

**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): August 9, 2022

FLYWIRE CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40430
(Commission
File No.)

27-0690799
(IRS Employer
Identification No.)

141 Tremont St #10
Boston, MA 02111
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (617) 329-4524

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:

- 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
Voting Common Stock, \$0.0001 par value per share	FLYW	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)

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 August 9, 2022, Flywire Corporation (“Flywire” or the “Company”) issued a press release (the “Press Release”) and is holding a conference call regarding its financial results for the quarter ended June 30, 2022. The Press Release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Various statements to be made during the conference call are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding Flywire’s future operating results and financial position, Flywire’s business strategy and plans, market growth, and Flywire’s objectives for future operations. Flywire intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terms such as, but not limited to, “believe,” “may,” “will,” “potentially,” “estimate,” “continue,” “anticipate,” “intend,” “could,” “would,” “project,” “target,” “plan,” “expect,” or the negative of these terms, and similar expressions intended to identify forward-looking statements. Such forward-looking statements are based upon current expectations that involve risks, changes in circumstances, assumptions, and uncertainties. Important factors that could cause actual results to differ materially from those reflected in Flywire’s forward-looking statements include, among others, Flywire’s future financial performance, including its expectations regarding Revenue, Revenue Less Ancillary Services, and Adjusted EBITDA. Risks that may cause actual results to differ materially from these forward looking statements include, but are not limited to: political, economic, legal, social and health risks, including the COVID-19 pandemic and subsequent public health measures that may affect Flywire’s business or the global economy; beliefs and objectives for future operations; Flywire’s ability to develop and protect its brand; Flywire’s ability to maintain and grow the payment volume that it processes; Flywire’s ability to further attract, retain, and expand its client base; Flywire’s ability to develop new solutions and services and bring them to market in a timely manner; Flywire’s expectations concerning relationships with third parties, including strategic partners; the effects of increased competition in Flywire’s markets and its ability to compete effectively; future acquisitions or investments in complementary companies, products, services, or technologies; Flywire’s ability to enter new client verticals, including its relatively new B2B sector; Flywire’s expectations regarding anticipated technology needs and developments and its ability to address those needs and developments with its solutions; Flywire’s expectations regarding litigation and legal and regulatory matters; Flywire’s expectations regarding its ability to meet existing performance obligations and maintain the operability of its solutions; Flywire’s expectations regarding the effects of existing and developing laws and regulations, including with respect to payments and financial services, taxation, privacy and data protection; economic and industry trends, projected growth, or trend analysis; Flywire’s ability to attract and retain qualified employees; Flywire’s ability to maintain, protect, and enhance its intellectual property; Flywire’s ability to maintain the security and availability of its solutions; the future market price of Flywire’s common stock; and other factors that are described in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of Flywire’s Annual Report on Form 10-K for the year ended December 31, 2021, and Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, which are on file with the Securities and Exchange Commission (SEC) and available on the SEC’s website at <https://www.sec.gov/>. Additional factors may be described in those sections of Flywire’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, expected to be filed with the SEC in the third quarter of 2022. The information conveyed on the conference call is provided only as of the date of the conference call, and Flywire undertakes no obligation to update any forward-looking statements presented on the conference call on account of new information, future events, or otherwise, except as required by law.

Item 7.01. Regulation FD Disclosure.

On August 9, 2022, the Company provided an investor presentation that will be made available on the investor relations section of the Company's website at <https://ir.flywire.com/>. The investor presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference herein.

This information in this Item 7.01 of this Current Report on Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Flywire Corporation Press Release dated August 9, 2022.
99.2	Flywire Corporation Investor Presentation dated August 9, 2022.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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 hereunto duly authorized.

FLYWIRE CORPORATION

By: /s/ Michael Ellis
Name: Michael Ellis
Title: Chief Financial Officer

Dated August 9, 2022

Flywire Reports Second Quarter 2022 Financial Results*Second Quarter Revenue Increased 53% Year-over-Year**Second Quarter Revenue Less Ancillary Services Increased 56% Year-over-Year**Second Quarter Total Payment Volume Increased 49% Year-over-Year*

Boston, MA – August 9, 2022: Flywire Corporation (Nasdaq: FLYW) (“Flywire” or the “Company”) a global payments enablement and software company, today reported financial results for its second quarter ended June 30, 2022.

“I’m really pleased to report another strong quarter for Flywire, where we delivered strong revenue, adjusted gross profit and better than expected adjusted EBITDA, which is a reflection of our continued execution of our growth strategies,” said Mike Massaro, CEO of Flywire. “Our second quarter results are a testament to our team of global FlyMates, who continue to perform at the highest level to better support our clients and payers in the education, healthcare, travel and B2B industries. Despite uncertainties in the global economy, I’m pleased to see our strategy working as expected as we continued to efficiently win new clients and cross-sell existing clients across all verticals. Grounded by our successful track record, we plan to continue to make targeted investments in go-to-market, geographic expansion, and product and payment innovation, positioning us well for future growth.”

Second Quarter 2022 Financial Highlights:

GAAP Results

- Revenue increased 53% to \$56.5 million in the second quarter of 2022, compared to \$37.0 million in the second quarter of 2021.
- Gross Profit of \$33.2 million, resulting in Gross Margin of 58.8% in the second quarter of 2022, compared to Gross Profit of \$22.5 million, resulting in Gross Margin of 60.8% in the second quarter of 2021.
- Net income (loss) was \$(23.8) million in the second quarter of 2022, compared to net income (loss) of \$(18.1) million in the second quarter of 2021.

Key Operating Metrics and Non-GAAP Results

- Total Payment Volume increased 49% to \$2.9 billion in the second quarter of 2022, compared to \$1.9 billion in the second quarter of 2021.
- Revenue Less Ancillary Services increased 56% to \$51.5 million in the second quarter of 2022, compared to \$33.0 million in the second quarter of 2021.

- Adjusted Gross Profit of \$33.2 million, resulting in Adjusted Gross Margin of 64.5% in the second quarter of 2022, compared to Adjusted Gross Profit of \$22.5 million and Adjusted Gross Margin of 68.2% in the second quarter of 2021.
- Adjusted EBITDA was \$(6.1) million in the second quarter of 2022, compared to \$(0.1) million in the second quarter of 2021.

Business Highlights:

- On July 13, the Company announced the acquisition of Cohort Go to accelerate growth with international education agents, deepen commitment to product and payment innovation, and further invest in the Asia-Pacific region, a key geographic focus for Flywire.
- Total Economic Impact study revealed Flywire's healthcare clients can achieve up to 269% ROI on Flywire's solutions over three years.
- Flywire survey revealed 92% of business to business (B2B) finance professionals surveyed believe they could increase their Earnings per Share if their company had a better solution for Accounts Receivable.
- The Flywire Charitable Foundation launched a new scholarship category of environmental sustainability for students who are developing innovative solutions to fight climate change and other negative impacts to the planet and will award eight scholarships through educational institutions to global students.

Third Quarter and Fiscal-Year 2022 Outlook:

Based on information available as of August 9, 2022, Flywire anticipates the following for the third quarter and fiscal-year 2022:

	<u>Third Quarter 2022</u>
Revenue	\$94 to \$98 million
Revenue Less Ancillary Services	\$87 to \$90 million

	Fiscal Year 2022
Revenue	\$283 to \$294 million
Revenue Less Ancillary Services	\$260 to \$269 million
Adjusted EBITDA*	\$13 to \$17 million

- * Flywire has 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 Flywire is unable, 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 Flywire's stock.

Conference Call

The Company will host a conference call to discuss second quarter 2022 financial results today at 5:00 pm ET. Hosting the call will be Mike Massaro, CEO, Rob Orgel, President and COO, and Mike Ellis, CFO. The conference call can be accessed live via webcast from the Company's investor relations website at <https://ir.flywire.com/>. A replay will be available on the investor relations website following the call.

Key Operating Metrics and Non-GAAP Financial Measures table

Flywire uses non-GAAP financial measures to supplement financial information presented on a GAAP basis. The Company believes that excluding certain items from its GAAP results allows management to better understand its consolidated financial performance from period to period and better project its future consolidated financial performance as forecasts are developed at a level of detail different from that used to prepare GAAP-based financial measures. Moreover, Flywire believes these non-GAAP financial measures provide its stakeholders with useful information to help them evaluate the Company's operating results by facilitating an enhanced understanding of the Company's operating performance and enabling them to make more meaningful period to period comparisons. There are limitations to the use of the non-GAAP financial measures presented here. Flywire's non-GAAP financial measures may not be comparable to similarly titled measures of other companies. Other companies, including companies in Flywire's industry, may calculate non-GAAP financial measures differently, limiting the usefulness of those measures for comparative purposes.

Flywire uses supplemental measures of its performance which are derived from its consolidated financial information, but which are not presented in its consolidated financial statements prepared in accordance with GAAP. These non-GAAP financial measures include the following:

- Revenue Less Ancillary Services. Revenue Less Ancillary Services represents the Company's consolidated revenue in accordance with GAAP after excluding (i) pass-through cost for printing and mailing services and (ii) marketing fees. The Company excludes these amounts to arrive at this supplemental non-GAAP financial measure as it views these services as ancillary to the primary services it provides to its clients.
- Adjusted Gross Margin. Adjusted Gross Margin represents adjusted gross profit divided by Revenue Less Ancillary Services. Adjusted gross profit represents Revenue Less Ancillary Services less cost of revenue adjusted to (i) exclude pass-through cost for printing services and (ii) offset marketing fees against costs incurred. Management believes this presentation supplements the GAAP presentation of gross margin with a useful measure of the gross margin of the Company's payment-related services, which are the primary services it provides to its clients.
- Adjusted EBITDA. Adjusted EBITDA represents EBITDA further adjusted by excluding (i) stock-based compensation expense, (ii) the impact from the change in fair value measurement for contingent consideration associated with acquisitions, (iii) the impact from the change in fair value measurement of the Company's preferred stock warrants, (iv) other income (expense), net, (v) indirect taxes related to intercompany activity, (vi) acquisition related transaction costs, and (vii) employee retention costs, such as incentive compensation, associated with acquisition activities. Management believes that the exclusion of these amounts to calculate Adjusted EBITDA provides useful measures for period-to-period comparisons of the Company's business.

These non-GAAP financial measures are not meant to be considered as indicators of performance in isolation from or as a substitute the Company's revenue, gross margin or net income (loss) prepared in accordance with GAAP and should be read only in conjunction with financial information presented on a GAAP basis. Reconciliations of Revenue Less Ancillary Services, Adjusted Gross Margin and Adjusted EBITDA to the most directly comparable GAAP financial measure are presented below. Flywire encourages you to review these reconciliations in conjunction with the presentation of the non-GAAP financial measures for each of the periods presented. In future fiscal

periods, Flywire may exclude such items and may incur income and expenses similar to these excluded items. Flywire has 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 it is unable, 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 Flywire's stock.

About Flywire

Flywire is a global payments enablement and software company. Flywire combines its proprietary global payments network, next-gen payments platform and vertical-specific software to deliver the most important and complex payments for its clients and their customers.

Flywire leverages its vertical-specific software and payments technology to deeply embed within the existing A/R workflows for its clients across the education, healthcare and travel vertical markets, as well as in key B2B industries. Flywire also integrates with leading ERP systems, so organizations can optimize the payment experience for their customers while eliminating operational challenges.

Flywire supports over 2,800 clients with diverse payment methods in more than 140 currencies across 240 countries and territories around the world. Flywire is headquartered in Boston, MA, USA with additional offices around the globe. For more information, visit www.flywire.com. Follow Flywire on [Twitter](#), [LinkedIn](#) and [Facebook](#).

Safe Harbor Statement

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding Flywire's future operating results and financial position, Flywire's business strategy and plans, market growth, and Flywire's objectives for future operations. Flywire intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terms such as, but not limited to, "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "intend," "could,"

“would,” “project,” “target,” “plan,” “expect,” or the negative of these terms, and similar expressions intended to identify forward-looking statements. Such forward-looking statements are based upon current expectations that involve risks, changes in circumstances, assumptions, and uncertainties. Important factors that could cause actual results to differ materially from those reflected in Flywire’s forward-looking statements include, among others, Flywire’s future financial performance, including its expectations regarding Revenue, Revenue Less Ancillary Services, and Adjusted EBITDA. Risks that may cause actual results to differ materially from these forward looking statements include, but are not limited to: political, economic, legal, social and health risks, including the COVID-19 pandemic and subsequent public health measures that may affect Flywire’s business or the global economy; beliefs and objectives for future operations; Flywire’s ability to develop and protect its brand; Flywire’s ability to maintain and grow the payment volume that it processes; Flywire’s ability to further attract, retain, and expand its client base; Flywire’s ability to develop new solutions and services and bring them to market in a timely manner; Flywire’s expectations concerning relationships with third parties, including strategic partners; the effects of increased competition in Flywire’s markets and its ability to compete effectively; future acquisitions or investments in complementary companies, products, services, or technologies; Flywire’s ability to enter new client verticals, including its relatively new B2B sector; Flywire’s expectations regarding anticipated technology needs and developments and its ability to address those needs and developments with its solutions; Flywire’s expectations regarding litigation and legal and regulatory matters; Flywire’s expectations regarding its ability to meet existing performance obligations and maintain the operability of its solutions; Flywire’s expectations regarding the effects of existing and developing laws and regulations, including with respect to payments and financial services, taxation, privacy and data protection; economic and industry trends, projected growth, or trend analysis; Flywire’s ability to attract and retain qualified employees; Flywire’s ability to maintain, protect, and enhance its intellectual property; Flywire’s ability to maintain the security and availability of its solutions; the future market price of Flywire’s common stock; and other factors that are described in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of Flywire’s Annual Report on Form 10-K for the year ended December 31, 2021 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, which are on file with the Securities and Exchange Commission (SEC) and available on the SEC’s website at <https://www.sec.gov/>. Additional factors may be described in those sections of Flywire’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, expected to be filed with the SEC in the third quarter of 2022. The information in this release is provided only as of the date of this release, and Flywire undertakes no obligation to update any forward-looking statements contained in this release on account of new information, future events, or otherwise, except as required by law.

Contacts

Media:

Sarah King

Sarah.King@Flywire.com

Prosek Partners

pro-flywire@prosek.com

Investor Relations:

ICR

flywireir@icrinc.com

Unaudited Condensed Consolidated Statement of Operations
(Amounts in thousands, except share and per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,	2021	June 30	2021
	2022		2022	
Revenue	\$ 56,537	\$ 36,976	\$ 121,090	\$ 81,967
Costs and operating expenses:				
Payment processing and services costs	21,820	13,122	46,073	29,213
Technology and development	13,204	6,929	24,180	14,451
Selling and marketing	18,887	10,906	36,495	22,837
General and administrative	20,023	13,578	38,843	29,491
Total costs and operating expenses	\$ 73,934	\$ 44,535	\$ 145,591	\$ 95,992
Loss from operations	\$ (17,397)	\$ (7,559)	\$ (24,501)	\$ (14,025)
Other expense:				
Interest expense	(266)	(629)	(484)	(1,250)
Change in fair value of preferred stock warrant liability	—	(9,803)	—	(10,758)
Other income (expense), net	(5,056)	118	(7,383)	(294)
Total other expenses, net	(5,322)	(10,314)	(7,867)	(12,302)
Loss before provision for income taxes	\$ (22,719)	\$ (17,873)	\$ (32,368)	\$ (26,327)
Provision for income taxes	1,078	273	1,578	471
Net loss	\$ (23,797)	\$ (18,146)	\$ (33,946)	\$ (26,798)
Foreign currency translation adjustment	(45)	(76)	(135)	263
Comprehensive loss	\$ (23,842)	\$ (18,222)	\$ (34,081)	\$ (26,535)
Net loss attributable to common stockholders - basic and diluted	\$ (23,797)	\$ (18,154)	\$ (33,946)	\$ (26,811)
Net loss per share attributable to common stockholders - basic and diluted	\$ (0.22)	\$ (0.35)	\$ (0.32)	\$ (0.73)
Weighted average common shares outstanding - basic and diluted	<u>107,426,898</u>	<u>52,496,862</u>	<u>107,085,233</u>	<u>36,886,657</u>

Unaudited Condensed Consolidated Balance Sheets
(Amounts in thousands, except share amounts)

	June 30, 2022	December 31, 2021 (Audited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 360,584	\$ 385,360
Restricted cash	2,000	4,000
Accounts receivable, net of allowance for doubtful accounts of \$149 and \$106, respectively	16,604	12,968
Unbilled receivables	3,960	3,340
Funds receivable from payment partners	20,182	28,286
Prepaid expenses and other current assets	12,117	9,834
Total current assets	415,447	443,788
Property and equipment, net	11,579	9,442
Intangible assets, net	86,079	93,598
Goodwill	81,643	85,841
Other assets	11,020	7,176
Total assets	<u>\$ 605,768</u>	<u>\$ 639,845</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 9,242	\$ 10,242
Funds payable to clients	62,314	71,302
Accrued expenses and other current liabilities	27,456	22,726
Deferred revenue	5,338	5,488
Contingent consideration	1,517	7,719
Total current liabilities	105,867	117,477
Deferred tax liabilities	7,546	8,401
Contingent consideration, net of current portion	687	3,590
Long-term debt	25,939	25,939
Other liabilities	3,192	2,237
Total liabilities	<u>\$ 143,231</u>	<u>\$ 157,644</u>
Stockholders' equity:		
Preferred stock, \$0.0001 par value; 10,000,000 shares authorized as of June 30, 2022 and December 31, 2021; and no shares issued and outstanding as of June 30, 2022 and December 31, 2021	—	—
Voting common stock, \$0.0001 par value; 2,000,000,000 shares authorized as of June 30, 2022 and December 31, 2021; 104,230,946 shares issued and 101,913,224 shares outstanding as of June 30, 2022; 102,771,899 shares issued and 100,454,177 shares outstanding as of December 31, 2021	10	10
Non-voting common stock, \$0.0001 par value; 10,000,000 shares authorized as of June 30, 2022 and December 31, 2021; 5,988,378 shares issued and outstanding as of June 30, 2022 and December 31, 2021	1	1
Treasury voting common stock, 2,317,722 shares as of June 30, 2022 and December 31, 2021, held at cost	(748)	(748)
Additional paid-in capital	623,611	609,194
Accumulated other comprehensive loss	(534)	(399)
Accumulated deficit	(159,803)	(125,857)
Total stockholders' equity	462,537	482,201
Total liabilities and stockholders' equity	<u>\$ 605,768</u>	<u>\$ 639,845</u>

Unaudited Condensed Consolidated Statement of Cash Flows
(Amounts in millions)

	Six Months Ended June 30,	
	2022	2021
Cash flows from operating activities:		
Net loss	\$ (33,946)	\$ (26,798)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	5,784	4,305
Stock-based compensation expense	13,932	12,760
Amortization of deferred contract costs	161	105
Change in fair value of preferred stock warrant liability	—	10,758
Change in fair value of contingent consideration	(950)	1,591
Deferred tax provision	(101)	137
Bad debt expense	73	80
Non-cash interest expense	158	100
Other	—	97
Changes in operating assets and liabilities, net of acquisition:		
Accounts receivable	(3,709)	(128)
Unbilled receivables	(620)	692
Funds receivable from payment partners	8,104	5,456
Prepaid expenses and other assets	(3,677)	(7,817)
Funds payable to clients	(8,988)	(14,475)
Accounts payable, accrued expenses and other current liabilities	1,529	3,097
Contingent consideration	(4,524)	(3,212)
Other liabilities	(764)	135
Deferred revenue	143	(436)
Net cash used in operating activities	<u>(27,395)</u>	<u>(13,553)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(3,633)	(3,463)
Asset acquisition, net of cash acquired	—	(119)
Net cash used in investing activities	<u>(3,633)</u>	<u>(3,582)</u>
Cash flows from financing activities:		
Proceeds from initial public offering, net of underwriting discounts and commissions	—	268,694
Payment of costs related to initial public offering	—	(3,845)
Proceeds from issuance of redeemable convertible preferred stock, net of issuance costs	—	59,735
Proceeds from exercise of warrants	—	294
Contingent consideration paid for acquisitions	(3,320)	(3,800)
Payments of tax withholdings for net settled option exercises	(952)	—
Proceeds from exercise of stock options	2,293	3,792
Net cash (used in) provided by financing activities	<u>(1,979)</u>	<u>324,870</u>
Effect of exchange rates changes on cash and cash equivalents	6,231	239
Net (decrease) increase in cash, cash equivalents and restricted cash	(26,776)	307,974
Cash, cash equivalents and restricted cash, beginning of period	<u>\$ 389,360</u>	<u>\$ 109,052</u>
Cash, cash equivalents and restricted cash, end of period	<u>\$ 362,584</u>	<u>\$ 417,026</u>

Reconciliation of Non-GAAP Financial Measures
(Amounts in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenue	\$ 56.5	\$ 37.0	\$ 121.1	\$ 82.0
Adjusted to exclude gross up for:				
Pass through cost for printing, mailing and devices	(4.8)	(3.9)	(9.8)	(8.4)
Marketing fees	(0.2)	(0.1)	(0.6)	(0.4)
Revenue Less Ancillary Services	<u>\$ 51.5</u>	<u>\$ 33.0</u>	<u>\$ 110.7</u>	<u>\$ 73.2</u>
Payment processing services Costs	\$ 21.8	\$ 13.1	\$ 46.1	\$ 29.2
Hosting and amortization costs within technology and development expenses Adjusted to:	1.5	1.4	3.0	2.7
Exclude printing and mailing costs	(4.8)	(3.9)	(9.8)	(8.4)
Offset marketing fees against related costs	(0.2)	(0.1)	(0.6)	(0.4)
Costs of revenue less ancillary services	<u>\$ 18.3</u>	<u>\$ 10.5</u>	<u>\$ 38.7</u>	<u>\$ 23.1</u>
Gross Profit	<u>\$ 33.2</u>	<u>\$ 22.5</u>	<u>\$ 72.0</u>	<u>\$ 50.1</u>
Gross Margin	58.8%	60.8%	59.5%	61.1%
Adjusted Gross Profit	<u>\$ 33.2</u>	<u>\$ 22.5</u>	<u>\$ 72.0</u>	<u>\$ 50.1</u>
Adjusted Gross Margin	<u>64.5%</u>	<u>68.2%</u>	<u>65.1%</u>	<u>68.4%</u>
	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss	\$ (23.8)	\$ (18.1)	\$ (33.9)	\$ (26.8)
Interest expense	0.3	0.7	0.5	1.3
Provision for income taxes	1.1	0.3	1.6	0.5
Depreciation and amortization	3.0	2.2	5.8	4.3
EBITDA	(19.4)	(14.9)	(26.0)	(20.7)
Stock-based compensation expense	8.5	2.4	13.9	12.8
Change in fair value of contingent consideration	(0.9)	1.6	(1.0)	1.6
Change in fair value of preferred stock warrant liability	—	9.8	—	10.8
Other expense, net	5.1	(0.1)	7.4	0.3
Indirect taxes related to intercompany activity	0.1	—	0.2	—
Acquisition related transaction costs	0.2	—	0.2	—
Acquisition related employee retention costs	0.3	1.1	0.9	2.1
Adjusted EBITDA	<u>\$ (6.1)</u>	<u>\$ (0.1)</u>	<u>\$ (4.4)</u>	<u>\$ 6.9</u>

Reconciliation of Non-GAAP Financial Measures (Continued)
(Amounts in millions)

	Three Months Ended June 30, 2022			Three Months Ended June 30, 2021		
	Transaction	Platform and Usage- Based		Transaction	Platform and Usage- Based	
		Fees	Revenue		Fees	Revenue
Revenue	\$ 41.7	\$ 14.8	\$ 56.5	\$ 24.3	\$ 12.7	\$ 37.0
Adjusted to exclude gross up for:						
Pass through cost for printing and mailing	—	(4.8)	(4.8)	—	(3.9)	(3.9)
Marketing fees	(0.2)	—	(0.2)	(0.1)	—	(0.1)
Revenue Less Ancillary Services	\$ 41.5	\$ 10.0	\$ 51.5	\$ 24.2	\$ 8.8	\$ 33.0
Percentage of Revenue	73.8%	26.2%	100%	65.6%	34.4%	100%
Percentage of Revenue less Ancillary Services	80.6%	19.4%	100%	73.3%	26.7%	100%

	Six Months Ended June 30, 2022			Six Months Ended June 30, 2021		
	Transaction	Platform and Usage- Based		Transaction	Platform and Usage- Based	
		Fees	Revenue		Fees	Revenue
Revenue	\$ 90.3	\$ 30.8	\$ 121.1	\$ 56.7	\$ 25.3	\$ 82.0
Adjusted to exclude gross up for:						
Pass through cost for printing and mailing	—	(9.8)	(9.8)	—	(8.4)	(8.4)
Marketing fees	(0.6)	—	(0.6)	(0.4)	—	(0.4)
Revenue Less Ancillary Services	\$ 89.7	\$ 21.0	\$ 110.7	\$ 56.3	\$ 16.9	\$ 73.2
Percentage of Revenue	74.6%	25.4%	100%	69.2%	30.8%	100%
Percentage of Revenue less Ancillary Services	81.0%	19.0%	100%	76.9%	23.1%	100%

	Three Months Ending September 30, 2022		Guidance Year Ending December 31, 2022	
	Low	High	Low	High
	Revenue	\$ 93.7	\$ 97.5	\$ 282.5
Adjusted to exclude gross up for:				
Pass through cost for printing, mailing & devices	(5.6)	(6.2)	(18.9)	(21.9)
Marketing fees	(1.1)	(1.3)	(2.7)	(2.9)
Revenue Less Ancillary Services	\$ 87.0	\$ 90.0	\$ 260.0	\$ 269.0



Q2 2022 Earnings Supplement

August 9, 2022



Disclosures

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts contained in this presentation, including statements regarding Flywire's ability to successfully implement Flywire's business plan, future results of operations and financial position, business strategy and plans and Flywire's objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "plans," "potential," "seeks," "projects," "should," "could" and "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Flywire has based these forward-looking statements largely on Flywire's current expectations and projections about future events and financial trends that Flywire believes may affect Flywire's financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions that are described in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Flywire's Annual Report on Form 10-K for the year ended December 31, 2021 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, which are on file with the Securities and Exchange Commission (SEC) and available on the SEC's website at www.sec.gov. Additional factors may be described in those sections of Flywire's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, expected to be filed with the SEC in the third quarter of 2022. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events or performance.

In addition, projections, assumptions and estimates of the future performance of the industries in which Flywire operates and the markets it serves are inherently imprecise and subject to a high degree of uncertainty and risk. All financial projections contained in this presentation are forward-looking statements and are based on Flywire's management's assessment of such matters. It is unlikely, however, that the assumptions on which Flywire has based its projections will prove to be fully correct or that the projected figures will be attained. Flywire's actual future results may differ materially from Flywire's projections, and it makes no express or implied representation or warranty as to attainability of the results reflected in these projections. Investments in Flywire's securities involve a high degree of risk and should be regarded as speculative.

Certain information contained in this presentation relates to or is based on studies, publications, surveys and other data obtained from third-party sources and Flywire's own internal estimates and research. While Flywire believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of any information obtained from third-party sources. In addition, all of the market data included in this presentation involves a number of assumptions and limitations, and there can be no guarantee as to the accuracy or reliability of such assumptions. Finally, while Flywire believes its own internal research is reliable, such research has not been verified by any independent source.

The information in this presentation is provided only as of August 9, 2022, and Flywire undertakes no obligation to update any forward-looking statements contained in this presentation on account of new information, future events, or otherwise, except as required by law.

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.



Our mission is to deliver the most important and complex payments

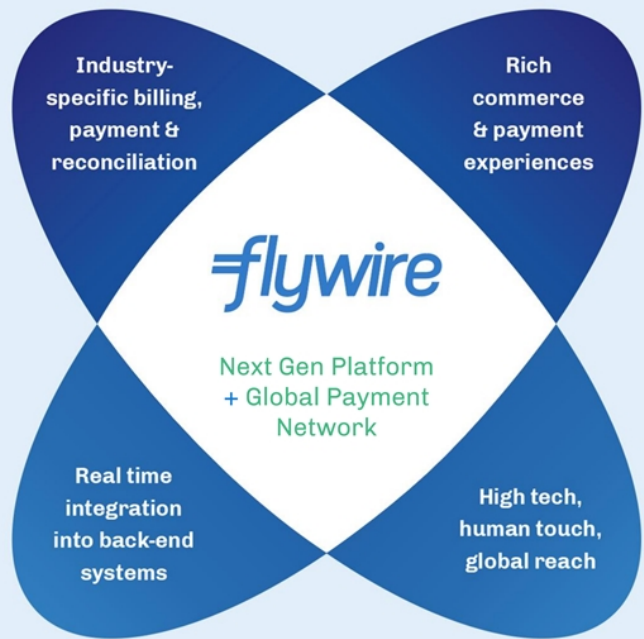
We help our clients
get paid...

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



Software drives value in payments

5



2,800+
Clients Worldwide

800+
Global FlyMates

\$13.2B
Total 2021 Payment
Volume



240+
Countries & Territories

140+
Currencies Supported

10+
Years to Build
Payment Network

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



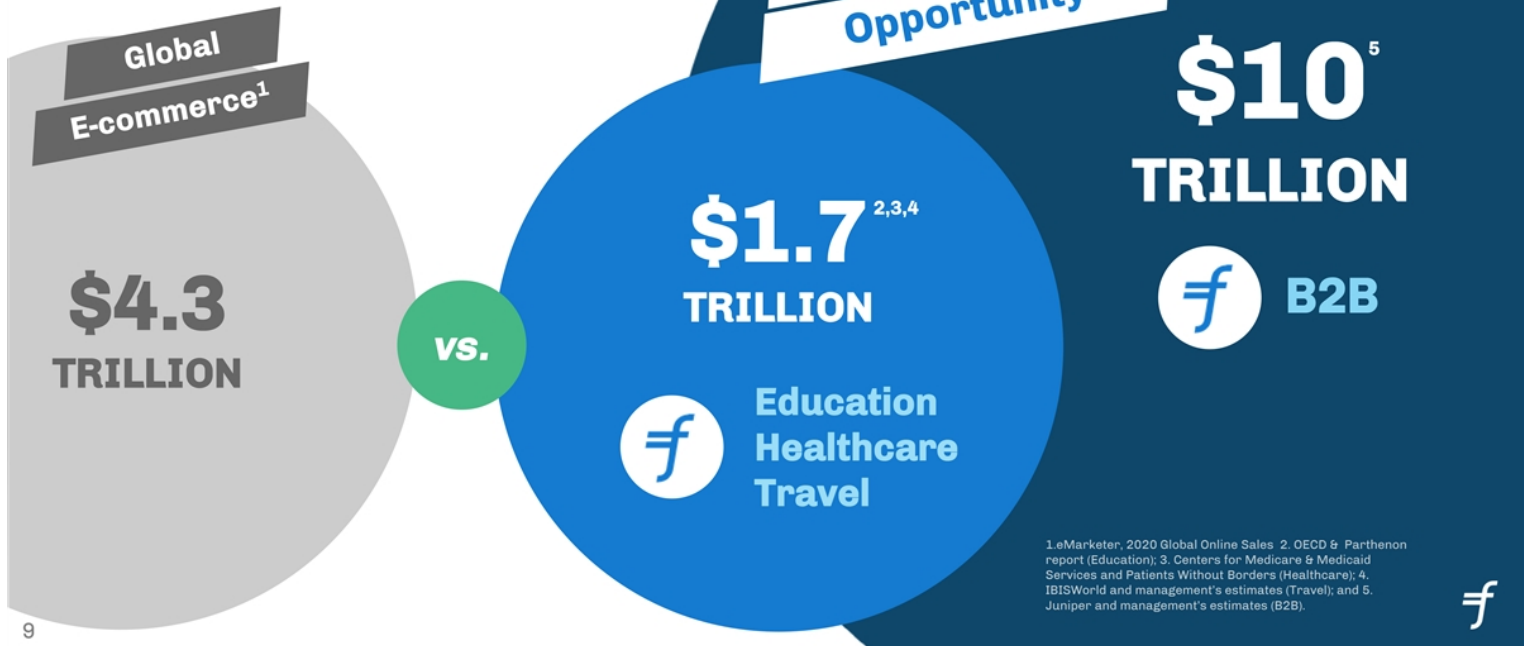
7 1. OECD & EY Parthenon report (Education); 2. Centers for Medicare & Medicaid Services and Patients Without Borders (Healthcare); 3. IBISWorld and management's estimates (Travel); and 4. Juniper and management's estimates (B2B).





Our Flywire Advantage
& Opportunity

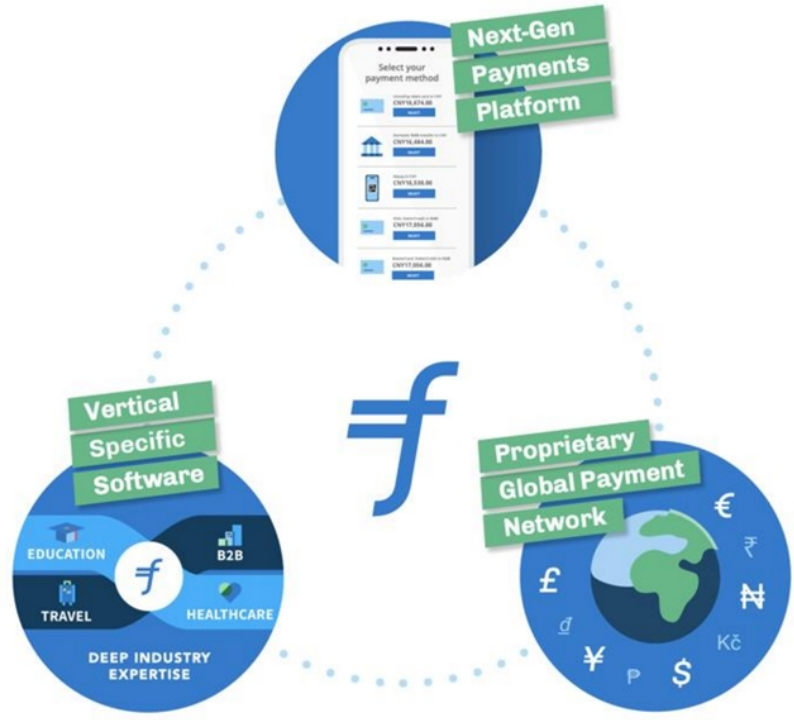
**We believe our runway
for growth is substantial**



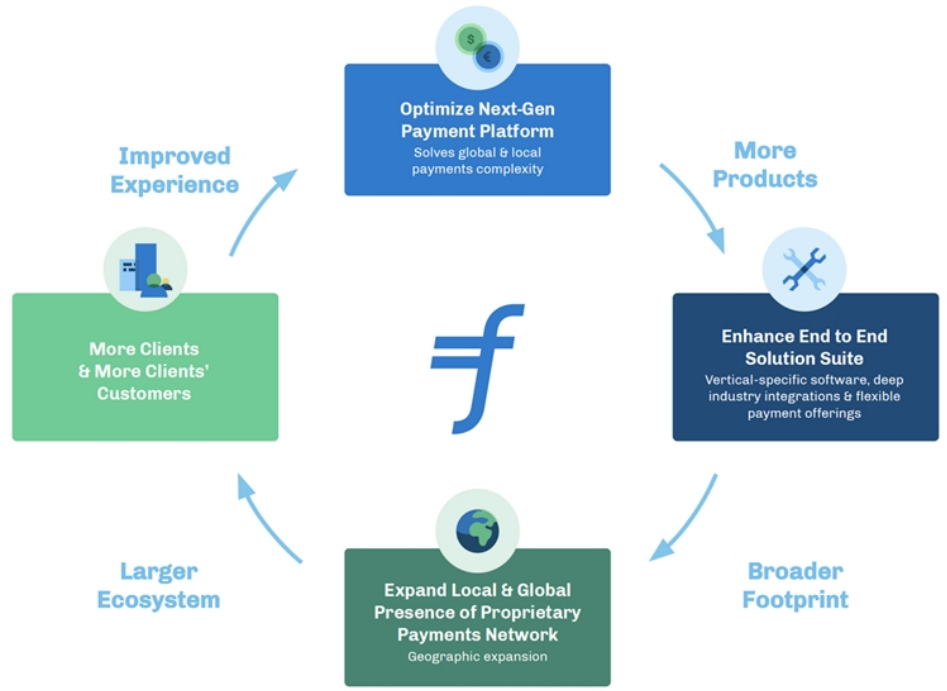
1.eMarketer, 2020 Global Online Sales 2. OECD & Parthenon report (Education); 3. Centers for Medicare & Medicaid Services and Patients Without Borders (Healthcare); 4. IBISWorld and management's estimates (Travel); and 5. Juniper and management's estimates (B2B).



Our proven Flywire Advantage



Fueling a powerful & accelerating flywheel



Strong tailwinds across our verticals

The digitization of payments is inevitable

12

¹ The Open Doors 2021 Report
² Flywire's Report: Luxury Travel's Role in the Industry's Recovery (2022)



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-19 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

13 ¹ 2019- 2021

Grow with new clients

140+

New clients in Q2 2022

Expand our ecosystem through channel partnerships



Expand to new industries, geographies & products

460+

Travel & B2B Clients

Pursue strategic & value-enhancing acquisitions

COHORT *Go*





Q2 2022 Performance

GAAP Financial Highlights

Q2 2022

\$56.5M

Revenue

58.8%

Gross Margin

\$(23.8)M

Net Income (Loss)

Key Operating Metrics (Non-GAAP) Q2 2022

\$2.9B
(+49%)¹

**Total
Payment
Volume**

\$51.5M
(+56%)¹

**Revenue Less
Ancillary
Services**

64.5%
(-3.7 bps)¹

**Adjusted
Gross
Margin**

\$(6.1)M

**Adjusted
EBITDA**

1. Represents Y-o-Y Growth as compared to Q2 2021
See appendix for reconciliation to GAAP amounts



Financial Outlook

Q3 2022 Outlook

\$87 – 90M

**Revenue Less
Ancillary Services**

FY 2022 Outlook

\$260-269M

**Revenue Less
Ancillary Services**

\$13-17M

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.

flywire

Appendix

Revenue Less Ancillary Services & Adjusted Gross Margin Reconciliations

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenue	\$ 56.5	\$ 37.0	\$ 121.1	\$ 82.0
Adjusted to exclude gross up for:				
Pass through cost for printing, mailing and devices	(4.8)	(3.9)	(9.8)	(8.4)
Marketing fees	(0.2)	(0.1)	(0.6)	(0.4)
Revenue Less Ancillary Services	\$ 51.5	\$ 33.0	\$ 110.7	\$ 73.2
Payment processing services Costs	\$ 21.8	\$ 13.1	\$ 46.1	\$ 29.2
Hosting and amortization costs within technology and development expenses	1.5	1.4	3.0	2.7
Adjusted to:				
Exclude printing and mailing costs	(4.8)	(3.9)	(9.8)	(8.4)
Offset marketing fees against related costs	(0.2)	(0.1)	(0.6)	(0.4)
Costs of revenue less ancillary services	\$ 18.3	\$ 10.5	\$ 38.7	\$ 23.1
Gross Profit	\$ 33.2	\$ 22.5	\$ 72.0	\$ 50.1
Gross Margin	58.8%	60.8%	59.5%	61.1%
Adjusted Gross Profit	\$ 33.2	\$ 22.5	\$ 72.0	\$ 50.1
Adjusted Gross Margin	64.5%	68.2%	65.1%	68.4%

\$USD in Millions

Revenue Disaggregation by Revenue Type

	Three Months Ended June 30, 2022			Three Months Ended June 30, 2021		
	Transaction	Platform and Usage- Based Fees		Transaction	Platform and Usage- Based Fees	
		Revenue	Revenue		Revenue	Revenue
Revenue	\$ 41.7	\$ 14.8	\$ 56.5	\$ 24.3	\$ 12.7	\$ 37.0
Adjusted to exclude gross up for:						
Pass through cost for printing and mailing	---	(4.8)	(4.8)	---	(3.9)	(3.9)
Marketing fees	(0.2)	---	(0.2)	(0.1)	---	(0.1)
Revenue Less Ancillary Services	<u>\$ 41.5</u>	<u>\$ 10.0</u>	<u>\$ 51.5</u>	<u>\$ 24.2</u>	<u>\$ 8.8</u>	<u>\$ 33.0</u>
Percentage of Revenue	73.8%	26.2%	100%	65.6%	34.4%	100%
Percentage of Revenue less Ancillary Services	80.6%	19.4%	100%	73.3%	26.7%	100%

	Six Months Ended June 30, 2022			Six Months Ended June 30, 2021		
	Transaction	Platform and Usage- Based Fees		Transaction	Platform and Usage- Based Fees	
		Revenue	Revenue		Revenue	Revenue
Revenue	\$ 90.3	\$ 30.8	\$ 121.1	\$ 56.7	\$ 25.3	\$ 82.0
Adjusted to exclude gross up for:						
Pass through cost for printing and mailing	---	(9.8)	(9.8)	---	(8.4)	(8.4)
Marketing fees	(0.6)	---	(0.6)	(0.4)	---	(0.4)
Revenue Less Ancillary Services	<u>\$ 89.7</u>	<u>\$ 21.0</u>	<u>\$ 110.7</u>	<u>\$ 56.3</u>	<u>\$ 16.9</u>	<u>\$ 73.2</u>
Percentage of Revenue	74.6%	25.4%	100%	69.2%	30.8%	100%
Percentage of Revenue less Ancillary Services	81.0%	19.0%	100%	76.9%	23.1%	100%

\$USD in Millions

Net Loss to Adjusted EBITDA Reconciliation

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss	\$ (23.8)	\$ (18.1)	\$ (33.9)	\$ (26.8)
Interest expense	0.3	0.7	0.5	1.3
Provision for income taxes	1.1	0.3	1.6	0.5
Depreciation and amortization	3.0	2.2	5.8	4.3
EBITDA	(19.4)	(14.9)	(26.0)	(20.7)
Stock-based compensation expense	8.5	2.4	13.9	12.8
Change in fair value of contingent consideration	(0.9)	1.6	(1.0)	1.6
Change in fair value of preferred stock warrant liability	-	9.8	-	10.8
Other expense, net	5.1	(0.1)	7.4	0.3
Indirect taxes related to intercompany activity	0.1	-	0.2	-
Acquisition related transaction costs	0.2	-	0.2	-
Acquisition related employee retention costs	0.3	1.1	0.9	2.1
Adjusted EBITDA	\$ (6.1)	\$ (0.1)	\$ (4.4)	\$ 6.9

\$USD in Millions

Reconciliation of Revenue to Revenue Less Ancillary Services Guidance

	Guidance			
	Three Months Ending September 30, 2022		Year Ending December 31, 2022	
	Low	High	Low	High
Revenue	\$ 93.7	\$ 97.5	\$ 282.5	\$ 293.9
Adjusted to exclude gross up for:				
Pass through cost for printing, mailing & devices	(5.6)	(6.2)	(19.9)	(21.9)
Marketing fees	(1.1)	(1.3)	(2.7)	(2.9)
Revenue Less Ancillary Services	\$ 87.0	\$ 90.0	\$ 260.0	\$ 269.0

\$USD in Millions

