



Q4 & FY 2021 Earnings Supplement

March 2022



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This presentation contains certain non-GAAP financial measures as defined by SEC rules. Flywire has provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix. The company is unable to provide a reconciliation from forecasted adjusted EBITDA to forecasted GAAP net income (loss) or to forecasted GAAP income (loss) before income taxes, without making unreasonable efforts, to calculate certain reconciling items with confidence. These items include but are not limited to income taxes which are directly impacted by unpredictable fluctuations in the market price of the company's stock.

Financial Disclosure Advisory

Flywire reports its financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). The expected financial results discussed in this presentation are preliminary and unaudited and represent the most current information available to Flywire's management, as financial closing and audit procedures for the year ended December 31, 2021, are not yet complete. These estimates are not a comprehensive statement of Flywire's financial results for the fourth quarter and fiscal year ended December 31, 2021, and actual results may differ materially from these estimates as a result of the completion of year-end accounting procedures and adjustments, including tax provision analysis and the performance of Flywire's internal control over financial reporting, the completion of the external audit by Flywire's independent registered public accounting firm, the preparation of Flywire's financial statements and the subsequent occurrence or identification of events prior to the formal issuance of the audited financial statements for fiscal year 2021. Flywire has not finalized its accounting treatment of certain international income and indirect tax matters. However, Flywire expects that the maximum magnitude of any related adjustments is less than \$3.3 million and would not impact revenue, gross margin or adjusted EBITDA, but would negatively impact Flywire's loss from operations, loss before income taxes, net loss and net loss per share as may be reported in its Annual Report on Form 10-K. In addition, results presented in this presentation do not present all information necessary for an understanding of Flywire's financial condition and results of operations as of and for the quarter and year ended December 31, 2021.



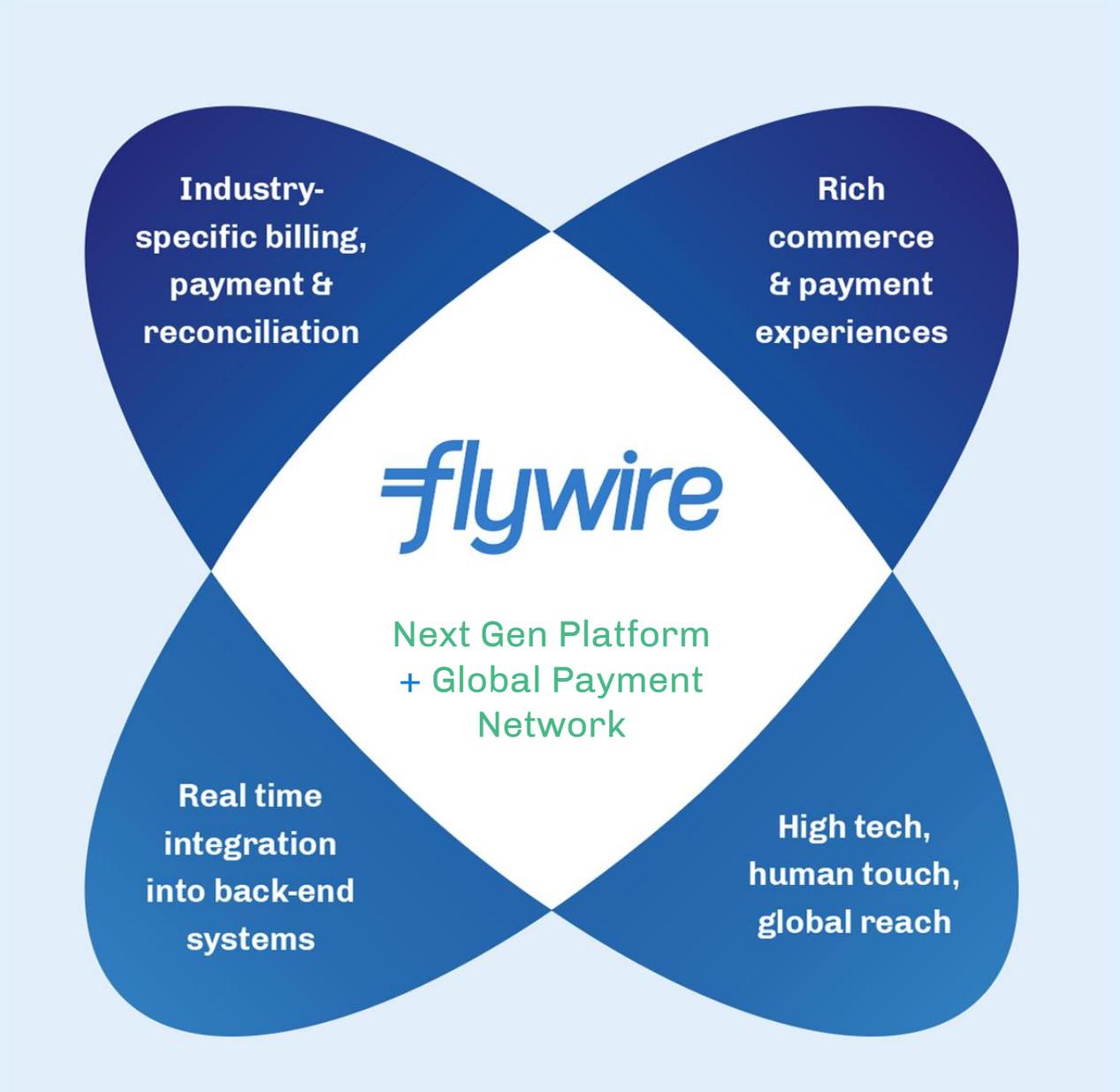
 Our mission is to deliver the most important and complex payments

We help our clients
get paid...

...and their customers
pay with ease from
anywhere in the world



Software drives value in payments





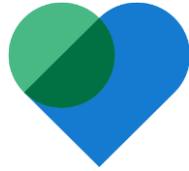
High-stakes, high-value payments in large markets



Education
\$660B TAM¹

>2,000 global institutions

>2M students globally



Healthcare
\$500B TAM²

>80 healthcare systems

4/top 10 US health systems ranked by hospital size



Travel
~\$530B TAM³

Large travel operators/
accommodations



B2B Payments
\$10T TAM⁴

Unique network of assets
to support B2B



flywire

Our Flywire Advantage
& Opportunity

We believe our runway for growth is substantial

Global

E-commerce¹

\$4.3
TRILLION

vs.

\$1.7^{2,3,4}
TRILLION



Education
Healthcare
Travel

Flywire Market
Opportunity

\$10⁵
TRILLION

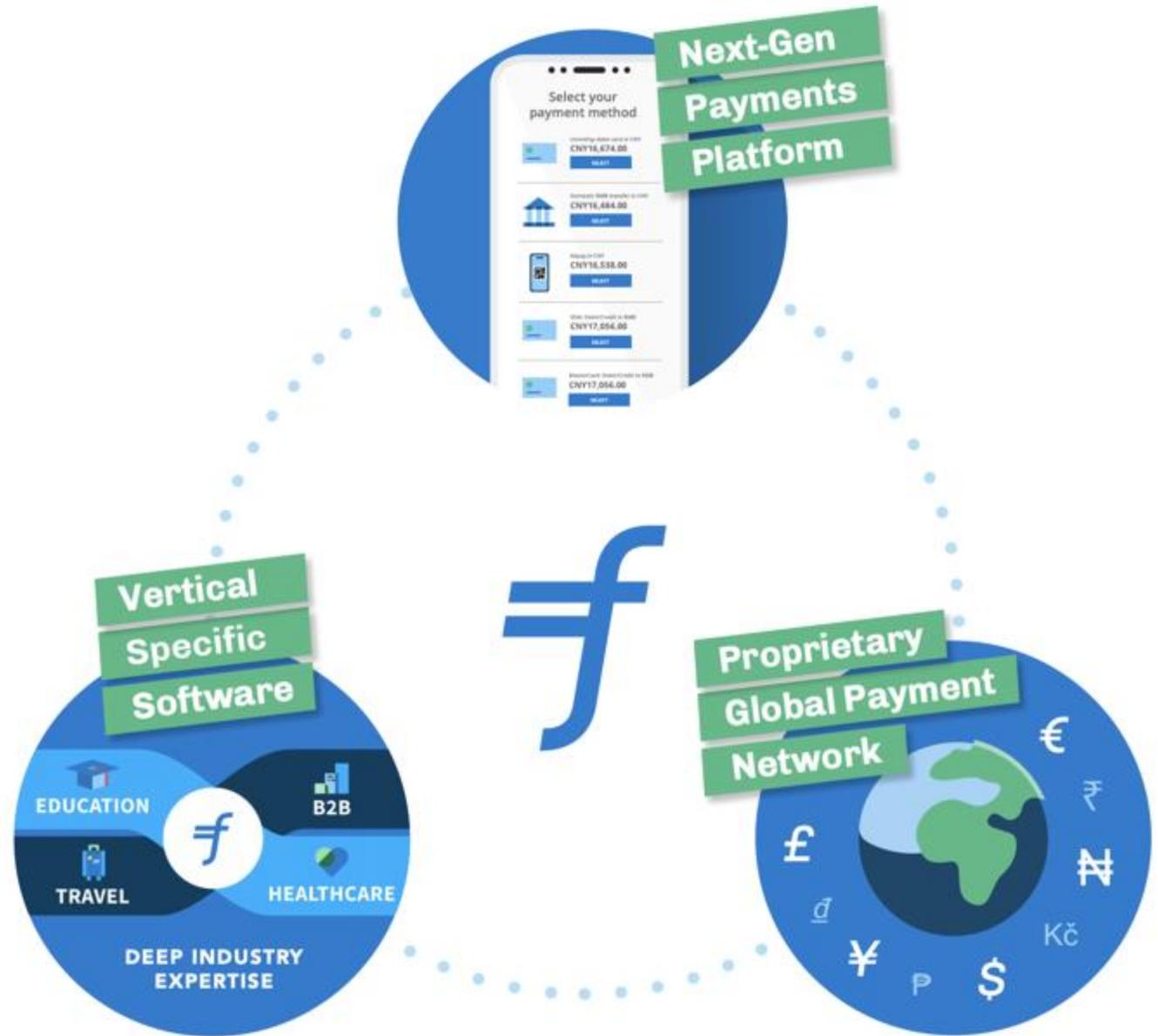


B2B

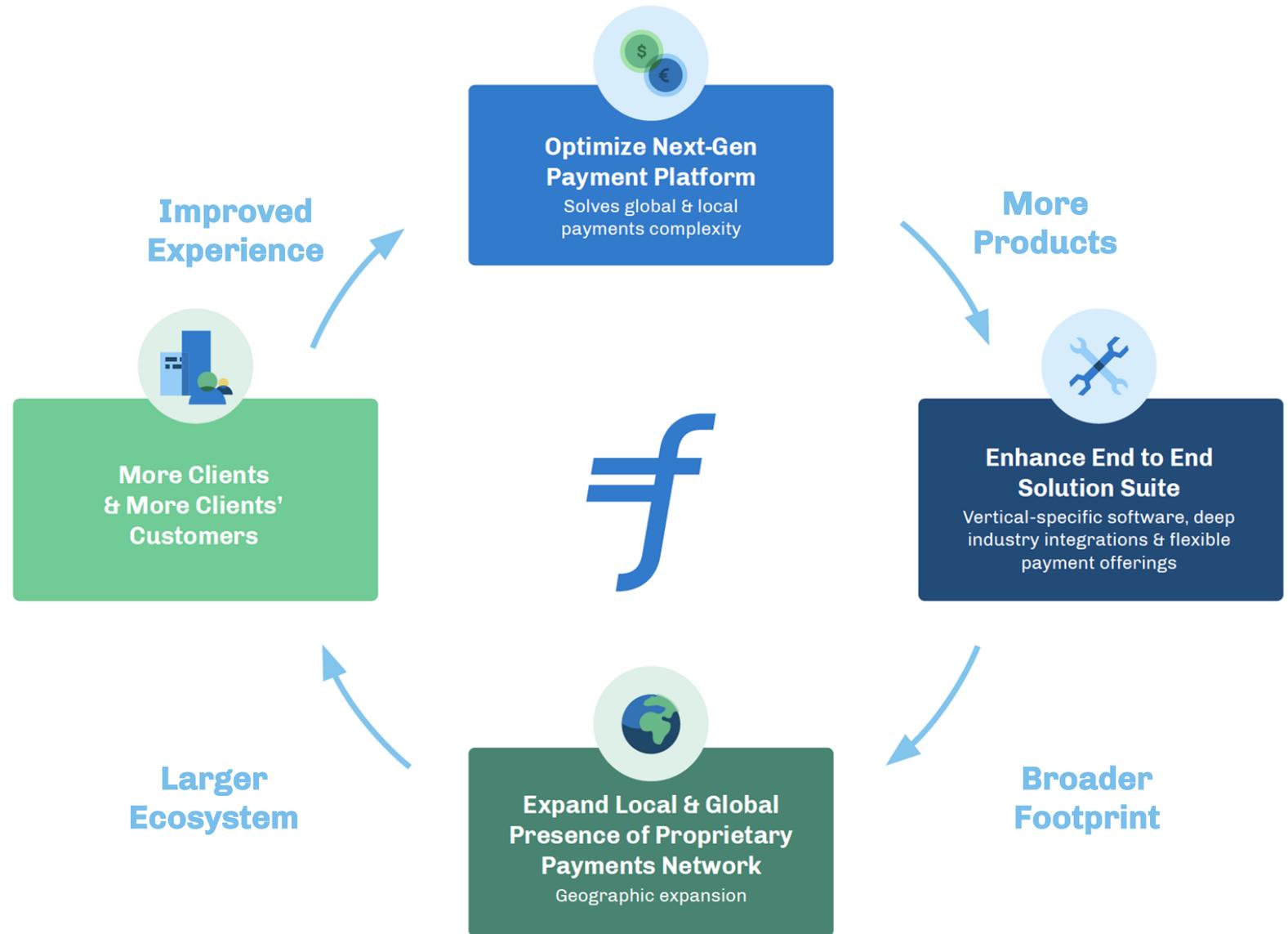
1.eMarketer, 2020 Global Online Sales 2. OECD & Parthenon report (Education); 3. Centers for Medicare & Medicaid Services and Patients Without Borders (Healthcare); 4. IBISWorld and management's estimates (Travel); and 5. Juniper and management's estimates (B2B).



Our proven Flywire Advantage



Fueling a powerful & accelerating flywheel



Strong tailwinds across our verticals

The digitization of payments is inevitable



In **education**, demand for global education remains strong with U.S. higher education reporting 68%¹ increase in international student enrollment



The need for consumer-friendly and digital first payment options continues to be a priority in **healthcare**



Strong demand to **travel** especially among luxury travelers with 72%² planning to spend more traveling this year than they did pre-pandemic



The COVID pandemic has accelerated the need for finance automation and digitization in **B2B**

Growth strategies



Grow with existing clients

123%¹

Three year average annual dollar-based net retention rate



Grow with new clients

400+

New clients in FY21



Expand our ecosystem through channel partnerships



Expand to new industries, geographies & products

375+

Travel & B2B Clients



Pursue strategic & value-enhancing acquisitions





Q4 2021 Performance

GAAP Financial Highlights

Q4 2021¹

\$51.4M

Revenue

59.7%

Gross Margin

\$(11.2)M

Net Loss

Key Operating Metrics (Non-GAAP)

Q4 2021

\$3.1B
(+75%)¹

**Total
Payment
Volume**

\$45.9M
(+56%)¹

**Revenue Less
Ancillary
Services**

66.9%
(-160 bps)¹

**Adjusted
Gross
Margin**

\$(1.9)M

**Adjusted
EBITDA**

*1. Represents Y-o-Y Growth as compared to Q4 2020
See appendix for reconciliation to GAAP amounts*



FY 2021 Performance

GAAP Financial Highlights

FY 2021¹

\$201.1M

Revenue

62.3%

Gross Margin

\$(28.0)M

Net Loss

Key Operating Metrics (Non-GAAP)

FY 2021

\$13.2B

(+76%)¹

**Total
Payment
Volume**

\$181.1M

(+58%)¹

**Revenue Less
Ancillary
Services**

69.1%

(-30 bps)¹

**Adjusted
Gross
Margin**

\$22.7M

**Adjusted
EBITDA**

*1. Represents Y-o-Y Growth as compared to 2020
See appendix for reconciliation to GAAP amounts*



Financial Outlook

Q1 2022 Outlook

\$55 - 57M

**Revenue Less
Ancillary Services**

The company is unable to provide a reconciliation from forecasted adjusted EBITDA to forecasted GAAP net income (loss) or to forecasted GAAP income (loss) before income taxes, without making unreasonable efforts, to calculate certain reconciling items with confidence. These items include but are not limited to income taxes which are directly impacted by unpredictable fluctuations in the market price of the company's stock.

FY 2022 Outlook

\$244 - 252M

**Revenue Less
Ancillary Services**

\$9 - 13M

Adjusted EBITDA

The company is unable to provide a reconciliation from forecasted adjusted EBITDA to forecasted GAAP net income (loss) or to forecasted GAAP income (loss) before income taxes, without making unreasonable efforts, to calculate certain reconciling items with confidence. These items include but are not limited to income taxes which are directly impacted by unpredictable fluctuations in the market price of the company's stock.

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Appendix

Revenue Less Ancillary Services & Adjusted Gross Margin Reconciliations

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|------------------------------------|----------------|----------------------------|-----------------|
| | 2021 | 2020 | 2021 | 2020 |
| Revenue | \$ 51.4 | \$ 33.2 | \$ 201.1 | \$ 131.8 |
| Adjusted to exclude gross up for: | | | | |
| Pass through cost for printing and mailing | (4.9) | (3.7) | (18.2) | (15.8) |
| Marketing fees | (0.6) | (0.1) | (1.8) | (1.4) |
| Revenue Less Ancillary Services | <u>\$ 45.9</u> | <u>\$ 29.4</u> | <u>\$ 181.1</u> | <u>\$ 114.6</u> |
| Payment processing services Costs | \$ 19.2 | \$ 11.6 | \$ 70.2 | \$ 47.8 |
| Hosting and amortization costs within technology and development expenses | 1.5 | 1.4 | 5.7 | 4.5 |
| Adjusted to: | | | | |
| Exclude printing and mailing costs | (4.9) | (3.7) | (18.2) | (15.8) |
| Offset marketing fees against related costs | (0.6) | (0.1) | (1.8) | (1.4) |
| Costs of revenue less ancillary services | <u>\$ 15.2</u> | <u>\$ 9.3</u> | <u>\$ 55.9</u> | <u>\$ 35.1</u> |
| Gross Profit | \$ 30.7 | \$ 20.2 | \$ 125.3 | \$ 79.5 |
| Gross Margin | <u>59.7%</u> | <u>60.7%</u> | <u>62.3%</u> | <u>60.3%</u> |
| Adjusted Gross Profit | \$ 30.7 | \$ 20.2 | \$ 125.3 | \$ 79.5 |
| Adjusted Gross Margin | <u>66.9%</u> | <u>68.5%</u> | <u>69.1%</u> | <u>69.4%</u> |

Revenue Disaggregation by Revenue Type

| | Three Months Ended December 31, 2021 | | | Three Months Ended December 31, 2020 | | |
|---|---|----------------------|----------------|---|----------------------|----------------|
| | Transaction | Platform & Usage- | Revenue | Transaction | Platform & Usage- | Revenue |
| Revenue | \$ 38.3 | \$ 13.1 | \$ 51.4 | \$ 22.5 | \$ 10.7 | \$ 33.2 |
| Adjusted to exclude gross up for: | | | | | | |
| Pass through cost for printing and mailing | --- | (4.9) | (4.9) | --- | (3.7) | (3.7) |
| Marketing fees | (0.6) | --- | (0.6) | (0.1) | --- | (0.1) |
| Revenue Less Ancillary Services | <u>\$ 37.7</u> | <u>\$ 8.2</u> | <u>\$ 45.9</u> | <u>\$ 22.4</u> | <u>\$ 7.1</u> | <u>\$ 29.4</u> |
| Percentage of Revenue | 74.5% | 25.5% | 100% | 67.7% | 32.3% | 100% |
| Percentage of Revenue less Ancillary Services | 82.1% | 17.9% | 100% | 75.9% | 24.1% | 100% |

| | Year Ended December 31, 2021 | | | Year Ended December 31, 2020 | | |
|---|---------------------------------|----------------------|-----------------|---------------------------------|----------------------|-----------------|
| | Transaction | Platform & Usage- | Revenue | Transaction | Platform & Usage- | Revenue |
| Revenue | \$ 148.0 | \$ 53.2 | \$ 201.1 | \$ 89.6 | \$ 42.2 | \$ 131.8 |
| Adjusted to exclude gross up for: | | | | | | |
| Pass through cost for printing and mailing | --- | (18.2) | (18.2) | --- | (15.8) | (15.8) |
| Marketing fees | (1.8) | --- | (1.8) | (1.4) | --- | (1.4) |
| Revenue Less Ancillary Services | <u>\$ 146.2</u> | <u>\$ 34.9</u> | <u>\$ 181.1</u> | <u>\$ 88.2</u> | <u>\$ 26.4</u> | <u>\$ 114.6</u> |
| Percentage of Revenue | 73.6% | 26.4% | 100% | 68.0% | 32.0% | 100% |
| Percentage of Revenue less Ancillary Services | 80.7% | 19.3% | 100% | 77.0% | 23.0% | 100% |

Net Loss to Adjusted EBITDA Reconciliation

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|------------------------------------|---------------|----------------------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| Net loss | \$ (11.2) | \$ (4.0) | \$ (28.0) | \$ (11.1) |
| Interest expense | 0.2 | 0.7 | 2.0 | 2.5 |
| Provision for income taxes | 1.2 | 0.6 | 2.0 | (7.2) |
| Depreciation and amortization | 2.4 | 1.8 | 9.0 | 6.8 |
| EBITDA | \$ (7.4) | \$ (0.9) | \$ (15.0) | \$ (9.0) |
| Stock-based compensation expense | 3.4 | 1.0 | 18.9 | 3.8 |
| Change in fair value of contingent consideration | 0.2 | 0.8 | 2.3 | 5.4 |
| Change in fair value of preferred stock warrant liability | - | 0.5 | 10.8 | 0.7 |
| Other income (expense), net | (0.6) | (0.6) | (0.1) | (0.7) |
| Indirect taxes related to intercompany activity | 0.9 | - | 0.9 | - |
| Acquisition related transaction costs | 0.6 | - | 0.7 | 1.5 |
| Acquisition related employee retention costs | 1.0 | 1.0 | 4.2 | 4.5 |
| Adjusted EBITDA | <u>\$ (1.9)</u> | <u>\$ 1.8</u> | <u>\$ 22.7</u> | <u>\$ 6.2</u> |

Reconciliation of Revenue to Revenue Less Ancillary Services Guidance

| | Guidance | | | |
|--|-----------------------------------|----------------|------------------------------|-----------------|
| | Three Months Ended March 31, 2022 | | Year Ended December 31, 2022 | |
| | Low | High | Low | High |
| Revenue | \$ 59.0 | \$ 63.0 | \$ 266.0 | \$ 276.0 |
| Adjusted to exclude gross up for: | | | | |
| Pass through cost for printing and mailing | (3.7) | (5.7) | (20.4) | (22.0) |
| Marketing fees | (0.3) | (0.3) | (1.6) | (2.0) |
| Revenue Less Ancillary Services | <u>\$ 55.0</u> | <u>\$ 57.0</u> | <u>\$ 244.0</u> | <u>\$ 252.0</u> |