

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 1, 2023

REMITLY GLOBAL, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-40822
(Commission File Number)

83-2301143
(IRS Employer
Identification No.)

1111 Third Avenue, Suite 2100
Seattle, WA 98101
(Address of Principal Executive Offices and Zip Code)

(888) 736-4859
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class: | Trading Symbol(s): | Name of each exchange on which registered: |
|--|--------------------|--|
| Common Stock, par value \$0.0001 per share | RELY | NASDAQ |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On November 1, 2023, Remitly Global, Inc. (the “Company”) issued a press release announcing its financial results for the fiscal quarter ended September 30, 2023. A copy of the press release is furnished as Exhibit 99.1 hereto and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On November 1, 2023, the Company provided an investor presentation that will be made available on the investor relations section of the Company’s website at <https://ir.remitly.com/>. The investor presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference herein.

The information in Items 2.02 and 7.01 of this Current Report, including the accompanying Exhibit 99.1 and Exhibit 99.2, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of Section 18. The information in Items 2.02 and 7.01 of this Current Report, including the accompanying Exhibit 99.1 and Exhibit 99.2, shall not be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language contained in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1 | Press Release dated November 1, 2023 |
| 99.2 | Investor Presentation dated November 1, 2023 |
| 104 | Cover page interactive data file (embedded with the inline XBRL document) |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Remitly Global, Inc.

Date: November 1, 2023

By: /s/ Hemanth Munipalli
Hemanth Munipalli
Chief Financial Officer
(Principal Financial Officer)

Date: November 1, 2023

By: /s/ Gail Miller
Gail Miller
Chief Accounting Officer
(Principal Accounting Officer)



Remitly Reports Third Quarter 2023 Results

Active customers up 42% year over year

Send volume up 36% year over year

Revenue up 43% year over year

SEATTLE, WA / November 1, 2023 / [GlobeNewswire](#) / - Remitly Global, Inc. (NASDAQ: RELY), a leading digital financial services provider for immigrants and their families in over 170 countries around the world, reported results for the third quarter ended September 30, 2023.

“We are pleased with our third quarter results which reflect the continued strong execution by our global teams and the resilience and trust our customers have placed in us,” said Matt Oppenheimer, co-founder and Chief Executive Officer, Remitly. “We are in a very strong position to deliver robust long term growth rates at compelling unit economics, sustain targeted high return generating investments for long term value creation and to deliver operating leverage. We expect to close the year strongly and are increasing our revenue and Adjusted EBITDA outlook for 2023.”

Third Quarter 2023 Highlights and Key Operating Data

(All comparisons relative to the third quarter of 2022)

- Active customers increased to 5.4 million, from 3.8 million, up 42%.
- Send volume increased to \$10.2 billion, from \$7.5 billion, up 36%.
- Revenue totaled \$241.6 million, compared to \$169.3 million, up 43%.
- Net loss was \$35.7 million, compared to a net loss of \$33.1 million.
- Adjusted EBITDA was \$10.5 million, compared to \$(3.7) million.

2023 Financial Outlook

For fiscal year 2023, Remitly currently expects:

- Total revenue in the range of \$935 million to \$943 million, representing a growth rate of 43% to 44% year over year. This outlook reflects an increase from our prior outlook of \$915 million to \$925 million.
- To remain in a GAAP net loss position for 2023 and for Adjusted EBITDA to be in the range of \$36 million to \$41 million. This outlook reflects an increase from our prior Adjusted EBITDA outlook of \$33 million to \$40 million.

Reconciliation of GAAP to Non-GAAP Financial Measures

A reconciliation of GAAP to non-GAAP financial measures has been provided in the financial statement tables included in this earnings release. An explanation of these measures is also included below 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 earnings release 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.

Note: All percentage changes described within this press release are calculated using amounts in the Company’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission (the “SEC”), for which revenue and active customers are presented in thousands and send volume is presented in millions. Rounding differences may occur when individually calculating percentages or totals from rounded amounts included within the press release body as compared to the amounts included with the Company’s SEC filings.

Webcast Information

Remitly will host a webcast at 5:00 p.m. Eastern time on Wednesday, November 1, 2023 to discuss its third quarter 2023 financial results. The live webcast and investor presentation will be accessible on Remitly's website at <https://ir.remitly.com>. A webcast replay will be available on our website at <https://ir.remitly.com> following the live event.

We have used, and intend to continue to use, the Investor Relations section of our website at <https://ir.remitly.com> as a means of disclosing material nonpublic information and for complying with our disclosure obligations under Regulation FD.

Non-GAAP Financial Measures

Some of the financial information and data contained in this earnings release, 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 press release 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, and restructuring 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, and restructuring costs.

Forward-Looking Statements

This press release 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 2023 financial outlook, including forecasted fiscal year 2023 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 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, such as the conflict in Israel, 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 is included in our quarterly report on Form 10-Q for the quarter ended September 30, 2023 to be filed with the SEC, and within 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.remity.com> and on the SEC’s website at www.sec.gov. 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.

About Remitly

Remitly is a leading digital financial services provider for immigrants and their families in over 170 countries around the world. Remitly helps immigrants send money home in a safe, reliable and transparent manner. Its digitally native, cross-border remittance app eliminates the long wait times, complexities and fees typical of traditional remittance processes. Building on its strong foundation, Remitly is expanding its suite of products to further its mission and transform financial services for immigrants all around the world.

Contacts**Media:**

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Investor Relations:

Stephen Shulstein

stephens@remitly.com

REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Operations
(unaudited)

| <i>(in thousands, except share and per share data)</i> | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|----------------------------------|-------------|---------------------------------|-------------|
| | 2023 | 2022 | 2023 | 2022 |
| Revenue | \$ 241,629 | \$ 169,259 | \$ 679,527 | \$ 462,528 |
| Costs and expenses | | | | |
| Transaction expenses ⁽¹⁾ | 85,742 | 69,872 | 239,995 | 186,961 |
| Customer support and operations ^{(1) (2)} | 21,190 | 18,142 | 62,604 | 48,867 |
| Marketing ^{(1) (2)} | 61,351 | 43,337 | 159,074 | 127,807 |
| Technology and development ^{(1) (2)} | 57,014 | 36,178 | 160,699 | 95,836 |
| General and administrative ^{(1) (2)} | 49,817 | 35,504 | 130,715 | 96,355 |
| Depreciation and amortization | 3,418 | 1,843 | 9,634 | 4,870 |
| Total costs and expenses | 278,532 | 204,876 | 762,721 | 560,696 |
| Loss from operations | (36,903) | (35,617) | (83,194) | (98,168) |
| Interest income | 1,808 | 1,400 | 5,200 | 1,875 |
| Interest expense | (585) | (330) | (1,566) | (975) |
| Other income (expense), net | 283 | 1,765 | (2,774) | 4,121 |
| Loss before provision for income taxes | (35,397) | (32,782) | (82,334) | (93,147) |
| Provision for income taxes | 258 | 287 | 485 | 1,477 |
| Net loss | \$ (35,655) | \$ (33,069) | \$ (82,819) | \$ (94,624) |
| Net loss per share attributable to common stockholders: | | | | |
| Basic and diluted | \$ (0.20) | \$ (0.20) | \$ (0.46) | \$ (0.57) |
| Weighted-average shares used in computing net loss per share attributable to common stockholders: | | | | |
| Basic and diluted | 182,598,013 | 168,604,378 | 178,956,602 | 166,517,398 |

(1) Exclusive of depreciation and amortization, shown separately, above.

(2) Includes stock-based compensation expense, net. The condensed consolidated financial statements for the nine months ended September 30, 2022 include an adjustment of \$4.4 million to stock-based compensation expense and additional paid-in capital, to correct for an error identified by management during the preparation of the financial statements for the three and six months ended June 30, 2022. This adjustment relates to the understatement of stock-based compensation expense during prior periods. Management has determined that this error was not material to the historical financial statements in any individual period or in the aggregate and did not result in the previously issued financial statements being materially misstated. Substantially all of the cumulative adjustment was related to share-based compensation for personnel who support our general and administrative functions and was recorded to "General and administrative expenses" in the three months ended June 30, 2022.

REMITLY GLOBAL, INC.
Condensed Consolidated Balance Sheets
(unaudited)

| <i>(in thousands)</i> | September 30, 2023 | December 31, 2022 |
|--|-------------------------------|------------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 223,273 | \$ 300,635 |
| Disbursement prefunding | 216,232 | 158,055 |
| Customer funds receivable, net | 259,316 | 191,402 |
| Prepaid expenses and other current assets | 30,015 | 19,327 |
| Total current assets | 728,836 | 669,419 |
| Property and equipment, net | 14,713 | 11,546 |
| Operating lease right-of-use assets | 10,299 | 8,675 |
| Goodwill | 54,940 | — |
| Intangible assets, net | 17,856 | — |
| Other noncurrent assets, net | 6,106 | 6,313 |
| Total assets | <u>\$ 832,750</u> | <u>\$ 695,953</u> |
| Liabilities and Stockholders' Equity | | |
| Current liabilities | | |
| Accounts payable | \$ 17,861 | \$ 6,794 |
| Customer liabilities | 143,116 | 111,075 |
| Short-term debt | 2,354 | — |
| Accrued expenses and other current liabilities | 131,671 | 87,752 |
| Operating lease liabilities | 5,395 | 3,521 |
| Total current liabilities | 300,397 | 209,142 |
| Operating lease liabilities, noncurrent | 5,749 | 5,674 |
| Other noncurrent liabilities | 812 | 1,050 |
| Total liabilities | <u>\$ 306,958</u> | <u>\$ 215,866</u> |
| Commitments and contingencies | | |
| Stockholders' equity | | |
| Common stock | \$ 19 | \$ 17 |
| Additional paid-in capital | 983,197 | 854,276 |
| Accumulated other comprehensive loss | (1,142) | (743) |
| Accumulated deficit | (456,282) | (373,463) |
| Total stockholders' equity | 525,792 | 480,087 |
| Total liabilities and stockholders' equity | <u>\$ 832,750</u> | <u>\$ 695,953</u> |

REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Cash Flows
(unaudited)

| (in thousands) | Nine Months Ended September 30, | |
|---|---------------------------------|-------------|
| | 2023 | 2022 |
| Cash flows from operating activities | | |
| Net loss | \$ (82,819) | \$ (94,624) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 9,634 | 4,870 |
| Stock-based compensation expense, net | 101,007 | 67,880 |
| Donation of common stock | 4,600 | 1,972 |
| Other | 4,674 | 268 |
| Changes in operating assets and liabilities: | | |
| Disbursement prefunding | (52,162) | (35,909) |
| Customer funds receivable | (68,553) | (52,547) |
| Prepaid expenses and other assets | (9,652) | (3,355) |
| Operating lease right-of-use assets | 3,796 | 2,743 |
| Accounts payable | 10,448 | 6,863 |
| Customer liabilities | 29,211 | 36,803 |
| Accrued expenses and other liabilities | 34,164 | 40,399 |
| Operating lease liabilities | (3,470) | (3,152) |
| Net cash used in operating activities | (19,122) | (27,789) |
| Cash flows from investing activities | | |
| Purchases of property and equipment | (2,268) | (2,197) |
| Capitalized internal-use software costs | (4,249) | (2,444) |
| Cash paid for acquisition, net of acquired cash, cash equivalents, and restricted cash | (40,933) | (375) |
| Net cash used in investing activities | (47,450) | (5,016) |
| Cash flows from financing activities | | |
| Proceeds from exercise of stock options | 12,258 | 8,245 |
| Proceeds from revolving credit facility borrowings | 424,000 | — |
| Repayments of revolving credit facility borrowings | (424,000) | — |
| Taxes paid related to net share settlement of equity awards | (4,711) | (55) |
| Repayment of assumed indebtedness | (17,068) | — |
| Net cash (used in) provided by financing activities | (9,521) | 8,190 |
| Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash | (599) | (2,166) |
| Net decrease in cash, cash equivalents, and restricted cash | (76,692) | (26,781) |
| Cash, cash equivalents, and restricted cash at beginning of period | 300,734 | 403,313 |
| Cash, cash equivalents, and restricted cash at end of period | \$ 224,042 | \$ 376,532 |
| Supplemental disclosure of cash flow information | | |
| Cash paid for interest | \$ 1,329 | \$ 690 |
| Cash paid for income taxes | 4,691 | 1,397 |
| Supplemental disclosure of noncash investing and financing activities | | |
| Operating lease right-of-use assets obtained in exchange for operating lease liabilities | \$ 5,414 | \$ 7,441 |
| Vesting of early exercised options | 311 | 554 |
| Noncash issuance of common stock in connection with ESPP | 6,046 | 3,516 |
| Stock-based compensation expense capitalized to internal-use software | 2,194 | 1,368 |
| Issuance of common stock for acquisition consideration | 6,635 | — |
| Issuance of common stock, subject to service-based vesting conditions, in connection with acquisition | 581 | — |
| Amounts held back for acquisition consideration | 11,899 | — |
| Settlement of preexisting net receivable in exchange for net assets acquired in business combination | 2,401 | — |
| Reconciliation of cash, cash equivalents, and restricted cash | | |
| Cash and cash equivalents | \$ 223,273 | \$ 376,451 |
| Restricted cash included in prepaid expenses and other current assets | 715 | — |
| Restricted cash included in other noncurrent assets, net | 54 | 81 |
| Total cash, cash equivalents, and restricted cash | \$ 224,042 | \$ 376,532 |

REMITLY GLOBAL, INC.
Reconciliation of GAAP to Non-GAAP Financial Measures
(unaudited)

Reconciliation of net loss to Adjusted EBITDA:

| <i>(in thousands)</i> | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|----------------------------------|-------------|---------------------------------|-------------|
| | 2023 | 2022 | 2023 | 2022 |
| Net loss | \$ (35,655) | \$ (33,069) | \$ (82,819) | \$ (94,624) |
| Add: | | | | |
| Interest (income) expense, net | (1,223) | (1,070) | (3,634) | (900) |
| Provision for income taxes | 258 | 287 | 485 | 1,477 |
| Depreciation and amortization | 3,418 | 1,843 | 9,634 | 4,870 |
| Foreign exchange (gain) loss | (376) | (1,815) | 2,611 | (4,171) |
| Donation of common stock | 4,600 | 1,972 | 4,600 | 1,972 |
| Stock-based compensation expense, net | 36,573 | 25,745 | 101,007 | 67,880 |
| Acquisition, integration, and restructuring costs ⁽¹⁾ | 2,901 | 2,385 | 4,390 | 2,385 |
| Adjusted EBITDA | \$ 10,496 | \$ (3,722) | \$ 36,274 | \$ (21,111) |

⁽¹⁾ Acquisition, integration, and restructuring costs for the three and nine months ended September 30, 2023 consists of expenses related to the acquisition and integration of Rewire (U.S.G) Research and Development Ltd., as well as restructuring charges incurred. Acquisition and integration expenses for the three and nine months ended September 30, 2023 were \$1.5 million and \$3.0 million, respectively. These acquisition and integration expenses included the change in the fair value of the holdback liability of \$0.9 million and \$1.9 million, respectively, and professional fees incurred for acquisition and integration costs of \$0.6 million and \$1.1 million, respectively. Restructuring charges incurred for both the three and nine months ended were \$1.4 million.

Reconciliation of operating expenses to non-GAAP operating expenses:

(in thousands)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|----------------------------------|-----------|---------------------------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| Customer support and operations | \$ 21,190 | \$ 18,142 | \$ 62,604 | \$ 48,867 |
| Excluding: Stock-based compensation expense, net | 386 | 226 | 1,010 | 596 |
| Excluding: Acquisition, integration, and restructuring costs | 749 | — | 749 | — |
| Non-GAAP customer support and operations | \$ 20,055 | \$ 17,916 | \$ 60,845 | \$ 48,271 |
| | | | | |
| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
| | 2023 | 2022 | 2023 | 2022 |
| Marketing | \$ 61,351 | \$ 43,337 | \$ 159,074 | \$ 127,807 |
| Excluding: Stock-based compensation expense, net | 4,525 | 3,352 | 12,235 | 7,149 |
| Non-GAAP marketing | \$ 56,826 | \$ 39,985 | \$ 146,839 | \$ 120,658 |
| | | | | |
| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
| | 2023 | 2022 | 2023 | 2022 |
| Technology and development | \$ 57,014 | \$ 36,178 | \$ 160,699 | \$ 95,836 |
| Excluding: Stock-based compensation expense, net | 19,828 | 13,238 | 55,047 | 30,959 |
| Excluding: Acquisition, integration, and restructuring costs | 510 | — | 510 | — |
| Non-GAAP technology and development | \$ 36,676 | \$ 22,940 | \$ 105,142 | \$ 64,877 |
| | | | | |
| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
| | 2023 | 2022 | 2023 | 2022 |
| General and administrative | \$ 49,817 | \$ 35,504 | \$ 130,715 | \$ 96,355 |
| Excluding: Stock-based compensation expense, net | 11,834 | 8,929 | 32,715 | 29,176 |
| Excluding: Donation of common stock | 4,600 | 1,972 | 4,600 | 1,972 |
| Excluding: Acquisition, integration, and restructuring costs | 1,642 | 2,385 | 3,131 | 2,385 |
| Non-GAAP general and administrative | \$ 31,741 | \$ 22,218 | \$ 90,269 | \$ 62,822 |



Investor Presentation

Third Quarter 2023 Earnings
November 1, 2023

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 2023 financial outlook, including forecasted fiscal year 2023 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, such as the conflict in Israel, 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 quarterly report on Form 10-Q for the quarter ended September 30, 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. 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, November 1, 2023, 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 November 1, 2023 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.

3Q Strategic Overview



Matt Oppenheimer
Co-Founder & CEO

Consistent strategy of high ROI investments provides multiple opportunities to capture more of the large TAM and deliver long term profitable growth



New customer acquisition

Near term returns →



Geographic expansion

Medium term returns →



Frictionless remittance experience

Medium term returns →



Complementary new products

Long term returns →

Remittances TAM

>\$1.6t¹

Global remittances through both formal and informal channels

Current Remitly Share

2%

1. Source: Remitly 2022 10-K



4 November 2023 / © 2023 Remitly Inc.

**Strong 3Q
results reflect
current execution
and investments
in future
profitable
growth**

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



3Q23 Revenue

\$242m

↑ 43% Y/Y



3Q23 Profitability

(\$36m)

GAAP Net Loss

\$10m

Adjusted EBITDA*



Record new customer acquisition and high retention



Customer behavior continues to be resilient



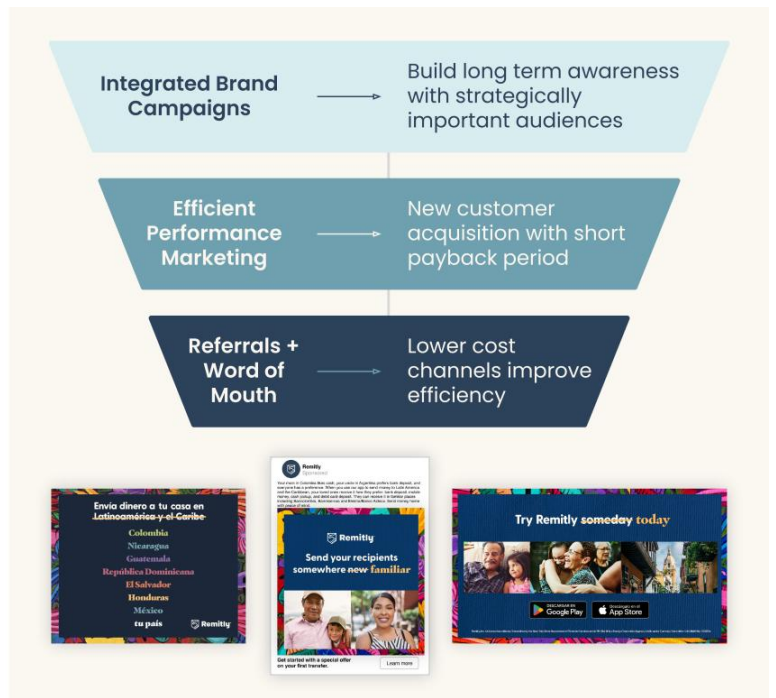
Continued diversification of new customers



Word of mouth key driver as we continue to delight customers



High confidence marketing investments to drive growth



Removing customer friction builds customer trust and lowers costs

We're just getting started — significant opportunities ahead to reduce customer friction in many areas

1. Remitly internal data for 3Q 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.



Examples of removing customer friction in our payment acceptance and disbursement networks

- Increasing relevant and localized payment options
- Easy and instant refunds
- Real time feedback on payment errors
- Increased countries with direct integrations by ~100% over past 2 years¹



Key outcomes

>92%

Customer transactions disbursed in less than an hour^{1,2}

99.98%

Platform availability^{1,2}

↓ 230 bps

YoY 3Q23 non-GAAP customer support expense* as a % of revenue



Vision

To transform the lives of immigrants and their families by providing the most trusted financial services on the planet.



3Q Financial Results



Hemanth Munipalli
CFO

3Q — 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

5.4m

42% growth in **quarterly active customers** over 3Q 2022

\$10.2b

36% growth in **send volume** over 3Q 2022



REVENUE

\$242m

43% growth in revenue over 3Q 2022



PROFITABILITY

(\$36m)

GAAP Net Loss

\$10.5m

Adjusted EBITDA*

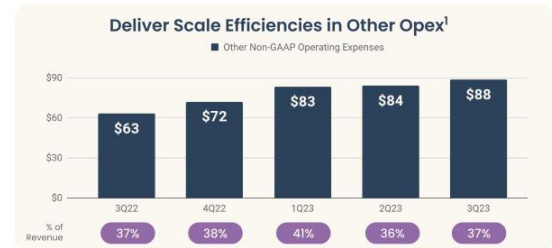
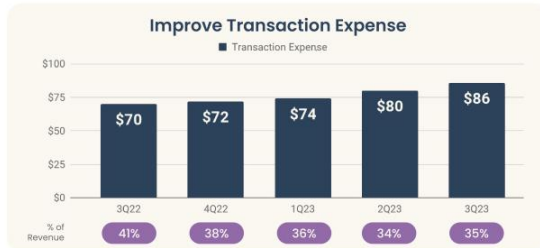
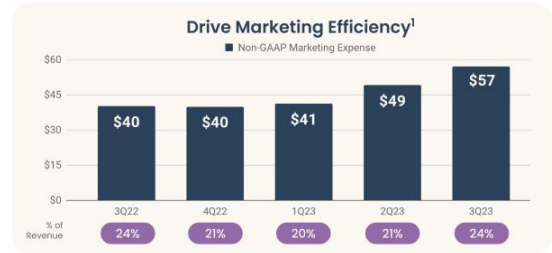
3Q 2023 – strong performance and targeted investments

| | 3Q23 Year-over-Year Change | Performance Drivers | Macro Factors |
|--|----------------------------|---|--|
| Revenue Growth | ↑ 43% | <ul style="list-style-type: none"> Strong active customer growth and retention Continued digital transaction intensity Geographic expansion diversifying revenue | <ul style="list-style-type: none"> Limited impact on customer behavior due to FX volatility |
| Transaction Expense as a % of Revenue | ↓ 580 bps | <ul style="list-style-type: none"> Optimized fraud loss management Reducing costs across pay in and disbursement network as we scale | |
| Non-GAAP Marketing Expense as a % of Revenue ¹ | ↓ 10 bps | <ul style="list-style-type: none"> Record number of new customers; attractive LTV/CAC Targeted brand/upper funnel investments Improved localization at scale/creative velocity | |
| Non-GAAP Other Operating Expenses as a % of Revenue ¹ | CS ↓ 230 bps | <ul style="list-style-type: none"> Lower contact rates and increasing automation | |
| | T&D ↑ 160 bps | <ul style="list-style-type: none"> Investments in high ROI initiatives such as reducing friction, platform reliability/availability and complementary new products | |
| | G&A flat | <ul style="list-style-type: none"> Continued focus on expense discipline | |

¹ 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.



Four key focus areas to drive sustainable, long-term returns



Raising 2023 Outlook

Strong revenue growth
and scale efficiencies
enabling higher returns

Note: We expect to remain in a GAAP net-loss position in 2023. This guidance is only effective as of the date given, November 1, 2023, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Distribution or reference of this deck following November 1, 2023 does not constitute re-affirming guidance.



\$935m-\$943m

2023E Revenue

43% to 44% YoY growth

—

\$36m-\$41m

2023E Adjusted EBITDA

Key 2023 Assumptions

- Macro and FX environment stable to 3Q23
- Moderating growth in operating expenses vs 2022
- Plan to make high return investments for the long-term



Q & A

“

This app is
awesome, try it!
It is easy and fast.
I love it.

Alexis

Remitly user since 2023

Sends money from
Australia to Philippines



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, and restructuring 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, and restructuring 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 \$1.4 million for the three months ended September 30, 2023, when compared to foreign currency rates in the prior period. On a constant currency basis, revenue would have been up 42% as compared to the same quarter in the prior year.

Non-GAAP Reconciliation

| Reconciliation of operating expenses to non-GAAP operating expenses <i>(in thousands)</i> | 3Q 2023 | 2Q 2023 | 1Q 2023 | 4Q 2022 | 3Q 2022 |
|--|----------|----------|----------|----------|----------|
| Customer support and operations | \$21,190 | \$21,483 | \$19,931 | \$19,239 | \$18,142 |
| Excluding: Stock-based compensation expense, net | 386 | 419 | 205 | 220 | 226 |
| Excluding: Acquisition, integration, and restructuring costs | 749 | - | - | - | - |
| Non-GAAP customer support and operations | \$20,055 | \$21,064 | \$19,726 | \$19,019 | \$17,916 |
| Marketing | \$61,351 | \$53,600 | \$44,123 | \$43,163 | \$43,337 |
| Excluding: Stock-based compensation expense, net | 4,525 | 4,727 | 2,983 | 3,363 | 3,352 |
| Non-GAAP marketing | \$56,826 | \$48,873 | \$41,140 | \$39,800 | \$39,985 |
| Technology and development | \$57,014 | \$54,309 | \$49,376 | \$42,883 | \$36,178 |
| Excluding: Stock-based compensation expense, net | 19,828 | 18,588 | 16,631 | 15,461 | 13,238 |
| Excluding: Acquisition, integration, and restructuring costs | 510 | - | - | - | - |
| Non-GAAP technology and development | \$36,676 | \$35,721 | \$32,745 | \$27,422 | \$22,940 |
| General and administrative | \$49,817 | \$39,490 | \$41,408 | \$34,895 | \$35,504 |
| Excluding: Stock-based compensation expense, net | 11,834 | 11,466 | 9,415 | 8,369 | 8,929 |
| Excluding: Donation of common stock | 4,600 | - | - | - | 1,972 |
| Excluding: Acquisition, integration, and restructuring costs | 1,642 | 316 | 1,173 | 1,077 | 2,385 |
| Non-GAAP general and administrative | \$31,741 | \$27,708 | \$30,820 | \$25,449 | \$22,218 |

Non-GAAP Reconciliation

| Reconciliation of net loss to Adjusted EBITDA and calculation of Adjusted EBITDA Margin (in thousands, except for percentages) | 3Q 2023 | 2Q 2023 | 1Q 2023 | 4Q 2022 | 3Q 2022 |
|--|------------|------------|------------|------------|------------|
| Net loss | (\$35,655) | (\$18,850) | (\$28,314) | (\$19,395) | (\$33,069) |
| Add: | | | | | |
| Interest (income) expense, net | (1,223) | (776) | (1,635) | (1,947) | (1,070) |
| (Benefit) provision for income taxes | 258 | (143) | 370 | (434) | 287 |
| Depreciation and amortization | 3,418 | 3,187 | 3,029 | 1,854 | 1,843 |
| Foreign exchange (gain) loss | (376) | 1,482 | 1,505 | (1,090) | (1,815) |
| Donation of common stock | 4,600 | - | - | - | 1,972 |
| Stock-based compensation expense, net | 36,573 | 35,200 | 29,234 | 27,413 | 25,745 |
| Acquisition, integration, and restructuring costs | 2,901 | 316 | 1,173 | 1,077 | 2,385 |
| Adjusted EBITDA | \$10,496 | \$20,416 | \$5,362 | \$7,478 | (\$3,722) |
| Revenue | \$241,629 | \$234,033 | \$203,865 | \$191,032 | \$169,259 |
| Adjusted EBITDA margin | 4.3% | 8.7% | 2.6% | 3.9% | (2.2%) |

Thank you.



Remitly™
