



Q4 & FY 2022 Earnings Supplement

February 28, 2023



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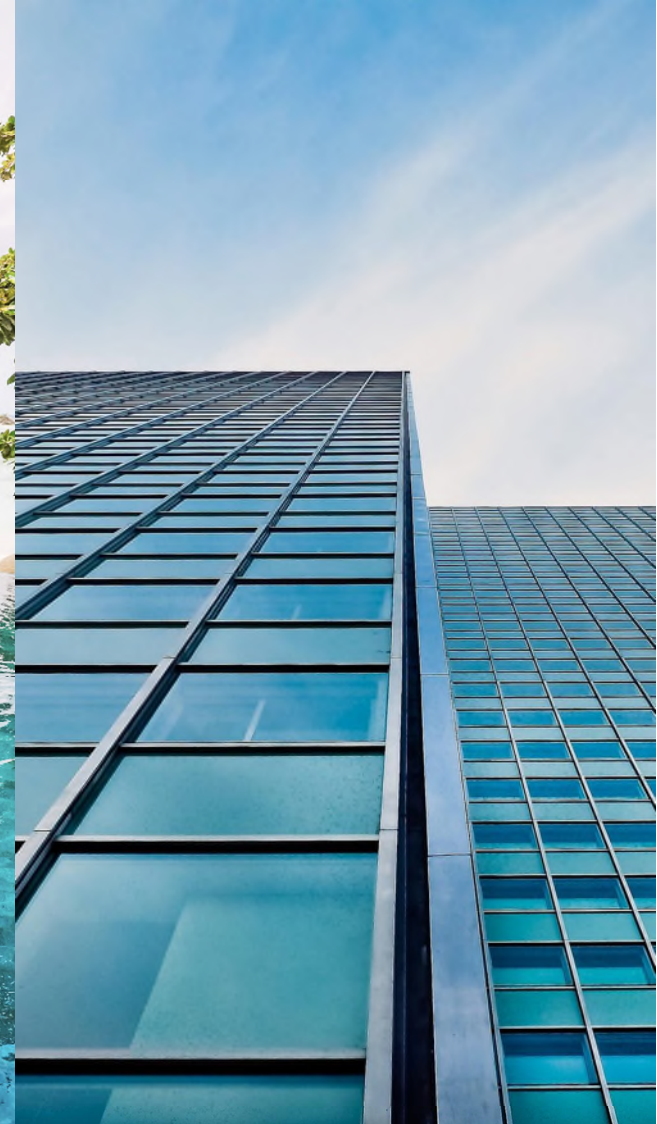
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This presentation contains certain non-GAAP financial measures as defined by SEC rules. Flywire has provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix. The company has relied 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.

Financial Disclosure Advisory

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (“GAAP”). The expected financial results discussed in this press release are preliminary and unaudited and represent the most current information available to the company’s management, as financial closing and audit procedures for the year ended December 31, 2022 are not yet complete. These estimates are not a comprehensive statement of the Company’s financial results for the fourth quarter and fiscal year ended December 31, 2022, and actual results may differ materially from these estimates as a result of the completion of year-end financial reporting process, finalization of the processes and procedures required by Section 404(b) of the the Sarbanes-Oxley Act of 2002, completion of the procedures relating to management’s assessment of the effectiveness of the Company’s internal controls, the completion of the external audit by the Company’s independent registered public accounting firm, and the subsequent occurrence or identification of events prior to the formal issuance of the audited financial statements for fiscal year 2022. In addition, results presented in this press release or on the conference call do not present all information necessary for an understanding of the Company’s financial condition and results of operations as of and for the quarter and year ended December 31, 2022.



 Our mission is to deliver the most important and complex payments



Q4 2022 Performance

GAAP Financial Highlights

Q4 2022¹

\$73.1 M

Revenue

56.8%

Gross Margin

\$(1.1)M

Net Loss

Key Operating Metrics (Non-GAAP) Q4 2022

\$4.1B

+29%¹

**Total
Payment
Volume**

\$67.4M

+47%¹

**Revenue Less
Ancillary
Services**

66.0%

(330) bps^{1,2}

**Adjusted
Gross
Margin**

\$1.0M

**Adjusted
EBITDA**

1. Represents Y-o-Y Growth as compared to Q4 2021

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



FY 2022 Performance

GAAP Financial Highlights

FY 2022¹

\$289.4M

Revenue

60.4%

Gross Margin

\$(39.3)M

Net Loss

Key Operating Metrics (Non-GAAP)

FY 2022

\$18.1B

+37%¹

**Total
Payment
Volume**

\$267.1M

+47%¹

**Revenue Less
Ancillary
Services**

68.1%

(340) bps^{1,2}

**Adjusted
Gross
Margin**

\$14.9M

**Adjusted
EBITDA**

1. Represents Y-o-Y Growth as compared to FY 2021

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

124%

2022 average annual dollar-based net retention rate

Grow with new clients

145+

New clients in Q4 2022

Expand our ecosystem through channel partnerships



Expand to new industries, geographies & products

570+

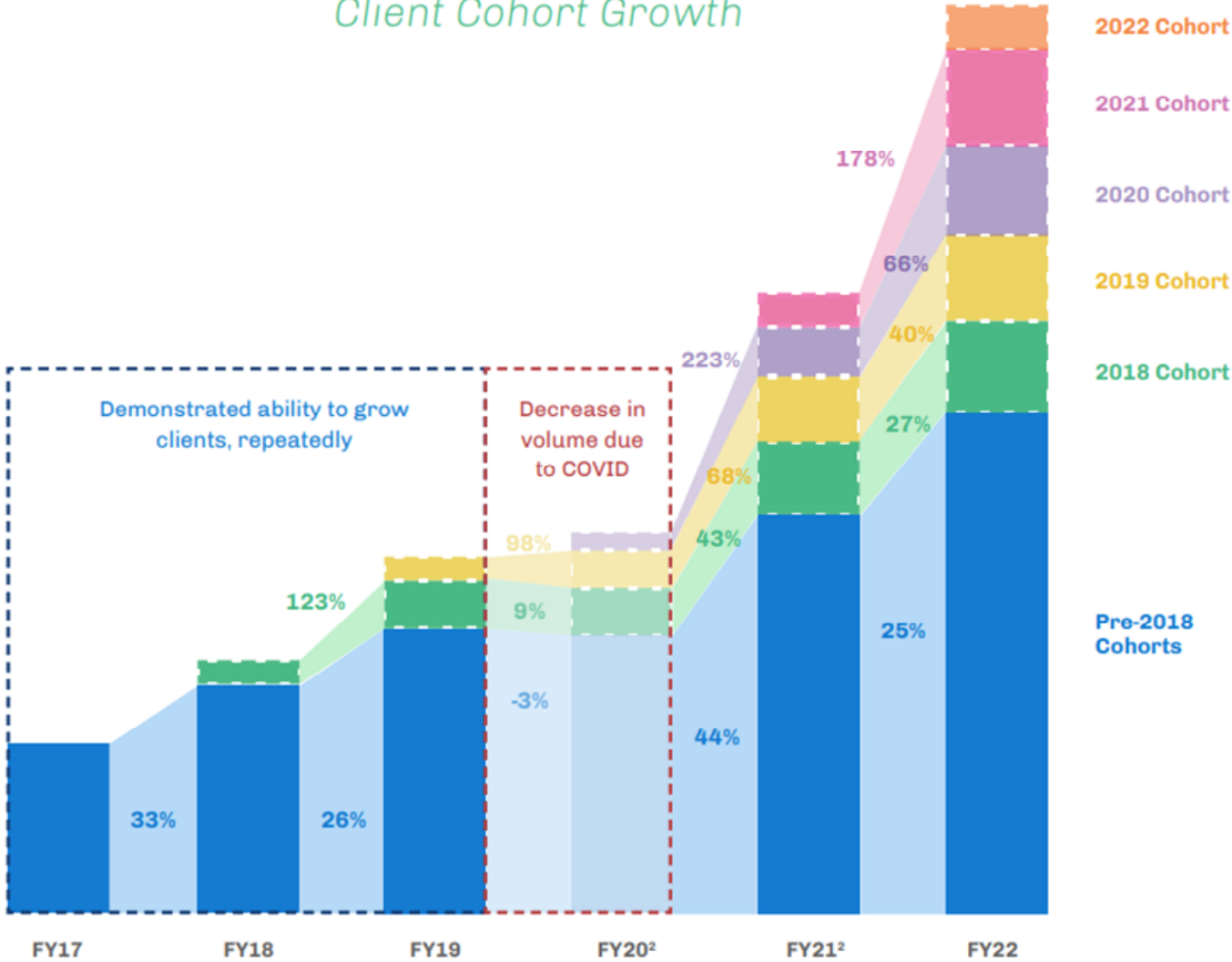
Travel & B2B Clients

Pursue strategic & value-enhancing acquisitions



Our Existing Clients Drive Revenue Growth^{1, 2, 3}

Client Cohort Growth



2022 NRR exceeds three-year corporate average

New and legacy clients expand over time to drive long-term strong NRR







Returning to healthy run rate post COVID recovery

¹ Represents revenue less ancillary service

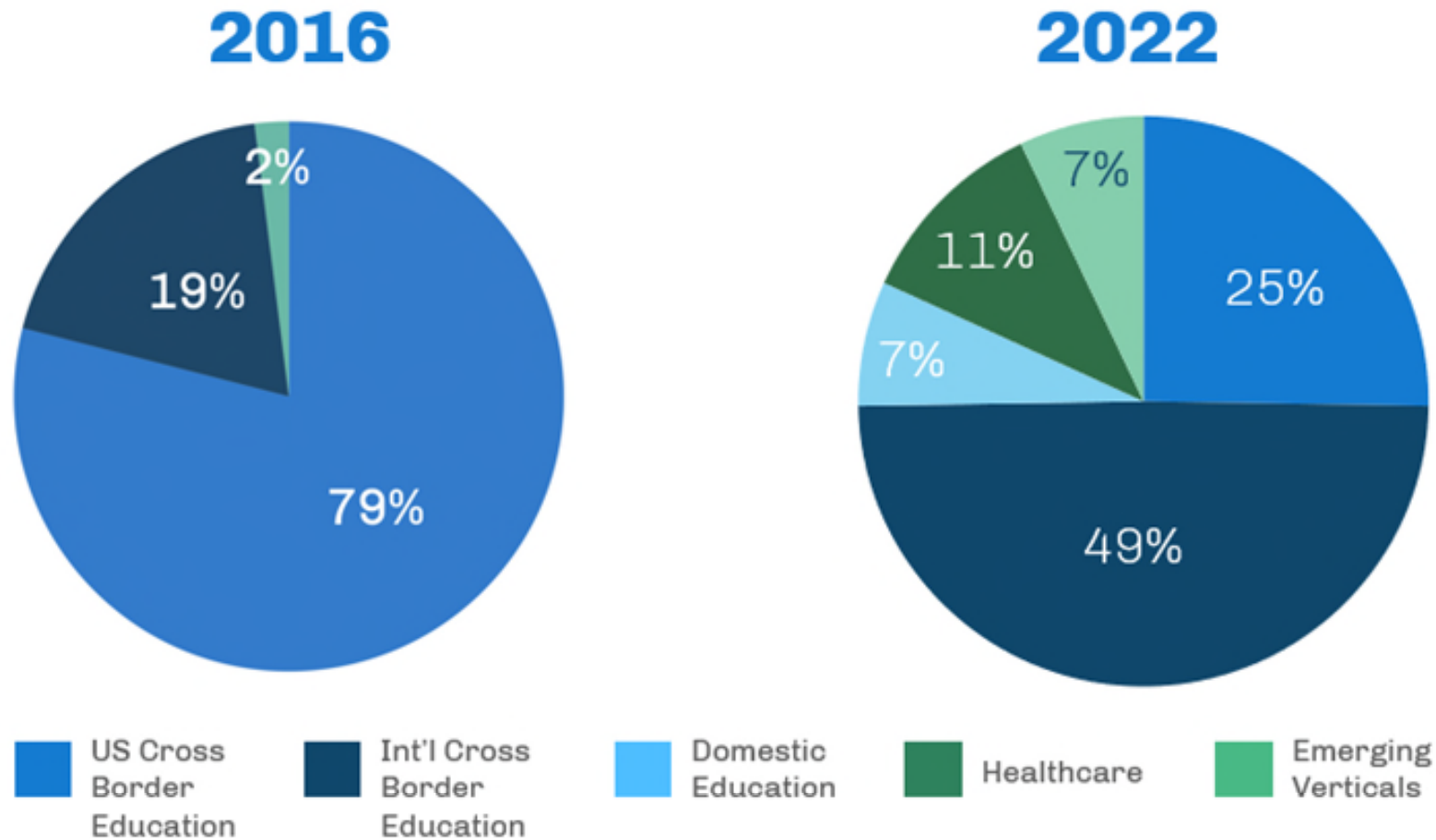
² Simplex data not included

³ WPM and Cohort not included



NRR Drivers	Illustrative Example	
Functional / Departmental Expansion		<p>Expanded relationship with CommonSpirit Health, with first go-live with a Dignity Health facility (a recent acquisition of CSH). CommonSpirit operates 140 hospitals and more than 1,500 care sites across 21 states.</p>
Geographic Expansion		<p>Expand from Nordic Visitor subsidiary into Travel Connect. Travel Connect owns six luxury travel brands, which includes five destination management companies and one accommodation provider.</p>
New Product Adoption		<p>Expanding with full-suite Comprehensive Receivable Solution, after previously using cross-border payment solutions</p>
Ecosystem Expansion		<p>Adopted 529 disbursement processing solution, helping the university reduce time and resources spent on paper check processing.</p>
Payment Network Expansion		<p>Added payments processing corridors connecting Mexico & Nepal</p>
Global Mobility		<p>Secular tailwinds of rising education tuitions & globalization</p>

Increasingly global and diversified revenue



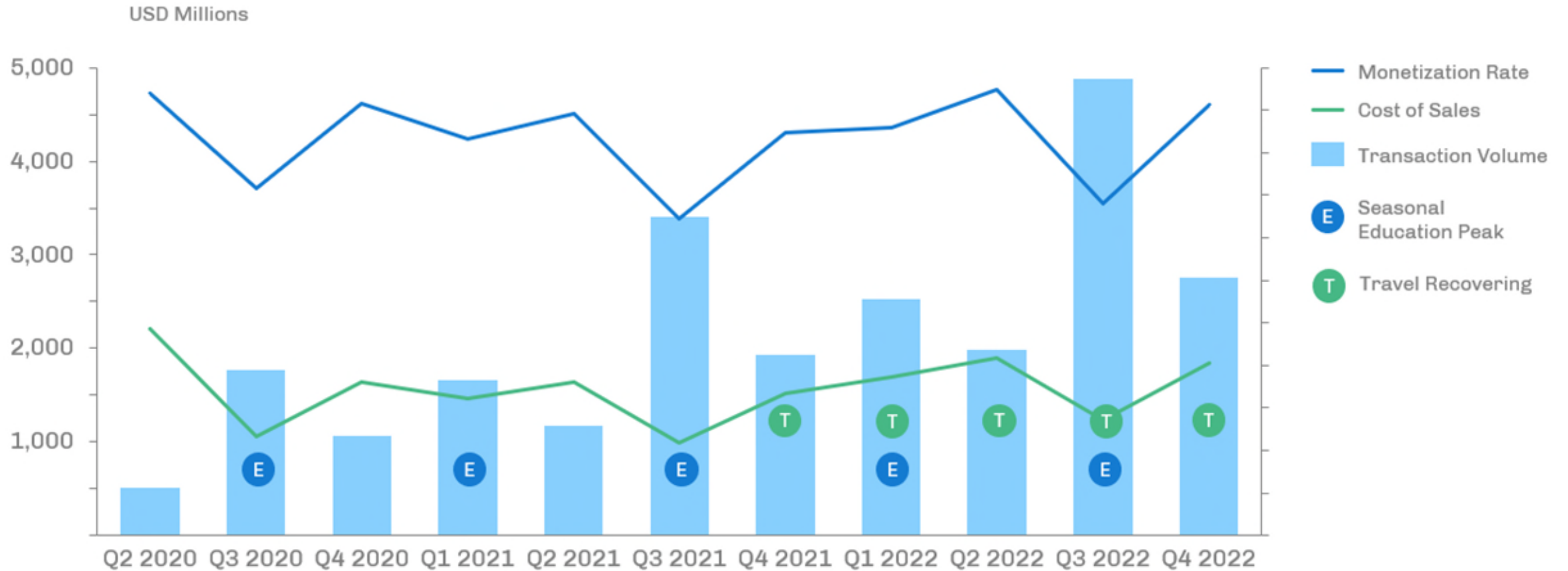
Travel vertical performance post-COVID was stronger than anticipated at our 2022 Analyst Day

Cohort Go acquisition adds to International Cross-Border and Domestic Education

Note: Represents share of total Flywire Revenue Less Ancillary Services in respective periods. In 2022, emerging verticals includes B2B and Travel.
 Cohort cross-border transaction revenue included in international cross-border education
 CohortGo domestic platform revenue included in domestic education for 2022
 WPM domestic platform revenue included in domestic education for 2022



2022 Spreads on Transaction Volume Remain Stable



Monetization rate is the quotient of Revenue Less Ancillary Services divided by Total Payment Volume. Spread is difference between monetization rate and cost of sales.





Financial Outlook

Q1 2023 Outlook

\$81 – \$85 M

**Revenue Less
Ancillary Services**

\$3 - \$5M

Adjusted EBITDA¹

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

\$353 - \$364M

**Revenue Less
Ancillary Services**

\$28 - 34M

Adjusted EBITDA¹

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18 *are directly impacted by unpredictable fluctuations in the market price of Flywire's stock.*



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Appendix

Revenue Details

Revenue Less Ancillary Services at Constant Currency

(\$ in millions)
(unaudited)

	<u>Three Months Ended</u>		<u>Growth Rates</u>	<u>Year Ended</u>		<u>Growth Rates</u>
	<u>December 31, 2022</u>	<u>December 31, 2021</u>		<u>December 31, 2022</u>	<u>December 31, 2021</u>	
GAAP revenue	\$73.1	\$51.4	42%	\$289.4	\$201.1	44%
Ancillary services	\$5.7	\$5.5		\$22.3	\$20.0	
Revenue less ancillary services	\$67.4	\$45.9	47%	\$267.1	\$181.1	47%
Effects of foreign currency rate fluctuations	\$4.6			\$14.2		
Revenue less ancillary services at constant currency*	\$72.0	\$45.9	57%	\$281.3	\$181.1	55%

***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 *

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

Modified Methodology

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 73.1	\$ 51.4	\$ 289.4	\$ 201.1
Adjusted to exclude gross up for:				
Pass-through cost for printing and mailing	(5.3)	(4.9)	(20.4)	(18.2)
Marketing fees	(0.4)	(0.6)	(1.9)	(1.8)
Revenue Less Ancillary Services	\$ 67.4	\$ 45.9	\$ 267.1	\$ 181.1
Payment processing services costs	29.6	19.2	107.9	70.2
Hosting and amortization costs within technology and development	2.0	1.5	6.6	5.7
Cost of Revenue	\$ 31.6	\$ 20.7	\$ 114.5	\$ 75.9
Adjusted to:				
Exclude printing and mailing costs	(5.3)	(4.9)	(20.4)	(18.2)
Offset marketing fees against related costs	(0.4)	(0.6)	(1.9)	(1.8)
Exclude depreciation and amortization	(3.0)	(1.1)	(7.0)	(4.5)
Adjusted Cost of Revenue	\$ 22.9	\$ 14.1	\$ 85.2	\$ 51.4
Gross Profit	\$ 41.5	\$ 30.7	\$ 174.9	\$ 125.2
Gross Margin	56.8%	59.7%	60.4%	62.3%
Adjusted Gross Profit	\$ 44.5	\$ 31.8	\$ 181.9	\$ 129.7
Adjusted Gross Margin	66.0%	69.3%	68.1%	71.6%

Previous Methodology

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 73.1	\$ 51.4	\$ 289.4	\$ 201.1
Adjusted to exclude gross up for:				
Pass-through cost for printing and mailing	(5.3)	(4.9)	(20.4)	(18.2)
Marketing fees	(0.4)	(0.6)	(1.9)	(1.8)
Revenue Less Ancillary Services	\$ 67.4	\$ 45.9	\$ 267.1	\$ 181.1
Payment processing services costs	29.6	19.2	107.9	70.2
Hosting and amortization costs within technology and development	2.0	1.5	6.6	5.7
Cost of Revenue	\$ 31.6	\$ 20.7	\$ 114.5	\$ 75.9
Adjusted to:				
Exclude printing and mailing costs	(5.3)	(4.9)	(20.4)	(18.2)
Offset marketing fees against related costs	(0.4)	(0.6)	(1.9)	(1.8)
Adjusted Cost of Revenue	\$ 25.9	\$ 15.2	\$ 92.2	\$ 55.9
Gross Profit	\$ 41.5	\$ 30.7	\$ 174.9	\$ 125.2
Gross Margin	56.8%	59.7%	60.4%	62.3%
Adjusted Gross Profit	\$ 41.5	\$ 30.7	\$ 174.9	\$ 125.2
Adjusted Gross Margin	61.6%	66.9%	65.5%	69.1%

*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 December 31, 2022		
	Transaction	Platform and Usage-Based Fee	Revenue
Revenue	\$ 56.7	\$ 16.4	\$ 73.1
Adjusted to exclude gross up for:			
Pass-through cost for printing and mailing	—	(5.3)	(5.3)
Marketing fees	(0.4)	—	(0.4)
Revenue Less Ancillary Services	\$ 56.3	\$ 11.1	\$ 67.4
Percentage of Revenue	77.6%	22.4%	100.0%
Percentage of Revenue Less Ancillary Services	83.5%	16.5%	100.0%

	Three Months Ended December 31, 2021		
	Transaction	Platform and Usage-Based Fee	Revenue
Revenue	\$ 38.3	\$ 13.0	\$ 51.3
Adjusted to exclude gross up for:			
Pass-through cost for printing and mailing	—	(4.8)	(4.8)
Marketing fees	(0.6)	—	(0.6)
Revenue Less Ancillary Services	\$ 37.7	\$ 8.2	\$ 45.9
Percentage of Revenue	73.6%	26.4%	100.0%
Percentage of Revenue Less Ancillary Services	82.1%	17.9%	100.0%

	Year Ended December 31, 2022		
	Transaction	Platform and Usage-Based Fee	Revenue
Revenue	\$ 224.2	\$ 65.2	\$ 289.4
Adjusted to exclude gross up for:			
Pass-through cost for printing and mailing	—	(20.4)	(20.4)
Marketing fees	(1.9)	—	(1.9)
Revenue Less Ancillary Services	\$ 222.3	\$ 44.8	\$ 267.1
Percentage of Revenue	77.5%	22.5%	100.0%
Percentage of Revenue Less Ancillary Services	83.2%	16.8%	100.0%

	Year Ended December 31, 2021		
	Transaction	Platform and Usage-Based Fee	Revenue
Revenue	\$ 148.0	\$ 53.1	\$ 201.1
Adjusted to exclude gross up for:			
Pass-through cost for printing and mailing	—	(18.2)	(18.2)
Marketing fees	(1.8)	—	(1.8)
Revenue Less Ancillary Services	\$ 146.2	\$ 34.9	\$ 181.1
Percentage of Revenue	73.6%	26.4%	100.0%
Percentage of Revenue Less Ancillary Services	80.7%	19.3%	100.0%

Net Loss to Adjusted EBITDA Reconciliation

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net loss	\$ (1.1)	\$ (11.2)	\$ (39.3)	\$ (28.1)
Interest expense	0.3	0.2	1.2	2.0
Provision for income taxes	(0.9)	1.4	2.0	2.2
Depreciation and amortization	4.9	2.4	14.1	9.0
EBITDA	3.2	(7.2)	(22.0)	(14.9)
Stock-based compensation expense and related taxes	7.9	3.3	31.2	18.9
Change in fair value of contingent consideration	(3.1)	0.2	(2.8)	2.3
Change in fair value of preferred stock warrant liability	—	—	—	10.8
Other (income) expense, net	(7.7)	(0.7)	5.9	(0.1)
Indirect taxes related to intercompany activity	0.1	0.9	0.4	0.9
Acquisition related transaction costs	0.4	0.7	0.8	0.7
Acquisition related employee retention costs	0.2	1.1	1.4	4.2
Adjusted EBITDA	\$ 1.0	\$ (1.7)	\$ 14.9	\$ 22.8

Reconciliation of Revenue to Revenue Less Ancillary Services Guidance

	Guidance (\$ in millions)			
	Three Months Ended March 31, 2023		Year Ended December 31, 2023	
	Low	High	Low	High
Revenue	\$85.0	\$91.0	\$373.0	\$392.0
Adjusted to exclude gross up for:				
Pass through cost for printing and mailing	-3.8	-5.7	-18.4	-25.7
Marketing fees	-0.2	-0.3	-1.6	-2.3
Revenue Less Ancillary Services	<u>\$81.0</u>	<u>\$85.0</u>	<u>\$353.0</u>	<u>\$364.0</u>
Adjusted EBITDA	\$3	\$5	\$28	\$34