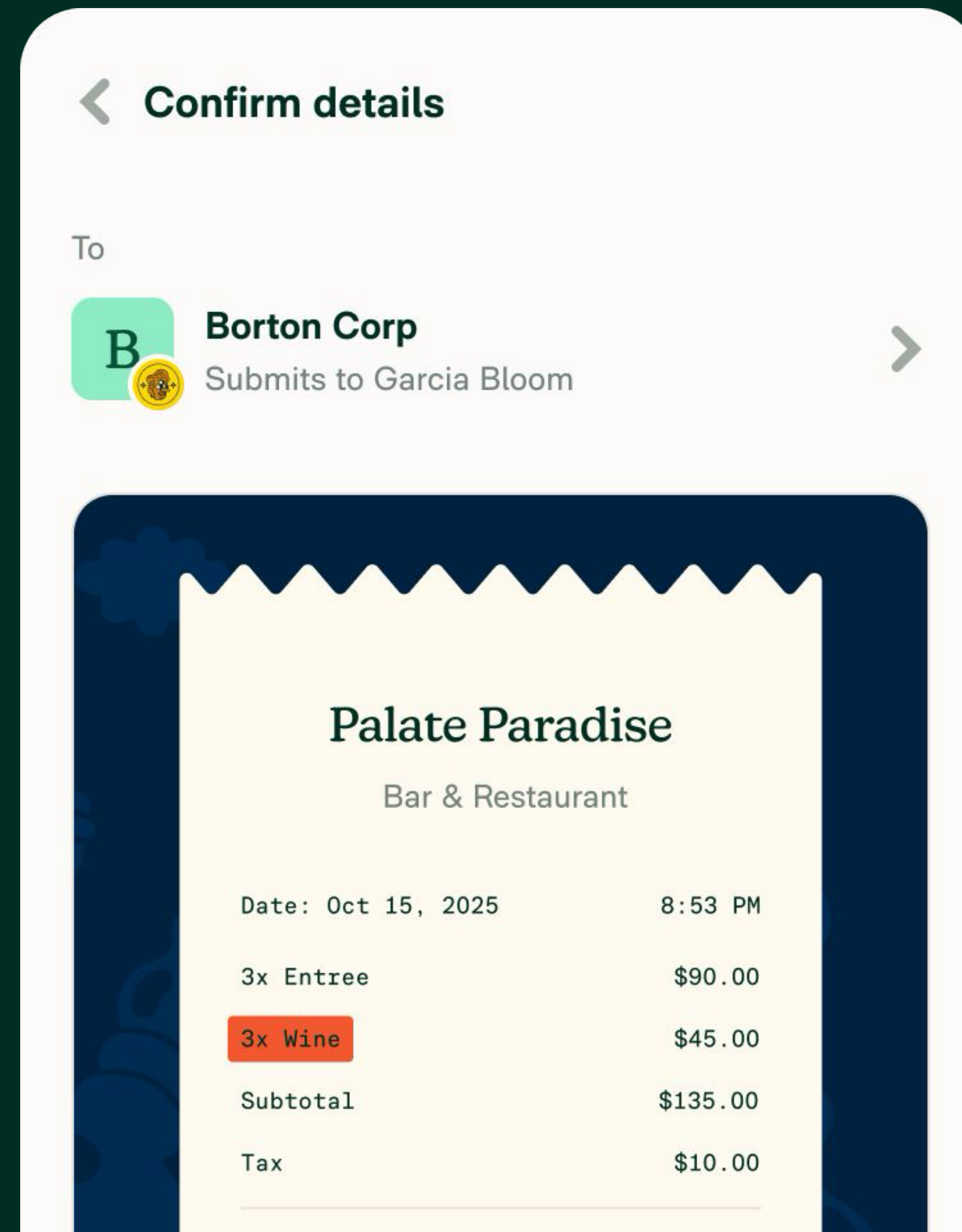
- **Contextual**

- *Built "in" not "on" the UI*
- *Chat inside whichever context is natural: DM, workspace, report, expense*




- **General Intelligence**

- *Single-agent "general intelligence" design (vs multi-agent "specialist" design)*
- *Engages via chat, [concierge@expensify.com](mailto:concierge@expensify.com), or text 47777*


# Prohibited Expense Detection




# AI-Generated Receipt Detection

  **Expense Report 10-16-2025** 

Draft From Todd Clyde's expenses

**More** 

 Waiting for you to fix the issue(s)

---


Receipt • Issue found ●

**EXPENSIFY NEW FEATURE**  
123 Fintech Lane  
San Francisco, CA 94103

Merchant ID: 042069  
Date: 2025-04-16  
Currency: USD  
Transaction ID: XPN-404-BUDGET

Qty	Item	Unit Price
1	"AI That Explains Why You Overspentt"	\$49.99

Potential AI-generated receipt

Amount • Cash 

**\$145.00**


# Conversational Corrections

Merchant  
Starbucks >

Date  
2025-10-21 >

Category >

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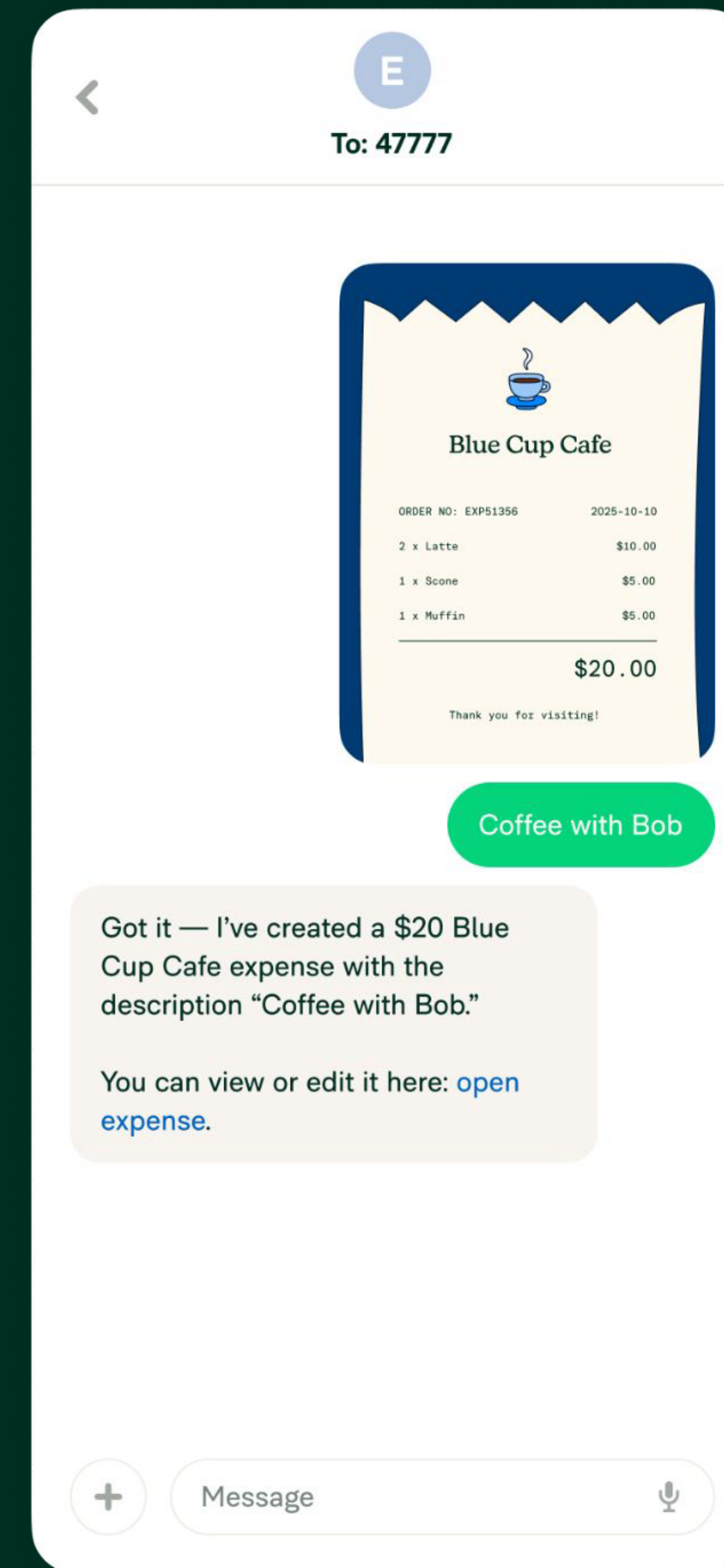
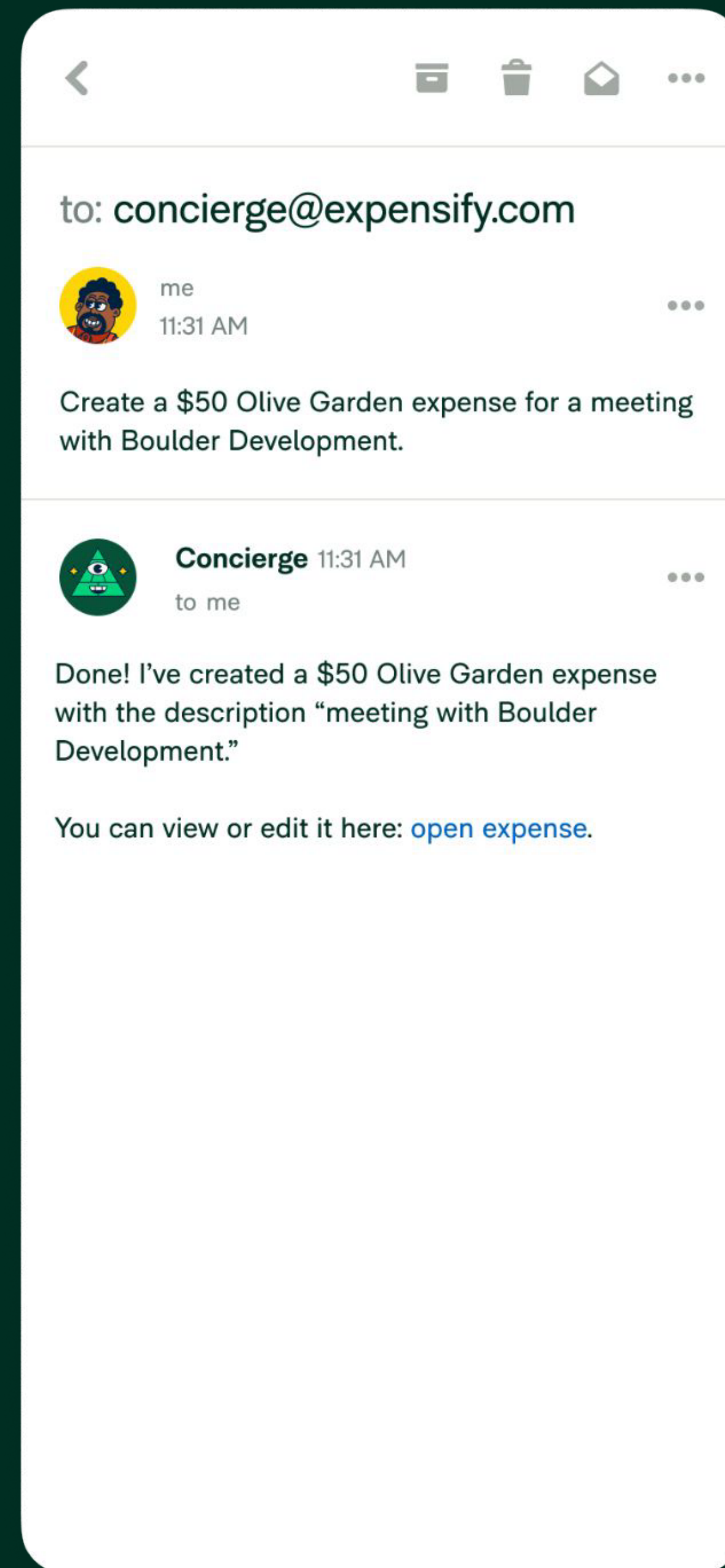
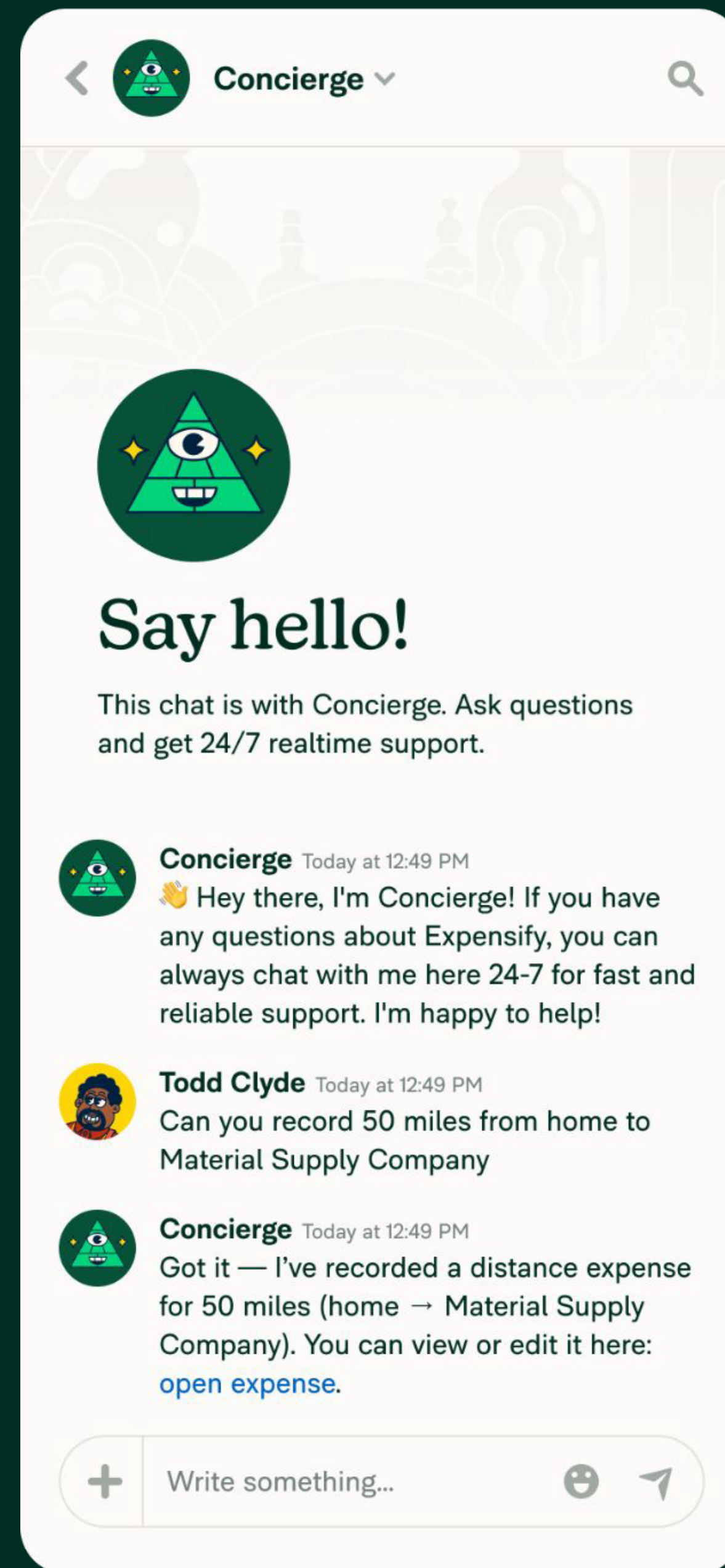
 **Concierge** Today at 12:49 PM  
Should this be categorized as Travel Meals  
or Office Meals?

1 - Travel Meals

2 - Office Meals

+ Write something... 😊 ↗

# Chat + Email + SMS = Universal Agent



# Summary

- **Continued cross-sell success:**

- *Interchange continues to grow, reaching \$5.4MM in Q3.*
- *Expensify Travel booking have increased 95% since Q1 and continue to grow.*

- **Continuing to put FCF to work:**

- *The company repurchased shares \$3.0MM worth of common shares in Q3, and intends to continue repurchases opportunistically.*

- **Continuing to invest in an AI-first design**

- *Chat is the UI of AI, and our chat-first design makes us an AI-first design*
- *New Expensify migration is on track with great customer reception*
- *Goal: "Anything you can do via UI, you can do via AI"*

Q&A



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# Appendix

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

	Three months ended September 30, 2025 <i>(unaudited, in thousands)</i>	Three months ended September 30, 2024 <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (2,315)</b>	<b>\$ (2,198)</b>
Add:		
Stock-based compensation expense	6,663	7,630
<b>Non-GAAP net income<sup>1</sup></b>	<b>\$ 4,348</b>	<b>\$ 5,432</b>

<sup>1</sup> We define non-GAAP net income as net loss excluding stock-based compensation expense.

# GAAP to Non-GAAP Reconciliation: Adjusted EBITDA

	Three months ended September 30, 2025 <i>(unaudited, in thousands)</i>	Three months ended September 30, 2024 <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (2,315)</b>	<b>\$ (2,198)</b>
Provision for income taxes	154	2,667
Other income, net	(96)	(181)
Depreciation and amortization	2,097	1,758
Stock-based compensation expense	6,663	7,630
<b>Adjusted EBITDA</b>	<b>\$6,503</b>	<b>\$ 9,676</b>

Note: We define adjusted EBITDA as net loss excluding provision for income taxes, other income, net, depreciation and amortization and stock-based compensation expense.

# GAAP to Non-GAAP Reconciliation: Free Cash Flow

	Three months ended September 30, 2025 <i>(unaudited, in thousands)</i>	Three months ended September 30, 2024 <i>(unaudited, in thousands)</i>
<b>Net cash provided by operating activities</b>	<b>\$ 4,166</b>	<b>\$ 3,687</b>
<b>(Increase) decrease in changes in customer assets and liabilities</b>		
Settlement assets	(3,708)	5,326
Settlement liabilities	1,855	(502)
<b>Less:</b>		
Software development costs	(1,085)	(1,832)
<b>Free cash flow</b>	<b>\$ 1,228</b>	<b>\$ 6,679</b>

Note: We define free cash flow as net cash 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

	Q4 2025		Q1 2026		Q2 2026		Q3 2026	
	Low	High	Low	High	Low	High	Low	High
Cost of revenue, net	\$ 2.1	\$ 2.9	\$ 2.0	\$ 2.8	\$ 2.0	\$ 2.8	\$ 1.9	\$ 2.7
Research and development	1.5	2.1	1.5	2.1	1.4	2.0	1.4	2.0
General and administrative	0.9	1.3	0.9	1.3	0.9	1.3	0.8	1.2
Sales and marketing	0.9	1.1	0.8	1.0	0.8	1.0	0.8	1.0
<b>Total</b>	<b>\$ 5.4</b>	<b>\$ 7.4</b>	<b>\$ 5.2</b>	<b>\$ 7.2</b>	<b>\$ 5.1</b>	<b>\$ 7.1</b>	<b>\$ 4.9</b>	<b>\$ 6.9</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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