

**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 8, 2024

**Expensify, Inc.**

(Exact Name of Registrant as Specified in its Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-41043  
(Commission  
File Number)

27-0239450  
(IRS Employer  
Identification No.)

401 SW 5<sup>th</sup> Ave  
Portland, Oregon 97204  
(Address of Principal Executive Offices) (Zip Code)

(971) 365-3939  
(Registrant's telephone number, including area code)

**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
Class A Common Stock, par value \$0.0001 per share	EXFY	The Nasdaq Stock Market LLC

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 8, 2024, Expensify, Inc. (“Expensify” or the “Company”) issued a press release announcing its financial results for the quarter ended June 30, 2024. A copy of this press release is furnished as Exhibit 99.1 to this current report on Form 8-K and is incorporated herein by reference.

**Item 7.01 Regulation FD Disclosure.**

On August 8, 2024, the Company posted an investor presentation to its website at <https://ir.expensify.com> (the “Investor Presentation”). A copy of the Investor Presentation is furnished as Exhibit 99.2 to this current report on Form 8-K and is incorporated herein by reference. The Company expects to use the Investor Presentation, in whole or in part, and possibly with modifications, in connection with presentations to investors, analysts and others.

The information contained in the Investor Presentation is summary information that is intended to be considered in the context of the Company’s Securities and Exchange Commission (“SEC”) filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Investor Presentation speaks only as of the date of this current report on Form 8-K. The Company undertakes no duty or obligation to publicly update or revise the information included in the Investor Presentation, although it may do so from time to time. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or other public disclosure. In addition, the exhibit furnished herewith contains statements intended as “forward-looking statements” that are subject to the cautionary statements about forward-looking statements set forth in such exhibit. By furnishing the information contained in the Investor Presentation, the Company makes no admission as to the materiality of any information in the Investor Presentation that is required to be disclosed solely by reason of Regulation FD.

The information contained in Item 2.02 and this Item 7.01, including Exhibits 99.1 and 99.2, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by Expensify under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.****(d) Exhibits.**

Exhibit No.	Description
99.1	<a href="#">Press Release issued by Expensify, Inc., dated August 8, 2024.</a>
99.2	<a href="#">Investor Presentation, dated August 8, 2024.</a>
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.

Expensify, Inc.

By: /s/ Ryan Schaffer

Name: Ryan Schaffer

Title: Chief Financial Officer

Date: August 8, 2024

## EXPENSIFY ANNOUNCES Q2 2024 RESULTS

*Interchange derived from the Expensify Card grew to \$4.0 million, an increase of 48% as compared to the same period last year.*

PORTLAND, Ore.--(BUSINESS WIRE)--August 8, 2024-- Expensify, Inc. (Nasdaq: EXFY), a payments superapp that helps individuals and businesses around the world simplify the way they manage money across expenses, corporate cards and bills, today released a letter to shareholders from Founder and CEO David Barrett alongside results for its quarter ended June 30, 2024.

### **A Message From Our Founder**

I'm extremely pleased with how well Q2 has extended Q1's achievements and improved upon them further:

- **Our core business has been stabilize, with increasing cash flow.** Revenue and paid users are within 1% of last quarter – with quarterly interchange, operating cash flow, and free cash flow up 14%, 168% and 10% (48%, 2,247% and 399% y/y), respectively.
- **The new Expensify Card program is live.** Most active Expensify Card customers have already adopted the new program, and 34% of spend has already migrated to the new cards we've mailed out – which earns us 20% more interchange, and contributes directly to revenue. We are well on the way to our target of 100% adoption by EOY.
- **New Expensify is live.** We have returned to the conference circuit after a multi-year absence, with all messaging and demos focused exclusively on New Expensify. Development is no longer solely core development and now includes pipeline optimizations, and New Expensify is expected to add new revenue in Q3. We continue to make brisk progress on the combined business/consumer superapp experience in anticipation of our extremely visible product placement within Apple TV's biggest budget movie ever, scheduled to be in theaters June 2025.
- **Hybrid app is live.** This is an incredibly difficult and important technical milestone that allows us to upgrade existing apps deployed on millions of devices worldwide in order to switch interchangeably between New Expensify and Expensify Classic. This is a critical tool for seamlessly migrating existing customers on a selective basis to the new experience, while allowing existing customers with classic functionality that has not yet been updated to remain on their existing experience. The hybrid app is being rolled out globally.
- **Expensify Travel is live.** We have launched our travel product to new and existing customers, and is expected to generate an entirely new revenue stream of travel bookings in Q3.

This quarter did a fantastic job laying a clear foundation for future growth, and the excitement inside our (virtual) halls is palpable. Hit me up at our booth at Xerocon or SuiteWorld to see the New Expensify pitch in person!

-david

Founder and CEO of Expensify

**Second Quarter 2024 Highlights****Financial:**

- Revenue was \$33.3 million, a decrease of 14% compared to the same period last year.
- Generated \$9.3 million cash from operating activities.
- Free cash flow was \$5.7 million.
- Net loss was \$2.8 million, compared to \$11.3 million for the same period last year.
- Non-GAAP net income was \$5.6 million.
- Adjusted EBITDA was \$10.2 million.
- Interchange derived from the Expensify Card grew to \$4.0 million, an increase of 48% compared to the same period last year.
- See Financial Outlook section for Free Cash Flow guidance for fiscal year ending December 31, 2024.

**Business:**

- **Paid members** - Paid members were 684,000, a decrease of 8% from the same period last year.
- **New Expensify Card program** - The majority of active Expensify Card customers began transitioning to the new program, with 34% of spend migrated by end of Q2.
- **New Expensify** - The company began supporting businesses on New Expensify that is expected to generate revenue beginning in Q3 2024.
- **New Integrations** - Expensify launched integrations with QuickBooks Online and Xero on New Expensify, a major milestone to support customers on the new platform.
- **Sales and marketing** - The company announced a partnership with Apple for lead product placement in Apple's largest feature film investment ever, *FI*, set to release in June 2025.
- **Corporate travel** - The company returned to the travel conference circuit to demo Expensify Travel — its corporate travel management platform built for the midsized and small-cap enterprise market — at GBTA, the world's foremost corporate travel event.

**Financial Outlook**

Expensify's outlook statements are based on current estimates, expectations and assumptions and are not a guarantee of future performance. The following statements are forward-looking and actual results could differ materially depending on market conditions and the factors set forth under "Forward-Looking Statements" below. There can be no assurance that the Company will achieve the results expressed by this guidance.

**Free Cash Flow**

Expensify estimates Free Cash Flow of \$15.0 million to \$16.0 million for the fiscal year ending December 31, 2024.

The Company does not provide a reconciliation for free cash flow estimates on a forward-looking basis because it is unable, without making unreasonable efforts, to provide a meaningful or reasonably accurate calculation or estimation of net cash provided by operating activities and certain reconciling items on a forward-looking basis, which could be significant to the Company's results.

**Stock Based Compensation**

An estimate of expected stock-based compensation for the next four fiscal quarters is as follows, which is driven primarily by the pre-IPO grant of RSUs issued to all employees (which vest quarterly over eight years with approximately five years remaining).

**Est. stock-based compensation (millions)**

	Q3 2024		Q4 2024		Q1 2025		Q2 2025	
	Low	High	Low	High	Low	High	Low	High
Cost of revenue, net	\$ 2.4	\$ 3.1	\$ 2.3	\$ 3.0	\$ 2.2	\$ 2.9	\$ 1.9	\$ 2.6
Research and development	3.2	4.0	3.1	3.9	2.9	3.7	2.5	3.3
General and administrative	1.2	1.5	1.2	1.5	1.1	1.4	1.0	1.3
Sales and marketing	0.5	0.7	0.5	0.7	0.4	0.6	0.4	0.6
<b>Total</b>	<b>\$ 7.3</b>	<b>\$ 9.3</b>	<b>\$ 7.1</b>	<b>\$ 9.1</b>	<b>\$ 6.6</b>	<b>\$ 8.6</b>	<b>\$ 5.8</b>	<b>\$ 7.8</b>

**Availability of Information on Expensify's Website**

Investors and others should note that Expensify routinely announces material information to investors and the marketplace using SEC filings, press releases, public conference calls, webcasts and the Expensify Investor Relations website at <https://ir.expensify.com>. While not all of the information that the Company posts to its Investor Relations website is of a material nature, some information could be deemed to be material. Accordingly, the Company encourages investors, the media and others interested in Expensify to review the information that it shares on its Investor Relations website.

**Conference Call**

Expensify will host a video call to discuss the financial results and business highlights at 2:00 p.m. Pacific Time today. An investor presentation and the video call information is available on Expensify's Investor Relations website at <https://ir.expensify.com>. A replay of the call will be available on the site for three months.

**Non-GAAP Financial Measures**

In addition to financial measures prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), we provide certain non-GAAP financial measures, including adjusted EBITDA, non-GAAP net loss, and free cash flow.

We believe our non-GAAP financial measures are useful in evaluating our business, measuring our performance, identifying trends affecting our business, formulating business plans and making strategic decisions. Accordingly,

we believe that these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. These non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly titled metrics or measures presented by other companies. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as substitutes for financial information presented under GAAP. There are a number of limitations related to the use of non-GAAP financial measures versus comparable financial measures determined under GAAP. For example, other companies in our industry may calculate these non-GAAP financial measures differently or may use other measures to evaluate their performance. All of these limitations could reduce the usefulness of these non-GAAP financial measures as analytical tools. Investors are encouraged to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and to not rely on any single financial measure to evaluate our business. A reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP is at the end of this press release.

**Adjusted EBITDA.** We define adjusted EBITDA as net loss from operations excluding provision for income taxes, interest and other expenses, net, depreciation and amortization, and stock-based compensation.

**Non-GAAP net income.** We define non-GAAP net income as net loss from operations excluding stock-based compensation.

**Free cash flow.** We define Free cash flow as net cash provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development costs.

The tables at the end of the Condensed Consolidated Financial Statements provide reconciliations to the most directly comparable GAAP financial measure to each of these non-GAAP financial measures.

### **Forward-Looking Statements**

Forward-looking statements in this press release, or made during the earnings call, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding our strategy, future financial condition, future operations, future cash flow, projected costs, prospects, plans, objectives of management and expected market growth, product developments and their potential impact and our stock-based compensation estimates and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “goal,” “ambition,” “objective,” “seeks,” “outlook,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: the impact on inflation on us and our members; our borrowing costs have and may continue to increase as a result of increases in interest rates; our expectations regarding our financial performance and future operating performance; our ability to attract and retain members, expand usage of our platform, sell subscriptions to our platform and convert individuals and organizations into paying customers; the timing and success of new features, integrations, capabilities and enhancements by us, or by competitors to their products, or any other changes in the competitive landscape of our market; the amount and timing of operating expenses and capital expenditures that we may incur to maintain and expand our business and operations to remain competitive; the sufficiency of our cash, cash equivalents and investments to meet our liquidity needs; our ability to make required payments under and to comply with the various requirements of our current and future indebtedness; our cash flows, the prevailing stock prices, general economic and market conditions and other considerations that could affect the specific timing, price and size of repurchases under our stock repurchase program or our ability to fund any stock repurchases;

geopolitical tensions, including the war in Ukraine and the escalating conflict in Israel, Gaza and surrounding areas; our ability to effectively manage our exposure to fluctuations in foreign currency exchange rates; the expenses associated with being a public company; the size of our addressable markets, market share and market trends; anticipated trends, developments and challenges in our industry, business and the highly competitive markets in which we operate; our expectations regarding our income tax liabilities and the adequacy of our reserves; our ability to effectively manage our growth and expand our infrastructure and maintain our corporate culture; our ability to identify, recruit and retain skilled personnel, including key members of senior management; the safety, affordability and convenience of our platform and our offerings; our ability to successfully defend litigation brought against us; our ability to successfully identify, manage and integrate any existing and potential acquisitions of businesses, talent, technologies or intellectual property; general economic conditions in either domestic or international markets, and geopolitical uncertainty and instability, including as a result of the 2024 United States presidential election; our protections against security breaches, technical difficulties, or interruptions to our platform; our ability to maintain, protect and enhance our intellectual property; and other risks discussed in our filings with the SEC. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this press release. We do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

#### **About Expensify.**

Expensify is a payments superapp that helps individuals and businesses around the world simplify the way they manage money. More than 12 million people use Expensify's free features, which include corporate cards, expense tracking, next-day reimbursement, invoicing, bill pay, and travel booking in one app. All free. Whether you own a small business, manage a team, or close the books for your clients, Expensify makes it easy so you have more time to focus on what really matters.

#### **Investor Relations Contact**

Nick Tooker  
investors@expensify.com

#### **Press Contact**

James Dean  
press@expensify.com



**Expensify, Inc.**  
**Condensed Consolidated Balance Sheets**  
(unaudited, in thousands, except share data)

	As of June 30, 2024	As of December 31, 2023
<b>Assets</b>		
Cash and cash equivalents	\$ 53,234	\$ 47,510
Accounts receivable, net	13,420	13,834
Settlement assets, net	48,301	39,261
Prepaid expenses	8,768	5,649
Other current assets	32,044	30,978
Total current assets	155,767	137,232
Capitalized software, net	16,006	12,494
Property and equipment, net	13,905	14,372
Lease right-of-use assets	5,783	6,435
Deferred tax assets, net	487	457
Other assets	924	5,794
Total assets	\$ 192,872	\$ 176,784
<b>Liabilities and stockholders' equity</b>		
Accounts payable	\$ 1,022	\$ 1,425
Accrued expenses and other liabilities	7,853	9,390
Borrowings under line of credit	15,000	15,000
Current portion of long-term debt, net of original issue discount and debt issuance costs	7,592	7,655
Lease liabilities, current	461	432
Settlement liabilities	38,877	33,990
Total current liabilities	70,805	67,892
Lease liabilities, non-current	6,118	6,467
Other liabilities	1,949	1,681
Total liabilities	78,872	76,040
<b>Commitments and contingencies</b>		
<b>Stockholders' equity:</b>		
Preferred stock, par value \$0.0001; 10,000,000 shares of preferred stock authorized as of June 30, 2024 and December 31, 2023; no shares of preferred stock issued and outstanding as of June 30, 2024 and December 31, 2023	—	—
Common stock, par value \$0.0001; 1,000,000,000 shares of Class A common stock authorized as of June 30, 2024 and December 31, 2023; 74,773,581 and 70,569,815 shares of Class A common stock issued and outstanding as of June 30, 2024 and December 31, 2023, respectively; 24,994,705 and 24,994,989 shares of LT10 common stock authorized as of June 30, 2024 and December 31, 2023, respectively; 5,923,033 and 7,333,619 shares of LT10 common stock issued and outstanding as of June 30, 2024 and December 31, 2023, respectively; 24,969,634 and 24,998,941 shares of LT50 common stock authorized as of June 30, 2024 and December 31, 2023, respectively; 7,498,076 and 7,321,894 shares of LT50 common stock issued and outstanding as of June 30, 2024 and December 31, 2023, respectively	9	8
Additional paid-in capital	261,309	241,509
Accumulated deficit	(147,318)	(140,773)
Total stockholders' equity	114,000	100,744
Total liabilities and stockholders' equity	\$ 192,872	\$ 176,784

**Expensify, Inc.**  
**Condensed Consolidated Statements of Operations**  
(unaudited, in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue	\$ 33,288	\$ 38,884	\$ 66,823	\$ 78,985
Cost of revenue, net <sup>(1)</sup>	14,363	16,925	28,947	32,700
Gross margin	18,925	21,959	37,876	46,285
Operating expenses:				
Research and development <sup>(1)</sup>	6,389	5,094	12,318	10,512
General and administrative <sup>(1)</sup>	9,245	11,712	20,676	24,141
Sales and marketing <sup>(1)</sup>	3,072	14,714	6,456	23,897
Total operating expenses	18,706	31,520	39,450	58,550
Income (loss) from operations	219	(9,561)	(1,574)	(12,265)
Interest and other expenses, net	(260)	(1,367)	(1,214)	(2,783)
Loss before income taxes	(41)	(10,928)	(2,788)	(15,048)
Provision for income taxes	(2,723)	(376)	(3,757)	(2,201)
Net loss	\$ (2,764)	\$ (11,304)	\$ (6,545)	\$ (17,249)
Net loss per share:				
Basic and diluted	\$ (0.03)	\$ (0.14)	\$ (0.08)	\$ (0.21)
Weighted average shares of common stock used to compute net loss per share:				
Basic and diluted	86,593,955	82,011,477	85,867,683	81,890,624

(1) Includes stock-based compensation expense as follows:

	Three Months Ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Cost of revenue, net	\$ 2,886	\$ 3,600	\$ 5,818	\$ 6,906
Research and development	3,144	2,455	5,894	4,661
General and administrative	1,703	2,376	3,405	5,020
Sales and marketing	648	1,910	788	3,758
Total stock-based compensation expense	\$ 8,381	\$ 10,341	\$ 15,905	\$ 20,345

**Expensify, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(unaudited, in thousands)

	Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Net loss	\$ (6,545)	\$ (17,249)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	3,053	2,789
Reduction of operating lease right-of-use assets	273	334
Loss on impairment, receivables and sale or disposal of equipment	537	402
Stock-based compensation expense	15,905	20,345
Amortization of original issue discount and debt issuance costs	28	49
Deferred tax assets	(30)	(65)
Changes in assets and liabilities:		
Accounts receivable, net	175	1,358
Settlement assets, net	(7,876)	(5,244)
Prepaid expenses	1,831	3,775
Other current assets	1,838	(952)
Other assets	(80)	(88)
Accounts payable	(425)	632
Accrued expenses and other liabilities	(1,105)	2,670
Operating lease liabilities	54	(294)
Settlement liabilities	4,887	(1,382)
Other liabilities	268	128
Net cash provided by operating activities	<u>12,788</u>	<u>7,208</u>
Cash flows from investing activities:		
Purchases of property and equipment	—	(479)
Software development costs	(4,867)	(2,043)
Net cash used in investing activities	<u>(4,867)</u>	<u>(2,522)</u>
Cash flows from financing activities:		
Principal payments of finance leases	(63)	(404)
Principal payments of outstanding debt	(75)	(8,300)
Payments for debt issuance costs	(71)	—
Repurchases of early exercised stock options	(32)	(13)
Proceeds from common stock purchased under Matching Plan	2,004	2,076
Proceeds from issuance of common stock on exercise of stock options	53	125
Payments for employee taxes withheld from stock-based awards	—	(1,524)
Repurchase and retirement of common stock	—	(3,000)
Net cash provided by (used in) financing activities	<u>1,816</u>	<u>(11,040)</u>
Net increase (decrease) in cash and cash equivalents and restricted cash	<u>9,737</u>	<u>(6,354)</u>
Cash and cash equivalents and restricted cash, beginning of period	96,658	147,710
Cash and cash equivalents and restricted cash, end of period	<u>\$ 106,395</u>	<u>\$ 141,356</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 903	\$ 2,912
Cash paid for income taxes	\$ 2,439	\$ 2,251
Noncash investing and financing items:		
Stock-based compensation capitalized as software development costs	\$ 1,561	\$ 1,399
Purchases of property and equipment and capitalized software in accounts payable and accrued expenses	\$ 290	\$ 373
Right-of-use assets acquired through operating leases	\$ —	\$ 6,402
Reconciliation of cash and cash equivalents and restricted cash to the Condensed Consolidated Balance Sheets		
Cash and cash equivalents	\$ 53,234	\$ 97,795
Restricted cash included in other current assets	30,591	20,986
Restricted cash included in settlement assets, net	22,570	22,575
Total cash, cash equivalents and restricted cash	<u>\$ 106,395</u>	<u>\$ 141,356</u>

**Expensify, Inc.**  
**Reconciliation of GAAP to Non-GAAP Financial Measures**  
(unaudited, in thousands, except percentages)

*Adjusted EBITDA and Adjusted EBITDA Margin*

	Three Months Ended June 30,	
	2024	2023
Net loss	\$ (2,764)	\$ (11,304)
Net loss margin	(8)%	(29)%
Add:		
Provision for income taxes	2,723	376
Interest and other expenses, net	260	1,367
Depreciation and amortization	1,590	1,376
Stock-based compensation	8,381	10,341
Adjusted EBITDA	\$ 10,190	\$ 2,156
Adjusted EBITDA margin	31 %	6 %

*Non-GAAP Net Income and Non-GAAP Net Income Margin*

	Three Months Ended June 30,	
	2024	2023
Net loss	\$ (2,764)	\$ (11,304)
Net loss margin	(8)%	(29)%
Add:		
Stock-based compensation	8,381	10,341
Non-GAAP net income (loss)	\$ 5,617	\$ (963)
Non-GAAP net income (loss) margin	17 %	(2)%

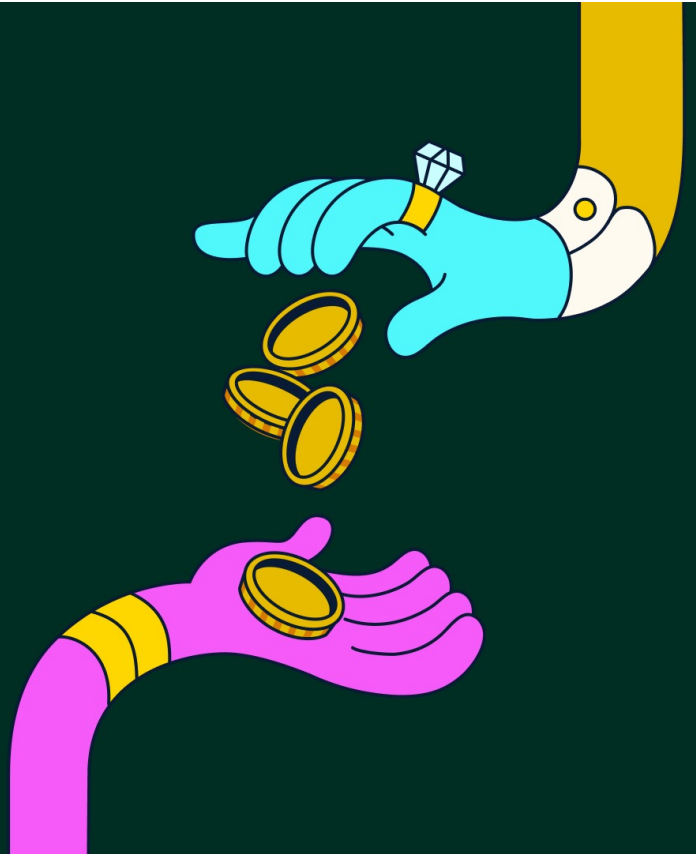
*Adjusted Operating Cash Flow and Free Cash Flow*

	Three Months Ended June 30,		Three Months Ended March
	2024	2023	31, 2024
Net cash provided by (used in) operating activities	\$ 9,317	\$ (434)	\$ 3,471
Operating cash flow margin	28 %	(1)%	10 %
(Increase) decrease in changes in assets and liabilities:			
Settlement assets	1,756	2,561	6,120
Settlement liabilities	(3,317)	644	(1,570)
Adjusted operating cash flow	7,756	2,771	8,021
Less:			
Purchases of property and equipment	—	(451)	—
Software development costs	(2,038)	(1,173)	(2,829)
Free cash flow	\$ 5,718	\$ 1,147	\$ 5,192
Free cash flow margin	17 %	3 %	15 %

Expensify

# Q2 2024 Earnings

August 8th, 2024



Expensify, Inc.  
Investor Presentation

## Expensify Disclaimer

All information included in this presentation is unaudited.

### FORWARD-LOOKING STATEMENTS

Forward-looking statements in this presentation, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding our strategy, future financial condition, future operations, future cash flow, projected costs, prospects, plans, objectives of management, expected market growth, and our stock-based compensation estimates, and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "can," "shall," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential," "goal," "objective," "seeks," or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: our expectations regarding our financial performance and future operating performance; our ability to attract and retain members, expand usage of our platform, sell subscriptions to our platform and convert individuals and organizations into paying customers; the timing and success of new features, integrations, capabilities and enhancements by us, or by competitors to their products, or any other changes in the competitive landscape of our market; the amount and timing of operating expenses and capital expenditures that we may incur to maintain and expand our business and operations to remain competitive; the sufficiency of our cash, cash equivalents and investments to meet our liquidity needs; our ability to make required payments under and to comply with the various requirements of our current and future indebtedness; our cash flows, the prevailing stock prices, general economic and market conditions and other considerations that could affect the specific timing, price and size of repurchases under our stock repurchase program or our ability to fund any stock repurchases; geopolitical tensions, including the war in Ukraine and the conflict in Israel, Gaza and surrounding areas; the impact on inflation on us and our members; our borrowing costs have and may continue to increase as a result of increases in interest rates; our ability to effectively manage our exposure to fluctuations in foreign currency exchange rates; the expenses associated with being a public company; the size of our addressable markets, market share and market trends; anticipated trends, developments and challenges in our industry, business and the highly competitive markets in which we operate; our expectations regarding our income tax liabilities and the adequacy of our reserves; our ability to effectively manage our growth and expand our infrastructure and maintain our corporate culture; our ability to identify, recruit and retain skilled personnel, including key members of senior management; the safety, affordability and convenience of our platform and our offerings; our ability to successfully defend litigation brought against us; our ability to successfully identify, manage and integrate any existing and potential acquisitions of businesses, talent, technologies or intellectual property; general economic conditions in either domestic or international markets, and geopolitical uncertainty and instability, including as a result of the 2024 United States presidential election; our protections against security breaches, technical difficulties, or interruptions to our platform; our ability to maintain, protect and enhance our intellectual property; and other risks discussed in our filings with the SEC. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this presentation. We do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

### NON-GAAP FINANCIAL MEASURES

This presentation contains certain Non-GAAP financial measures, such as Non-GAAP net income (loss), adjusted EBITDA, and free cash flow which we believe are useful in evaluating our business, results of operations and financial condition. These measures are not prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and have important limitations as analytical tools. Non-GAAP financial measures are supplemental, should only be used in conjunction with results presented in accordance with GAAP, should not be considered in isolation or as a substitute for such GAAP results, and may be different from similarly titled metrics or measures presented by other companies. For a reconciliation of Non-GAAP net income, adjusted EBITDA and free cash flow to the nearest comparable GAAP figures, please see the appendix to this presentation.

Expensify

# Q2 24 Financials

Expensify

# Q2 2024

Revenue

\$33.3MM

Average Paid Members

684,000

Interchange

\$4.0MM



Expensify, Inc.  
Investor Presentation

Expensify

Q2 2024

**Operating Cash Flow**

(Includes timing of customer funds)

**\$9.3MM**

**Free Cash Flow<sup>1</sup>**

(Excludes timing of customer funds)

**\$5.7MM**

**Net Loss**

**\$(2.8MM)**

**Non-GAAP Net Income<sup>2</sup>**

**\$5.6MM**

**Adj. EBITDA<sup>3</sup>**

**\$10.2MM**

<sup>1</sup> We define Free cash flow as net cash (used in) provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development costs. Please see appendix for GAAP to non-GAAP reconciliation.

<sup>2</sup> We define non-GAAP net income (loss) as net loss from operations in accordance with US GAAP excluding stock-based compensation.

<sup>3</sup> We define Adjusted EBITDA as net income (loss) excluding provision for income taxes, interest and other expenses, net, depreciation and amortization and stock-based compensation. Please see appendix for GAAP to Non-GAAP reconciliation.

Expensify

## Expensify Card updates

- **Strong growth:** Quarterly interchange derived from the Expensify Card grew 48% y/y to **\$4.0MM** in Q2.
- **Program management & accounting improvement:** The company continued transitioning members to its new card program during Q2. In Q2, **\$0.5MM** of interchange derived from the Expensify Card was attributed to the new card program.

Net interchange

**\$3.5MM**

Interchange in revenue

**\$0.5MM**

Total Interchange

**\$4.0MM**

Expensify, Inc.  
Investor Presentation

Expensify

## Free Cash Flow<sup>1</sup>

- In Q1 2024 we increased our full year Free Cash Flow guidance to \$11.0-\$13.0MM from \$10.0-\$12.0MM.
- We are now increasing that guidance to **\$15.0-16.0MM<sup>2</sup> FY 2024 Free Cash Flow.**

**Q2<sup>3</sup> Free Cash Flow was \$5.7MM, a 10% increase from Q1<sup>3</sup>.**

<sup>1</sup> We define Free cash flow as net cash (used in) provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development costs.

<sup>2</sup> The Company does not provide a reconciliation for free cash flow estimates on a forward-looking basis because it is unable, without making unreasonable efforts, to provide a meaningful or reasonably accurate calculation or estimation of net cash used in operating activities and certain reconciling items on a forward-looking basis, which could be significant to the Company's results.

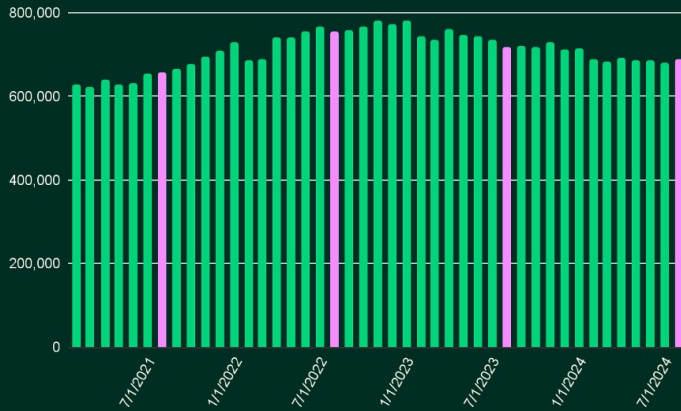
<sup>3</sup> Please see appendix for GAAP to non-GAAP reconciliation.

Note: Expensify's outlook statements are based on current expectations. These statements are forward-looking and actual results could differ materially depending on market conditions and the factors set forth in the Disclaimer at the front of this presentation.

Expensify

# Q2 2024

## Monthly Paid Members



July Paid Members

689,000

Denotes July 2024 and July activity from previous years

Note: There can be no assurances that the trends of previous third quarters are representative of future trends.

Expensify

# Q2 Business Highlights

Expensify

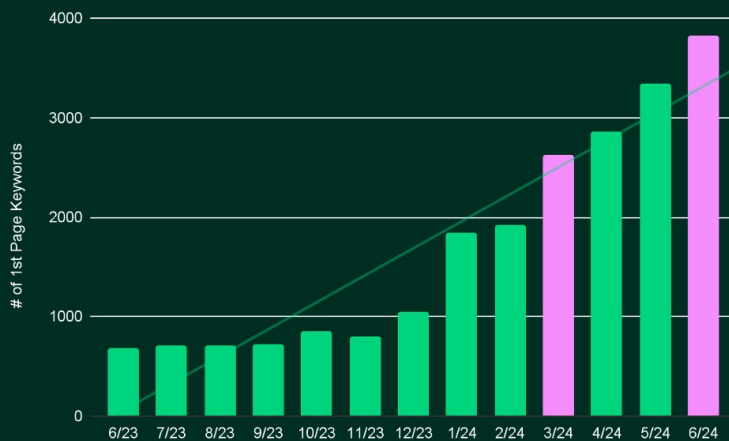
# +122% y/y SEO keyword Increase



Note: SEO Keywords represent the amount of keywords that populate in the top 100 results for that search term.

Expensify

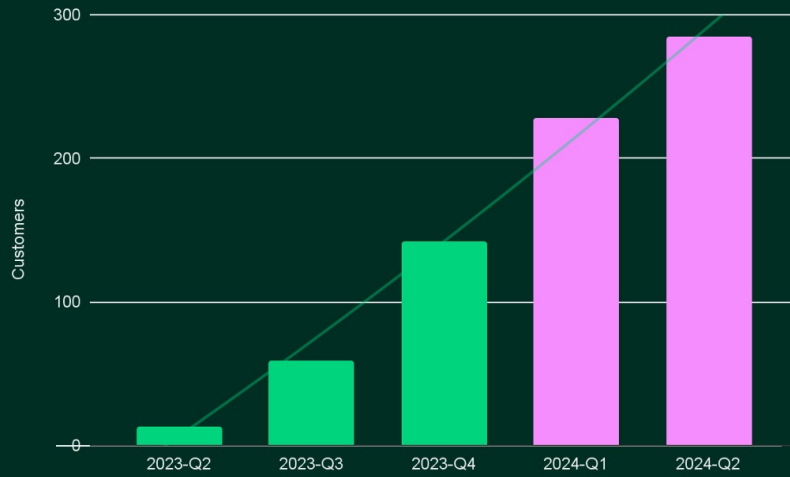
+57% q/q in first page SEO keywords



Note: First page SEO keywords represent search terms that result in Expensify content being shown on the first page of search results. Data reflects end of Q1 to end of Q2 2024.

Expensify

# 25% q/q global reimbursement customers



Note: Count of distinct companies triggering a global reimbursement in a each quarter



Expensify

# Apple partnership

- The company announced its partnership with Apple in its upcoming 2025 blockbuster, F1. Expensify will be the title team sponsor in their biggest budget feature film to date.
- Since announcement as title sponsor, Expensify has been named in press coverage across TV and online, achieving global audience reach of over 600M.
- Given Expensify's key placement on the team's livery and the impressive coverage of the film to date, the partnership has already generated earned media coverage estimated over \$100MM.



Note: Reach data, story mentions, and media value equivalency are calculated through the metrics platform Critical Mention; video views are aggregated from Youtube.com. Release date of June 2025 subject to change.

Expensify

Q2 Product Update  
New Expensify

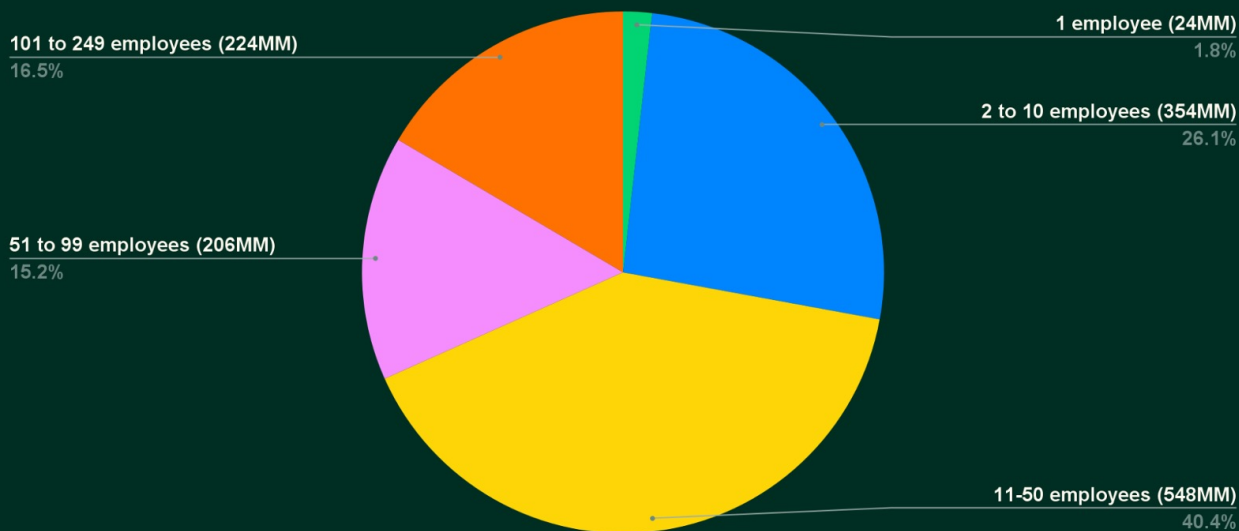
Expensify

# Strategies for Expensify's Success

- 1 Capture the untapped 99% of the market, starting with VSB/SMB
- 2 With a viral, bottom-up, word-of-mouth leadgen strategy
- 3 Monetized with high margin monthly subscriptions

Expensify

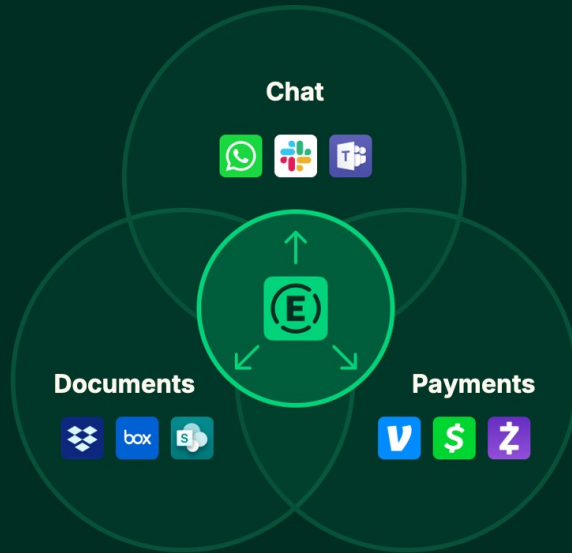
# 1.3B untapped users in the VSB/SMB



Source: <https://www.census.gov/data/tables/2022/econ/abs/2022-abs-company-summary.html>. Census data collected in 2021.

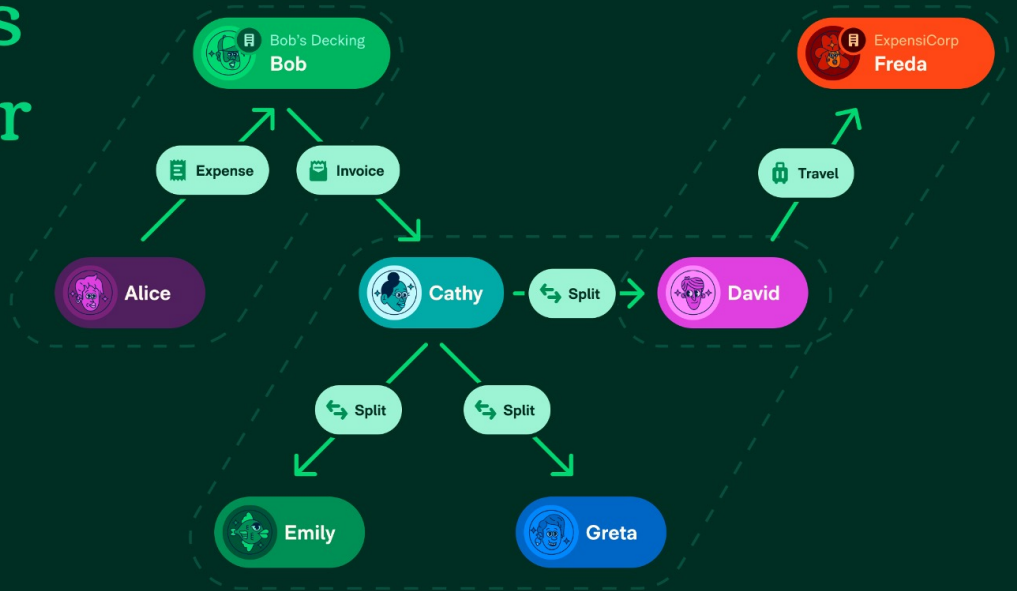
Expensify

# Viral use cases address the whole market



Expensify

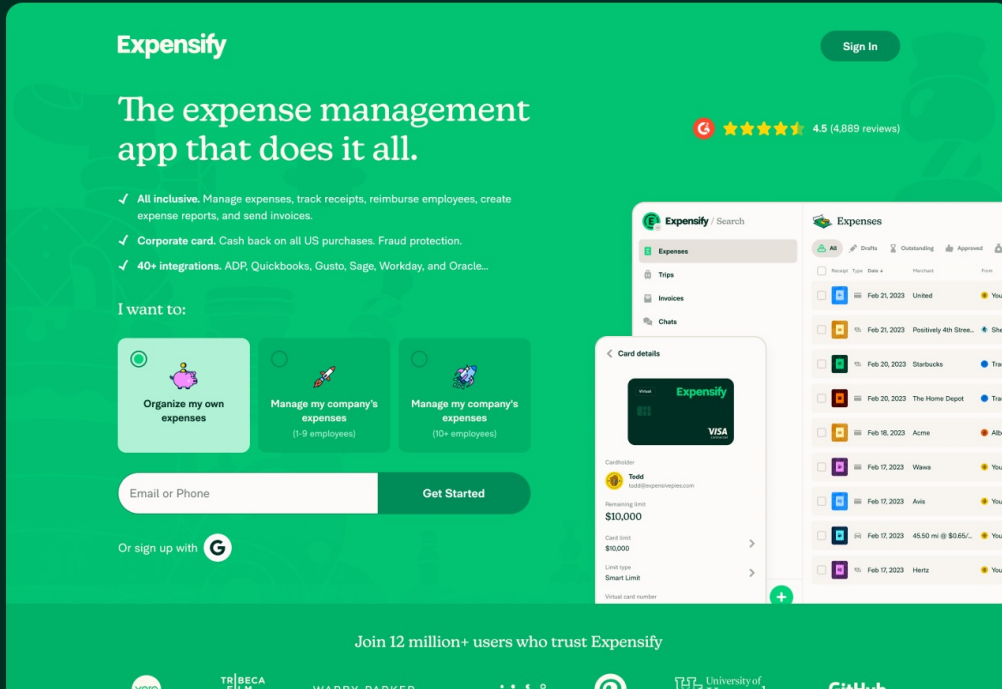
# Superapps have super virality



Expensify

## New homepage

Overhauling homepage in preparation for final app reunification push.

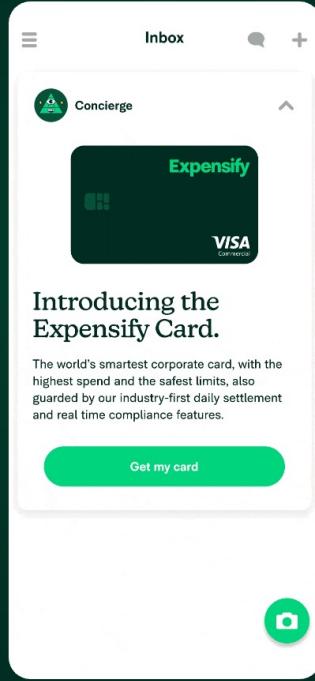


Expensify, Inc.  
Investor Presentation

Expensify

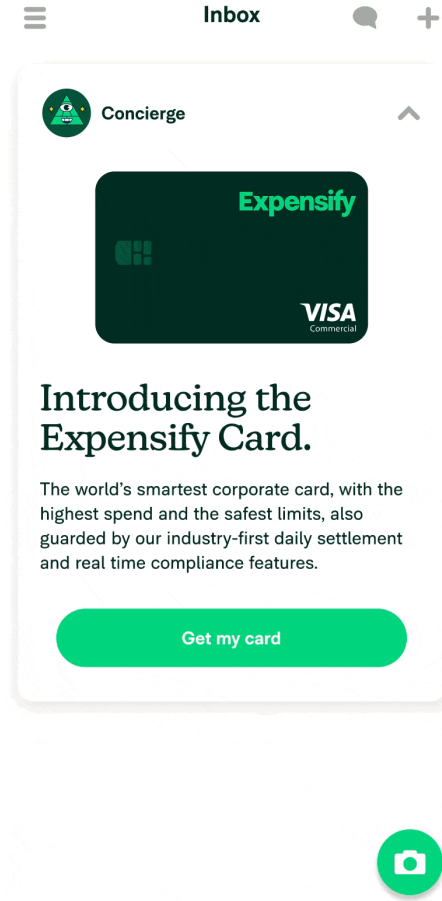
“Hybrid app”

Inputting New Expensify in Expensify Classic so users don't need to download a new app.





Expensify, Inc.  
Investor Presentation

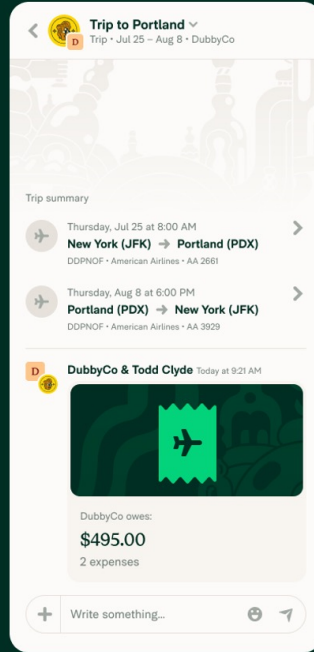
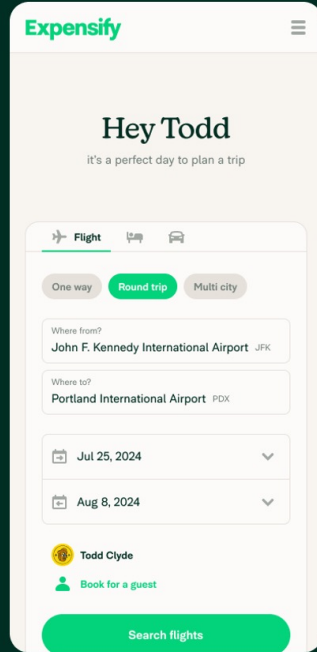


Expensify, Inc.  
Investor Presentation

Expensify

# Launched Travel

Beta customers currently booking travel, which is expected to drive new revenue stream in Q3.

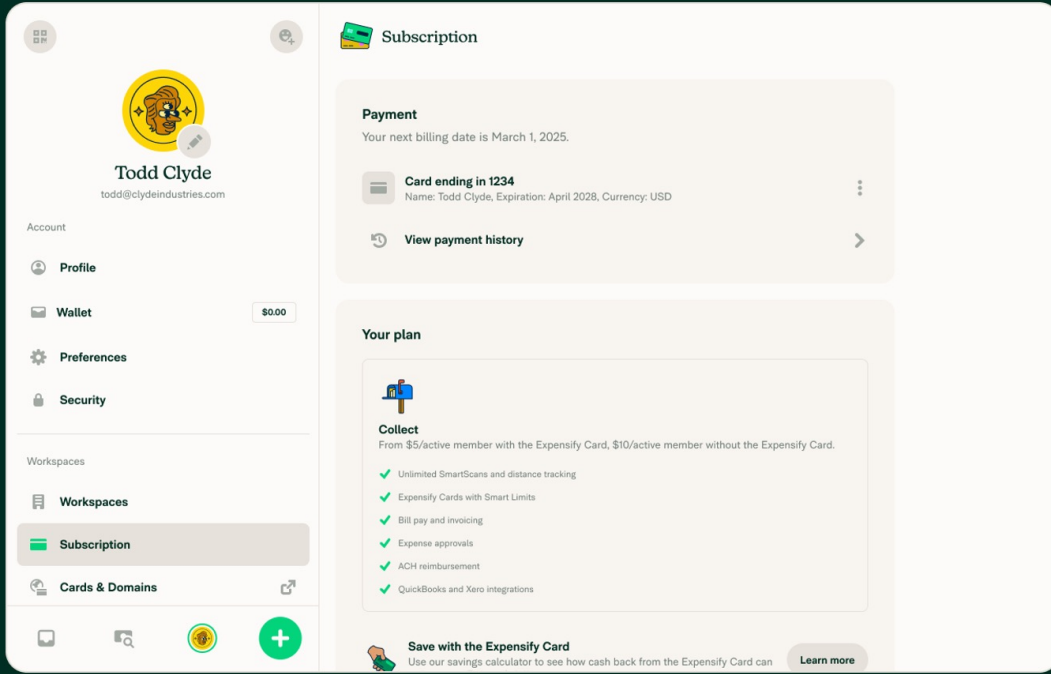


Expensify, Inc.  
Investor Presentation

Expensify

## Billing on New Expensify

Customers can now add a billing card so they can fully onboard on New Expensify.

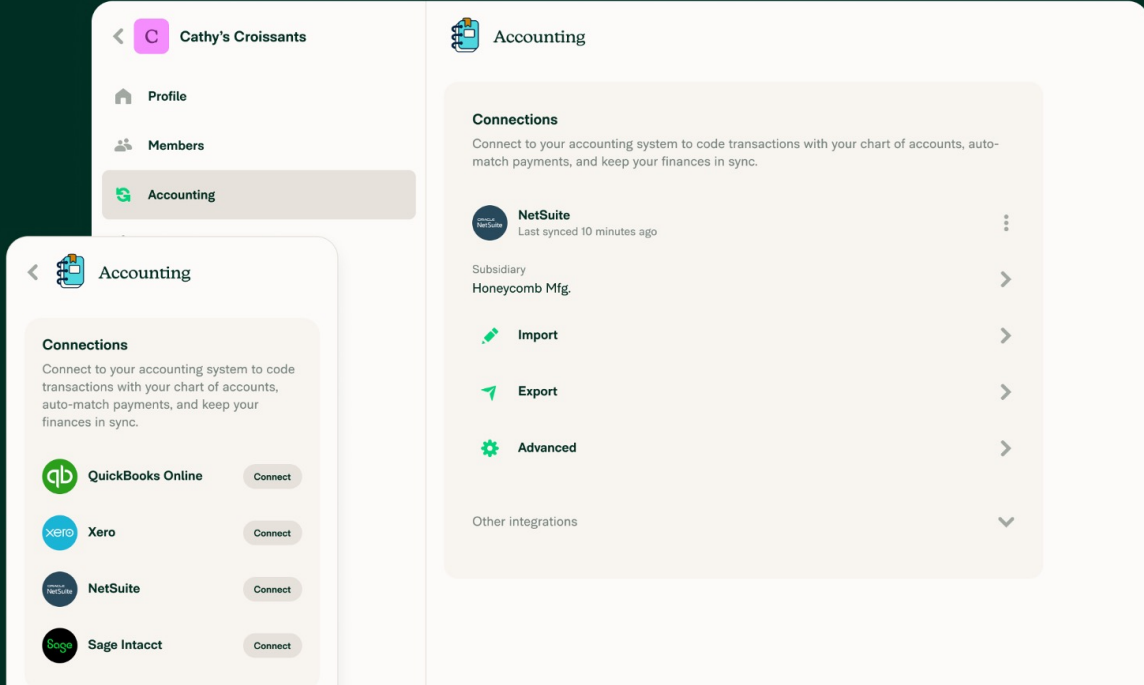


Expensify, Inc.  
Investor Presentation

Expensify

# Accounting Integrations on New Expensify

Launched accounting integrations with major partners.

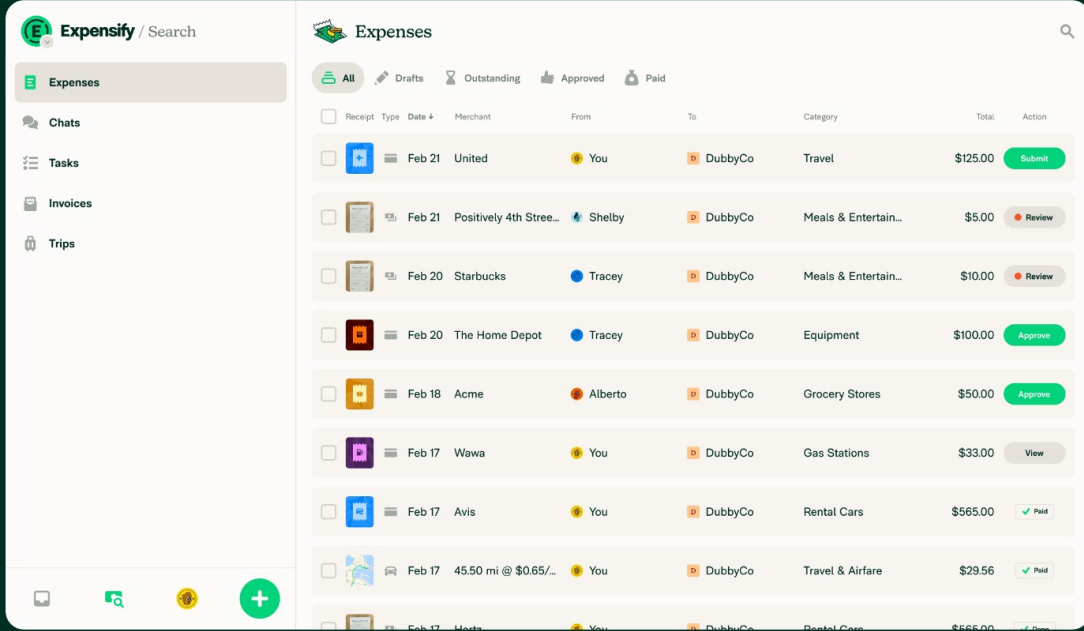


# Expensify, Inc. Investor Presentation

Expensify

## Search V1 Live

Creating the base for one of the most powerful search functionality in the world including money, travel, tasks, chats, and more.

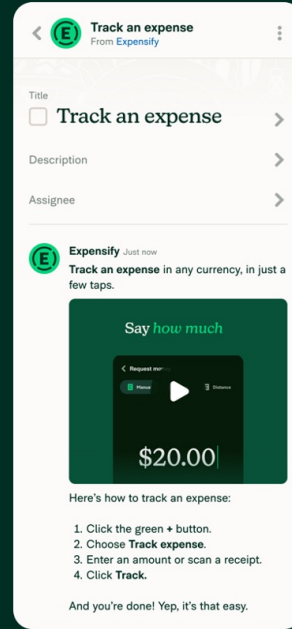
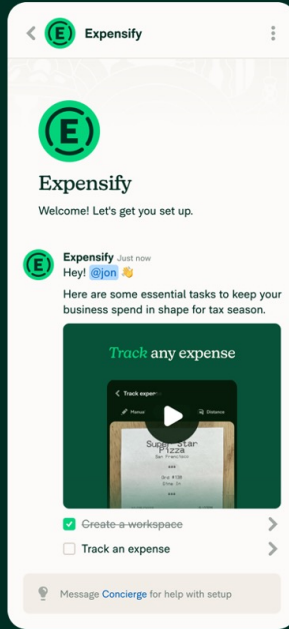
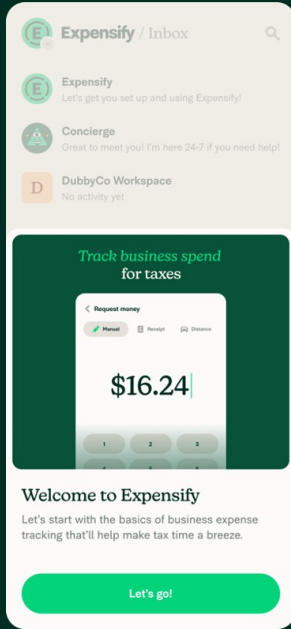


Expensify, Inc.  
Investor Presentation

Expensify

# New User Onboarding

Engineering is moving past core feature development and toward onboarding optimizations.



Expensify

## In conclusion:

- **Q2'24 was a great quarter**
  - Delivered strong Operating Cash Flow and FCF growth again
  - Continued New Expensify development progress
  - Expanded our reach into the travel market
  
- **Looking forward to Q3'24:**
  - New Expensify expected to be producing revenue
  - Expensify Travel expected to be producing revenue
  - New card program transition nearing completion

Expensify

Learn more at [exfy.com/roadmap](https://exfy.com/roadmap)





Expensify

Q&A



**Expensify**

Expensify

# Appendix

Expensify, Inc.  
Investor Presentation

Expensify

GAAP to Non-GAAP Reconciliation:  
Non-GAAP Net Income

	Three months ended June 30, 2024 <i>(unaudited, in thousands)</i>	Three months ended June 30, 2023 <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (2,764)</b>	<b>\$ (11,304)</b>
Add:		
Stock-based compensation	8,381	10,341
<b>Non-GAAP Net Income (Loss)<sup>1</sup></b>	<b>\$ 5,617</b>	<b>\$ (963)</b>

<sup>1</sup> We define Non-GAAP Net Income as net income (loss) excluding stock-based compensation.

**Expensify, Inc.**  
**Investor Presentation**

**Expensify**

## GAAP to Non-GAAP Reconciliation: Adjusted EBITDA

	<b>Three months ended June 30, 2024</b> <i>(unaudited, in thousands)</i>	<b>Three months ended June 30, 2023</b> <i>(unaudited, in thousands)</i>
<b>Net loss</b>	<b>\$ (2,764)</b>	<b>\$ (11,304)</b>
Provision for income taxes	2,723	376
Interest and other expenses, net	260	1,367
Depreciation and amortization	1,590	1,376
Stock-based compensation	8,381	10,341
<b>Adjusted EBITDA</b>	<b>\$ 10,190</b>	<b>\$ 2,156</b>

Note: We define Adjusted EBITDA as net income (loss) excluding provision for income taxes, interest and other expenses, net, depreciation and amortization and stock-based compensation.

**Expensify, Inc.**  
**Investor Presentation**

**Expensify**

## GAAP to Non-GAAP Reconciliation: Free Cash Flow

	Three months ended June 30, 2024 <i>(unaudited, in thousands)</i>	Three months ended March 30, 2024 <i>(unaudited, in thousands)</i>	Three months ended June 30, 2023 <i>(unaudited, in thousands)</i>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 9,317</b>	<b>\$ 3,471</b>	<b>\$ (434)</b>
<b>(Increase) decrease in changes in customer assets and liabilities</b>			
Settlement assets	1,756	6,120	2,561
Settlement liabilities	(3,317)	(1,570)	644
<b>Adjusted operating cash flow</b>	<b>\$ 7,756</b>	<b>\$ 8,021</b>	<b>\$ 2,771</b>
<b>Less:</b>			
Purchases of property and equipment	—	—	(451)
Software development costs	(2,038)	(2,829)	(1,173)
<b>Free cash flow</b>	<b>\$ 5,718</b>	<b>\$ 5,192</b>	<b>\$ 1,147</b>

Note: We define Free cash flow as net cash (used in) provided by operating activities excluding changes in settlement assets and settlement liabilities, which represent funds held for customers and customer funds in transit, respectively, reduced by the purchases of property and equipment and software development costs.

**Expensify, Inc.**  
**Investor Presentation**

**Expensify** **Estimated Stock-Based Compensation (Millions) -  
Next 4 Quarters**

	Q3 2024		Q4 2024		Q1 2025		Q2 2025	
	Low	High	Low	High	Low	High	Low	High
Cost of revenue, net	\$ 2.4	\$ 3.1	\$ 2.3	\$ 3.0	\$ 2.2	\$ 2.9	\$ 1.9	\$ 2.6
Research and development	3.2	4.0	3.1	3.9	2.9	3.7	2.5	3.3
General and administrative	1.2	1.5	1.2	1.5	1.1	1.4	1.0	1.3
Sales and marketing	0.5	0.7	0.5	0.7	0.4	0.6	0.4	0.6
<b>Total</b>	<b>\$ 7.3</b>	<b>\$ 9.3</b>	<b>\$ 7.1</b>	<b>\$ 9.1</b>	<b>\$ 6.6</b>	<b>\$ 8.6</b>	<b>\$ 5.8</b>	<b>\$ 7.8</b>

Note: Expensify's outlook statements are based on current expectations. These statements are forward-looking and actual results could differ materially depending on market conditions and the factors set forth in the Disclaimer at the front of this presentation.

The logo for Expensify, featuring the word "Expensify" in a bold, sans-serif font. The letters are white with a slight shadow effect, set against a dark green background.