



# Investor Presentation

Fourth Quarter 2023 Earnings  
February 21, 2024

# Disclosures

## Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. These statements include, but are not limited to, statements regarding our future operating results and financial position, including our fiscal year 2024 financial outlook, including forecasted fiscal year 2024 revenue and Adjusted EBITDA, anticipated future expenses and investments, expectations relating to certain of our key financial and operating metrics, our business strategy and plans, market growth, our market position and potential market opportunities, and our objectives for future operations. The words “believe,” “may,” “will,” “estimate,” “potential,” “continue,” “anticipate,” “intend,” “expect,” “could,” “would,” “project,” “plan,” “target,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on management’s expectations, assumptions, and projections based on information available at the time the statements were made. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including, without limitation, risks and uncertainties related to: our ability to successfully execute our business and growth strategy, our ability to achieve and maintain future profitability, our ability to further penetrate our existing customer base and expand our customer base in existing and new corridors, our ability to expand into broader financial services, our ability to expand internationally, the effects of seasonal trends on our results of operations, the current inflationary environment, our expectations concerning relationships with third parties, including strategic, banking and disbursement partners, our ability to obtain, maintain, protect, and enhance our intellectual property and other proprietary rights, our ability to keep data and our technology platform secure, the success of any acquisitions or investments that we make, our ability to compete effectively, our ability to stay in compliance with applicable laws and regulations, our ability to buy foreign currency at generally advantageous rates, and the effects of changes to immigration laws, macroeconomic conditions and geopolitical forces on our customers and business operations. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, our actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Further information on risks that could cause actual results to differ materially from forecasted results are included in our annual report on Form 10-K for the year ended December 31, 2023 to be filed with the SEC and in our annual report on Form 10-K for the year ended December 31, 2022 filed with the SEC, which are or will be available on our website at <https://ir.remitly.com> and on the SEC’s website at [www.sec.gov](http://www.sec.gov). The forward-looking statements in this presentation speak only as of the date of this presentation and except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons if actual results differ materially from those anticipated in the forward-looking statements. The guidance in this presentation is only effective as of the date given, February 21, 2024, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Distribution of or reference to this deck following February 21, 2024 does not constitute re-affirming guidance by Remitly.

## Non-GAAP Financial Measures

A reconciliation of GAAP to non-GAAP financial measures has been provided in the Appendix included in this presentation. An explanation of these measures is also included in the Appendix within this presentation under the heading “Non-GAAP Financial Measures.” We have not provided a quantitative reconciliation of forecasted Adjusted EBITDA to forecasted GAAP net income (loss) or to forecasted GAAP income (loss) before income taxes within this presentation because we cannot, without unreasonable effort, calculate certain reconciling items with confidence due to the variability, complexity and limited visibility of the adjusting items that would be excluded from forecasted Adjusted EBITDA. These items include but are not limited to income taxes and stock-based compensation expense, which are directly impacted by unpredictable fluctuations in the market price of our common stock. The variability of these items could have a significant impact on our future GAAP financial results.



# 4Q Strategic Overview



**Matt Oppenheimer**

Co-Founder & CEO



# 2023 results reflect exceptionally strong growth and improving returns

4Q23 Revenue

**\$265m**

↑ 39% Y/Y

2023 Revenue

**\$944m**

↑ 44% Y/Y

4Q23 Profitability

**(\$35m)**

GAAP Net Loss

**\$8m**

Adjusted EBITDA\*

2023 Profitability

**(\$118m)**

GAAP Net Loss

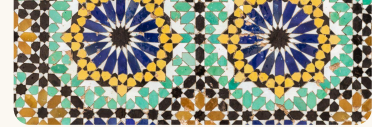
**\$44m**

Adjusted EBITDA\*

\*Adjusted EBITDA is a non-GAAP measure. Please see reconciliation of non-GAAP measures to the most comparable GAAP measures in the Appendix.

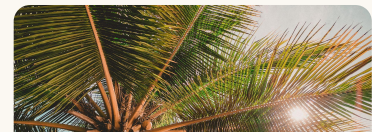




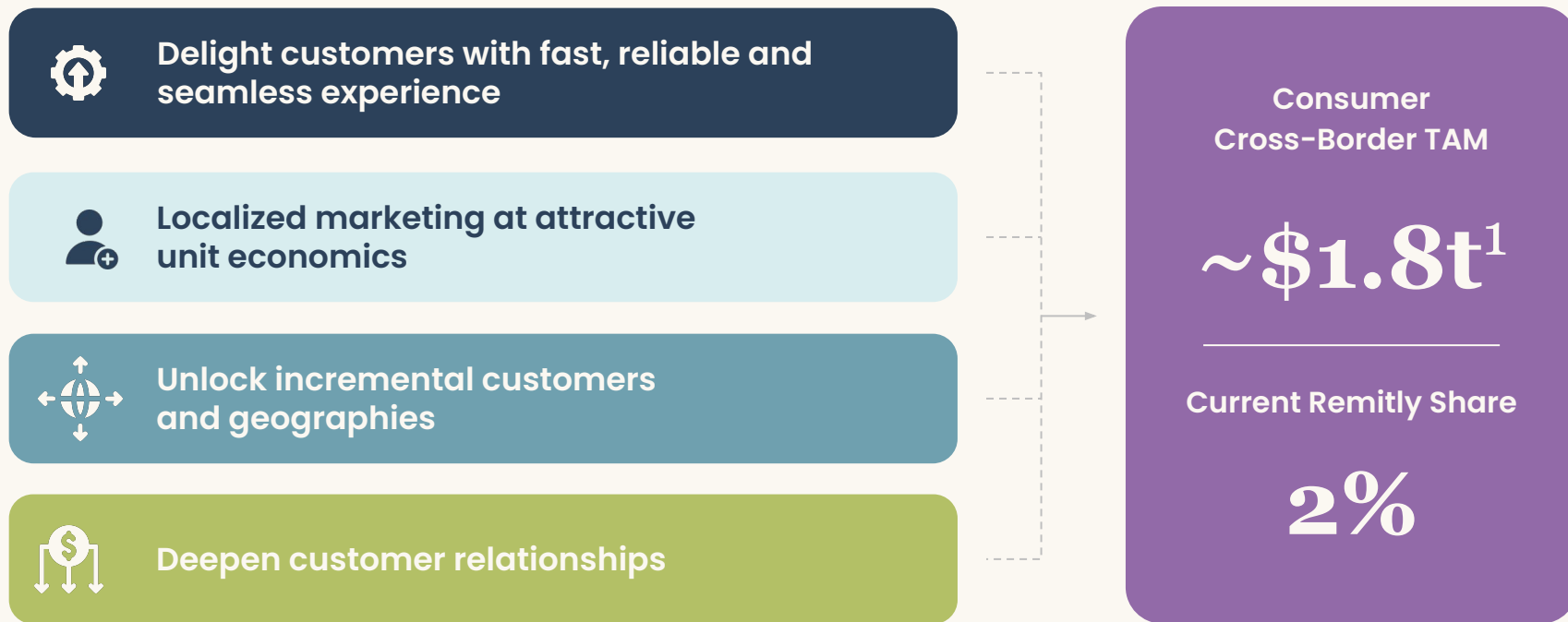


# Vision

Transform lives with  
trusted financial services  
that transcend borders



# Consistent strategy to drive long-term growth and returns

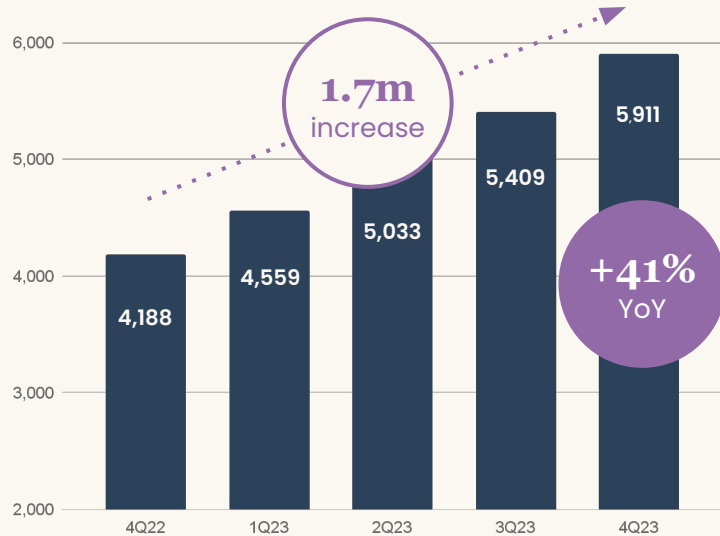


1. Source: FXC Intelligence



# Strong growth in quarterly active customers

Quarterly Active Customers (thousands)



Record number of new customers across geographies



Increasing transaction intensity



Digital receive continues to show strong growth

# Building trust by removing unnecessary friction drives retention and engagement

1. Remitly internal data for 4Q 2023.

2. Disbursement speed reflects the time between when Remitly has the customer funds and when the funds are successfully disbursed (e.g., completed or available for pickup).

\* Please see reconciliation of non-GAAP measures to the most comparable GAAP measures in the appendix.

## Removing customer friction across the transaction lifecycle enabled by scale

- Advanced identity verification and higher precision risk systems
- Higher payment acceptance and delivery rates
- Self service error resolution and self help
- Leverage AI and ML that improves with scale in order to reduce friction

## Key outcomes

**>90%**

Customer transactions  
disbursed in less than an hour<sup>1,2</sup>

—

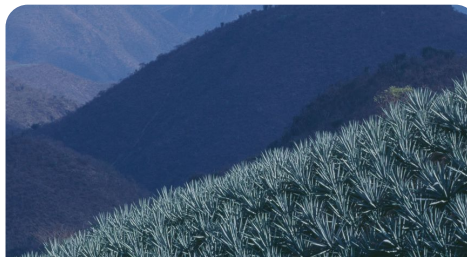
**>95%**

Transactions without customer  
support contact<sup>1</sup>

—

**↓ 260 bps**

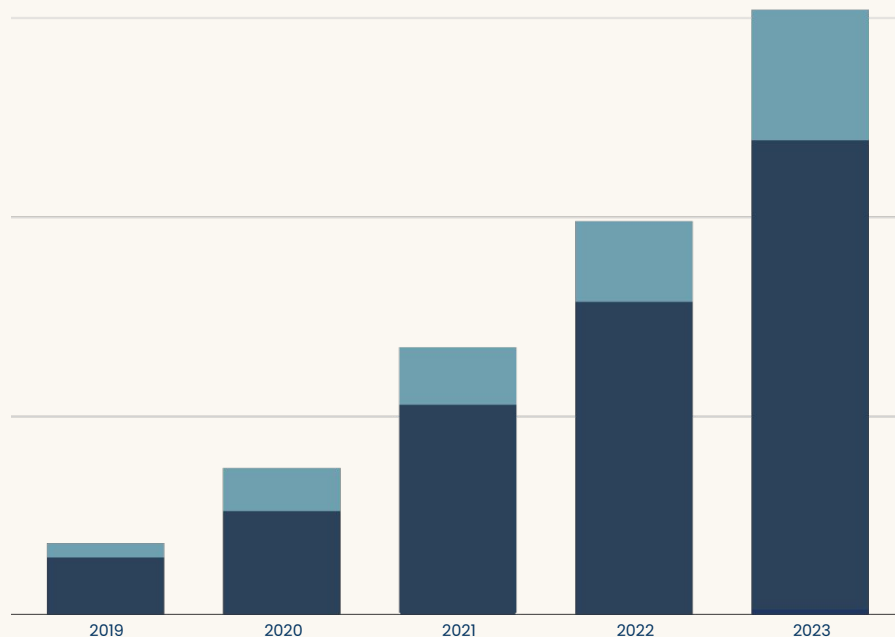
YoY 4Q23 non-GAAP  
customer support expense\*  
as a % of revenue



# Predictable and durable lifetime value

## Revenue less transaction expense

- Contribution of customers acquired in prior years
- Contribution of customers acquired in-year



YoY % growth  
in revenue less  
transaction expense

107%

82%

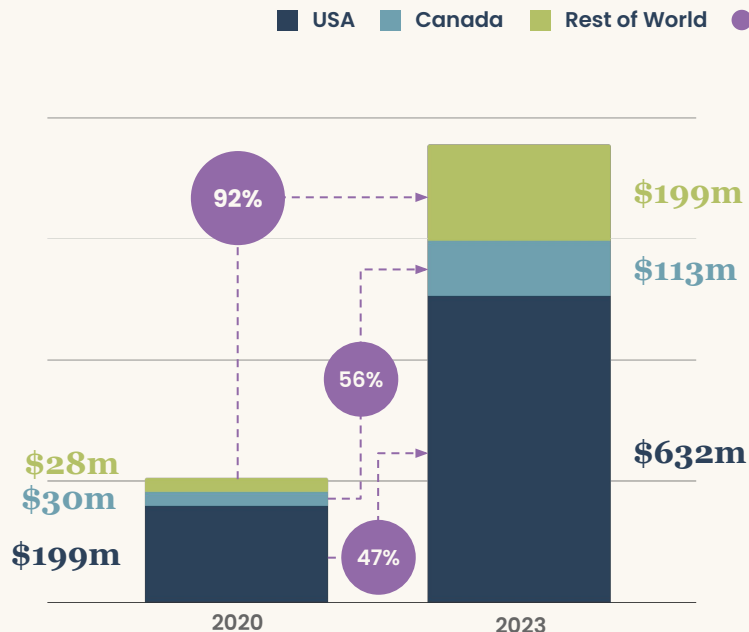
48%

56%



# Opportunity to serve additional markets and customers

## FY 2020 v. FY 2023 Revenue Mix



Success in entering new markets and growing existing markets

- Serve **>5,000 corridors**→significant runway to expand with scale benefits
- Product and network enhancements enable us to serve additional customers



# Technology investments will allow us to deepen customer relationships



**Faster time to market**  
with remittance innovations



**Increasing returns** from investments  
in key technology systems



**Complementary new products**  
built on a modern technology platform



# 4Q Financial Results



**Hemanth Munipalli**  
CFO



# 4Q — Continued strong execution

*\*Adjusted EBITDA is a non-GAAP measure. Please see reconciliation of non-GAAP measures to the most comparable GAAP measures in the Appendix.*



Scale

**5.9m**

41% growth in **quarterly active customers** over 4Q 2022

**\$11.1b**

38% growth in **send volume** over 4Q 2022



Revenue

**\$265m**

39% growth in revenue over 4Q 2022



Profitability

**(\$35m)**

GAAP Net Loss

**\$8m**

Adjusted EBITDA\*



# Strong performance and targeted investments to drive future growth

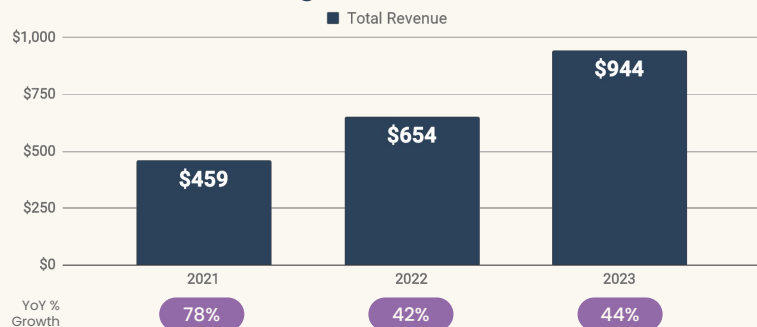
	4Q23 Year-over-Year Change	Performance Drivers
Revenue Growth	<b>↑ 39%</b>	<ul style="list-style-type: none"> <li>• Strong active customer growth and retention</li> <li>• Continued digital transaction intensity</li> <li>• Geographic expansion diversifying revenue</li> </ul>
Transaction Expense as a % of Revenue	<b>↓ 400 bps</b>	<ul style="list-style-type: none"> <li>• Reducing costs across pay in and disbursement network as we scale</li> <li>• Enhanced fraud precision</li> </ul>
Non-GAAP Marketing Expense as a % of Revenue <sup>1</sup>	<b>↑ 610 bps</b>	<ul style="list-style-type: none"> <li>• Record number of new customers</li> <li>• LTV/CAC remains highly attractive</li> </ul>
Non-GAAP Other Operating Expenses as a % of Revenue <sup>1</sup>	<b>CS ↓ 260 bps</b>	<ul style="list-style-type: none"> <li>• Lower contact rates, less unnecessary friction and increasing automation</li> </ul>
	<b>T&amp;D ↑ 20 bps</b>	<ul style="list-style-type: none"> <li>• Investments in high ROI initiatives such as reducing unnecessary friction, platform reliability/availability and scalable technology platform</li> </ul>
	<b>G&amp;A ↑ 100 bps</b>	<ul style="list-style-type: none"> <li>• Continued focus on expense discipline</li> <li>• Timing of certain one time expenses</li> </ul>

<sup>1</sup> Marketing expense and other operating expenses are non-GAAP measures. Other operating expenses include non-GAAP customer support and operations expense, non-GAAP general and administrative expense and non-GAAP technology and development expense. Please see reconciliation of non-GAAP measures to the most comparable GAAP measures in the Appendix.

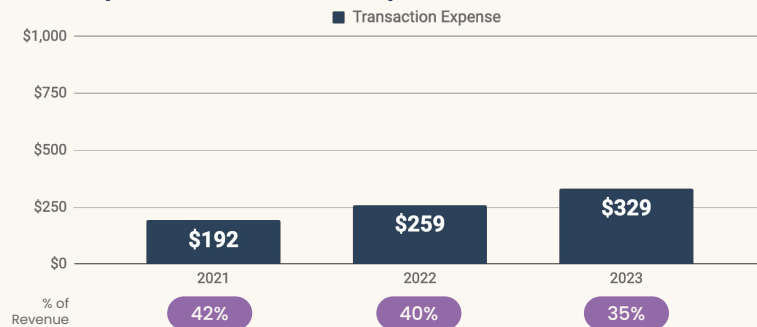


# Significant longer term progress on focus areas

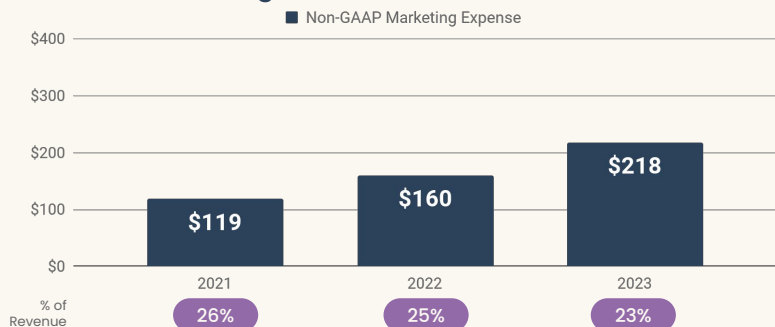
## Strong Revenue Growth



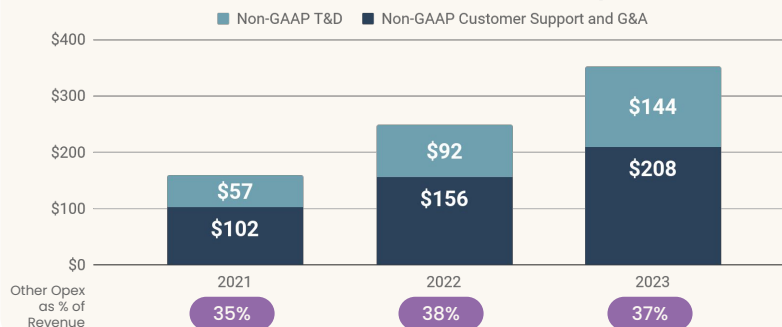
## Improve Transaction Expense as a % of Revenue



## Marketing Investments to Drive Growth<sup>1</sup>



## Deliver Scale Benefits in Other Opex<sup>1</sup>



# 2024 Outlook

Continuation of strategy to drive growth and high returns

*Note: We expect to remain in a GAAP net-loss position in 2024. This guidance is only effective as of the date given, February 21, 2024, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Distribution or reference of this deck following February 21, 2024 does not constitute re-affirming guidance.*



**\$1,225m-\$1,250m**

**2024E Revenue**  
**30% to 32% YoY growth**



**\$75m-\$90m**

**2024E Adjusted EBITDA**

## Key 2024 Assumptions

- Macro and FX environment stable to 4Q23
- Predictable and durable active customer trends
- High return marketing investments
- Continued efficiencies in transaction expense
- Improving other operational efficiencies



# Q & A



“

Amazing! It worked  
as it described it.  
It's reliable and quick.  
I'm very happy  
that I tried it.”

## Alexandra

Remitly user since 2023

Sends money from  
Spain to Colombia



# Appendix



# Non-GAAP Financial Measures

Some of the financial information and data contained in this presentation, such as Adjusted EBITDA and non-GAAP operating expenses, have not been prepared in accordance with United States generally accepted accounting principles ("GAAP").

We regularly review our key business metrics and non-GAAP financial measures to evaluate our performance, identify trends affecting our business, prepare financial projections, and make strategic decisions. We believe that these key business metrics and non-GAAP financial measures provide meaningful supplemental information for management and investors in assessing our historical and future operating performance. Adjusted EBITDA and non-GAAP operating expenses are key output measures used by our management to evaluate our operating performance, inform future operating plans, and make strategic long-term decisions, including those relating to operating expenses and the allocation of internal resources. Remitly believes that the use of Adjusted EBITDA and non-GAAP operating expenses provides additional tools to assess operational performance and trends in, and in comparing Remitly's financial measures with, other similar companies, many of which present similar non-GAAP financial measures to investors. Remitly's non-GAAP financial measures may be different from non-GAAP financial measures used by other companies. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial measures determined in accordance with GAAP. Because of the limitations of non-GAAP financial measures, you should consider the non-GAAP financial measures presented herein in conjunction with Remitly's financial statements and the related notes thereto. Please refer to the non-GAAP reconciliations in this presentation for a reconciliation of these non-GAAP financial measures to the most comparable financial measure prepared in accordance with GAAP.

We calculate Adjusted EBITDA as net loss adjusted by (i) interest (income) expense, net, (ii) provision for income taxes, (iii) noncash charge of depreciation and amortization, (iv) gains and losses from the remeasurement of foreign currency assets and liabilities into their functional currency, (v) noncash charges associated with our donation of common stock in connection with our Pledge 1% commitment, (vi) noncash stock-based compensation expense, net, and (vii) certain acquisition, integration, restructuring, and related costs. We calculate non-GAAP operating expenses as our GAAP operating expenses adjusted by (i) noncash stock-based compensation expense, net, (ii) noncash charges associated with our donation of common stock in connection with our Pledge 1% commitment, as well as (iii) certain acquisition, integration, restructuring, and related costs. We calculate revenue growth on a constant currency basis by translating current period GAAP revenue from foreign currency denominated subsidiary revenue at an exchange rate consistent with the prior period's average monthly rates, and then comparing it to the prior period reported GAAP revenue. Fluctuations in the United States Dollar compared to foreign currency resulted in an increase to revenue of approximately \$2.4 million for the three months ended December 31, 2023, when compared to foreign currency rates in the prior period. On a constant currency basis, revenue would have been up 37% as compared to the same quarter in the prior year.





# Non-GAAP Reconciliation

Reconciliation of operating expenses to non-GAAP operating expenses (in thousands)	4Q 2023	4Q 2022	2023	2022	2021
Customer support and operations	\$19,917	\$19,239	\$82,521	\$68,106	\$45,525
Excluding: Stock-based compensation expense, net	394	220	1,404	816	153
Excluding: Acquisition, integration, restructuring, and related costs	-	-	739	-	-
Non-GAAP customer support and operations	\$19,523	\$19,019	\$80,378	\$67,290	\$45,372
Marketing	\$75,343	\$43,163	\$234,417	\$170,970	\$120,906
Excluding: Stock-based compensation expense, net	3,930	3,363	16,165	10,512	2,325
Non-GAAP marketing	\$71,413	\$39,800	\$218,252	\$160,458	\$118,581
Technology and development	\$59,240	\$42,883	\$219,939	\$138,719	\$64,093
Excluding: Stock-based compensation expense, net	19,920	15,461	74,967	46,420	6,931
Excluding: Acquisition, integration, restructuring, and related costs	700	-	1,224	-	-
Non-GAAP technology and development	\$38,620	\$27,422	\$143,748	\$92,299	\$57,162
General and administrative	\$48,657	\$34,895	\$179,372	\$131,250	\$70,941
Excluding: Stock-based compensation expense, net	11,716	8,369	44,431	37,545	7,607
Excluding: Donation of common stock	-	-	4,600	1,972	6,933
Excluding: Acquisition, integration, restructuring, and related costs	(893)	1,077	2,234	3,462	-
Non-GAAP general and administrative	\$37,834	\$25,449	\$128,107	\$88,271	\$56,401

## Non-GAAP Reconciliation

Reconciliation of net loss to Adjusted EBITDA and calculation of Adjusted EBITDA Margin <i>(in thousands, except for percentages)</i>	4Q 2023	4Q 2022	2023	2022	2021
Net loss	(\$35,021)	(\$19,395)	(\$117,840)	(\$114,019)	(\$38,756)
Add:					
Interest (income) expense, net	(1,461)	(1,947)	(5,095)	(2,847)	1,116
Provision (benefit) for income taxes	5,417	(434)	5,902	1,043	1,043
Depreciation and amortization	3,484	1,854	13,118	6,724	5,256
Foreign exchange (gain) loss	(8)	(1,090)	2,603	(5,261)	(3,125)
Donation of common stock	-	-	4,600	1,972	6,933
Stock-based compensation expense, net	35,960	27,413	136,967	95,293	17,016
Acquisition, integration, restructuring, and related costs	(193)	1,077	4,197	3,462	-
Adjusted EBITDA	\$8,178	\$7,478	\$44,452	(\$13,633)	(\$10,517)
Revenue	\$264,758	\$191,032	\$944,285	\$653,560	\$458,605
Adjusted EBITDA margin	3.1%	3.9%	4.7%	(2.1%)	(2.3%)



# Thank you.



**Remitly™**