



# Q1 2022 Earnings Supplement

May 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.



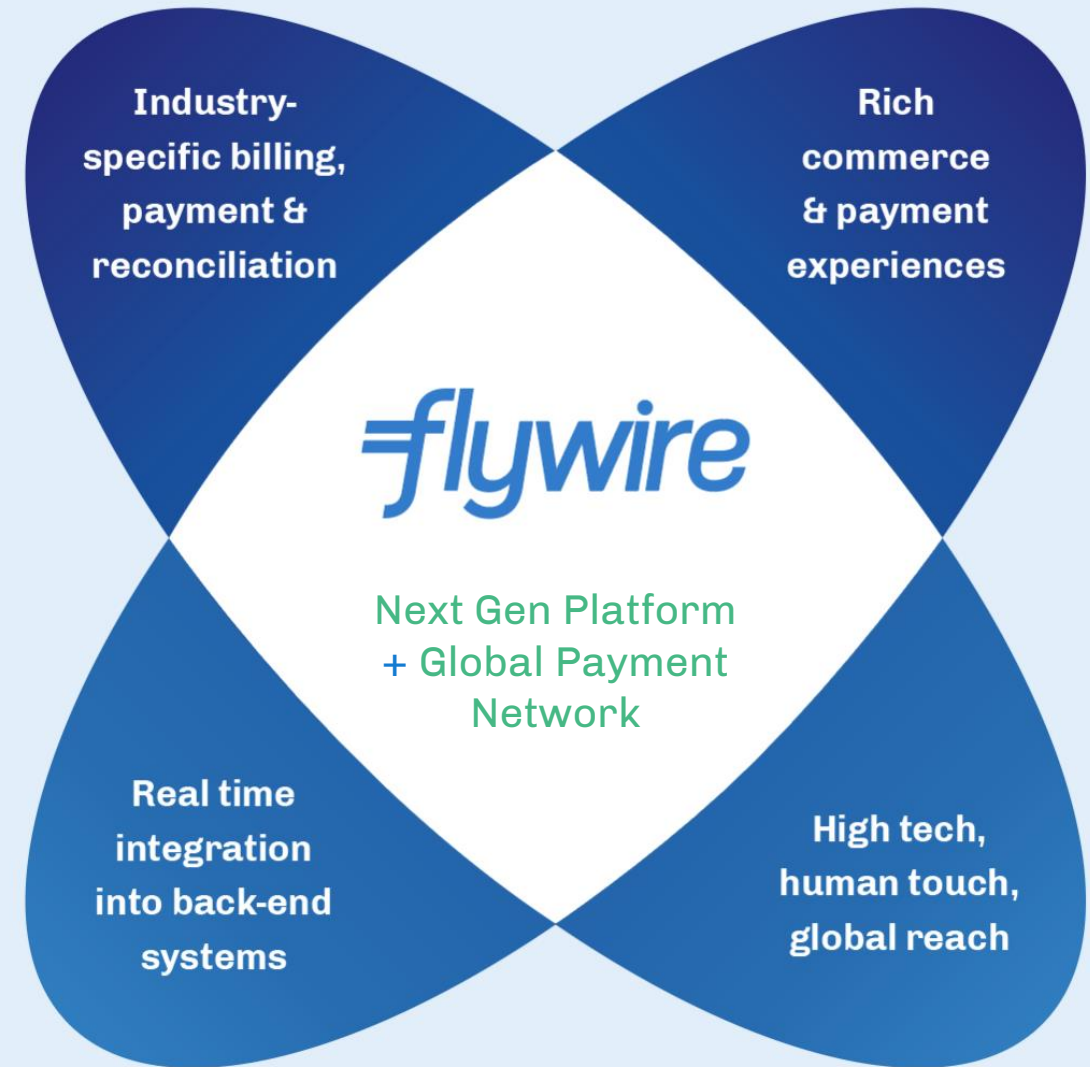
**f** Our mission is to deliver the most important and complex payments

We help our clients  
get paid...

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



# Software drives value in payments



**2,700+**

Clients Worldwide

**750+**

Global FlyMates

**\$13.2BN**

Total 2021 Payment  
Volume



**240+**

Countries & Territories

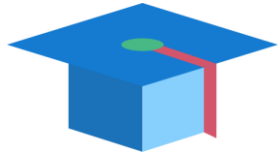
**140+**

Currencies Supported

**10+**

Years to Build  
Payment Network

# High-stakes, high-value payments in large markets



**Education**  
**\$660B TAM<sup>1</sup>**

>2,000 global institutions

>2M students globally



**Healthcare**  
**\$500B TAM<sup>2</sup>**

>80 healthcare systems

4/top 10 US health systems ranked by hospital size



**Travel**  
**~\$530B TAM<sup>3</sup>**

Large travel operators/  
accommodations



**B2B Payments**  
**\$10T TAM<sup>4</sup>**

Unique network of assets  
to support B2B



*flywire*

Our Flywire Advantage  
& Opportunity



# We believe our runway for growth is substantial

Global

E-commerce<sup>1</sup>

**\$4.3**  
TRILLION

vs.

**\$1.7**<sup>2,3,4</sup>  
TRILLION



Education  
Healthcare  
Travel

Flywire Market  
Opportunity

**\$10**<sup>5</sup>  
TRILLION

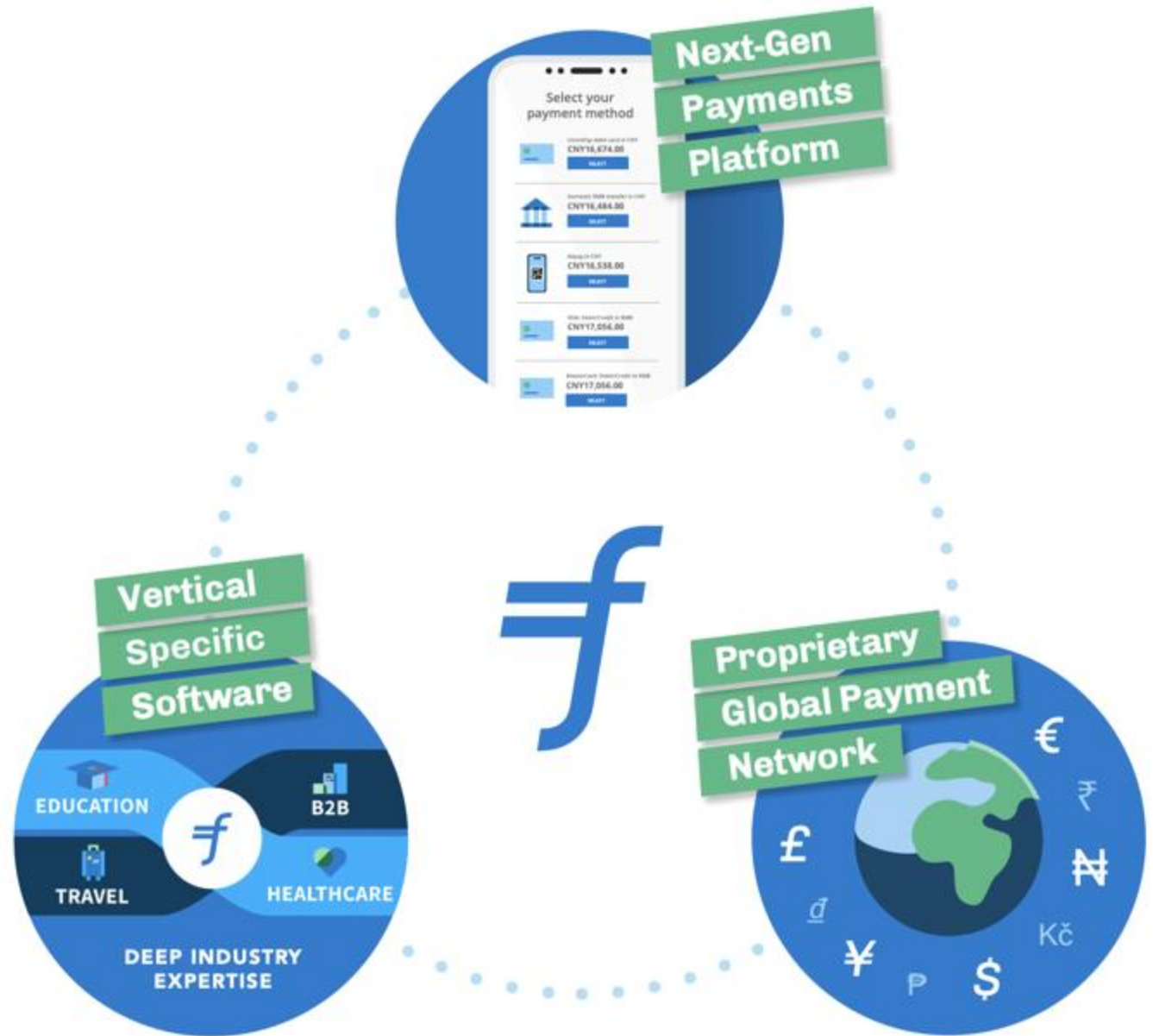


B2B

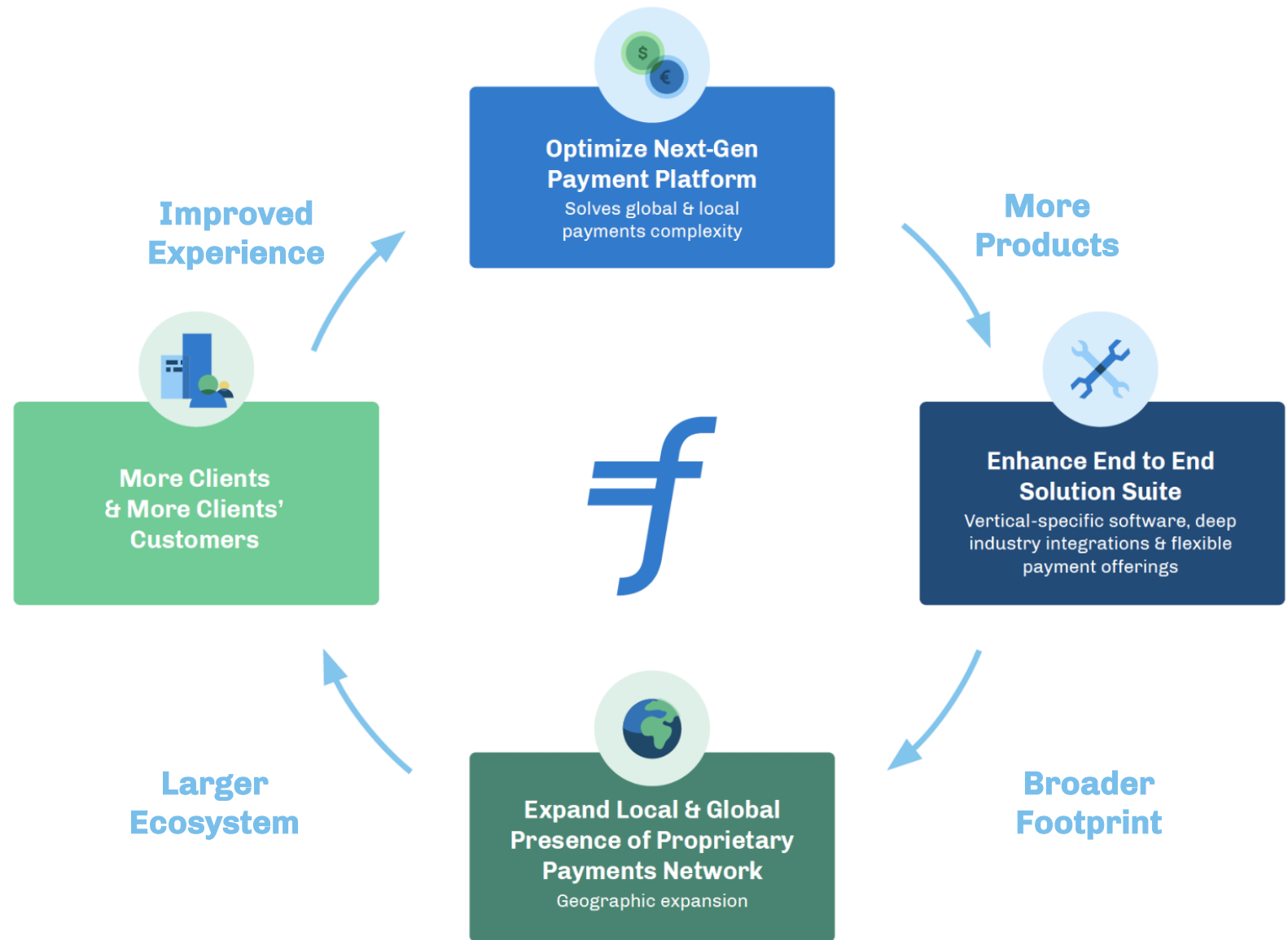
1.eMarketer, 2020 Global Online Sales 2. OECD & Parthenon report (Education); 3. Centers for Medicare & Medicaid Services and Patients Without Borders (Healthcare); 4. IBISWorld and management's estimates (Travel); and 5. Juniper and management's estimates (B2B).



# 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%<sup>1</sup> 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%<sup>2</sup> 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%<sup>1</sup>**

Three year average annual dollar-based net retention rate

Grow with new clients

**130+**

New clients in Q1 2022

Expand our ecosystem through channel partnerships



Expand to new industries, geographies & products

**420+**

Travel & B2B Clients

Pursue strategic & value-enhancing acquisitions





# Q1 2022 Performance

# GAAP Financial Highlights

## Q1 2022

**\$64.6M**

**Revenue**

**60.1%**

**Gross Margin**

**\$(10.1)M**

**Net Loss**

# Key Operating Metrics (Non-GAAP)

## Q1 2022

**\$4.2B**  
*(+46%)<sup>1</sup>*

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**Total  
Payment  
Volume**

**\$59.3M**  
*(+47%)<sup>1</sup>*

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**Revenue Less  
Ancillary  
Services**

**65.5%**  
*(-320 bps)<sup>1</sup>*

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**Adjusted  
Gross  
Margin**

**\$1.8M**

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**Adjusted  
EBITDA**

*1. Represents Y-o-Y Growth as compared to Q1 2021  
See appendix for reconciliation to GAAP amounts*





# Financial Outlook

# Q2 2022 Outlook

**\$45 – 48M**

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**Revenue Less  
Ancillary Services**

# FY 2022 Outlook

**\$249 - 257M**

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**Revenue Less  
Ancillary Services**

**\$10 - 14M**

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**Adjusted EBITDA**

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Appendix

# Revenue Less Ancillary Services & Adjusted Gross Margin Reconciliations

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Revenue	\$ 64.6	\$ 45.0
Adjusted to exclude gross up for:		
Pass through cost for printing, mailing and devices	(4.9)	(4.5)
Marketing fees	(0.4)	(0.3)
Revenue Less Ancillary Services	<u>\$ 59.3</u>	<u>\$ 40.2</u>
Payment processing services Costs	\$ 24.3	\$ 16.1
Hosting and amortization costs within technology and development expenses	1.5	1.3
Adjusted to:		
Exclude printing and mailing costs	(4.9)	(4.5)
Offset marketing fees against related costs	(0.4)	(0.3)
Costs of revenue less ancillary services	<u>\$ 20.5</u>	<u>\$ 12.6</u>
Gross Profit	\$ 38.8	\$ 27.6
Gross Margin	<u>60.1%</u>	<u>61.3%</u>
Adjusted Gross Profit	\$ 38.8	\$ 27.6
Adjusted Gross Margin	<u>65.5%</u>	<u>68.7%</u>

# Revenue Disaggregation by Revenue Type

	Three Months Ended March 31, 2022			Three Months Ended March 31, 2021		
	Transaction	Platform and Usage- Based Fees	Revenue	Transaction	Platform and Usage- Based Fees	Revenue
Revenue	\$ 48.7	\$ 15.9	\$ 64.6	\$ 32.4	\$ 12.6	\$ 45.0
Adjusted to exclude gross up for:						
Pass through cost for printing and mailing	---	(4.9)	(4.9)	---	(4.5)	(4.5)
Marketing fees	(0.4)	---	(0.4)	(0.3)	---	(0.3)
Revenue Less Ancillary Services	<u>\$ 48.3</u>	<u>\$ 11.0</u>	<u>\$ 59.3</u>	<u>\$ 32.1</u>	<u>\$ 8.1</u>	<u>\$ 40.2</u>
Percentage of Revenue	75.4%	24.6%	100%	72.0%	28.0%	100%
Percentage of Revenue less Ancillary Services	81.5%	18.5%	100%	79.9%	20.1%	100%

# Net Loss to Adjusted EBITDA Reconciliation

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Net loss	\$ (10.1)	\$ (8.7)
Interest expense	0.2	0.6
Provision for income taxes	0.5	0.2
Depreciation and amortization	2.8	2.1
EBITDA	(6.6)	(5.8)
Stock-based compensation expense	5.5	10.4
Change in fair value of contingent consideration	(0.1)	-
Change in fair value of preferred stock warrant liability	-	1.0
Other expense, net	2.3	0.4
Indirect taxes related to intercompany activity	0.1	-
Acquisition related employee retention costs	0.6	1.0
Adjusted EBITDA	<u>\$ 1.8</u>	<u>\$ 7.0</u>

# Reconciliation of Revenue to Revenue Less Ancillary Services Guidance

	Guidance			
	Three Months Ended June 30, 2022		Year Ended December 31, 2022	
	Low	High	Low	High
Revenue	\$ 50.0	\$ 53.0	\$ 269.0	\$ 279.0
Adjusted to exclude gross up for:				
Pass through cost for printing and mailing	(4.6)	(4.6)	(18.4)	(20.4)
Marketing fees	(0.4)	(0.4)	(1.6)	(1.6)
Revenue Less Ancillary Services	\$ 45.0	\$ 48.0	\$ 249.0	\$ 257.0

