



# Q3 2024 Earnings Supplement

November 7, 2024



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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 has not provided a quantitative reconciliation from forecasted adjusted EBITDA to forecasted GAAP net income (loss) or to forecasted GAAP income (loss) before income taxes, 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 the company's stock.





**f** Our mission is to deliver the most important and complex payments

# Q3 2024 performance

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# GAAP financial highlights

## Q3 2024

**\$156.8 M**

Revenue

**64.0 %**

Gross Margin

**\$38.9 M\***

Net Income

\*Q3 includes a higher income tax benefit of approximately \$8.3M based on full year tax estimates, which amplified our income in the quarter, driven by seasonality of our business and a one-time tax benefit based on the acquisition of Invoiced.



# Key operating metrics (Non-GAAP)

Q3 2024

**\$11.0B**

+24.2%<sup>1</sup>

Total  
payment  
volume

**\$151.4M**

+29.6%<sup>1</sup>

Revenue Less  
Ancillary  
Services

**\$101.9M**

+ 27.2%<sup>1</sup>

Adjusted  
Gross Profit

**\$42.2M**

+ 429 bps<sup>2</sup>

Adjusted EBITDA  
(Adjusted EBITDA  
Margin Expansion)

1. Represents Y-o-Y Growth as compared to Q3 2023.  
2. Represents Y-o-Y Margin Expansion as compared to Q3 2023.  
See Appendix for reconciliation to GAAP amounts



# Growth strategies



Grow with existing clients

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**125%**

2023 average annual dollar-based net retention rate



Grow with new clients

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**200+**

New clients in Q3 2024



Expand our ecosystem through channel partnerships

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**BANK OF AMERICA**

**ASCENSUS** **fiserv.**

**ellucian.** **FinThrive**



Expand to new industries, geographies & products

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**Tencent**

**pix** **Interac**

**HDFC BANK**



Pursue strategic & value-enhancing acquisitions

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**Invoiced**

**COHORT Go**

**WPM EDUCATION**

**StudyLink**

# Capital allocation strategy overview



1

## Organic growth investments

Geographic Expansion

GTM Enhancement

Deeper Software Integrations

Ecosystem expansions with Strategic Payables & International Agent solutions



2

## Strategic acquisitions

Accelerate within existing industry and / or geographies

New product capability for cross-sells & upsells

Enter new geographies or regions



3

## Share buybacks

\$150M Share Repurchase Program enables purchasing when projected return exceeds our cost of equity

Prudent approach in maintaining operational liquidity and financial flexibility for organic investments & strategic M&A



# Highlights from Our Inaugural U.S. Education Client Conference

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# Education is our largest vertical

Solutions purpose-built for education, with significant opportunity to cross sell in the US.

**1,000+**  
Cross-border  
clients



**100+**  
institutions  
using SFS<sup>1,2</sup>

1. Full Suite or components
2. Student Financial Services (SFS) helps institutions manage domestic billing, payments, payment plans, and past-due collections within a single solution

# The Flywire difference



**Seamless  
software  
experiences**



**First-class  
security &  
compliance**



**Proprietary,  
robust global  
payments network**



**Industry expertise  
and premium  
support**

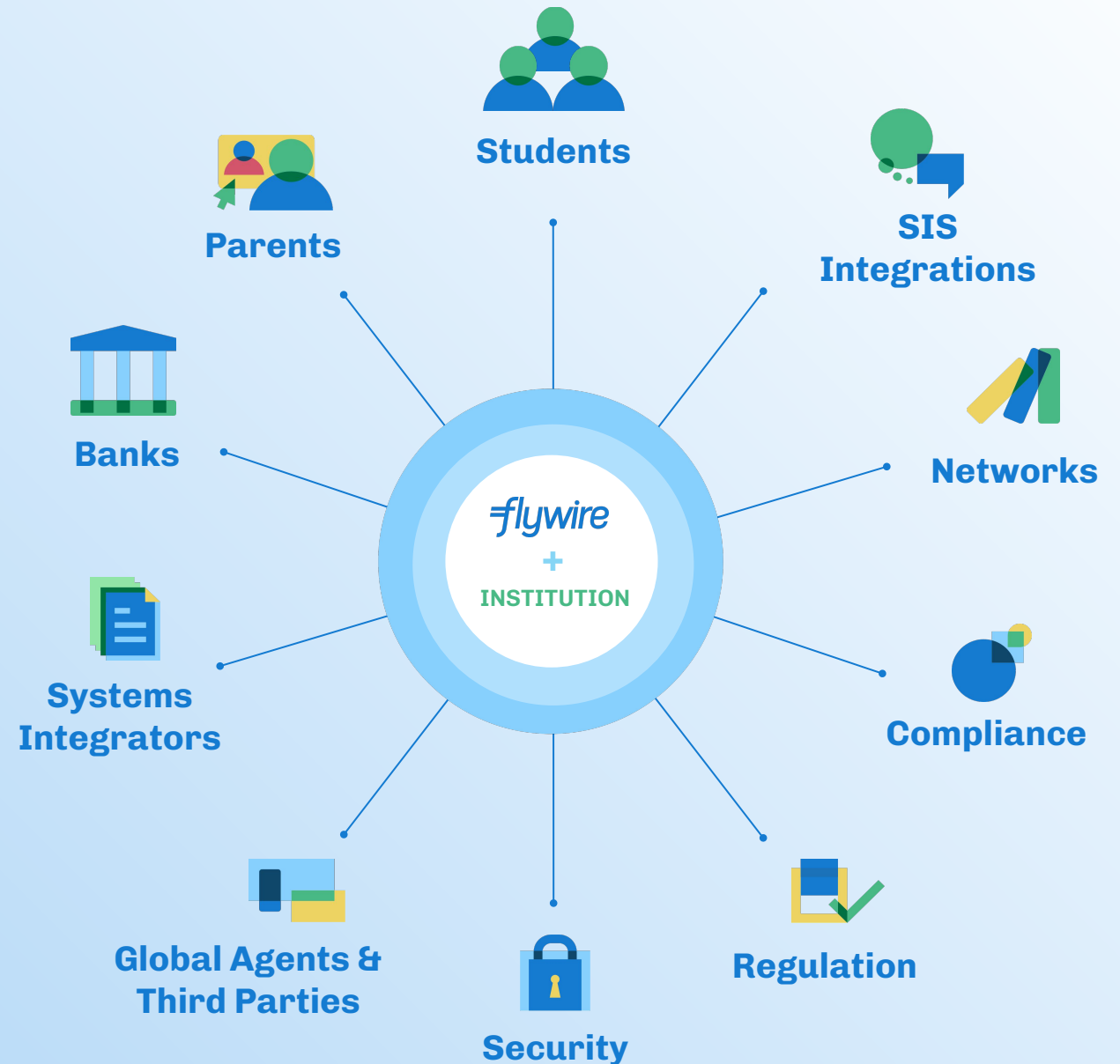
## Flywire's commitment to clients:

- ✓ **Modern & innovative** software platform
- ✓ **SOC II Type 2 & PCI DSS Level 1** certified
- ✓ **VIP support** level & industry expertise
- ✓ Support for **140+ currencies** across **240+ countries & territories**
- ✓ Around-the-clock multilingual support in **30 languages**
- ✓ Easy-to-use payer interface in **11 key languages**

# We do much more than cross border...

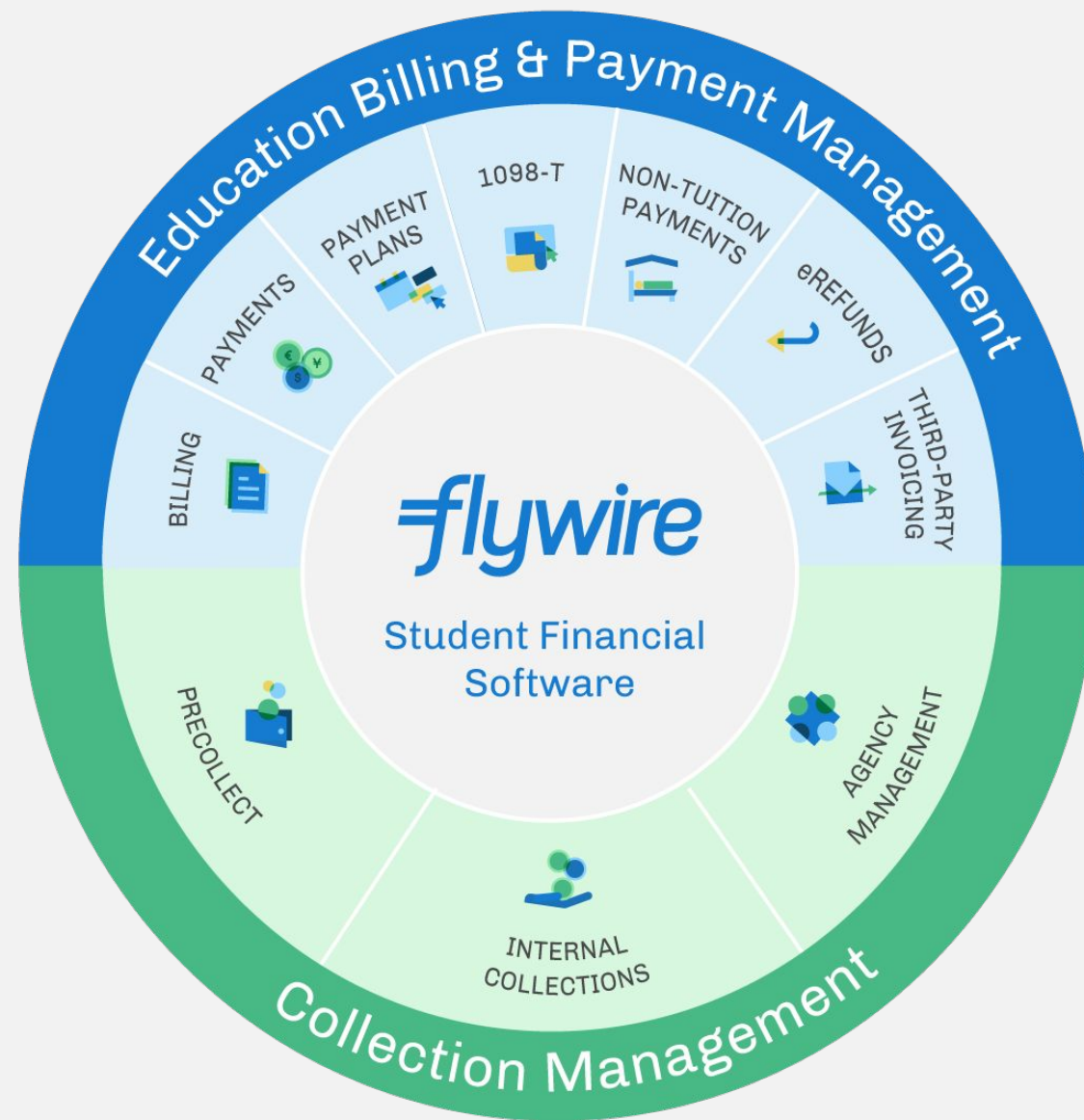
## *Domestic & international*

- ✓ Address education affordability
- ✓ Increase cash flow
- ✓ Optimize resources



## Student Financial Software (SFS)

Domestic Education platform helps support the entire student financial journey



**Backed by**

*First-Class Security | Global Payment Network | World-Class Support*

# The journey ahead

*Our mission to support an Educational institution's goals*



**Unify & support  
the entire  
student journey**



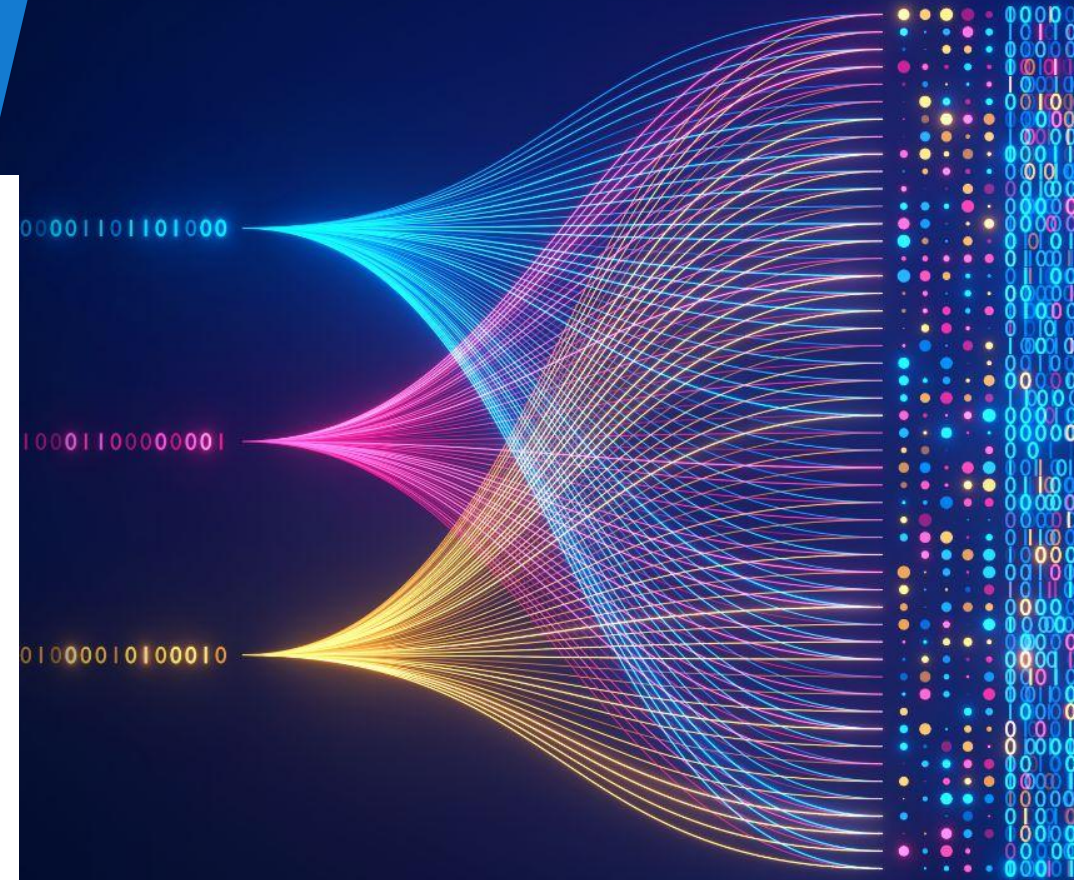
**Simplify all domestic  
& international  
payments**



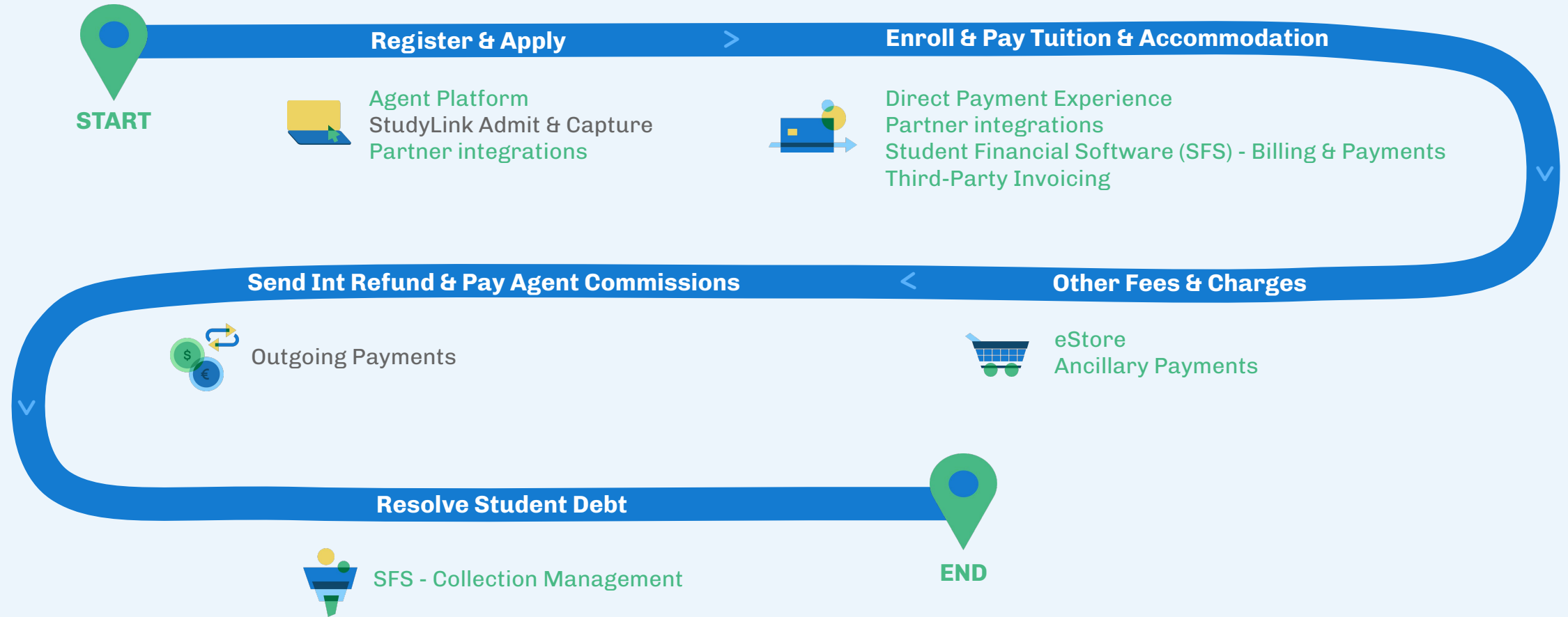
**Drive  
student enrollment  
& retention**

# We Continue to Drive Deeper System Integrations...

- Deep **ERP** integrations
- **Real-time** integrations for home grown ERP/SIS
- Increased **automation** & improved **reconciliation**
- Real-time **data display & posting**
- Continued integration **enhancements**
- New real-time integrations **constantly being added**



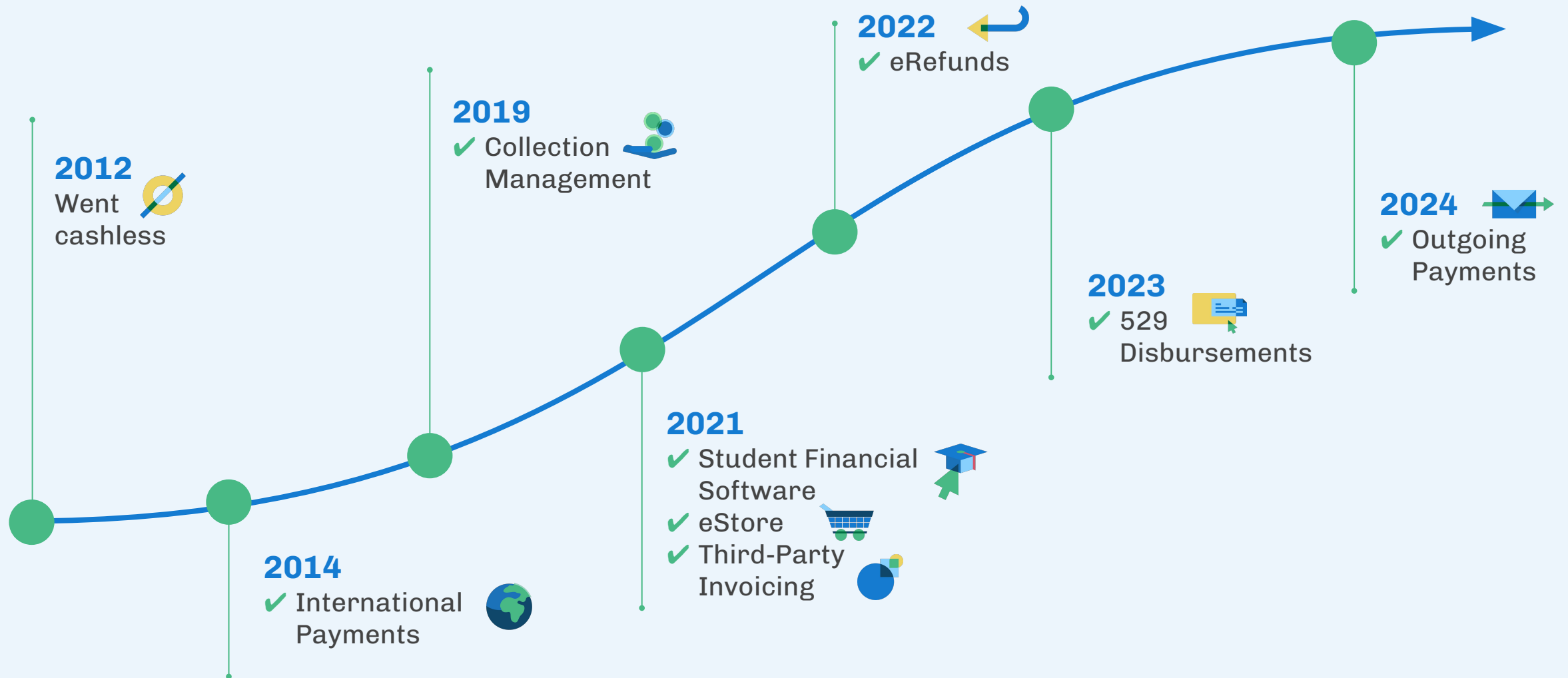
# ...to Support the Entire Student Financial Journey



● Available now in the US



# Case Study: A large public university in Texas



# Financial Outlook

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# Q4 2024 outlook\*

**\$118 – \$124 M**

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Revenue Less  
Ancillary Services

**\$15 – \$19M**

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Adjusted  
EBITDA<sup>1</sup>

1. 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 presentation 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.

\*Assumes foreign exchange rates prevailing as of September 30, 2024



# FY 2024 outlook\*

**\$479 – \$485M**

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Revenue Less  
Ancillary Services

**\$76 – \$80M**

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Adjusted  
EBITDA<sup>1</sup>

1. 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 presentation 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.

\*Assumes foreign exchange rates prevailing as of September 30, 2024



# Appendix

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# Revenue Less Ancillary Services at constant currency\*

Revenue Less Ancillary Services at Constant Currency:  
(unaudited) (in millions)

	Three Months Ended September 30,		Growth Rate	Nine Months Ended September 30,		Growth Rate
	2024	2023		2024	2023	
Revenue	\$ 156.8	\$ 123.3	27%	\$ 374.6	\$ 302.5	24%
Ancillary services	(5.4)	(6.5)		(13.1)	(17.2)	
Revenue Less Ancillary Services	151.4	116.8	30%	361.5	285.3	27%
Effects of foreign currency rate fluctuations	(1.9)	—		(1.2)	—	
Revenue Less Ancillary Services at Constant Currency	\$ 149.5	\$ 116.8	28%	\$ 360.3	\$ 285.3	26%

\***Revenue less ancillary services at constant currency:** Revenue less ancillary services at constant currency is adjusted for the impact of foreign currency rate fluctuations. This measure helps provide insight on comparable revenue growth by removing the effect of changes in foreign currency exchange rates year-over-year. Foreign currency exchange impact in the current period is calculated using prior period monthly average exchange rates applied to the current period foreign currency amounts.

# Revenue Less Ancillary Services & Adjusted Gross Margin Reconciliations

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue	\$ 156.8	\$ 123.3	\$ 374.6	\$ 302.5
Adjusted to exclude gross up for:				
Pass-through cost for printing and mailing	(4.2)	(5.2)	(11.4)	(15.4)
Marketing fees	(1.2)	(1.3)	(1.7)	(1.8)
Revenue Less Ancillary Services	<u>\$ 151.4</u>	<u>\$ 116.8</u>	<u>\$ 361.5</u>	<u>\$ 285.3</u>
Payment processing services costs	54.6	42.9	136.1	110.6
Hosting and amortization costs within technology and development	1.9	2.0	5.8	6.5
Cost of Revenue	<u>\$ 56.5</u>	<u>\$ 44.9</u>	<u>\$ 141.9</u>	<u>\$ 117.1</u>
Adjusted to:				
Exclude printing and mailing costs	(4.2)	(5.2)	(11.4)	(15.4)
Offset marketing fees against related costs	(1.2)	(1.3)	(1.7)	(1.8)
Exclude depreciation and amortization	(1.6)	(1.7)	(4.6)	(5.0)
Adjusted Cost of Revenue	<u>\$ 49.5</u>	<u>\$ 36.7</u>	<u>\$ 124.2</u>	<u>\$ 94.9</u>
Gross Profit	\$ 100.3	\$ 78.4	\$ 232.7	\$ 185.4
Gross Margin	<u>64.0%</u>	<u>63.6%</u>	<u>62.1%</u>	<u>61.3%</u>
Adjusted Gross Profit	\$ 101.9	\$ 80.1	\$ 237.3	\$ 190.4
Adjusted Gross Margin	<u>67.3%</u>	<u>68.6%</u>	<u>65.6%</u>	<u>66.7%</u>

\$USD in Millions (unaudited)

# Revenue disaggregation by revenue type

	Three Months Ended September 30, 2024			Nine Months Ended September 30, 2024		
	Transaction	Platform and Other Revenues	Revenue	Transaction	Platform and Other Revenues	Revenue
Revenue	\$ 134.4	\$ 22.4	\$ 156.8	\$ 314.9	\$ 59.6	\$ 374.6
Adjusted to exclude gross up for:						
Pass-through cost for printing and mailing	—	(4.2)	(4.2)	—	(11.4)	(11.4)
Marketing fees	(1.2)	—	(1.2)	(1.7)	—	(1.7)
Revenue Less Ancillary Services	\$ 133.2	\$ 18.2	\$ 151.4	\$ 313.2	\$ 48.2	\$ 361.5
Percentage of Revenue	85.7%	14.3%	100.0%	84.1%	15.9%	100.0%
Percentage of Revenue Less Ancillary Services	88.0%	12.0%	100.0%	86.6%	13.3%	100.0%

	Three Months Ended September 30, 2023			Nine Months Ended September 30, 2023		
	Transaction	Platform and Other Revenues	Revenue	Transaction	Platform and Other Revenues	Revenue
Revenue	\$ 104.6	\$ 18.7	\$ 123.3	\$ 247.7	\$ 54.8	\$ 302.5
Adjusted to exclude gross up for:						
Pass-through cost for printing and mailing	—	(5.2)	(5.2)	—	(15.4)	(15.4)
Marketing fees	(1.3)	—	(1.3)	(1.8)	—	(1.8)
Revenue Less Ancillary Services	\$ 103.3	\$ 13.5	\$ 116.8	\$ 245.9	\$ 39.4	\$ 285.3
Percentage of Revenue	84.8%	15.2%	100.0%	81.9%	18.1%	100.0%
Percentage of Revenue Less Ancillary Services	88.4%	11.6%	100.0%	86.2%	13.8%	100.0%



# Net Loss to Adjusted EBITDA reconciliation

## EBITDA and Adjusted EBITDA (Unaudited) (in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net income (loss)	\$ 38.9	\$ 10.6	\$ 18.8	\$ (9.9)
Interest expense	0.1	0.1	0.4	0.3
Interest income	(5.0)	(3.8)	(16.6)	(7.7)
(Benefit from) provision for income taxes	(8.3)	0.8	(2.0)	2.3
Depreciation and amortization	4.6	4.0	13.5	12.1
EBITDA	30.3	11.7	14.1	(2.9)
Stock-based compensation expense and related taxes	16.4	11.6	49.0	32.3
Change in fair value of contingent consideration	(0.1)	—	(1.0)	0.4
(Gain) loss from remeasurement of foreign currency	(5.5)	4.2	(2.1)	3.5
Indirect taxes related to intercompany activity	0.1	0.1	0.2	0.2
Acquisition related transaction costs	0.5	—	0.5	—
Acquisition related employee retention costs	0.5	(0.1)	0.5	0.8
Adjusted EBITDA	\$ 42.2	\$ 27.5	\$ 61.2	\$ 34.3

# Net Margin, EBITDA Margin and Adjusted EBITDA Margin

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Change	2024	2023	Change
Revenue (A)	\$ 156.8	\$ 123.3	\$ 33.5	\$ 374.6	\$ 302.5	\$ 72.1
Revenue less ancillary services (B)	151.4	116.8	34.6	361.5	285.3	76.2
Net loss (C)	38.9	10.6	28.3	18.8	(9.9)	28.7
EBITDA (D)	30.3	11.7	18.6	14.1	(2.9)	17.0
Adjusted EBITDA (E)	42.2	27.5	14.7	61.1	34.3	26.8
Net margin (C/A)	24.8%	8.6%	16.2%	5.0%	-3.3%	8.3%
Net margin using RLAS (C/B)	25.7%	9.1%	16.6%	5.2%	-3.5%	8.7%
EBITDA Margin (D/A)	19.3%	9.5%	9.8%	3.8%	-1.0%	4.7%
Adjusted EBITDA Margin (E/A)	26.9%	22.3%	4.6%	16.3%	11.3%	5.0%
EBITDA Margin using RLAS (D/B)	20.0%	10.1%	10.0%	3.9%	-1.0%	4.9%
Adjusted EBITDA Margin using RLAS (E/B)	27.9%	23.6%	4.3%	16.9%	12.0%	4.9%

# Reconciliation of Non-GAAP Operating Expenses

## Reconciliation of Non-GAAP Operating Expenses (Unaudited) (in millions)

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
GAAP Technology and development	\$ 16.7	\$ 14.6	\$ 49.3	\$ 45.1
(-) Stock-based compensation expense and related taxes	(3.1)	(2.4)	(8.6)	(6.7)
(-) Depreciation and amortization	(1.7)	(2.1)	(5.3)	(6.1)
(-) Acquisition related employee retention costs	—	(0.1)	—	(0.8)
Non-GAAP Technology and development	<u>\$ 11.9</u>	<u>\$ 10.0</u>	<u>\$ 35.4</u>	<u>\$ 31.5</u>
GAAP Selling and marketing	\$ 34.2	\$ 27.1	\$ 96.1	\$ 78.8
(-) Stock-based compensation expense and related taxes	(4.6)	(3.1)	(13.6)	(9.2)
(-) Depreciation and amortization	(2.1)	(1.3)	(6.0)	(3.9)
(-) Acquisition related employee retention costs	(0.5)	—	(0.5)	(0.2)
Non-GAAP Selling and marketing	<u>\$ 27.0</u>	<u>\$ 22.7</u>	<u>\$ 76.0</u>	<u>\$ 65.5</u>
GAAP General and administrative	\$ 31.1	\$ 26.9	\$ 94.6	\$ 79.6
(-) Stock-based compensation expense and related taxes	(8.7)	(6.1)	(26.8)	(16.4)
(-) Depreciation and amortization	(0.7)	(0.6)	(2.2)	(2.1)
(-) Change in fair value of contingent consideration	0.1	—	1.0	(0.4)
(-) Acquisition related transaction costs	(0.5)	—	(0.5)	—
Non-GAAP General and administrative	<u>\$ 21.3</u>	<u>\$ 20.2</u>	<u>\$ 66.1</u>	<u>\$ 60.7</u>

# Reconciliation of Revenue to Revenue Less Ancillary Services Guidance

	Three Months Ended December 31, 2024		Year Ended December 31, 2024	
	Low	High	Low	High
Revenue	\$121.0	\$129.0	\$495.0	\$503.0
Adjusted to exclude gross up for:				
Pass through cost for printing and mailing	(2.7)	(4.5)	(14.0)	(15.8)
Marketing fees	(0.3)	(0.5)	(2.0)	(2.2)
Revenue Less Ancillary Services	<u>\$118.0</u>	<u>\$124.0</u>	<u>\$479.0</u>	<u>\$485.0</u>
Adjusted EBITDA	\$ 15.0	\$ 19.0	\$ 76.0	\$ 80.0