



# Q1 2023 Earnings Supplement

May 9, 2023



# Disclosures

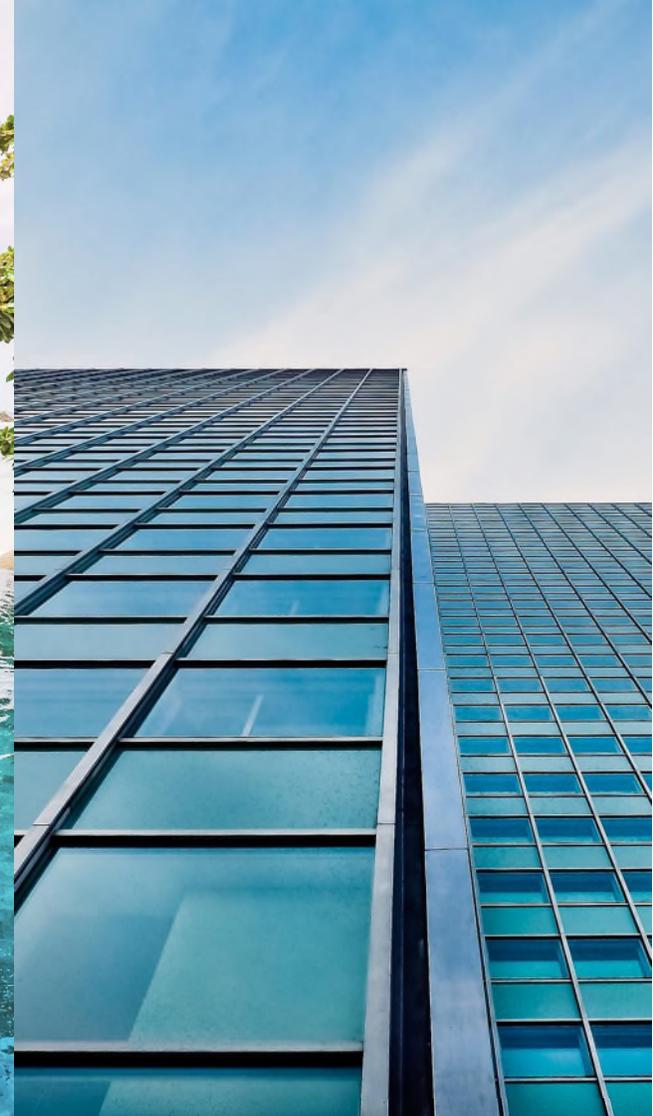
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This presentation contains certain non-GAAP financial measures as defined by SEC rules. Flywire has provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix. The company has relied upon the exception in item 10(e)(1)(i)(B) of Regulation S-K and 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



# Q1 2023 Performance

# GAAP Financial Highlights

## Q1 2023

**\$94.4 M**

Revenue

**61.8%**

Gross Margin

**\$(3.7)M**

Net Loss

# Key Operating Metrics (Non-GAAP)

## Q1 2023

**\$5.7B**

**+35.8%<sup>1</sup>**

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**Total  
Payment  
Volume**

**\$89.1M**

**+50.3%<sup>1</sup>**

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**Revenue Less  
Ancillary  
Services**

**67.2%**

**(30) bps<sup>1,2</sup>**

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**Adjusted  
Gross  
Margin**

**\$7.0M**

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**Adjusted  
EBITDA**

1. Represents Y-o-Y Growth as compared to Q1 2022

2. Prior year Adjusted Gross Profit and Adjusted Gross Margin have been recast to align with the updated methodology as described in the Appendix. See appendix for reconciliation to GAAP amounts

# Growth Strategies



Grow with existing clients

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**124%**  
2022 average annual dollar-based net retention rate

Grow with new clients

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**170+**  
New clients in Q1 2023

Expand our ecosystem through channel partnerships

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Expand to new industries, geographies & products

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**100%+ YoY Growth**  
Agent Payments Volume in Q1 2023

Pursue strategic & value-enhancing acquisitions

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# GROWTH *with* NEW CLIENTS

# Ucla

## Client Overview

- Public research university founded in 1881
- 31,000+ undergraduate students and 14,000+ graduate students, many of whom have an international visa status

## Flywire Solution Implemented

Cross-border payments solution for UCLA's Main Campus



Our partnership with Flywire is extremely important at UCLA. As the #1 public university we welcome students from all over the world. With this diversity also comes diverse banking and we need to make sure all of our students can easily pay tuition. Flywire provides A+ service to us and to our students. We are confident Flywire will continue to support UCLA students and families in the best way possible.

# Ucla

**BIANCA CAULFIELD**

*Manager, UCLA Payment Solutions & Compliance*



## EXPAND ECOSYSTEM *through* CHANNEL PARTNERS



### Channel Partner Overview

- Student information systems (SIS), finance & HR, recruiting, retention & analytics solutions provider for higher education sector
- Supports 2,700+ colleges/ universities across 50 countries

### Flywire Relationship

- Flywire named 2022 Ellucian Partner of the Year for Integration Excellence
- Flywire integrates directly into Ellucian's new Payment API Layer, Ellucian Payment Service, helping universities automatically power transactions, ranging from initial application fees, all the way through to international or domestic tuition payments and setting up payment plans
- Flywire's direct integrations with Ellucian can accelerate the implementation process for institutions, providing a more engaging, flexible experience for students and families



Flywire and Ellucian teams have been working closely to deliver an improved integration and an innovative customer experience. Flywire's powerful global payments network and payments software, integrated with Ellucian's suite of products, will deliver significant improvements for institutions around the world.



**ZACH TUSSING**

*Director of Partnerships at Ellucian*



# Financial Outlook

# Q2 2023 Outlook\*

**\$71 – \$75 M**

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**Revenue Less  
Ancillary Services**

**(\$5) - (\$3) M**

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**Adjusted EBITDA<sup>1</sup>**

1. Flywire has relied upon the exception in item 10(e)(1)(i)(B) of Regulation S-K and 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.



# FY 2023 Outlook\*

**\$360 - \$370M**

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**Revenue Less  
Ancillary Services**

**\$30 - 36M**

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**Adjusted EBITDA<sup>1</sup>**

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*flywire*

**Appendix**

## Revenue Less Ancillary Services at Constant Currency\*

	Three Months Ended March 31,		Growth Rate
	2023	2022	
Revenue	\$ 94.4	\$ 64.6	46.1%
Ancillary services	(5.3)	(5.3)	
Revenue Less Ancillary Services	89.1	59.3	50.3%
Effects of foreign currency rate fluctuations	3.8	—	
Revenue Less Ancillary Services at Constant Currency	\$ 92.9	\$ 59.3	56.7%

**\*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 \*

## Modified Methodology

	Three Months Ended March 31,	
	2023	2022
Revenue	\$ 94.4	\$ 64.6
Adjusted to exclude gross up for:		
Pass-through cost for printing and mailing	(4.9)	(4.9)
Marketing fees	(0.4)	(0.4)
Revenue Less Ancillary Services	\$ 89.1	\$ 59.3
Payment processing services costs	33.9	24.3
Hosting and amortization costs within technology and development	2.2	1.5
Cost of Revenue	\$ 36.1	\$ 25.8
Adjusted to:		
Exclude printing and mailing costs	(4.9)	(4.9)
Offset marketing fees against related costs	(0.4)	(0.4)
Exclude depreciation and amortization	(1.6)	(1.2)
Adjusted Cost of Revenue	\$ 29.2	\$ 19.3
Gross Profit	\$ 58.3	\$ 38.8
Gross Margin	61.8%	60.1%
Adjusted Gross Profit	\$ 59.9	\$ 40.0
Adjusted Gross Margin	67.2%	67.5%

## Previous Methodology

	Three Months Ended March 31,	
	2023	2022
Revenue	\$ 94.4	\$ 64.6
Adjusted to exclude gross up for:		
Pass-through cost for printing and mailing	(4.9)	(4.9)
Marketing fees	(0.4)	(0.4)
Revenue Less Ancillary Services	\$ 89.1	\$ 59.3
Payment processing services costs	33.9	24.3
Hosting and amortization costs within technology and development	2.2	1.5
Cost of Revenue	\$ 36.1	\$ 25.8
Adjusted to:		
Exclude printing and mailing costs	(4.9)	(4.9)
Offset marketing fees against related costs	(0.4)	(0.4)
Adjusted Cost of Revenue	\$ 30.8	\$ 20.5
Gross Profit	\$ 58.3	\$ 38.8
Gross Margin	61.8%	60.1%
Adjusted Gross Profit	\$ 58.3	\$ 38.8
Adjusted Gross Margin	65.4%	65.4%

\*Beginning with the quarter ended December 31, 2022, we have excluded depreciation and amortization from the calculation of our adjusted gross profit, which we believe enhances the understanding of the Company's operating performance and enables more meaningful period to period comparisons.

\$USD in Millions

# Revenue Disaggregation by Revenue Type

	Three Months Ended March 31, 2023		
	Transaction	Platform and Usage-Based Fee	Revenue
Revenue	\$ 76.3	\$ 18.1	\$ 94.4
Adjusted to exclude gross up for:			
Pass-through cost for printing and mailing	—	(4.9)	(4.9)
Marketing fees	(0.4)	—	(0.4)
Revenue Less Ancillary Services	\$ 75.9	\$ 13.2	\$ 89.1
Percentage of Revenue	80.8%	19.2%	100.0%
Percentage of Revenue Less Ancillary Services	85.2%	14.8%	100.0%

	Three Months Ended March 31, 2022		
	Transaction	Platform and Usage-Based Fee	Revenue
Revenue	\$ 48.7	\$ 15.9	\$ 64.6
Adjusted to exclude gross up for:			
Pass-through cost for printing and mailing	—	(4.9)	(4.9)
Marketing fees	(0.4)	—	(0.4)
Revenue Less Ancillary Services	\$ 48.3	\$ 11.0	\$ 59.3
Percentage of Revenue	75.4%	24.6%	100.0%
Percentage of Revenue Less Ancillary Services	81.5%	18.5%	100.0%

# Net Loss to Adjusted EBITDA Reconciliation

	Three Months Ended March 31,	
	2023	2022
Net loss	\$ (3.7)	\$ (10.1)
Interest expense	0.1	0.2
Provision for income taxes	0.4	0.5
Depreciation and amortization	3.8	2.9
EBITDA	0.6	(6.5)
Stock-based compensation expense and related taxes	9.0	5.5
Change in fair value of contingent consideration	0.4	(0.1)
Interest income	(1.9)	—
(Gain) loss from remeasurement of foreign currency	(1.5)	2.3
Indirect taxes related to intercompany activity	0.1	0.1
Acquisition related employee retention costs	0.3	0.6
Adjusted EBITDA	\$ 7.0	\$ 1.9

# Reconciliation of Revenue to Revenue Less Ancillary Services Guidance

	<b>Guidance</b>			
	<b>Three Months Ended June 30, 2023</b>		<b>Year Ended December 31, 2023</b>	
	<b>Low</b>	<b>High</b>	<b>Low</b>	<b>High</b>
Revenue	\$76.0	\$81.0	\$380.0	\$398.0
Adjusted to exclude gross up for:				
Pass through cost for printing and mailing	(4.9)	(5.7)	(18.4)	(25.7)
Marketing fees	(0.1)	(0.3)	(1.6)	(2.3)
Revenue Less Ancillary Services	<u>\$71.0</u>	<u>\$75.0</u>	<u>\$360.0</u>	<u>\$370.0</u>
Adjusted EBITDA	\$ (5.0)	\$ (3.0)	\$ 30.0	\$ 36.0