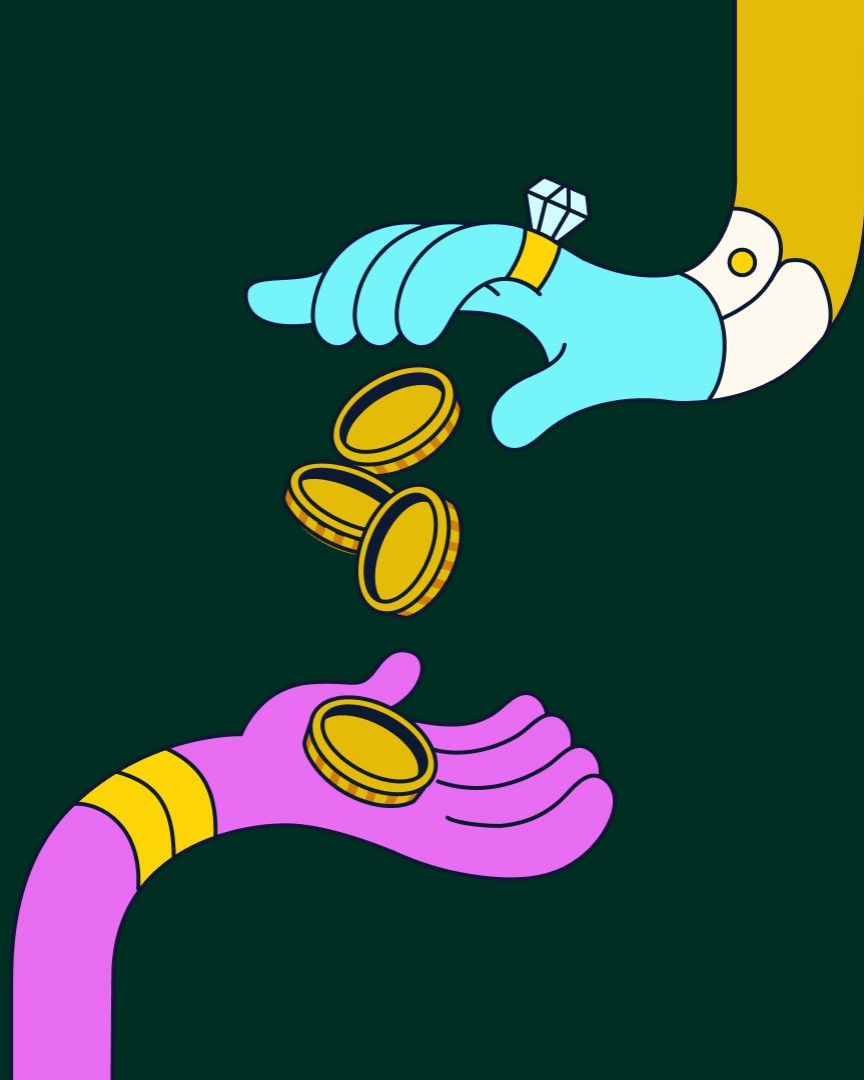


Expensify

# Q1 2024 Earnings

May 9th, 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, the amount and timing of any share repurchases 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, including geopolitical uncertainty and instability; 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.

Expensify

Q1 24

Financials

Expensify

Q1 2024

Revenue

\$33.5MM

Average Paid Members

688,000

Net Interchange

\$3.5MM

# Q1 2024

## Operating Cash Flow

(Includes timing of customer funds)

**\$3.5MM**

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

(Excludes timing of customer funds)

**\$5.2MM**

## Net Loss

**\$(3.8MM)**

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

**\$3.7MM**

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

**\$7.1MM**

<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.

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

- In Q4, we initiated full year Free Cash Flow guidance to provide a more clear picture on the cash impact from overall cost reductions.
- We are now increasing that guidance to **\$11.0-13.0MM<sup>2</sup> FY 2024 Free Cash Flow.**

Q1<sup>3</sup> Free Cash Flow was \$5.2MM, a 242% increase from Q4<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.

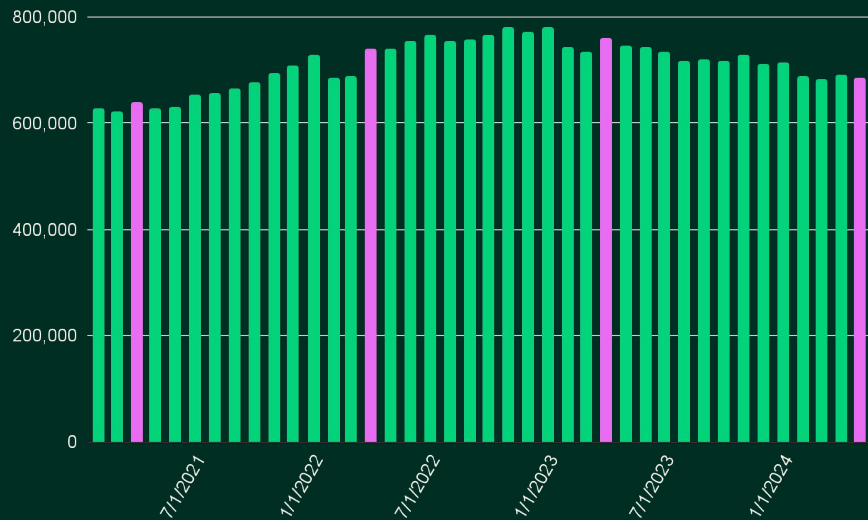
<sup>3</sup> Please see appendix for GAAP to non-GAAP reconciliation.

## Expensify Card updates

- **Strong growth:** Quarterly interchange derived from the Expensify Card **grew 57% y/y to \$3.5MM** in Q1.
- **Program management & accounting improvement:** The company started transitioning members to its new card program in Q1. This transition is expected to conclude by the end of 2024 and is expected to provide the company an estimated 20% more in interchange fees. Additionally, interchange derived from the new card program will be considered revenue.

## Q1 2024

### Monthly Paid Members



April Paid Members

685,000



Denotes April 2024 and April activity from previous years



Expensify

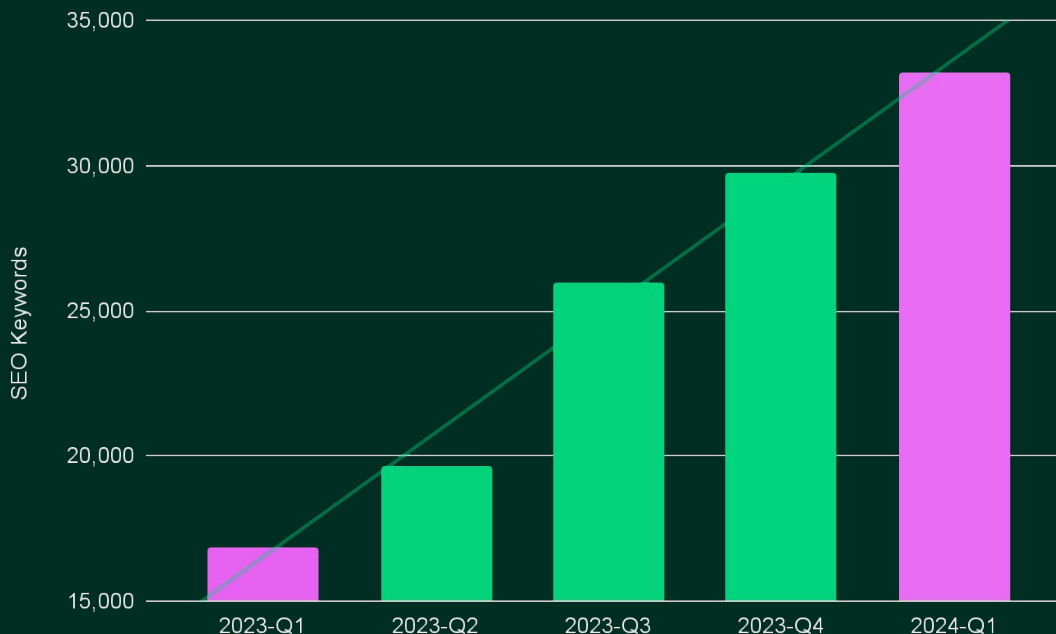
# Q1 Business Highlights

**Expensify**

# Continued excellence

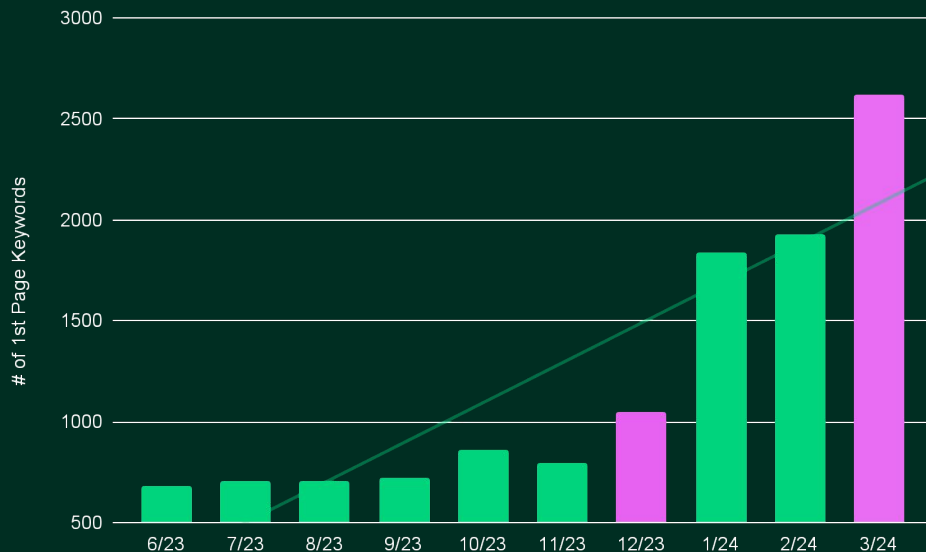
- Fully dialed in Q4'23 cost optimizations
- Continued or improved core trends
- Focused investments on what's working best

# +97% y/y SEO keyword Increase



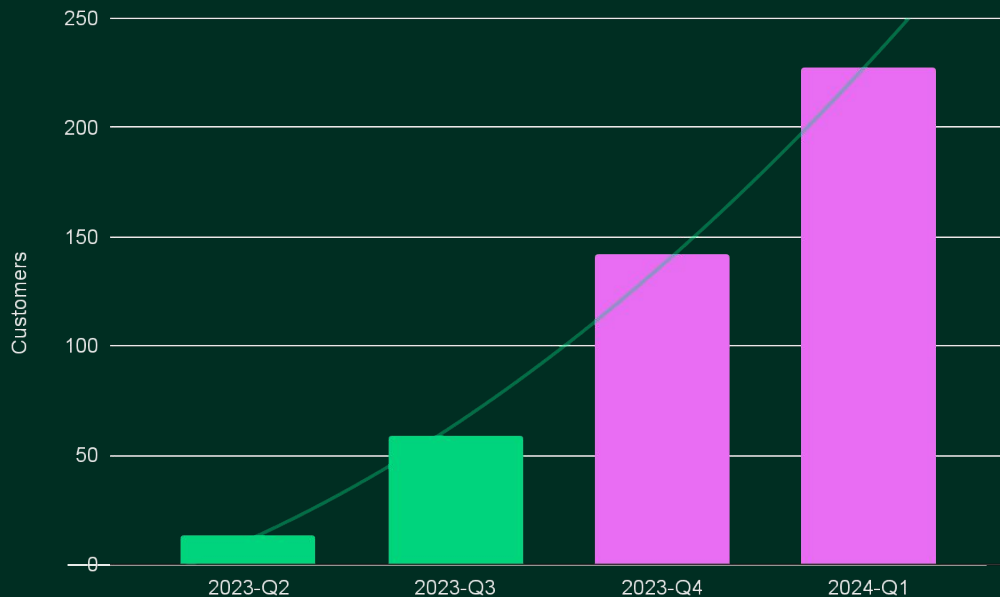
Note: SEO Keywords represent the amount of keywords that populate in the top 100 results for that search term.

# +149% q/q in first page SEO keywords



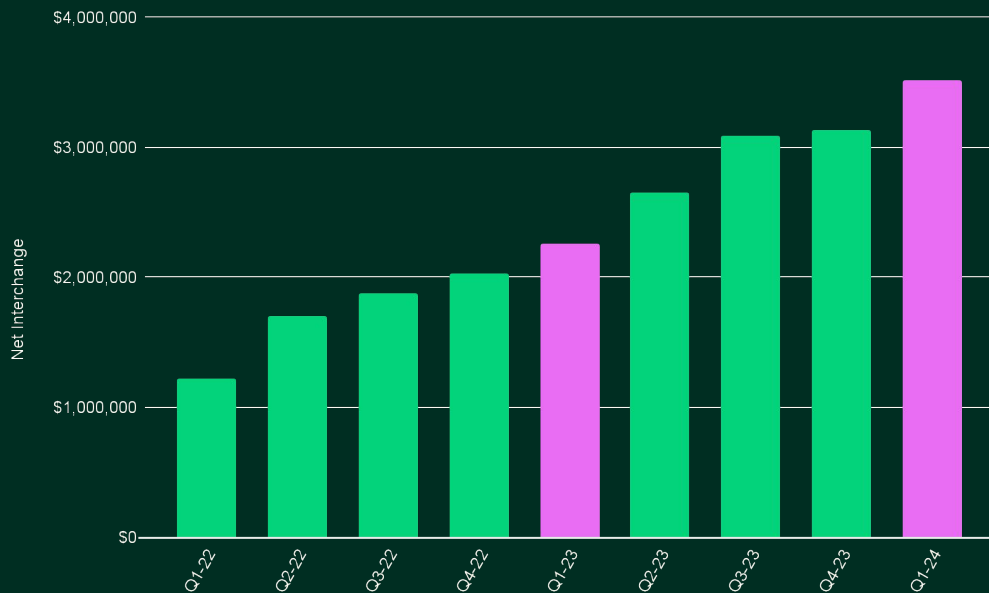
Note: First page SEO keywords represent search terms that result in Expensify content being shown on the first page of search results. Data reflects end of Q4 to end of Q1 2024.

# +60% q/q global reimbursement customers



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

# 57% y/y Net Interchange growth



Expensify

Q1 Product Update

New Expensify

# Strategies for Expensify's Success

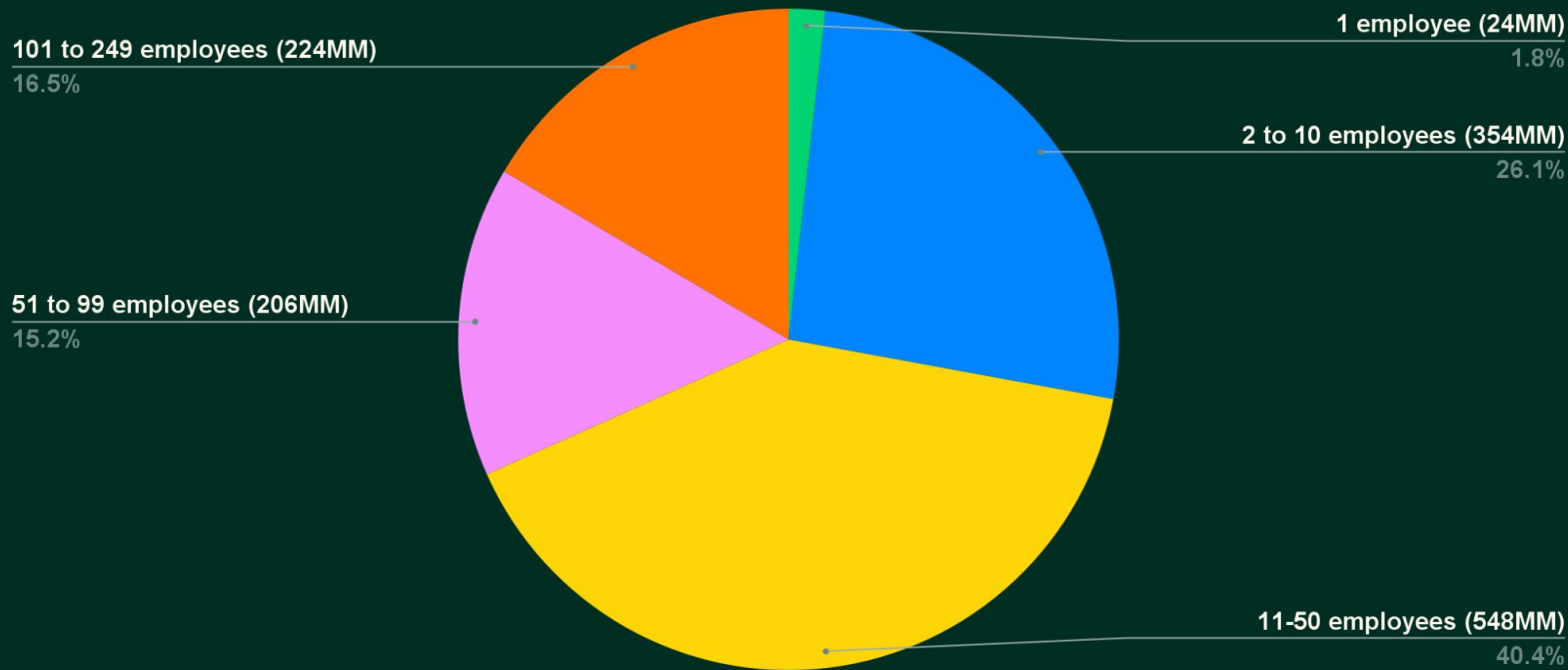
1 Capture the untapped 99% of the market, starting with VSB/SMB

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

3 Monetized with high margin monthly subscriptions

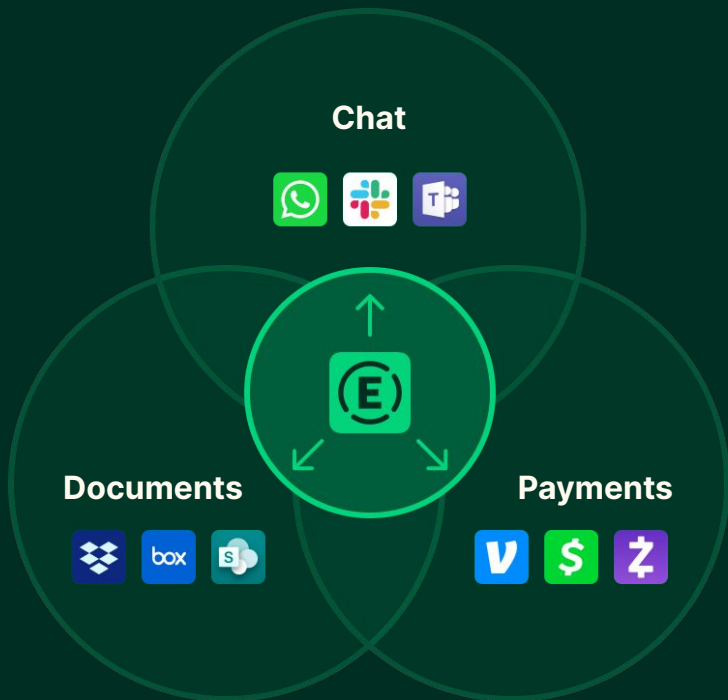


# 1.3B untapped users in the VSB/SMB



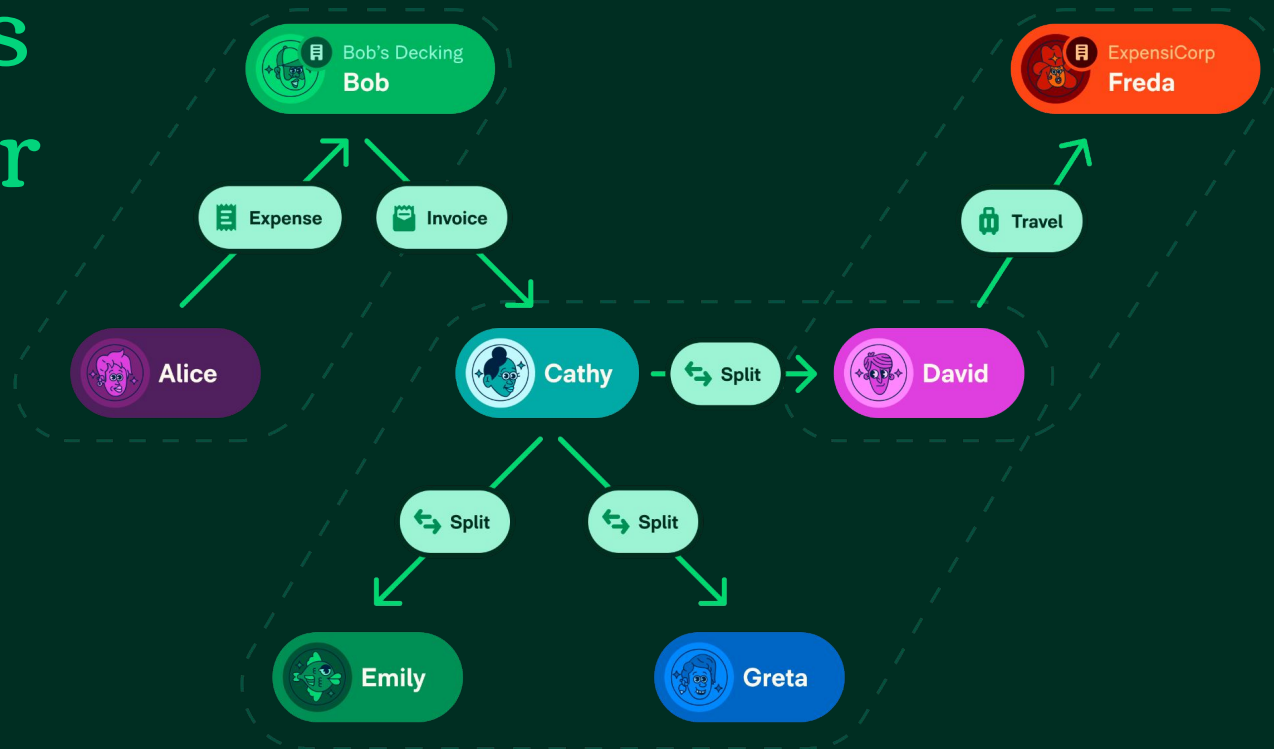
Expensify

# Viral use cases address the whole market



Expensify

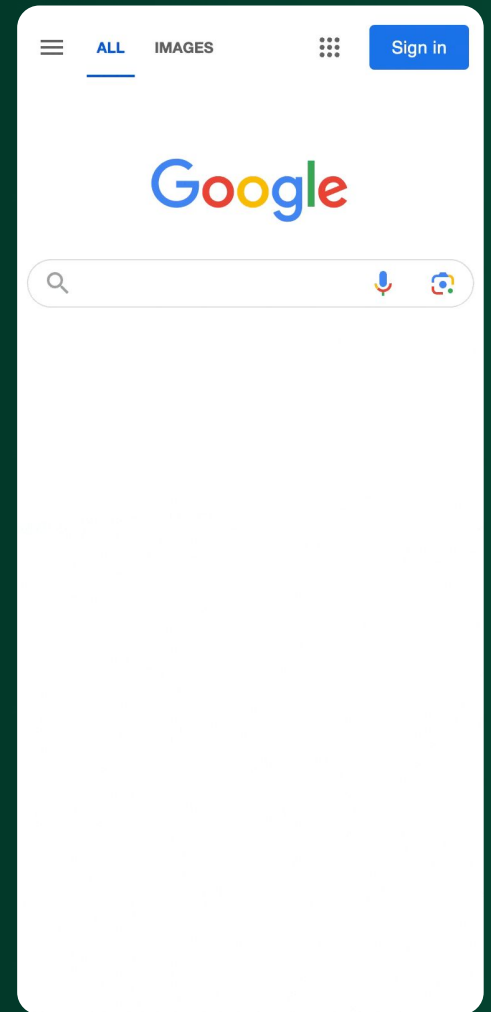
# Superapps have super virality



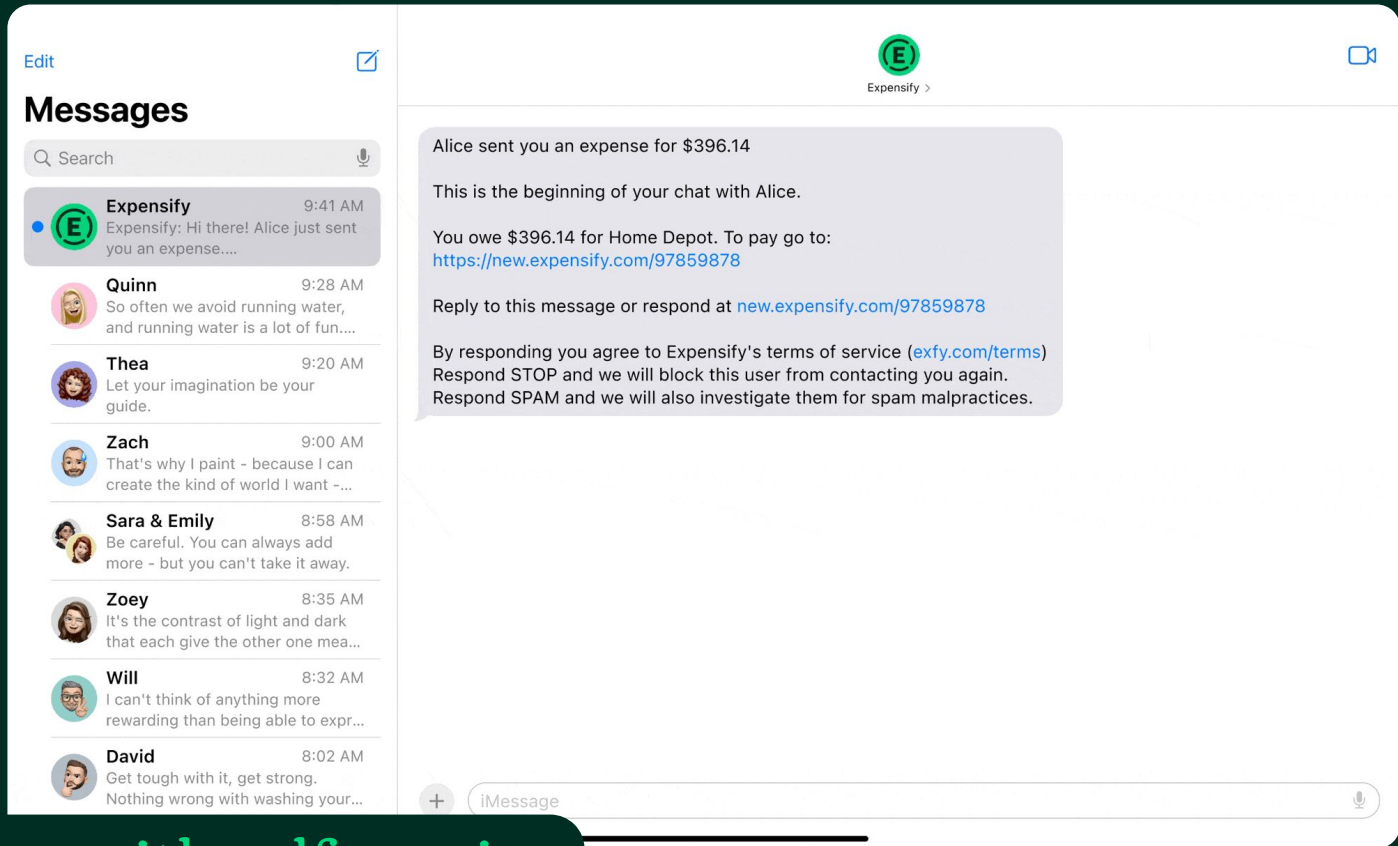
Expensify

## Bottom-up generates "unaddressable" leads

Expensify's unique superapp design allows employees to submit expenses to companies not actively searching, expanding potential TAM.



# Expensify



## Top-down closes with self service

Paying unprompted employee request with business bank account seamlessly creates trial of paid workspace for company-wide adoption.

# Expensify

The screenshot shows the Expensify mobile app interface. On the left is a sidebar with a search icon and a list of chat conversations. The main screen shows a chat with Alice, titled "Alice Bob's Decking".

**Expensify / Chats**

- B Alice**  
Bob: Hey, that wasn't so bad! You should be all...
- Alice**  
Hey Bob, I picked up the materials from Home...
- Concierge**  
Hey there, I'm Concierge! If you have any que...

**Alice Bob's Decking**

**B** Say hello!  
Collaboration between **Alice** and **Bob's Decking** starts here! 🐝 This is the place to chat, submit expenses and settle up.  
You can also use the + button to split an expense, submit an expense, track an expense, or assign a task!

**Alice** Today at 12:49 PM

Bob paid:  
**\$396.14** ✓  
Home Depot

**Bob** Today at 12:49 PM  
Hey, that wasn't so bad! You should be all paid now.

Write something...

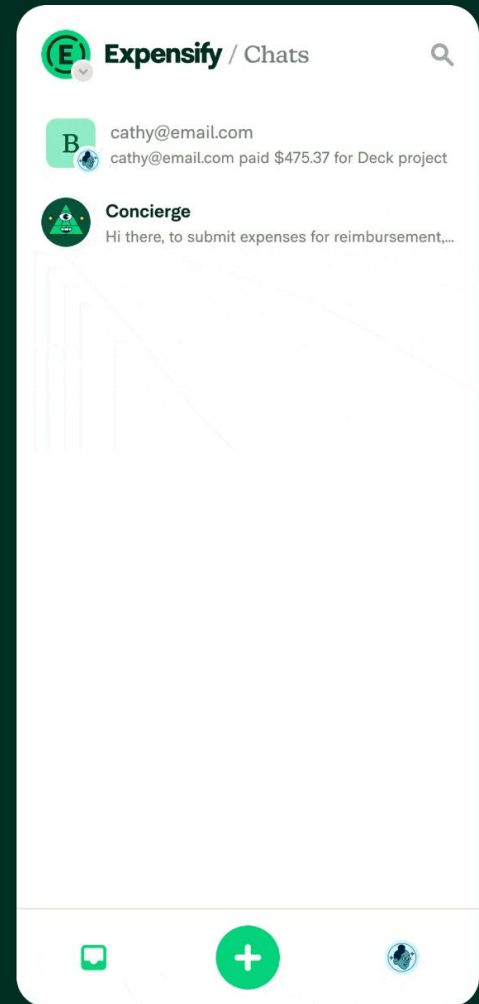
## B2C converts clients to customers

Sending invoices to ordinary consumers causes customers to organically promote Expensify, restarting the bottom-up cycle.

**Expensify**

## P2P multiplies viral leads

Consumer bill splitting allows non-paying users to organically promote Expensify to their peers, further expanding reach of bottom-up.



**Expensify**

## Travel can retain and expand revenue

Expensify Travel is the top feature request of large and growing customers, and a can be new source of transactional revenue





# Expensify

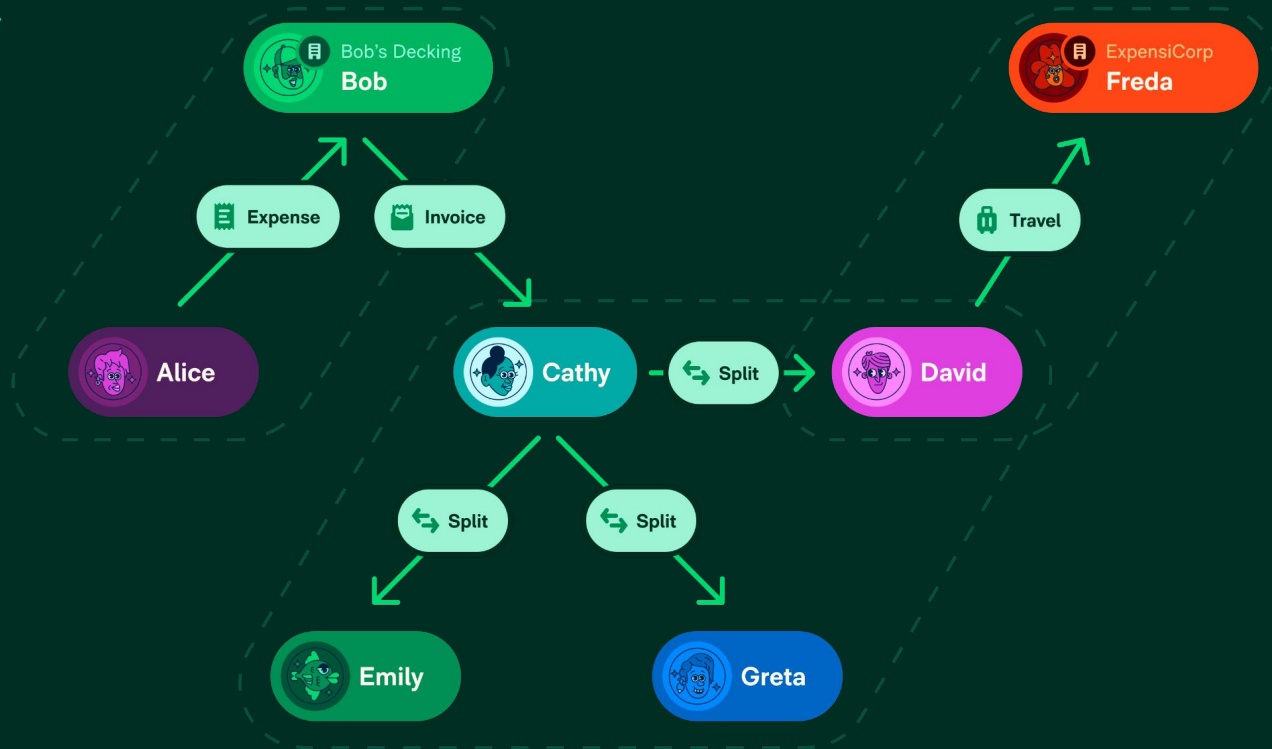
The screenshot displays the Expensify mobile application interface. On the left is a sidebar with navigation options: Expenses, Chats, Tasks, Invoices, and Trips. The main area is titled 'Expenses' and features a filter bar with 'All', 'Waiting', 'Drafts', 'Shared', and 'Finished'. Below the filter bar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

<input type="checkbox"/>	Receipt	Date	Merchant	From	To	Category	Total	Type	Action
<input type="checkbox"/>		May 9	Hotel	David	ExpensyCorp	Travel	\$842.90		View
<input type="checkbox"/>		May 9	Flights	David	ExpensyCorp	Travel	\$346.20		View
<input type="checkbox"/>		May 8	Positively 4th Stre...	Shelby	ExpensyCorp	Meals & Entertain...	\$5.00		Review
<input type="checkbox"/>		May 8	Starbucks	Iris	ExpensyCorp	Meals & Entertain...	\$10.00		Review
<input type="checkbox"/>		May 7	The Home Depot	Iris	ExpensyCorp	Equipment	\$100.00		Review
<input type="checkbox"/>		May 6	Acme	Harry	ExpensyCorp	Grocery Stores	\$50.00		Approve
<input type="checkbox"/>		May 6	Wawa	Freda	ExpensyCorp	Gas Stations	\$33.00		View
<input type="checkbox"/>		May 5	Avis	Todd	ExpensyCorp	Rental Cars	\$565.00		View

## Superapp super-search

Formal realtime workflows optimized via inbox, ad hoc batch analyses executed via search

# In Review



# Superapps require super tech

- **Bedrock**

- *What:* Blockchain-synchronized for extreme unpartitioned concurrency
- *Why:* Enables seamless context switching between home, work, orgs

- **React Native**

- *What:* Perfect consistency between desktop and mobile, web and native
- *Why:* Eliminates need to install, streamlining adoption

- **Email/SMS overlay:**

- *What:* No account required, fallback to email/SMS
- *Why:* Makes adoption a personal decision, works with all your peers

- **Universal Payments**

- *What:* Full support for ACH, credit, check, wire, international payments
- *Why:* Consistent single-app experience across all payment networks

Expensify

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



# In conclusion:

- **Q1'24 was a great quarter**
  - Delivered strong Operating Cash Flow and FCF growth
  - Incredible New Expensify development progress
  - Began final stretch of polish, performance, and reliability
- **Looking forward to Q2'24:**
  - New Expensify will be fully in market
  - Expensify Travel will be fully in market
  - New card program transition underway

Expensify

Q&A

**Expensify**

Expensify

# Appendix



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

	Three months ended March 31, 2024 <i>(unaudited, in thousands)</i>	Three months ended March 31, 2023 <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (3,781)</b>	<b>\$ (5,945)</b>
Add:		
Stock-based compensation	7,524	10,004
<b>Non-GAAP Net Income<sup>1</sup></b>	<b>\$ 3,743</b>	<b>\$ 4,059</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 March 31, 2024 <i>(unaudited, in thousands)</i>	Three months ended March 31, 2023 <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (3,781)</b>	<b>\$ (5,945)</b>
Provision for income taxes	1,034	1,825
Interest and other expenses, net	954	1,416
Depreciation and amortization	1,383	1,413
Stock-based compensation	7,524	10,004
<b>Adjusted EBITDA</b>	<b>\$ 7,114</b>	<b>\$ 8,713</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 March 31, 2024 <i>(unaudited, in thousands)</i>	Three months ended March 31, 2023 <i>(unaudited, in thousands)</i>	Three months ended December 31, 2023 <i>(unaudited, in thousands)</i>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 3,471</b>	<b>\$ 7,642</b>	<b>\$ (543)</b>
<b>(Increase) decrease in changes in customer assets and liabilities</b>			
Settlement assets	6,120	2,683	(2,983)
Settlement liabilities	(1,570)	738	2,343
<b>Adjusted operating cash flow</b>	<b>\$ 8,021</b>	<b>\$ 11,063</b>	<b>\$ (1,183)</b>
<b>Less:</b>			
Purchases of property and equipment	—	(28)	(281)
Software development costs	(2,829)	(870)	(2,180)
<b>Free cash flow</b>	<b>\$ 5,192</b>	<b>\$ 10,165</b>	<b>\$ (3,644)</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

	Q2 2024		Q3 2024		Q4 2024		Q1 2025	
	Low	High	Low	High	Low	High	Low	High
Cost of revenue, net	\$ 2.8	\$ 3.5	\$ 2.7	\$ 3.4	\$ 2.6	\$ 3.3	\$ 2.4	\$ 3.1
Research and development	2.9	3.6	2.9	3.6	2.8	3.5	2.5	3.2
General and administrative	1.7	2.1	1.6	2.0	1.6	2.0	1.4	1.8
Sales and marketing	0.5	0.7	0.5	0.7	0.5	0.7	0.5	0.7
<b>Total</b>	<b>\$ 7.9</b>	<b>\$ 9.9</b>	<b>\$ 7.7</b>	<b>\$ 9.7</b>	<b>\$ 7.5</b>	<b>\$ 9.5</b>	<b>\$ 6.8</b>	<b>\$ 8.8</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.

**Expensify**