

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 001-40822

Remitly Global, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

7372
(Primary Standard Industrial
Classification Code Number)

83-2301143
(I.R.S. Employer
Identification Number)

1111 Third Avenue, Suite 2100 Seattle, WA

(Address of Principal Executive Offices)

98101

(Zip Code)

(888) 736-4859

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value	RELY	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 29, 2024, the registrant had 195,136,542 shares of common stock, \$0.0001 par value per share, outstanding.

TABLE OF CONTENTS		Page(s)
Special Note Regarding Forward-Looking Statements		ii
Part I	Financial Information	
Item 1.	Financial Statements	1
	Condensed Consolidated Balance Sheets as of June 30, 2024 and December 31, 2023	1
	Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2024 and 2023	2
	Condensed Consolidated Statements of Comprehensive Loss for the three and six months ended June 30, 2024 and 2023	3
	Condensed Consolidated Statements of Stockholders' Equity for the three and six months ended June 30, 2024 and 2023	4
	Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2024 and 2023	6
	Notes to Condensed Consolidated Financial Statements	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	21
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	32
Item 4.	Controls and Procedures	33
		34
Part II	Other Information	
Item 1.	Legal Proceedings	34
Item 1A.	Risk Factors	34
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	34
Item 3.	Defaults Upon Senior Securities	34
Item 4.	Mine Safety Disclosures	34
Item 5.	Other Information	35
Item 6.	Exhibits	35
		36
Signatures		

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding future events or our future results of operations, financial condition, business, strategies, financial needs, and the plans and objectives of management, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “likely,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will,” “would,” or similar expressions and the negatives of those terms. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our revenue, expenses, and other operating results;
- our ability to acquire new customers and successfully retain existing customers;
- our ability to develop new products and services and bring them to market in a timely manner;
- our ability to achieve or sustain our profitability;
- our ability to maintain and expand our strategic relationships with third parties;
- our business plan and our ability to effectively manage our growth;
- our market opportunity, including our total addressable market;
- anticipated trends, growth rates, and challenges in our business and in the markets in which we operate;
- our ability to attract and retain qualified employees;
- uncertainties regarding the impact of geopolitical and macroeconomic conditions, including currency fluctuations, inflation, regulatory changes, or regional and global conflicts or related government sanctions;
- our ability to maintain the security and availability of our solutions;
- our ability to maintain our money transmission licenses and other regulatory approvals;
- our ability to maintain and expand internationally; and
- our expectations regarding anticipated technology needs and developments and our ability to address those needs and developments with our solutions.

You should not place undue reliance on our forward-looking statements and you should not rely on forward-looking statements as predictions of future events. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements. The forward-looking statements made in this Quarterly Report on Form 10-Q speak only as of the date of this report. We undertake no obligation to update any forward-looking statements made in this report to reflect events or circumstances after the date of this report or to reflect new information or the occurrence of unanticipated events, except as required by 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. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including those described in “Risk Factors” in this Quarterly Report on Form 10-Q. New risks emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make.

Unless the context otherwise requires, the terms “Remitly Global,” “Remitly,” “the Company,” “we,” “us,” and “our” in this Quarterly Report on Form 10-Q refer to Remitly Global, Inc. and our consolidated subsidiaries, taken as a whole.

Part 1. Financial Information
Item 1. Financial Statements (Unaudited)

REMITLY GLOBAL, INC.
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)
(unaudited)

	June 30, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 185,187	\$ 323,710
Disbursement prefunding	150,710	195,848
Customer funds receivable, net	461,797	379,417
Prepaid expenses and other current assets	42,860	33,143
Total current assets	840,554	932,118
Property and equipment, net	22,178	16,010
Operating lease right-of-use assets	11,905	9,525
Goodwill	54,940	54,940
Intangible assets, net	14,212	16,642
Other noncurrent assets, net	6,404	7,071
Total assets	\$ 950,193	\$ 1,036,306
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 20,926	\$ 35,051
Customer liabilities	166,840	177,473
Short-term debt	2,394	2,481
Accrued expenses and other current liabilities	145,451	145,802
Operating lease liabilities	6,235	6,032
Total current liabilities	341,846	366,839
Operating lease liabilities, noncurrent	6,189	4,477
Long-term debt	15,000	130,000
Other noncurrent liabilities	8,256	5,653
Total liabilities	371,291	506,969
Commitments and contingencies (Note 16)		
Stockholders' equity		
Common stock, \$0.0001 par value; 725,000,000 shares authorized as of June 30, 2024 and December 31, 2023 both; 195,095,978 and 188,435,952 shares issued and outstanding, as of June 30, 2024 and December 31, 2023, respectively	20	19
Additional paid-in capital	1,103,760	1,020,286
Accumulated other comprehensive (loss) income	(404)	335
Accumulated deficit	(524,474)	(491,303)
Total stockholders' equity	578,902	529,337
Total liabilities and stockholders' equity	\$ 950,193	\$ 1,036,306

The accompanying notes are an integral part of these condensed consolidated financial statements.

REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Operations
(In thousands, except share and per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue	\$ 306,423	\$ 234,033	\$ 575,541	\$ 437,898
Costs and expenses				
Transaction expenses ⁽¹⁾	107,780	80,187	197,661	154,253
Customer support and operations ⁽¹⁾	19,999	21,483	40,118	41,414
Marketing ⁽¹⁾	77,056	53,600	145,070	97,723
Technology and development ⁽¹⁾	67,554	54,309	130,760	103,685
General and administrative ⁽¹⁾	45,889	39,490	90,062	80,898
Depreciation and amortization	3,907	3,187	7,585	6,216
Total costs and expenses	322,185	252,256	611,256	484,189
Loss from operations	(15,762)	(18,223)	(35,715)	(46,291)
Interest income	1,942	1,368	4,168	3,392
Interest expense	(745)	(592)	(1,514)	(981)
Other income (expense), net	5,764	(1,546)	4,178	(3,057)
Loss before provision (benefit) for income taxes	(8,801)	(18,993)	(28,883)	(46,937)
Provision (benefit) for income taxes	3,290	(143)	4,288	227
Net loss	\$ (12,091)	\$ (18,850)	\$ (33,171)	\$ (47,164)
Net loss per share attributable to common stockholders:				
Basic and diluted	\$ (0.06)	\$ (0.11)	\$ (0.17)	\$ (0.27)
Weighted-average shares used in computing net loss per share attributable to common stockholders:				
Basic and diluted	193,452,628	179,076,496	191,650,713	177,105,720

⁽¹⁾ Exclusive of depreciation and amortization, shown separately.

The accompanying notes are an integral part of these condensed consolidated financial statements.

REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Comprehensive Loss
(In thousands)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net loss	\$ (12,091)	\$ (18,850)	\$ (33,171)	\$ (47,164)
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(97)	245	(739)	593
Comprehensive loss	\$ (12,188)	\$ (18,605)	\$ (33,910)	\$ (46,571)

The accompanying notes are an integral part of these condensed consolidated financial statements.

REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Stockholders' Equity
For the Three and Six Months Ended June 30, 2024
(In thousands, except share data)
(unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of January 1, 2024	188,435,952	\$ 19	\$ 1,020,286	\$ 335	\$ (491,303)	\$ 529,337
Issuance of common stock in connection with ESPP	439,247	—	5,004	—	—	5,004
Issuance of common stock upon exercise of stock options, including early exercised options, and vesting of restricted stock units	3,500,485	—	2,530	—	—	2,530
Taxes paid related to net shares settlement of equity awards	(64,634)	—	(1,366)	—	—	(1,366)
Stock-based compensation expense	—	—	35,575	—	—	35,575
Other comprehensive loss	—	—	—	(642)	—	(642)
Net loss	—	—	—	—	(21,080)	(21,080)
Balance as of March 31, 2024	192,311,050	\$ 19	\$ 1,062,029	\$ (307)	\$ (512,383)	\$ 549,358
Issuance of common stock upon exercise of stock options, including early exercised options, and vesting of restricted stock units	2,741,097	1	1,712	—	—	1,713
Issuance of common stock previously held back for acquisition consideration	131,507	—	2,783	—	—	2,783
Taxes paid related to net shares settlement of equity awards	(87,676)	—	(1,202)	—	—	(1,202)
Stock-based compensation expense	—	—	38,438	—	—	38,438
Other comprehensive loss	—	—	—	(97)	—	(97)
Net loss	—	—	—	—	(12,091)	(12,091)
Balance as of June 30, 2024	195,095,978	\$ 20	\$ 1,103,760	\$ (404)	\$ (524,474)	\$ 578,902

The accompanying notes are an integral part of these condensed consolidated financial statements.

REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Stockholders' Equity
For the Three and Six Months Ended June 30, 2023
(In thousands, except share data)
(unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of January 1, 2023	173,250,865	\$ 17	\$ 854,276	\$ (743)	\$ (373,463)	\$ 480,087
Issuance of common stock in connection with ESPP	297,095	—	2,729	—	—	2,729
Issuance of common stock upon exercise of stock options, including early exercised options, and vesting of restricted stock units	3,589,965	1	4,992	—	—	4,993
Issuance of common stock for acquisition consideration	590,838	—	6,635	—	—	6,635
Issuance of common stock, subject to service-based vesting conditions, in connection with acquisition	104,080	—	581	—	—	581
Taxes paid related to net shares settlement of equity awards	(99,550)	—	(1,413)	—	—	(1,413)
Stock-based compensation expense	—	—	29,775	—	—	29,775
Other comprehensive income	—	—	—	348	—	348
Net loss	—	—	—	—	(28,314)	(28,314)
Balance as of March 31, 2023	177,733,293	\$ 18	\$ 897,575	\$ (395)	\$ (401,777)	\$ 495,421
Issuance of common stock upon exercise of stock options, including early exercised options, and vesting of restricted stock units	3,468,316	—	3,586	—	—	3,586
Taxes paid related to net shares settlement of equity awards	(39,883)	—	(698)	—	—	(698)
Stock-based compensation expense	—	—	36,033	—	—	36,033
Other comprehensive income	—	—	—	245	—	245
Net loss	—	—	—	—	(18,850)	(18,850)
Balance as of June 30, 2023	181,161,726	\$ 18	\$ 936,496	\$ (150)	\$ (420,627)	\$ 515,737

The accompanying notes are an integral part of these condensed consolidated financial statements.

REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Cash Flows
(In thousands)
(unaudited)

	Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities		
Net loss	\$ (33,171)	\$ (47,164)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	7,585	6,216
Stock-based compensation expense, net	71,245	64,434
Other	195	2,203
Changes in operating assets and liabilities:		
Disbursement prefunding	45,138	(117,870)
Customer funds receivable	(82,079)	54,245
Prepaid expenses and other assets	(7,237)	(10,344)
Operating lease right-of-use assets	2,895	2,434
Accounts payable	(14,041)	10,180
Customer liabilities	(10,701)	(12,477)
Accrued expenses and other liabilities	15,621	(4,247)
Operating lease liabilities	(3,359)	(1,806)
Net cash used in operating activities	<u>(7,909)</u>	<u>(54,196)</u>
Cash flows from investing activities		
Purchases of property and equipment	(2,076)	(1,566)
Capitalized internal-use software costs	(6,494)	(2,344)
Cash paid for acquisition, net of acquired cash, cash equivalents, and restricted cash	—	(40,933)
Net cash used in investing activities	<u>(8,570)</u>	<u>(44,843)</u>
Cash flows from financing activities		
Proceeds from exercise of stock options	4,194	8,333
Proceeds from issuance of common stock in connection with ESPP	5,004	2,729
Proceeds from revolving credit facility borrowings	570,000	334,000
Repayments of revolving credit facility borrowings	(685,000)	(300,000)
Taxes paid related to net share settlement of equity awards	(2,568)	(2,111)
Cash paid for settlement of amounts previously held back for acquisition consideration	(10,261)	—
Repayment of assumed indebtedness	—	(17,068)
Net cash (used in) provided by financing activities	<u>(118,631)</u>	<u>25,883</u>
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	<u>(1,229)</u>	<u>663</u>
Net decrease in cash, cash equivalents, and restricted cash	(136,339)	(72,493)
Cash, cash equivalents, and restricted cash at beginning of period	325,029	300,734
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 188,690</u>	<u>\$ 228,241</u>
Reconciliation of cash, cash equivalents, and restricted cash		
Cash and cash equivalents	\$ 185,187	\$ 227,507
Restricted cash included in prepaid expenses and other current assets	2,693	680
Restricted cash included in other noncurrent assets, net	810	54
Total cash, cash equivalents, and restricted cash	<u>\$ 188,690</u>	<u>\$ 228,241</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

REMITLY GLOBAL, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Organization and Description of Business

Description of Business

Remitly Global, Inc. (the “Company” or “Remitly”) was incorporated in the State of Delaware in October 2018 and is headquartered in Seattle, Washington, with various other global office locations. Remitly was founded and incorporated in the State of Delaware in 2011 under the name of Remitly, Inc., which is now a wholly-owned subsidiary of Remitly Global, Inc.

Remitly is a trusted provider of digital financial services that transcend borders. With a global footprint spanning more than 170 countries, Remitly’s digitally native, cross-border payments app delights customers with a fast, reliable, and transparent money movement experience.

Unless otherwise expressly stated or the context otherwise requires, the terms “Remitly” and the “Company” within these notes to the condensed consolidated financial statements refer to Remitly Global, Inc. and its wholly-owned subsidiaries.

2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and applicable rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”) regarding interim financial reporting. The year-end data within the Condensed Consolidated Balance Sheets was derived from audited financial statements, but does not include all disclosures required by GAAP and therefore the information included in this Quarterly Report on Form 10-Q should be read in conjunction with the historical audited annual consolidated financial statements and related notes included in the Company’s Annual Report on Form 10-K, for the year ended December 31, 2023.

The accompanying unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and, in the opinion of management, reflect all adjustments of a normal recurring nature considered necessary to state fairly the Company’s consolidated financial position, results of operations, comprehensive loss, and cash flows for the interim periods. The interim results for the three and six months ended June 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024, or for any other future annual or interim period.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of Remitly Global, Inc. and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Reclassification

The condensed consolidated financial statements and accompanying notes have been prepared consistently, with the exception of certain prior year amounts which have been reclassified to conform with the current period presentation. Reclassifications include a change in presentation of shares purchased under the ESPP within the Company’s Condensed Consolidated Statements of Cash Flows. Beginning in the year ended December 31, 2023, the Company changed the presentation of shares purchased under the ESPP to reflect an operating cash outflow for compensation paid to employees and a financing cash inflow for cash paid by employees in exchange for shares. Previously, such activity was treated and disclosed as noncash activity for the six months ended June 30, 2023. The Company has conformed the prior period statement of cash flows to the current period presentation to enhance transparency and provide comparability.

Use of Estimates

The preparation of the accompanying condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed within the condensed consolidated financial statements and accompanying notes. These estimates and assumptions include, but are not limited to, revenue recognition including the treatment of sales incentive programs, reserves for transaction losses, stock-based compensation expense, the carrying value of operating lease right-of-use assets and operating lease liabilities, the recoverability of deferred tax assets, capitalization of software development costs, goodwill, and intangible assets. The key assumptions applied for the value of the intangible assets include revenue growth rates for a hypothetical market participant, selected discount rates, as well as migration curves for developed technology. The Company bases its estimates on historical experience and on assumptions that management considers reasonable. Actual results could differ from these estimates and assumptions, and these differences could be material to the condensed consolidated financial statements.

Concentration of Credit Risk

Financial instruments that potentially expose the Company to concentrations of credit risk consist primarily of cash and cash equivalents, disbursement prefunding, restricted cash, and customer funds receivable. The Company maintains cash, cash equivalents, and restricted cash balances that may exceed the insured limits by the Federal Deposit Insurance Corporation. In addition, the Company funds its international operations using accounts with institutions in the major countries where its subsidiaries operate. The Company also prefunds amounts which are held by its disbursement partners, which are typically located in India, Mexico, and the Philippines. The Company has not experienced any significant losses on its deposits of cash and cash equivalents, disbursement prefunding, restricted cash, or customer funds receivable in the three and six months ended June 30, 2024 and 2023.

For the three and six months ended June 30, 2024 and 2023, no individual customer represented 10% or more of the Company's total revenues or the Company's customer funds receivable.

Cash and Cash Equivalents

The Company holds its cash and cash equivalents with financial institutions throughout the world, which management assesses to be of high credit quality. The Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents, so long as the Company has legal title to such amounts held in these accounts. Amounts that are held in accounts for which the Company does not have legal title to are recorded separately on the Consolidated Balance Sheets, typically as disbursement prefunding balances. Cash and cash equivalents consist of cash on hand and various deposit accounts, including accounts held in the Company's name for the benefit of the Company's customers for which the Company has control.

Summary of Significant Accounting Policies

The Company's significant accounting policies are discussed in Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* within the notes to consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. There have been no significant changes to these policies during the six months ended June 30, 2024, except as noted above.

Advertising

Advertising expenses are charged to operations as incurred and are included as a component of 'Marketing expenses' within the Condensed Consolidated Statements of Operations. Advertising expenses are used primarily to attract new customers. Advertising expenses totaled \$56.8 million and \$40.6 million during the three months ended June 30, 2024 and 2023, respectively. Advertising expenses totaled \$108.5 million and \$75.2 million during the six months ended June 30, 2024 and 2023, respectively.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

None.

Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"), which is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The guidance is to be applied retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating the potential impact of adopting this new guidance to its condensed consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which modifies the rules on income tax disclosures to require entities to disclose (1) specific categories in the rate reconciliation, (2) the income or loss from continuing operations before income tax expense or benefit (separated between domestic and foreign), and (3) income tax expense or benefit from continuing operations (separated by federal, state and foreign). ASU 2023-09 also requires entities to disclose their income tax payments to international, federal, state, and local jurisdictions, among other changes. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. ASU 2023-09 should be applied on a prospective basis, but retrospective application is permitted. The Company is currently evaluating the potential impact of adopting this new guidance to its condensed consolidated financial statements and related disclosures.

There are other new accounting pronouncements issued by the FASB that the Company has adopted or will adopt, as applicable. The Company does not believe any of these accounting pronouncements have had, or will have, a material impact on the condensed consolidated financial statements or disclosures.

3. Revenue

The Company's primary source of revenue is generated from its remittance business. Revenue is earned from transaction fees charged to customers and the foreign exchange spreads earned between the foreign exchange rate offered to customers and the foreign exchange rate on the Company's currency purchases. Revenue is recognized, in an amount that reflects the consideration the Company expects to be entitled to in exchange for services provided, when control of these services is transferred to the Company's customers, which is the time the funds have been delivered to the intended recipient. The Company accounts for revenue in accordance with Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*, which includes the following steps:

- (1) identification of the contract with a customer;
- (2) identification of the performance obligations in the contract;
- (3) determination of the transaction price;
- (4) allocation of the transaction price to the performance obligations in the contract; and
- (5) recognition of revenue when, or as, the Company satisfies a performance obligation.

Customers engage the Company to perform one integrated service—collect the customer's money and deliver funds to the intended recipient in the currency requested. Payment is generally due from the customer upfront upon initiation of a transaction, when the customer simultaneously agrees to the Company's terms and conditions.

Revenue is derived from each transaction and varies based on the funding method chosen by the customer, the size of the transaction, the currency to be ultimately disbursed, the rate at which the currency was purchased, the disbursement method chosen by the customer, and the country to which the funds are transferred. The Company's contract with customers can be terminated by the customer without a termination penalty up until the time the funds have been delivered to the intended recipient. Therefore, the Company's contracts are defined at the transaction level and do not extend beyond the service already provided.

The Company's service comprises a single performance obligation to complete transactions for the Company's customers. Using compliance and risk assessment tools, the Company performs a transaction risk assessment on individual transactions to determine whether a transaction should be accepted. When the Company accepts a transaction and processes the designated payment method of the customer, the Company becomes obligated to its customer to complete the payment transaction, at which time a receivable is recorded, along with a corresponding customer liability. None of the Company's contracts contain a significant financing component.

The Company recognizes transaction revenue on a gross basis as it is the principal for fulfilling payment transactions. As the principal to the transaction, the Company controls the service of completing payments on its payment platform. The Company bears primary responsibility for the fulfillment of the payment service, is the merchant of record, contracts directly with its customers, controls the product specifications, and defines the value proposition of its services. The Company is also responsible for providing customer support. Further, the Company has full discretion over determining the fee charged to its customers, which is independent of the cost it incurs in instances where it may utilize payment processors or other financial institutions to perform services on its behalf. These fees paid to payment processors and other financial institutions are recognized as '*Transaction expenses*' within the Condensed Consolidated Statements of Operations. The Company does not have any capitalized contract acquisition costs.

Deferred Revenue

The deferred revenue balances from contracts with customers were as follows for the three and six months ended June 30, 2024 and 2023:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Deferred revenue, beginning of the period	\$ 1,250	\$ 833	\$ 1,124	\$ 1,108
Deferred revenue, end of the period	1,020	626	1,020	626
Revenue recognized from amounts included in deferred revenue at the beginning of the period	\$ 675	\$ 509	\$ 926	\$ 617

Deferred revenue represents amounts received from customers for which the performance obligations are not yet fulfilled. Deferred revenue is primarily included within '*Accrued expenses and other current liabilities*' on the Condensed Consolidated Balance Sheets, as the performance obligations are expected to be fulfilled within the next year.

Sales Incentives

The Company provides sales incentives to customers in a variety of forms, including promotions, discounts, and other sales incentives. Evaluating whether a sales incentive is a payment to a customer requires judgment. Sales incentives determined to be consideration payable to a customer or paid on behalf of a customer are accounted for as reductions to revenue, up to the point where net historical cumulative revenue, at the customer level, is reduced to zero. Those additional incentive costs that would have caused the customer level revenue to be negative are classified as advertising expenses and are included as a component of 'Marketing expenses' within the Condensed Consolidated Statements of Operations. In addition, referral credits given to a referrer are classified as 'Marketing expenses,' as these incentives are paid in exchange for a distinct service.

The following table presents the Company's sales incentives for the three and six months ended June 30, 2024 and 2023:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Reduction to revenue	\$ 9,051	\$ 8,040	\$ 17,829	\$ 15,595
Marketing expenses	5,023	4,300	11,642	8,527
Total sales incentives	\$ 14,074	\$ 12,340	\$ 29,471	\$ 24,122

Revenue by Geography

The following table presents the Company's revenue disaggregated by primary geographical location for the three and six months ended June 30, 2024 and 2023, attributed to the country in which the sending customer is located:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
United States	\$ 201,884	\$ 158,994	\$ 377,277	\$ 298,086
Canada	34,710	27,478	67,659	52,337
Rest of world	69,829	47,561	130,605	87,475
Total revenue	\$ 306,423	\$ 234,033	\$ 575,541	\$ 437,898

4. Prepaid Expenses & Other Current Assets

Prepaid expenses and other current assets consisted of the following:

<i>(in thousands)</i>	June 30,	December 31,
	2024	2023
Prepaid expenses	\$ 16,939	\$ 8,902
Payment card receivable	10,035	15,599
Tax receivable	4,009	2,813
Other receivables	2,908	—
Restricted cash	2,693	774
Capitalized cloud computing arrangement costs, net	2,494	2,220
Prepaid compensation arrangements	2,000	1,518
Other prepaid expenses and other current assets	1,782	1,317
Prepaid expenses and other current assets	\$ 42,860	\$ 33,143

5. Property and Equipment

Property and equipment, net consisted of the following as of June 30, 2024 and December 31, 2023:

<i>(in thousands)</i>	June 30, 2024	December 31, 2023
Capitalized internal-use software	\$ 32,457	\$ 23,195
Computer and office equipment	7,871	8,529
Furniture and fixtures	2,806	2,636
Leasehold improvements	8,233	8,080
Projects in process	524	—
Total gross property and equipment	51,891	42,440
Less: Accumulated depreciation and amortization	(29,713)	(26,430)
Property and equipment, net	<u>\$ 22,178</u>	<u>\$ 16,010</u>

Depreciation and amortization expense related to property and equipment was \$2.7 million and \$2.0 million for the three months ended June 30, 2024 and 2023, respectively.

Depreciation and amortization expense related to property and equipment was \$5.2 million and \$3.8 million for the six months ended June 30, 2024 and 2023, respectively.

Capitalized Internal-Use Software Costs

The following table presents the Company's capitalized internal-use software, including amortization expense recognized, for the three and six months ended June 30, 2024 and 2023:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total capitalized internal-use software costs ⁽¹⁾	\$ 4,406	\$ 2,140	\$ 9,262	\$ 3,740
Stock-based compensation costs capitalized to internal-use software	1,281	875	2,768	1,374
Amortization expense ⁽²⁾	1,845	1,043	3,494	1,943

⁽¹⁾ Amounts are inclusive of stock-based compensation costs capitalized to internal-use software as denoted within the table.

⁽²⁾ Amounts are included within 'Depreciation and amortization' within the Company's Condensed Consolidated Statements of Operations.

Capitalized Costs of Cloud Computing Arrangements

The following table presents the Company's capitalized costs related to the implementation of cloud computing arrangements, including amortization expense recognized, for the three and six months ended June 30, 2024 and 2023:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total capitalized cloud computing arrangement costs	\$ 364	\$ 973	\$ 893	\$ 1,873
Technology and development	\$ 552	\$ 344	\$ 1,049	\$ 671
General and administrative	91	65	181	89
Total amortization expense	<u>\$ 643</u>	<u>\$ 409</u>	<u>\$ 1,230</u>	<u>\$ 760</u>

The following table presents the Company's total capitalized cloud computing arrangement costs, net of accumulated amortization, on the Company's Condensed Consolidated Balance Sheets as of June 30, 2024 and December 31, 2023:

<i>(in thousands)</i>	June 30, 2024	December 31, 2023
Prepaid expenses and other current assets	\$ 2,494	\$ 2,220
Other noncurrent assets, net	1,200	1,811
Total capitalized cloud computing arrangement costs, net	<u>\$ 3,694</u>	<u>\$ 4,031</u>

6. Business Combinations

There were no significant acquisitions accounted for as business combinations or divestitures completed in the six months ended June 30, 2024.

Acquisition Completed in 2023

The Company completed its acquisition of Rewire (O.S.G.) Research and Development Ltd. (“Rewire”) on January 5, 2023 by acquiring all outstanding equity interests of Rewire in exchange for cash and equity consideration, described below. The acquisition of Rewire allows the Company to accelerate its opportunity to differentiate the remittance experience with complementary products, by bringing together its remittance businesses in new geographies, along with a strong team that is culturally aligned with the Company.

The acquisition met the criteria to be accounted for as a business combination in accordance with ASC 805, *Business Combinations* (“ASC 805”). This method required, among other things, that assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date and that the difference between the fair value of the consideration paid for the acquired entity and the fair value of the net assets acquired be recorded as goodwill, which is not amortized but is tested at least annually for impairment.

Consideration Transferred

The acquisition date fair value of consideration transferred for the acquisition totaled \$77.9 million, as follows:

<i>(in thousands)</i>	Amount
Cash paid to selling shareholders	\$ 56,398
Equity issued to selling shareholders, including replacement of equity awards attributable to pre-combination services	7,216
Holdback liability to be settled in cash and Company equity	11,899
Effective settlement of pre-existing net receivable owed to the Company	2,401
Total consideration transferred	\$ 77,914

The fair value of equity was determined based on the closing price of the Company’s common stock immediately prior to acquisition, and includes 694,918 shares issued in Company common stock, inclusive of 104,080 shares which are subject to service-based vesting conditions over a two-year period. Approximately \$0.6 million of these proceeds were accounted for as pre-combination expense, and included within the total consideration transferred noted above, with the remaining \$0.9 million to be recognized as post-combination share-based compensation expense over the requisite service period. The equity issued excluded 133,309 shares and restricted stock units held back and not legally issued at acquisition date, as further discussed below.

Approximately \$11.9 million of the cash and equity proceeds were held back to satisfy any necessary adjustments, including without limitation, indemnification claims related to general representations and warranties, and any net working capital adjustments. As of the acquisition date, the majority of this holdback was expected to be settled in cash, with the remainder in 133,309 shares of Company common stock and restricted stock units. Such amounts were subject to a 15-month holdback period, net of any amounts necessary to satisfy all unsatisfied or disputed claims for indemnification and net working capital adjustments. As of the acquisition date, this represented approximately \$10.4 million in cash and \$1.5 million in equity, as discussed above, issuable at the end of the holdback period in Company common stock, subject to the aforementioned adjustments. Refer to the discussion below regarding the settlement of the holdback consideration during the six months ended June 30, 2024.

Included in consideration transferred is the settlement of a pre-existing net receivable owed to the Company by Rewire, which was effectively settled and became intercompany arrangements as of the closing of the transaction. Excluding the impact of the outstanding net receivable owed to the Company by Rewire, the Company would have paid \$2.4 million more for the business at closing, and therefore the GAAP purchase price reflects an increase in that amount. The settlement of pre-existing relationships between the Company and Rewire did not result in any material gain or loss. The change in the pre-existing receivable to an intercompany receivable has been considered as a noncash activity reflected within the operating activities of the Condensed Consolidated Statements of Cash Flows.

Holdback Liability

The holdback of cash and equity proceeds discussed above was recorded at its acquisition date fair value and was classified as a liability within ‘*Other noncurrent liabilities*’ on the Company’s Condensed Consolidated Balance Sheets at the acquisition date. The portion of the holdback settled in Company shares was recorded at its fair value through its settlement date, with changes recorded to earnings. The estimated fair value of the portion of the holdback liability settled in equity used both observable and unobservable inputs, specifically considering the price of the Company’s common stock, as well as the probability of payout at the end of the holdback period, and was considered a Level 3 measurement, as defined in ASC 820, *Fair Value Measurement* (“ASC 820”).

The Company recorded \$0.2 million during the six months ended June 30, 2024 to reflect the change in the fair value of the holdback liability. The change in the fair value of the holdback liability during the three months ended June 30, 2024, through the date of settlement in April 2024, was immaterial. The Company recorded \$0.2 million and \$1.0 million during the three and six months ended June 30, 2023, respectively, to reflect the change in the fair value of the holdback liability. Such amounts were recorded within ‘*General and administrative expenses*’ within the Condensed Consolidated Statements of Operations.

In April 2024, the holdback liability discussed above was settled with a cash payment of \$10.3 million and with \$2.8 million of equity consideration, consisting of 131,507 shares of Company common stock and restricted stock units. The holdback settlement was adjusted for immaterial post-closing net purchase price adjustments identified during the period.

Fair Value of Assets Acquired and Liabilities Assumed

The identifiable assets acquired and liabilities assumed of Rewire were recorded at their preliminary fair values as of the acquisition date and consolidated with those of the Company. Assigning fair market values to the assets acquired and liabilities assumed at the date of an acquisition requires the use of significant judgments regarding estimates and assumptions. The fair values of intangible assets were estimated using inputs classified as Level 3 under the income and cost approaches, including the multi-period excess earnings method for developed technology. The key assumptions in applying the income approach used in valuing the identified intangible assets include revenue growth rates for a hypothetical market participant, selected discount rates, as well as migration curves for developed technology. The following table summarizes the allocation of the purchase consideration to the assets acquired and liabilities assumed based on their acquisition-date fair values:

<i>(in thousands)</i>	Purchase Price Allocation
Cash, cash equivalents, and restricted cash	\$ 15,465
Disbursement prefunding	6,016
Customer funds receivable, net	3,423
Prepaid expenses and other assets, net	1,187
Intangible assets	
Trade name	1,000
Customer relationships	8,500
Developed technology	12,000
Goodwill	54,940
Customer liabilities	(3,075)
Advance for future deposits	(2,550)
Other assumed indebtedness	(16,234)
Other liabilities, net	(2,758)
Total consideration transferred	<u>\$ 77,914</u>

As of December 31, 2023, the valuation of assets acquired and liabilities assumed of Rewire was complete.

The excess of the purchase consideration over the fair value of net tangible and identifiable intangible assets acquired was recorded as goodwill and is primarily attributable to the revenue and cost synergies expected to arise from the acquisition through continued geographic expansion and product differentiation, along with the acquired workforce of Rewire. Goodwill is deductible for income tax purposes. The acquisition did not change the Company's one operating segment.

Acquired Receivables

The fair value of the financial assets acquired include 'Disbursement prefunding' and 'Customer funds receivable, net,' with a fair value of \$6.0 million and \$3.4 million, respectively, as disclosed above. The Company has collected substantially all of these receivables.

Transaction Costs

There were no transaction costs for the three months ended June 30, 2024. Transaction costs totaled \$0.2 million for the six months ended June 30, 2024, which related to the change in the fair value of the holdback liability. Transaction costs totaled \$0.3 million and \$1.5 million for the three and six months ended June 30, 2023, respectively, which included \$0.2 million and \$1.0 million, respectively, for the change in the fair value of the holdback liability. Transaction costs are primarily related to the Company's aforementioned acquisition of Rewire.

Other Disclosures

The results of operations of Rewire are included within the accompanying Condensed Consolidated Statements of Operations and Comprehensive Loss since the date of the acquisition.

7. Intangible Assets

The components of intangible assets as of June 30, 2024 and December 31, 2023 were as follows:

(in thousands)	June 30, 2024				December 31, 2023			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Estimated Remaining Useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Estimated Remaining Useful Life (in years)
Trade name	\$ 1,000	\$ (500)	\$ 500	1.5	\$ 1,000	\$ (333)	\$ 667	2.0
Customer relationships	8,500	(3,188)	5,312	2.5	8,500	(2,125)	6,375	3.0
Developed technology	12,000	(3,600)	8,400	3.5	12,000	(2,400)	9,600	4.0
Total	\$ 21,500	\$ (7,288)	\$ 14,212		\$ 21,500	\$ (4,858)	\$ 16,642	

The acquired identified intangible assets have estimated useful lives ranging from three to five years. Amortization expense for intangible assets was \$1.2 million and \$2.4 million for the three and six months ended June 30, 2024 and 2023, respectively.

Expected future intangible asset amortization as of June 30, 2024 was as follows:

(in thousands)	Amount
Remainder of 2024	\$ 2,428
2025	4,858
2026	4,525
2027	2,401
Total	\$ 14,212

8. Fair Value Measurements

There were no financial assets and liabilities that were measured at fair value on a recurring basis as of June 30, 2024.

Except for the holdback liability related to the Rewire acquisition discussed in Note 6. *Business Combinations*, there were no financial assets and liabilities that were measured at fair value on a recurring basis as of December 31, 2023.

The carrying values of certain financial instruments, including disbursement prefunding, customer funds receivable, accounts payable, accrued expenses and other current liabilities, customer liabilities, short-term debt, and long-term debt approximate their respective fair values due to their relative short maturities. If these financial instruments were measured at fair value in the financial statements, they would be classified as Level 2.

9. Debt

Secured Revolving Credit Facility

2021 Revolving Credit Facility

On September 13, 2021, Remitly Global, Inc. and Remitly, Inc., a wholly-owned subsidiary of Remitly Global, Inc., as co-borrowers, entered into a credit agreement (the "2021 Revolving Credit Facility") with certain lenders and JPMorgan Chase Bank, N.A. acting as administrative agent and collateral agent, that provided for revolving commitments of \$250.0 million (including a \$60.0 million letter of credit sub-facility) and terminated its then-existing 2020 Credit Agreement.

The 2021 Revolving Credit Facility was amended on June 26, 2023 to reflect changes in the applicable interest rate as a result of the sunset of the LIBOR interest rate, as noted below. The 2021 Revolving Credit Facility was further amended on December 20, 2023 to increase the revolving commitments from \$250.0 million (including a \$60.0 million letter of credit sub-facility) to \$325.0 million. All other terms of the 2021 Revolving Credit Facility remained unchanged.

As of June 30, 2024 and December 31, 2023, \$1.0 million and \$1.2 million, respectively, of unamortized debt issuance costs were included within 'Other noncurrent assets' on the Condensed Consolidated Balance Sheets.

The 2021 Revolving Credit Facility has a maturity date of September 13, 2026. Borrowings under the 2021 Revolving Credit Facility after the June 26, 2023 amendment accrue interest at a floating rate per annum equal to, at the Company's option, (1) the Alternate Base Rate (defined in the 2021 Revolving Credit Facility as the rate per annum equal to the highest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect for such day plus 0.50% and, (c) the Adjusted Term SOFR Rate for an interest period of one month plus 1.00% (subject to a floor of 1.00%) plus 0.50% per annum) or (2) the Adjusted Term SOFR Rate (subject to a floor of 0.00%) plus 1.50% per annum. Such interest is payable (a) with respect to loans bearing interest based on the Alternate Base Rate, the last day of each March, June, September, and December and (b) with respect to loans bearing interest based on the Adjusted Term SOFR Rate, at the end of each applicable interest period, but in no event less frequently than every three months. In addition, an unused commitment fee, which accrues at a rate per annum equal to 0.25% of the unused portion of the revolving commitments, is payable on the last day of each March, June, September, and December.

The 2021 Revolving Credit Facility contains customary conditions to borrowing, events of default, and covenants, including covenants that restrict the ability to dispose of assets, merge with other entities, incur indebtedness, grant liens, pay dividends or make other distributions to holders of its capital stock, make investments, enter into restrictive agreements, or engage in transactions with affiliates. As of June 30, 2024 and December 31, 2023, financial covenants in the 2021 Revolving Credit Facility include (1) a requirement to maintain a minimum Adjusted Quick Ratio of 1.50:1.00, which is tested quarterly and (2) a requirement to maintain a minimum Liquidity of \$100.0 million, which is tested quarterly. The Company was in compliance with all financial covenants under the 2021 Revolving Credit Facility as of June 30, 2024 and December 31, 2023.

The obligations under the 2021 Revolving Credit Facility are guaranteed by the material domestic subsidiaries of Remitly Global, Inc., subject to customary exceptions, and are secured by substantially all of the assets of the borrowers and guarantors thereunder, subject to customary exceptions. Amounts of borrowings under the 2021 Revolving Credit Facility may fluctuate depending upon transaction volumes and seasonality.

As of June 30, 2024 and December 31, 2023, the Company had \$15.0 million and \$130.0 million outstanding, respectively, under the 2021 Revolving Credit Facility. As of both June 30, 2024 and December 31, 2023, the weighted-average interest rate was 9.0%. As of June 30, 2024 and December 31, 2023, the Company had unused borrowing capacity of \$262.1 million and \$146.8 million, respectively, under the 2021 Revolving Credit Facility. As of June 30, 2024 and December 31, 2023, the Company had \$50.0 million and \$49.4 million, respectively, in issued, but undrawn, standby letters of credit.

Advance for Future Deposits

As part of the acquisition of Rewire, the Company assumed short-term indebtedness of Rewire that represents an advance for future deposits from Rewire's amended agreement with one of its financial partners (the "Amendment" and the "Depositor," respectively) entered into in October 2021. The Amendment has a maturity date of November 2024. The Depositor made an advance payment to Rewire with respect to future deposits (the "Advance for Future Deposits"). The original amount of 9.0 million Israeli shekel, approximately \$2.8 million, was transferred as an advance under the Amendment. As of June 30, 2024 and December 31, 2023, the Company had \$2.4 million and \$2.5 million outstanding under the Amendment, respectively, and was included within 'Short-term debt' on the Condensed Consolidated Balance Sheets. The change in the outstanding balance is driven by the change in the foreign exchange conversion rate. The Advance for Future Deposits bears a floating interest rate of 1.4%+ Israeli Prime per annum, paid on a monthly basis. The Israeli Prime rate is defined as the Bank of Israel rate + 1.5%. As of both June 30, 2024 and December 31, 2023, the weighted-average interest rate was 3.0%.

Assumed Short-term Debt of Rewire

As part of the acquisition of Rewire, the Company assumed the amounts due on a revolving credit line that Rewire had entered into in 2021 and the amounts due on a bridge loan that Rewire had entered into in 2022. The total outstanding amounts were repaid during the six months ended June 30, 2023, along with certain other acquired indebtedness, subsequent to the Company's acquisition of Rewire and were included within the Condensed Consolidated Statements of Cash Flows as a financing activity.

10. Net Loss Per Common Share

The following table presents the calculation of basic and diluted net loss per share attributable to common stockholders for the periods indicated. As the Company reported a net loss, diluted net loss per share was the same as basic net loss per share because the effects of potentially dilutive items were anti-dilutive for all periods presented.

<i>(in thousands, except share and per share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net loss	\$ (12,091)	\$ (18,850)	\$ (33,171)	\$ (47,164)
Denominator:				
Weighted-average shares used in computing net loss per share attributable to common stockholders:				
Basic and diluted	193,452,628	179,076,496	191,650,713	177,105,720
Net loss per share attributable to common stockholders:				
Basic and diluted	\$ (0.06)	\$ (0.11)	\$ (0.17)	\$ (0.27)

The following potentially dilutive securities were excluded from the computation of diluted net loss per share calculations for the periods presented because the impact of including them would have been anti-dilutive:

	As of June 30,	
	2024	2023
Stock options outstanding	9,406,325	12,641,385
RSUs outstanding	25,198,287	27,783,207
ESPP	1,128,472	1,133,662
Shares subject to repurchase	—	31,549
Unvested common stock, subject to service-based vesting conditions, issued in connection with acquisition ⁽¹⁾	52,040	104,080
Equity issuable in connection with acquisition ⁽¹⁾	—	133,309
Total	35,785,124	41,827,192

⁽¹⁾ Refer to Note 6. *Business Combinations* for further discussion of equity issued or to be issued in connection with the Rewire acquisition.

11. Common Stock

As of June 30, 2024, the Company has authorized 725,000,000 shares of common stock with a par value of \$0.0001 per share. Each holder of a share of common stock is entitled to one vote for each share held at all meetings of stockholders and is entitled to receive dividends whenever funds are legally available and when declared by the Company's board of directors. No dividends have been declared or paid by the Company during the six months ended June 30, 2024 and 2023.

12. Stock-Based Compensation

Shares Available for Issuance

As of June 30, 2024, 13,887,897 and 7,308,767 awards remain available for issuance under the 2021 Plan and the ESPP, respectively.

Stock Options

The following is a summary of the Company's stock option activity during the six months ended June 30, 2024:

<i>(in thousands, except share and per share data)</i>	Stock Options			
	Number of Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value ⁽¹⁾
Balances as of January 1, 2024	10,801,396	\$ 4.46	5.87	\$ 161,603
Exercised	(1,289,124)	3.28		19,265
Forfeited	(105,947)	6.39		
Balances as of June 30, 2024	9,406,325	4.60	5.34	70,750
Vested and exercisable as of June 30, 2024	8,166,741	3.71	5.08	68,668
Vested and expected to vest as of June 30, 2024	9,406,325	\$ 4.60	5.34	\$ 70,750

⁽¹⁾ The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying stock options and the estimated fair value of the Company's common stock.

No stock options were granted during the six months ended June 30, 2024 and 2023.

The following is a summary of the Company's stock option activity during the six months ended June 30, 2024 and 2023:

<i>(in thousands)</i>	Six Months Ended June 30,	
	2024	2023
Aggregate grant-date fair value of options vested	\$ 6,293	\$ 4,396
Intrinsic value of options exercised	19,265	38,750

Restricted Stock Units

Restricted stock unit activity during the six months ended June 30, 2024 was as follows:

	Number of Shares	Weighted-Average Grant-Date Fair Value Per Share
Unvested at January 1, 2024	23,555,665	\$ 14.67
Granted	8,692,250	17.27
Vested	(4,952,458)	13.57
Cancelled/forfeited	(2,097,170)	15.22
Unvested at June 30, 2024	<u>25,198,287</u>	<u>\$ 15.73</u>

The following is a summary of the Company's restricted stock unit activity during the six months ended June 30, 2024 and 2023:

<i>(in thousands, except per share data)</i>	Six Months Ended June 30,	
	2024	2023
Weighted-average grant date fair value of RSUs granted	\$ 17.27	\$ 16.24
Aggregate grant-date fair value of RSUs vested	67,205	50,380

Employee Stock Purchase Plan ("ESPP")

The offering period that commenced on September 1, 2023 ended on February 29, 2024, due to a decline in the Company's stock price at the end of the purchase period, triggering a new offering period, as required by the ESPP plan documents. A new 24-month offering period commenced on March 1, 2024. This event, inclusive of the impact of employees who elected to increase their withholding percentages, was accounted for as a modification under GAAP in the first quarter of 2024, whereby the fair value of the ESPP offering was measured immediately before and after modification, resulting in incremental stock-based compensation expense of \$1.7 million, which is being recognized over the new offering period, which is deemed to be the requisite service period. A new subsequent 24-month offering period commences on March 1 and September 1 of each fiscal year.

The fair value of the ESPP offerings, including those described above, were estimated using the Black-Scholes option-pricing model as of the respective offering dates, using the following assumptions. These assumptions represent the grant date fair value inputs for new offerings which commenced during the six months ended June 30, 2024 and 2023, as well as updated valuation information as of the modification date for any offerings for which a modification occurred during the periods presented herein:

	Six Months Ended June 30,	
	2024	2023
Risk-free interest rates	4.49% to 5.20%	4.83% to 5.13%
Expected term (in years)	0.5 to 2.0 years	0.5 to 2.0 years
Volatility	52.9% to 61.3%	48.9% to 59.5%
Dividend rate	— %	— %

Stock-Based Compensation Expense

Stock-based compensation expense for stock options, RSUs, and ESPP, included within the Condensed Consolidated Statements of Operations, net of amounts capitalized to internal-use software, as described in Note 5. *Property and Equipment*, was as follows:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Customer support and operations	\$ 259	\$ 419	\$ 612	\$ 624
Marketing	4,521	4,727	8,500	7,710
Technology and development	20,354	18,588	39,981	35,219
General and administrative	12,023	11,466	22,152	20,881
Total	<u>\$ 37,157</u>	<u>\$ 35,200</u>	<u>\$ 71,245</u>	<u>\$ 64,434</u>

As of June 30, 2024, the total unamortized compensation cost related to all non-vested equity awards, including options and RSUs, was \$349.0 million, which will be amortized over a weighted-average remaining requisite service period of approximately 2.7 years. As of June 30, 2024, the total unrecognized compensation expense related to the ESPP was \$7.5 million, which is expected to be amortized over the next 1.7 years.

13. Restructuring Initiatives

In the six months ended June 30, 2024, as a result of simplifying and scaling certain processes, functions, and team capabilities, the Company continued restructuring initiatives that commenced within the three months ended September 30, 2023 in order to better serve the Company's customers and allow the Company to centralize, transform, and automate global operations. Restructuring costs incurred primarily included severance and certain other associated costs. These specific restructuring initiatives are complete.

The Company incurred no charges and \$0.8 million for the three and six months ended June 30, 2024, respectively. There were no charges incurred related to restructuring initiatives for the three and six months ended June 30, 2023.

The following table presents the restructuring costs included within the Company's Condensed Consolidated Statements of Operations for the six months ended June 30, 2024:

<i>(in thousands)</i>	Amount
Customer support and operations	\$ 758
General and administrative	34
Total restructuring costs	<u>\$ 792</u>

The following table presents the changes in liabilities, including expenses incurred and cash payments resulting from the restructuring costs and related accruals, during the six months ended June 30, 2024:

<i>(in thousands)</i>	Amount
Balance as of December 31, 2023	\$ 78
Expenses incurred	792
Cash payments	(870)
Balance as of June 30, 2024	<u>\$ —</u>

14. Related Party Arrangements

There were no significant related party transactions for the three and six months ended June 30, 2024 and 2023.

15. Income Taxes

The Company computes its tax provision for interim periods by applying the estimated annual effective tax rate to year-to-date income from recurring operations and adjusting for discrete items arising in that quarter.

The Company's effective tax rates on pre-tax income were (37.4)% and 0.8% for the three months ended June 30, 2024 and 2023, respectively, and (14.8)% and (0.5)% for the six months ended June 30, 2024 and 2023, respectively. The difference between the effective tax rate and the U.S. federal statutory rate of 21.0% in all periods was primarily the result of foreign income taxed at different rates, changes in the U.S. valuation allowance, non-deductible stock-based compensation, and recognition of a discrete income tax benefit, primarily driven by excess stock-based compensation deductions.

The Company maintains a full valuation allowance against the U.S. net deferred tax assets, as it believes that these deferred tax assets do not meet the more likely than not threshold.

The Company files income tax returns in the U.S. federal jurisdiction, various state jurisdictions, and internationally. As of June 30, 2024, tax years 2012 through 2023 remain open for examination by taxing authorities.

16. Commitments and Contingencies

Guarantees and Indemnification

In the ordinary course of business to facilitate sales of its services, the Company has entered into agreements with, among others, suppliers and partners that include guarantees or indemnity provisions. The Company also enters into indemnification agreements with its officers and directors, and the Company's amended and restated certificate of incorporation and amended and restated bylaws include similar indemnification obligations to its officers and directors. To date, there have been no claims under any indemnification provisions; therefore, no such amounts have been accrued as of June 30, 2024 and December 31, 2023.

Litigation and Loss Contingencies

Litigation

From time to time, the Company may be a party to litigation and subject to claims incident to the ordinary course of business, including intellectual property claims, labor and employment claims, threatened claims, breach of contract claims, and other matters. The Company accrues estimates for resolution of legal and other contingencies when losses are probable, as defined under GAAP, and estimable. Although the results of litigation and claims are inherently unpredictable, the Company does not believe that there was a reasonable possibility that it had incurred a material loss with respect to such loss contingencies as of June 30, 2024 and December 31, 2023.

Indirect taxes

The Company is subject to indirect taxation in various states and foreign jurisdictions in which it conducts business. The Company continually evaluates those jurisdictions in which indirect tax obligations exist to determine whether a loss is probable, as defined under GAAP, and the amount can be estimated. Determination of whether a loss is probable, and an estimate can be made, is a complex undertaking and takes into account the judgment of management, third-party research, and the potential outcome of negotiation and interpretations by regulators and courts, among other information. Such assessments include consideration of management's evaluation of domestic and international tax laws and regulations, external legal advice, and the extent to which they may apply to the Company's business and industry. The Company's assessment of probability includes consideration of recent inquiries with, or actions taken, by regulators and courts, potential or actual self-disclosure, and applicability of tax rules and the Company will continue to evaluate the accounting and disclosure of any related contingencies as they arise.

As a result of this assessment, management has recorded an estimated liability within '*Accrued expenses and other current liabilities*'. The Company's estimate is based on the totality of factors including applicability of the tax rules, correspondence with tax authorities including payments made, and tax analysis and documentation supporting the Company's positions.

Although the Company believes its indirect tax estimates and associated liabilities are reasonable, the final determination of indirect tax audits or settlements could be materially different than the amounts recorded.

Purchase Commitments

The disclosure of purchase commitments in these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes within the Company's Annual Report on Form 10-K for the year ended December 31, 2023. The Company routinely enters into marketing and advertising contracts, software subscriptions or other service arrangements, including cloud infrastructure arrangements, and compliance-application related arrangements that contractually obligate us to purchase services, including minimum service quantities, unless given notice of cancellation based on the applicable terms of the agreements. During the three months ended June 30, 2024, the Company entered into a three-year cloud infrastructure arrangement in an amount of \$6.9 million, increasing the total future minimum payments under non-cancellable purchase commitments from the amounts disclosed within the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Lease Agreement Not Yet Commenced

In June 2024, the Company entered into an agreement to lease certain office space in Seattle, Washington, for the use of its corporate headquarters office. The lease payment term begins on July 1, 2025 for a period of seven years with optional renewal periods available. The total contractual commitment related to this lease, including contractual lease increases, is approximately \$22.9 million, exclusive of variable maintenance and operating expenses under the lease agreement. Leasehold improvements within the office space will be constructed under the Company's direction, and the Company will be entitled to an allowance for a substantial portion of the improvements.

The Company will recognize the related right-of-use asset and operating lease liability on its balance sheet when it gains control of the leased office space.

Reserve for Transaction Losses

The table below summarizes the Company's reserve for transaction losses for the three and six months ended June 30, 2024 and 2023:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Beginning balance	\$ 3,388	\$ 3,069	\$ 3,359	\$ 3,762
Provisions for transaction losses	16,292	9,038	27,660	19,146
Losses incurred, net of recoveries	(15,996)	(9,299)	(27,335)	(20,100)
Ending balance	\$ 3,684	\$ 2,808	\$ 3,684	\$ 2,808

17. Accrued Expenses & Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

<i>(in thousands)</i>	June 30, 2024	December 31, 2023
Trade settlement liability ⁽¹⁾	\$ 71,578	\$ 58,950
Accrued transaction expense	20,184	18,500
Accrued marketing expense	14,616	13,633
Accrued salary, benefits, and related taxes	10,830	10,251
Accrued taxes and taxes payable	7,329	9,259
ESPP employee contributions	3,819	3,565
Reserve for transaction losses	3,684	3,359
Holdback liability ⁽²⁾	—	12,990
Other accrued expenses	13,411	15,295
Total	<u>\$ 145,451</u>	<u>\$ 145,802</u>

⁽¹⁾ The trade settlement liability amount represents the total of disbursement postfunding liabilities and book overdrafts owed to the Company's disbursement partners. Refer to Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* within the notes to consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 for further discussion.

⁽²⁾ Refer to Note 6. *Business Combinations* for further detail on the Holdback liability, which was settled in April 2024.

18. Supplemental Cash Flow Information

The supplemental disclosures of cash flow information consisted of the following:

<i>(in thousands)</i>	Six Months Ended June 30,	
	2024	2023
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 1,269	\$ 771
Cash paid for income taxes	3,239	804
Supplemental disclosure of noncash investing and financing activities		
Operating lease right-of-use assets obtained in exchange for operating lease liabilities	\$ 5,310	\$ 5,414
Vesting of early exercised options	48	245
Stock-based compensation expense capitalized to internal-use software	2,768	1,374
Settlement of equity amounts previously held back for acquisition consideration	2,783	—
Issuance of common stock for acquisition consideration	—	6,635
Issuance of common stock, subject to service-based vesting conditions, in connection with acquisition	—	581
Amounts held back for acquisition consideration	—	11,899
Settlement of preexisting net receivable in exchange for net assets acquired in business combination	—	2,401

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and the related notes, appearing elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and the related notes and the discussion under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Annual Report on Form 10-K for the year ended December 31, 2023. You should read the sections titled "Risk Factors" in this Quarterly Report on Form 10-Q as well as in the Annual Report on Form 10-K and "Special Note Regarding Forward-Looking Statements" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. The forward-looking statements in this Form 10-Q represent our views as of the date of this Form 10-Q. Except as may be required by law, we assume no obligation to update these forward-looking statements or the reasons that results could differ from these forward-looking statements. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this Form 10-Q.

Overview

Remitly is a trusted provider of digital financial services that transcend borders. With a global footprint spanning more than 170 countries, Remitly's digitally native, cross-border payments app delights customers with a fast, reliable, and transparent money movement experience. Building on its strong foundation, Remitly is expanding its suite of products to further its vision and transform lives around the world.

Our brand promise is to bring "peace of mind" into everything we do. We focus on bringing trust, reliability, and a fair and transparent price to cross-border remittances and complementary financial services.

To deliver on our brand promise, we have a differentiated approach that aligns with the specific needs and interests of our customers who are sending money across borders and solves the problems they often face. There are four core elements to our differentiated approach:

- **Mobile First.** Our mobile app for cross-border remittances provides an easy-to-use, end-to-end process with a simple and reliable user experience that delivers peace of mind. In just a few minutes, customers are able to set up and send money for the first time with Remitly, and repeat transactions are easier with just a few taps. Our customers and their recipients can also track the status of their transactions as they are processed, and we provide a reliability promise to customers which is underpinned by our sophisticated risk models, high quality network, and empathetic customer service. This mobile-first experience enables us to engage beyond the initial transaction, generating strong repeat usage and high customer loyalty. Our services are highly non-discretionary for our customers which results in high revenue visibility throughout economic cycles.
- **Global Scale and High Quality Money Movement Platform.** Our global network of funding and disbursement partnerships enables us to complete money transfers efficiently in over 5,000 corridors without the need to deploy local operations in each country. We are able to do this while complying with global and local licensing and regulatory requirements. A corridor represents the pairing of a send country, from which a customer can send a remittance, with a specific receive country to which such remittance can be sent. As a result of the quality of our network and the foundational investments we have made, in general every new send country we add results in a significant number of new corridors, as we are able to quickly connect send countries with receive countries, allowing us to continue to scale rapidly. Our scale and direct integration strategy allows us to negotiate favorable terms with both funding and disbursement partners while providing a great end-to-end customer experience including rapid and reliable transfers.

We provide broad and high quality disbursement options to our customers allowing them to choose the method that is most convenient for their family and friends to receive funds. We have partner relationships with global banks, aggregators, and leading payment providers to give our customers an array of payment (or pay-in) options, including with a bank account, card-based payments, and alternative payment methods.

Our disbursement network enables us to send (or pay-out) funds to over 5.0 billion bank accounts and mobile wallets and approximately 470,000 cash pick-up options including various currencies provided. We focus on creating financial inclusion by providing payout optionality and access for recipients who do not always have convenient access to traditional banking. We believe our focus on financial inclusion creates peace of mind for our customers and their families while attracting and retaining loyal customers.

- **Highly Attractive Unit Economics.** Our data driven approach to optimizing customer lifetime value combined with a localized and scalable marketing platform allows us to acquire new customers at highly attractive unit economics. As we continue to improve customer lifetime value through product enhancements and changes to variable operating costs, we can optimize marketing spend to drive both growth and efficiency with a focus on maintaining strong unit economics. We believe our expertise in localizing our marketing, products, and customer support at scale is a key differentiator and enables us to provide customers with a personalized experience that drives peace of mind while also delivering high returns on marketing and product investments.

- **Superior Technology Platform.** We believe that our differentiated approach to building our technology infrastructure enables a great customer experience and allows us to scale to meet customer demands in a more flexible way. We have been able to scale to more customers, more regions, and more use cases while continuing to get better at our reliability, speed, and performance due to our investments and unique approach to our technology platform. This enables not only our ability to scale, but also accelerates innovation on behalf of our customers - whether that is doing simple things well or about enabling new use cases like complementary new products over time. Because our customers initiate transfers digitally, we capture and leverage a body of transaction-related data that provides insight into customer behavior and customer experience. This data and the analytics we perform help to inform our marketing investments and product development prioritization. In addition, we leverage our data platform and proprietary models to improve our compliance systems and manage pricing, treasury, fraud risk, and customer support. Finally, our proactive investments in artificial intelligence and machine learning have continued to drive scaled improvement in the areas of fraud and risk, pricing, customer support, and marketing.

Our Revenue Model

For our remittance business, which represents substantially all of our revenue today, we generate revenue from transaction fees charged to customers and foreign exchange spreads applied to the amount the customer is sending.

Transaction fees vary based on the corridor, the currency in which funds are delivered to the recipient, the funding method a customer chooses (e.g., ACH, credit card, debit card, etc.), the disbursement method a customer chooses (e.g., bank deposit, mobile wallet, cash pick-up, etc.), and the amount the customer is sending.

Foreign exchange spreads represent the difference between the foreign exchange rate offered to customers and the foreign exchange rate on our currency purchases. They are an output of proprietary and dynamic models that are designed to provide fair and competitive rates to our customers, while generating a spread based on our ability to buy foreign currency at generally advantageous rates.

Revenue from transaction fees and foreign exchange spreads is reduced by customer promotions. For example, we may, from time to time, waive transaction fees for first-time customers, or provide customers with better foreign exchange rates on their first transaction. These incentives are accounted for as reductions to revenue, up to the point where net historical cumulative revenue, at the customer level, is reduced to zero. We consider these incentives to be an investment in our long-term relationship with customers.

Key Business Metrics

We regularly review the following key business metrics to evaluate our performance, identify trends affecting our business, prepare financial projections, and make strategic decisions. We believe that these key business metrics provide meaningful supplemental information for management and investors in assessing our historical and future operating performance. The calculation of these key business metrics discussed below may differ from other similarly titled metrics used by other companies, analysts, or investors. The key business metrics that we use to measure the performance of our business are defined as follows:

- “Active customers” is defined as the number of distinct customers that have successfully completed at least one transaction using Remitly during a given period. We identify customers through unique account numbers.
- “Send volume” is defined as the sum of the amount that customers send, measured in U.S. dollars, related to transactions completed during a given period. This amount is net of cancellations, does not include transaction fees from customers, and does not include any credits, offers, or bonuses applied to the transaction by us.

Active Customers

<i>(in thousands)</i>	Three Months Ended June 30,	
	2024	2023
Active customers	6,851	5,033

We believe that the number of our active customers is an important indicator of customer engagement, customer retention, and the overall growth of our business.

Active customers increased to approximately 6.9 million, or 36% growth, for the three months ended June 30, 2024, compared to the three months ended June 30, 2023. This increase was primarily due to an increase in the number of new customers, driven by investments in our mobile platform and efficient marketing spend, our focus on customer experience and how we serve our customers, expansion of our global disbursement network, and the continued diversification across both send and receive countries. While we continue to see strong results in our largest existing receive countries (India, Mexico, and the Philippines), our successful diversification of our corridor portfolio across both send and receive countries has contributed to new customer growth.

Send Volume

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Send volume	\$ 13,241	\$ 9,580	\$ 24,705	\$ 18,124

We measure send volume to assess the scale of remittances sent using our platform. Our customers mostly send from the United States, Canada, the United Kingdom, and other countries in Europe. Our customers and their recipients are located in over 170 countries and territories across the globe; the largest receive countries by send volume include India, Mexico, and the Philippines.

Send volume increased 38% to \$13.2 billion for the three months ended June 30, 2024, compared to \$9.6 billion for the three months ended June 30, 2023, driven by the increase in active customers.

Send volume increased 36%, to \$24.7 billion for the six months ended June 30, 2024, compared to \$18.1 billion for the six months ended June 30, 2023, driven by the increase in active customers.

Key Factors Affecting Our Performance

Customer Retention and High Customer Engagement

Our send volume is primarily driven by existing customers who regularly use our remittance product to send money to family and friends. We believe our mobile-first products and superior customer experience encourage high retention and repeat usage, which are significant though not the only drivers of our performance.

We measure active customers to monitor the growth and performance of our customer base. The majority of our active customers send money for recurring, non-discretionary needs multiple times per month, providing a recurring revenue stream with high predictability and durability.

Attracting New Customers

Our continued ability to attract new customers to our platform is a key driver for our long-term growth. We continue to expand our customer base by launching new send and receive corridors, by continuing to innovate on existing and new products, and by providing the most trusted financial services for customers with cross-border financial needs. We plan to continue to acquire new customers through digital marketing channels and word-of-mouth referrals from existing customers, and by exploring new customer acquisition channels. Given the nature of our business, new customer acquisition marketing investments may negatively impact net loss and Adjusted EBITDA in the quarter they are acquired, but are expected to favorably impact net loss and Adjusted EBITDA in subsequent periods.

Customer Acquisition Costs

Efficiently acquiring customers is critical to our growth and maintaining attractive customer economics, which are impacted by online marketing competition, our ability to effectively target the right demographic, and competitive environment. We have a history of successfully monitoring customer acquisition costs and will continue to be strategic and disciplined toward customer acquisition. For example, for performance marketing, we set rigorous customer acquisition targets that we continuously monitor to ensure a high return on investment over the long term, and we can increase or decrease this investment as desired. Customer acquisition costs which are deployed to acquire new customers or retain existing customers in certain circumstances, are a component of advertising expenses as defined in Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Corridor Mix

Our business is global and certain attributes of our business vary by corridor, such as send amount, customer funding sources, and transaction frequency. For example, a period of high growth in receive corridors with large average send amounts, such as India, could disproportionately impact send volume while impacting active customers to a lesser extent. While shifts in our corridor mix could impact the trends in our global business, including send volume and customer economics, we have the ability to optimize these corridors over the long term based on their specific dynamics.

Seasonality

Our operating results and metrics are subject to seasonality, which may result in fluctuations in our quarterly revenues and operating results. For example, active customers and send volume generally peak as customers send gifts for regional and global holidays including, most notably, in the fourth quarter around the Christmas holiday. This seasonality typically drives higher fourth quarter customer acquisition, which generally results in higher fourth quarter marketing costs and transaction losses. It also results in higher transactions and transaction expenses, along with higher working capital needs. Other periods of favorable seasonality include Ramadan/Eid, Lunar New Year/Têt, and Mother's Day, although the impact is generally lower than the seasonality we see in the fourth quarter and the timing of some of these holidays varies from year to year. Conversely, we typically observe lower customer acquisition and existing customer activity through most of the first quarter, especially in regions that experience favorable seasonality in the fourth quarter. Following the fourth quarter, typically the second quarter is seasonally the next strongest quarter from an existing customer activity perspective, however customer activity and the impact on financial results can vary across quarters based on the timing of holidays and other geographic drivers. Additionally, the number of business days in a quarter and the day of the week that the last day of the quarter falls on may also introduce variability in our results, working capital balances, or cash flows period over period.

Our Technology Platform

We will continue to invest significant resources in our technology platform. These investments will allow us to introduce new and innovative products, add features to current products, enhance the customer and recipient experience, grow our payment and disbursement network, invest in our risk and security infrastructure, and continue to secure data in accordance with evolving best practices and legal requirements. While we expect our expenses related to technology and development to increase, which may impact short-term profitability, we believe these investments will ultimately contribute to our long-term growth.

Management of Risk and Fraud

We manage fraud (e.g., through identity theft) and other illegitimate activity (e.g., money laundering) by utilizing our proprietary risk models, which include machine learning processes, early warning systems, bespoke rules, and manual investigation processes. Our models and processes enable us to identify and address complex and evolving risks in these unwanted activities, while maintaining a differentiated customer experience. In addition, we integrate historical fraud loss data and other transaction data into our risk models, which helps us identify emerging patterns and quantify fraud and compliance risks across all aspects of our customer interactions. These models and processes allow us to achieve and maintain fraud loss rates within desired guardrails, as well as tune our risk models to target other illegitimate activity.

Macroeconomic and Geopolitical Changes

Global macroeconomic and geopolitical factors, including inflation, currency fluctuations, immigration, regulatory changes, trade and regulatory policies, regional and global conflicts, global crises and natural disasters, unemployment, potential recession, and the rate of digital remittance adoption impact demand for our services and the options that we can offer. These factors evolve over time, and periods of significant currency appreciation or depreciation, whether in send or receive currencies, changes to global migration patterns, and changes to digital adoption trends may shift the timing and volume of transactions, or the number of customers using our service. In addition, foreign currency movements impact our business in numerous ways. For example, as the U.S. dollar strengthens, we see customers in certain markets taking advantage of the ability to get more local currency to their families and friends. We also believe the strength of the U.S. dollar and the strength of other developed market currencies versus emerging market currencies make it easier to acquire new customers in certain markets. Conversely, expansion of our international business can negatively impact our condensed consolidated results when these currencies weaken against the U.S. dollar. As we grow, we are becoming more diversified across geographies and currencies, which can help mitigate some localized geopolitical risks and macroeconomic trends. As foreign currency can have a significant impact on our business, we strive to maintain a diversified cash balance portfolio and frequently assess for foreign currency cash concentrations. See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* in the Company's notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for a more comprehensive description of current business concentrations.

Components of Results of Operations

Revenue

Our revenue is generated on transaction fees charged to customers and foreign exchange spreads between the foreign exchange rate offered to customers and the foreign exchange rate on our currency purchases. Revenue is recognized, in an amount that reflects the consideration we expect to be entitled to in exchange for services provided, when control of these services is transferred to our customers, which is the time the funds have been delivered to the intended recipient.

Costs and expenses

Transaction Expenses

Transaction expenses include fees paid to disbursement partners for paying funds to the recipient, provisions for transaction losses, and fees paid to payment processors for funding transactions. Transaction expenses also include credit losses, chargebacks, fraud prevention, fraud management tools, and compliance tools. We establish reserves for transaction losses based on historical trends and any specific risks identified in processing customer transactions. This reserve is included in 'Accrued expenses and other current liabilities' on the Condensed Consolidated Balance Sheets included in Part I, Item 1 of this Quarterly Report on Form 10-Q. Over the long term we expect to continue to benefit from increasing scale and improvements in our proprietary fraud models, although we expect some variability in transaction expense from quarter to quarter.

Customer Support and Operations

Customer support and operations expenses consist primarily of personnel-related expenses associated with our customer support and operations organization, including salaries, benefits, and stock-based compensation expense, as well as third-party costs for customer support services, and travel and related office expenses. This includes our customer service teams which directly support our customers, consisting of online support and call centers, and other costs incurred to support our customers, including related telephony costs to support these teams, customer protection and risk teams, investments in tools to effectively service our customers, and increased customer self-service capabilities. Customer support and operations expenses also include corporate communication costs and professional services fees.

Marketing

Marketing expenses consist primarily of advertising costs used to attract new customers, including branding-related expenses. Marketing expenses also include personnel-related expenses associated with marketing organization staff, including salaries, benefits, and stock-based compensation expense, promotions, costs for software subscription services dedicated for use by marketing functions, and outside services contracted for marketing purposes.

Technology and Development

Technology and development expenses consist primarily of personnel-related expenses for employees involved in the research, design, development, and maintenance of both new and existing products and services, including salaries, benefits, and stock-based compensation expense. Technology and development expenses also include professional services fees and costs for software subscription services dedicated for use by our technology and development teams, as well as other company-wide technology tools. Technology and development expenses also include product and engineering teams used to support the development of both internal infrastructure and internal-use software, to the extent such costs do not qualify for capitalization. Technology and development costs are generally expensed as incurred and do not include software development costs which qualify for capitalization as internal-use software. The amortization of internal-use software costs which were capitalized in accordance with ASC 350-40, *Intangibles - Goodwill and Other-Internal-Use Software*, are separately presented under the caption 'Depreciation and amortization' within the Condensed Consolidated Statements of Operations included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

We believe delivering new functionality and improving existing technology is critical to attract new customers and expand our relationship with existing customers. We expect to continue to make investments to expand our solutions in order to enhance our customers' experience and satisfaction, and to attract new customers.

General and Administrative

General and administrative expenses consist primarily of personnel-related expenses for our finance, legal, compliance, human resources, facilities, administrative personnel, and other leadership functions, including salaries, benefits, and stock-based compensation expense. General and administrative expenses also include professional services fees, software subscriptions, facilities, indirect taxes, and other corporate expenses, including acquisition and integration expenses. Such expenses primarily include external legal, accounting, valuation, and due diligence costs, advisory and other professional services fees necessary to integrate acquired businesses. See Note 6. *Business Combinations* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further details.

Depreciation and Amortization

Depreciation and amortization expense includes depreciation on property and equipment and leasehold improvements, as well as the amortization of internal-use software costs and amortization of intangible assets.

Interest Income

Interest income consists primarily of interest income earned on our cash and cash equivalents.

Interest Expense

Interest expense consists primarily of the interest expense on our borrowings.

Other Income (Expense), net

Other income (expense), net, primarily includes foreign currency exchange gains and losses due to remeasurement of certain foreign currency denominated monetary assets and liabilities.

Provision for Income Taxes

Provision for income taxes consists primarily of income taxes in certain foreign jurisdictions in which we conduct business and state income taxes in the United States. We maintain a full valuation allowance for U.S. deferred tax assets, which includes net operating loss carryforwards. We expect to maintain this full valuation allowance in the U.S. for the foreseeable future as it is more likely than not that the assets will not be realized based on our history of losses.

Results of Operations

Comparison of the three and six months ended June 30, 2024 and 2023

The following tables set forth our results of operations together with the dollar and percentage change for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2024	2023	Amount	Percent	2024	2023	Amount	Percent
<i>(dollars in thousands)</i>								
Revenue	\$ 306,423	\$ 234,033	\$ 72,390	31 %	\$ 575,541	\$ 437,898	\$ 137,643	31 %
Costs and expenses								
Transaction expenses	107,780	80,187	27,593	34 %	197,661	154,253	43,408	28 %
Customer support and operations	19,999	21,483	(1,484)	(7)%	40,118	41,414	(1,296)	(3)%
Marketing	77,056	53,600	23,456	44 %	145,070	97,723	47,347	48 %
Technology and development	67,554	54,309	13,245	24 %	130,760	103,685	27,075	26 %
General and administrative	45,889	39,490	6,399	16 %	90,062	80,898	9,164	11 %
Depreciation and amortization	3,907	3,187	720	23 %	7,585	6,216	1,369	22 %
Total costs and expenses	322,185	252,256	69,929	28 %	611,256	484,189	127,067	26 %
Loss from operations	(15,762)	(18,223)	2,461	(14)%	(35,715)	(46,291)	10,576	(23)%
Interest income	1,942	1,368	574	42 %	4,168	3,392	776	23 %
Interest expense	(745)	(592)	(153)	26 %	(1,514)	(981)	(533)	54 %
Other income (expense), net	5,764	(1,546)	7,310	(473)%	4,178	(3,057)	7,235	(237)%
Loss before provision (benefit) for income taxes	(8,801)	(18,993)	10,192	(54)%	(28,883)	(46,937)	18,054	(38)%
Provision (benefit) for income taxes	3,290	(143)	3,433	(2401)%	4,288	227	4,061	1789 %
Net loss	\$ (12,091)	\$ (18,850)	\$ 6,759	(36)%	\$ (33,171)	\$ (47,164)	\$ 13,993	(30)%

The following discussion and analysis is for the three and six months ended June 30, 2024, compared to the same period in 2023, unless otherwise stated.

Revenue

Revenue increased 31%, or \$72.4 million and \$137.6 million for the three and six months ended June 30, 2024, respectively, compared to the three and six months ended June 30, 2023. This increase was primarily driven by a 36% increase in active customers period over period, continued strength in the retention of existing customers, and a continued mix shift trending towards digital disbursements. Revenue derived from each transaction varies based on a number of attributes, including the funding method chosen by the customer, the size of the transaction, the currency to be ultimately disbursed, the rate at which the currency was disbursed, the disbursement method chosen by the customer, and the country to which the funds are transferred.

As a reflection of this growth, send volume increased 38% and 36% to \$13.2 billion and \$24.7 billion for the three and six months ended June 30, 2024, respectively, as compared to \$9.6 billion and \$18.1 billion for the three and six months ended June 30, 2023, respectively.

Transaction Expenses

Transaction expenses increased \$27.6 million, or 34%, to \$107.8 million for the three months ended June 30, 2024, compared to \$80.2 million for the three months ended June 30, 2023. The increase was primarily due to a \$19.6 million, or 30%, increase in direct costs associated with processing a higher volume of our customers' remittance transactions and the disbursement of our customers' funds to their recipients and a \$7.5 million increase in our provision for fraud and other losses.

Transaction expenses increased \$43.4 million, or 28%, to \$197.7 million for the six months ended June 30, 2024, compared to \$154.3 million for the six months ended June 30, 2023. The increase was primarily due to a \$33.7 million, or 27%, increase in direct costs associated with processing a higher volume of our customers' remittance transactions and the disbursement of our customers' funds to their recipients and a \$8.9 million increase in our provision for fraud and other losses.

As a percentage of revenue, transaction expenses increased to 35% for the three months ended June 30, 2024, as compared to 34% for the three months ended June 30, 2023.

As a percentage of revenue, transaction expenses decreased to 34% for the six months ended June 30, 2024, as compared to 35% for the six months ended June 30, 2023.

Customer Support and Operations Expenses

Customer support and operations expenses decreased \$1.5 million, or 7%, for the three months ended June 30, 2024, compared to the three months ended June 30, 2023. The decrease was primarily driven by a \$1.2 million decrease in personnel-related costs driven by a decrease in customer support and operations headcount compared to the three months ended June 30, 2023.

Customer support and operations expenses decreased \$1.3 million, or 3%, for the six months ended June 30, 2024, compared to the six months ended June 30, 2023. The decrease was primarily driven by a \$1.8 million decrease in personnel-related costs driven by a decrease in customer support and operations headcount compared to the six months ended June 30, 2023. This was partially offset by a \$0.8 million increase to restructuring costs primarily related to severance (refer to Note 13. *Restructuring Initiatives* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information on the restructuring costs).

As a percentage of revenue, customer support and operations expenses decreased to 7% for both the three and six months ended June 30, 2024, from 9% for both the three and six months ended June 30, 2023. The decrease was primarily due to process improvements and automation driving scale across customer support headcount at internal and third-party customer support sites.

Marketing Expenses

Marketing expenses increased \$23.5 million, or 44%, for the three months ended June 30, 2024, compared to the three months ended June 30, 2023, primarily due to an increase of \$20.9 million in advertising expense and other targeted marketing expense, including online and offline marketing spend and promotion costs to acquire new customers. In addition, personnel-related costs increased by \$1.7 million, driven by a 13% increase in marketing headcount compared to the three months ended June 30, 2023.

Marketing expenses increased \$47.3 million, or 48%, for the six months ended June 30, 2024, compared to the six months ended June 30, 2023, primarily due to an increase of \$40.8 million in advertising expense and other targeted marketing expense, including online and offline marketing spend and promotion costs to acquire new customers. In addition, personnel-related costs increased by \$5.2 million, driven by a 16% increase in marketing headcount compared to the six months ended June 30, 2023.

Technology and Development Expenses

Technology and development expenses increased \$13.2 million, or 24%, for the three months ended June 30, 2024, compared to the three months ended June 30, 2023. The increase was driven by \$10.5 million in personnel-related expenses, net of personnel-related expenses capitalized as internal-use software, resulting from a 16% increase in headcount compared to the three months ended June 30, 2023, as part of our continued investment in our technology platform. The increase in technology and development expense was also driven by a \$2.0 million increase in software costs for cloud services to support incremental transaction volume.

Technology and development expenses increased \$27.1 million, or 26%, for the six months ended June 30, 2024, compared to the six months ended June 30, 2023. The increase was driven by \$22.3 million in personnel-related expenses, net of personnel-related expenses capitalized as internal-use software, resulting from a 16% increase in headcount compared to the six months ended June 30, 2023, as part of our continued investment in our technology platform. The increase in technology and development expense was also driven by a \$4.0 million increase in software costs for cloud services to support incremental transaction volume.

General and Administrative Expenses

General and administrative expenses increased \$6.4 million, or 16%, for the three months ended June 30, 2024, compared to the three months ended June 30, 2023. The increase was primarily driven by a \$5.9 million increase in personnel-related expenses resulting from a 13% increase in headcount compared to the three months ended June 30, 2023.

General and administrative expenses increased \$9.2 million, or 11%, for the six months ended June 30, 2024, compared to the six months ended June 30, 2023. The increase was primarily driven by a \$11.5 million increase in personnel-related expenses resulting from a 12% increase in headcount compared to the six months ended June 30, 2023. The increase in general and administrative expenses was partially offset by a reduction in indirect taxes and other operating expenses.

As a percentage of revenue, general and administrative expenses decreased to 15% and 16% for the three and six months ended June 30, 2024, respectively, from 17% and 18% for the three and six months ended June 30, 2023, respectively, as we begin to leverage scale in our general and administrative functions.

Depreciation and Amortization

Depreciation and amortization increased \$0.7 million and \$1.4 million, or 23% and 22%, respectively, for the three and six months ended June 30, 2024, compared to the three and six months ended June 30, 2023. The increase is primarily driven by an increase in amortization of internal-use software.

Interest Income

Interest income increased \$0.6 million and \$0.8 million for the three and six months ended June 30, 2024, respectively, as compared to the three and six months ended June 30, 2023. These increases are primarily due to an increase in interest rates and an increase in average invested balances throughout the quarter.

Interest Expense

Interest expense increased \$0.2 million and \$0.5 million for the three and six months ended June 30, 2024, respectively, as compared to the three and six months ended June 30, 2023, primarily due to draws on the 2021 Revolving Credit Facility.

Other Income (Expense), Net

Other income (expense), net is primarily driven by unrealized losses and gains on foreign exchange remeasurements of certain foreign currency denominated monetary assets and liabilities.

Provision (Benefit) for Income Taxes

The provision for income taxes increased \$3.4 million and \$4.1 million for the three and six months ended June 30, 2024, respectively, as compared to the three and six months ended June 30, 2023. The increase is primarily due to increases in taxable income in certain foreign jurisdictions and decreases in discrete income tax benefits related to excess stock-based compensation deductions.

Non-GAAP Financial Measures

We regularly review the following non-GAAP measure to evaluate our performance, identify trends affecting our business, prepare financial projections, and make strategic decisions. We believe that this non-GAAP measure provides meaningful supplemental information for management and investors in assessing our historical and future operating performance. The calculation of this non-GAAP measure discussed below may differ from other similarly titled metrics used by other companies, analysts, or investors.

We use Adjusted EBITDA, a non-GAAP financial measure to supplement net loss. Adjusted EBITDA is calculated as net loss adjusted by (i) interest (income) expense, net; (ii) provision for income taxes; (iii) noncash charges of depreciation and amortization; (iv) gains and losses from the remeasurement of foreign currency assets and liabilities into their functional currency; (v) noncash charges associated with our donation of common stock in connection with our Pledge 1% commitment; (vi) noncash stock-based compensation expense, net; and (vii) certain acquisition, integration, restructuring, and other costs.

Adjusted EBITDA is a key output measure used by our management to evaluate our operating performance, inform future operating plans, and make strategic long-term decisions, including those relating to operating expenses and the allocation of internal resources.

Adjusted EBITDA has limitations as a financial measure, should be considered as supplemental in nature, and is not meant as a substitute for the related financial information prepared in accordance with GAAP. These limitations include the following:

- although depreciation and amortization are noncash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditures or other capital commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the effect of income taxes that may represent a reduction in cash available to us;
- Adjusted EBITDA does not reflect the effect of gains and losses from the remeasurement of foreign currency assets and liabilities into their functional currency;
- Adjusted EBITDA excludes noncash charges associated with the donation of our common stock in connection with our Pledge 1% commitment, which is recorded in general and administrative expenses;
- Adjusted EBITDA excludes stock-based compensation expense, net, which has recently been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy;
- Adjusted EBITDA excludes certain transaction costs related to acquisition, integration, restructuring, and other costs. The acquisition and integration costs are primarily related to the Rewire acquisition and primarily include external legal, accounting, valuation, and due diligence costs, advisory and other professional services fees necessary to integrate acquired businesses, and the change in the fair value of the holdback liability as part of the acquisition of Rewire. The restructuring costs are primarily related to severance and other associated costs; and
- other companies, including companies in our industry, may calculate Adjusted EBITDA differently from how we calculate this measure or not at all, which reduces its usefulness as a comparative measure.

The following table sets forth a reconciliation of net loss to Adjusted EBITDA, the most directly comparable financial measure prepared in accordance with GAAP, for each of the periods indicated:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net loss	\$ (12,091)	\$ (18,850)	\$ (33,171)	\$ (47,164)
Add:				
Interest income, net	(1,197)	(776)	(2,654)	(2,411)
Provision (benefit) for income taxes	3,290	(143)	4,288	227
Depreciation and amortization	3,907	3,187	7,585	6,216
Foreign exchange (gain) loss	(5,962)	1,482	(4,393)	2,987
Stock-based compensation expense, net	37,157	35,200	71,245	64,434
Acquisition, integration, restructuring, and other costs ⁽¹⁾	—	316	1,468	1,489
Adjusted EBITDA	\$ 25,104	\$ 20,416	\$ 44,368	\$ 25,778

⁽¹⁾ Acquisition, integration, restructuring, and other costs for the six months ended June 30, 2024 consisted primarily of \$0.8 million in restructuring charges incurred, \$0.5 million of non-recurring legal charges, and \$0.2 million related to the change in the fair value of the holdback liability associated with the acquisition of Rewire (O.S.G.) Research and Development Ltd. ("Rewire"). Acquisition, integration, restructuring, and other costs for the three months ended June 30, 2023 consisted primarily of \$0.2 million related to the change in the fair value of the holdback liability. Acquisition, integration, restructuring, and other costs for the six months ended June 30, 2023 consisted primarily of \$1.0 million related to the change in the fair value of the holdback liability and \$0.5 million of expenses incurred in connection with the acquisition and integration of Rewire. Refer to Note 6. *Business Combinations* and Note 13. *Restructuring Initiatives* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information on these costs.

Liquidity and Capital Resources

Sources of Liquidity and Material Future Cash Requirements

As of June 30, 2024 and December 31, 2023, our principal sources of liquidity were cash and cash equivalents of \$185.2 million and \$323.7 million, respectively, as well as funds available under the 2021 Revolving Credit Facility, which we entered into in September 2021. The 2021 Revolving Credit Facility was amended on December 20, 2023 to increase the revolving commitments from \$250.0 million (including a \$60.0 million letter of credit sub-facility) to \$325.0 million. We have historically financed our operations and capital expenditures primarily through cash generated from operations including transaction fees and foreign exchange spreads. In recent periods, we have supplemented those cash flows with borrowings on our 2021 Revolving Credit Facility, primarily to support customer transaction volumes during peak periods and weekends, which we expect to continue to do in the future. During the six months ended June 30, 2024, we cumulatively borrowed \$570.0 million against this credit facility and repaid \$685.0 million. The outstanding balance of \$15.0 million as of June 30, 2024 was subsequently repaid the following business day on July 1, 2024. Operations continue to be substantially funded by the existing cash we have on hand and ongoing utilization of the 2021 Revolving Credit Facility (including the letter of credit sub-facility), which included active borrowings and repayments during the six months ended June 30, 2024. As of June 30, 2024, we have unused borrowing capacity of \$262.1 million.

We believe that our cash, cash equivalents, and funds available under the 2021 Revolving Credit Facility will be sufficient to meet our working capital requirements for at least the next twelve months. Our material cash requirements include funds to support current and potential operating activities, capital expenditures, and other commitments, and could include other uses of cash, such as strategic investments.

Our future capital requirements will depend on many factors, including our rate of revenue growth, the expansion of our sales and marketing activities, the timing and extent of expansion into new corridors, and the timing of introductions of new products and enhancements of existing products, and other strategic investments. Furthermore, certain jurisdictions where we operate require us to hold eligible liquid assets, based on regulatory or legal requirements, equal to the aggregate amount of all customer balances that have not yet been disbursed. In addition, as discussed elsewhere in this Quarterly Report on Form 10-Q, we expect that our operating expenses may continue to increase to support the continued growth of our business, including increased investments in our technology to support product improvements, new product development, and geographic expansion. We also routinely enter into marketing and advertising contracts, software subscriptions and other service arrangements, including cloud infrastructure arrangements, which are generally entered into in the ordinary course of business, and that can include minimum purchase quantities, requiring us to utilize cash on hand to fulfill these amounts. Refer to “Contractual Obligations and Commitments” discussed further below.

In the future, we may also attempt to raise additional capital through the sale of equity securities or through equity-linked securities, and the ownership of our existing stockholders would be diluted. In addition, if we raise additional financing by incurring additional indebtedness, we may be subject to increased fixed payment obligations and could also be subject to additional restrictive covenants, such as limitations on our ability to incur additional debt, and other operating restrictions that could adversely impact our ability to conduct our business. Any future indebtedness we incur may result in terms that are unfavorable to equity investors. There can be no assurances that we will be able to raise additional capital. The inability to raise capital would adversely affect our ability to achieve our business objectives.

The following table shows a summary of our Condensed Consolidated Statements of Cash Flows for the periods presented:

<i>(in thousands)</i>	Six Months Ended June 30,	
	2024	2023
Net cash provided by (used in):		
Operating activities ⁽¹⁾	\$ (7,909)	\$ (54,196)
Investing activities	(8,570)	(44,843)
Financing activities ⁽¹⁾	(118,631)	25,883
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	(1,229)	663
Net decrease in cash, cash equivalents, and restricted cash	\$ (136,339)	\$ (72,493)

⁽¹⁾ Certain prior period amounts have been reclassified to conform to the current period presentation. Refer to Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Cash Flows

Operating Activities

Our main sources of operating cash are transaction fees charged to customers and foreign exchange spreads on transactions. Our primary uses of cash from operating activities have been for advertising expenses used to attract new customers, transaction expenses that include fees paid to payment processors and disbursement partners, personnel-related expenses, technology, and other general corporate expenditures. Our changes in operating cash flows are heavily impacted by the timing of customer transactions and, in particular, the day of the week that the quarter end falls on, including holidays and long weekends. For example, we generally have higher prefunding amounts if the quarter closes on a weekend or in advance of a long weekend, such as a holiday, which creates variability in customer transaction-related balances period over period and can reduce our cash position at a particular point in time. These balances within our Condensed Consolidated Statements of Cash Flows include disbursement prefunding, customer funds receivable, customer liabilities, and disbursement postfunding liabilities and book overdrafts, both of which are included within the line item ‘*Accrued expenses and other liabilities.*’

For the six months ended June 30, 2024, net cash used in operating activities was \$7.9 million, which was primarily driven by timing impacts of current growth in our global network. Specifically, as a result of both growth and timing, we saw an increase in customer funds receivable of \$82.1 million and a decrease in customer liabilities of \$10.7 million, offset by a decrease in disbursement prefunding of \$45.1 million, which were the key drivers for the changes in our operating assets and liabilities which decreased operating cash flows by \$53.8 million. This was partially offset by cash generated from our operations, when excluding the \$79.0 million of noncash charges included within the \$33.2 million net loss for the period.

For the six months ended June 30, 2023, net cash used in operating activities was \$54.2 million, which was primarily driven by an increase in overall growth in our global network of funding and disbursement partnerships and an increase in volume of customer transactions to support the holiday weekend, which encompassed both domestic and international holidays. Specifically, as a result of both growth and timing, we saw an increase in disbursement prefunding of \$117.9 million, offset by a decrease in customer funds receivable of \$54.2 million, which were the key drivers for the unfavorable changes in our operating assets and liabilities of \$79.9 million. This change in our operating assets and liabilities was also partially offset by cash generated from our operations, when excluding the \$72.9 million of noncash charges included within the \$47.2 million net loss for the period.

Investing Activities

Cash used in investing activities consists primarily of purchases of property and equipment, capitalization of internal-use software, and cash paid for acquisitions of businesses, net of acquired cash, cash equivalents, and restricted cash.

Net cash used in investing activities was \$8.6 million for the six months ended June 30, 2024, a decrease of \$36.2 million, compared to net cash used in investing activities of \$44.8 million for the six months ended June 30, 2023. This decrease was primarily driven by the acquisition of Rewire in the first quarter of 2023 of \$40.9 million, offset by an increase in capitalized internal-use software costs of \$4.2 million for the six months ended June 30, 2024, as compared to the six months ended June 30, 2023.

Financing Activities

Cash used in financing activities consists primarily of borrowings on our 2021 Revolving Credit Facility, proceeds from the exercise of stock options, and proceeds from the issuance of common stock in connection with ESPP, offset by repayments of borrowings and other indebtedness.

Net cash used in financing activities for the six months ended June 30, 2024 was \$118.6 million, an increase of \$144.5 million, compared to net cash provided by financing activities for the six months ended June 30, 2023 of \$25.9 million. This increase was primarily driven by the net repayments on our 2021 Revolving Credit Facility of \$115.0 million and the settlement of amounts previously held back for the Rewire acquisition of \$10.3 million in the six months ended June 30, 2024.

Contractual Obligations and Commitments

Our principal commitments consist of standby letters of credit, long-term leases, and other purchase commitments entered into in the normal course of business. In addition, we routinely enter into marketing and advertising contracts, software subscriptions or other service arrangements, including cloud infrastructure arrangements, and compliance-application related arrangements that contractually obligate us to purchase services, including minimum service quantities, unless we give notice of cancellation based on the applicable terms of the agreements. Most contracts are typically cancellable within a period of less than one year, although some of our larger software or cloud service subscriptions require multi-year commitments. Changes in our business needs, contractual cancellation provisions, fluctuating interest rates, and other factors may result in actual payments differing from the estimates. We cannot provide certainty regarding the timing and amounts of these payments.

During the six months ended June 30, 2024, other than software, cloud infrastructure (as described below), marketing, compliance-tool related contracts, and leases (as described below) entered into in the normal course of business, there were no other material changes to the contractual obligations and contingencies as disclosed in Note 18. *Commitments and Contingencies* and Note 20. *Leases* in the notes to the consolidated financial statements included in Part II, Item 8 in our Annual Report on Form 10-K for the year ended December 31, 2023. For further discussion of commitments and contingencies, also refer to Note 16. *Commitments and Contingencies* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Purchase Commitments

During the three months ended June 30, 2024, we entered into a three-year cloud infrastructure arrangement. For further details on this arrangement, refer to Note 16. *Commitments and Contingencies* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Significant Lease Not Yet Commenced

In June 2024, we entered into an agreement to lease certain office space in Seattle, Washington, for the use of our corporate headquarters office. For further details on this lease agreement, refer to Note 16. *Commitments and Contingencies* in the notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Off-Balance Sheet Arrangements

As of June 30, 2024, we had no material off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on our condensed consolidated financial condition, results of operations, liquidity, capital expenditures, or capital resources. From time to time we do enter into short-term leases that have lease terms of less than 12 months, and are typically month-to-month in nature. As described in the notes to the consolidated financial statements in our Annual Report on Form 10-K, we elected not to record leases on our Condensed Consolidated Balance Sheets if the lease term is 12 months or less. For further information on our lease arrangements, refer to our Annual Report on Form 10-K for the year ended December 31, 2023.

Critical Accounting Policies and Estimates

The Company's condensed consolidated financial statements and accompanying notes included in this Quarterly Report on Form 10-Q are prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets, liabilities, equity, revenue, expenses, and related disclosures. The Company's estimates are based on historical experience and on various other factors that it believes are reasonable under the circumstances. Actual results may differ significantly from the estimates made by management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected.

There have been no material changes, other than as described in Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* in the notes to the condensed consolidated financial statements to the Company's critical accounting policies and estimates as compared to those described in "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in our Annual Report on Form 10-K for the year ended December 31, 2023.

Recently Issued Accounting Pronouncements

See Note 2. *Basis of Presentation and Summary of Significant Accounting Policies* in the Company's notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the potential for economic losses to be incurred on market risk-sensitive instruments arising from adverse changes in market factors such as interest rates, foreign currency exchange rates, and equity investment risk. Management establishes and oversees the implementation of policies governing our investing, funding, and foreign currency activities in order to mitigate market risks. We monitor risk exposures on an ongoing basis.

Credit Risk

We have a limited number of pay-in payment processors and therefore we are exposed to credit risk relating to those pay-in payment providers if, in the course of a transaction, we were to disburse funds to the recipient but the pay-in payment provider did not deliver our customer's funds to us (for example, due to their illiquidity). We mitigate this credit risk by engaging with reputable pay-in payment providers and entering into written agreements with pay-in providers allowing for legal recourse. We are also exposed to credit risk relating to many of our disbursement partners when we prefund or remit funds in advance of having collected funds from our customers through our pay-in payment processors, if our disbursement partners fail to disburse funds according to our instructions (for example, due to their insufficient capital). We mitigate these credit exposures by engaging with reputable disbursement partners and performing a credit review before onboarding each disbursement partner and by negotiating for postfunding arrangements where circumstances permit. We also periodically review credit ratings, or, if unavailable, other financial documentation, of both our pay-in payment providers and disbursement partners. We have not experienced significant losses during the periods presented.

Foreign Currency Exchange Rate Risk

Given the nature of our business, we are exposed to foreign exchange rate risk in a number of ways. Our principal exposure to foreign exchange rate risk includes:

- Exposure to foreign currency exchange risk on our cross-border payments if exchange rates fluctuate between initiation of the transaction and transaction disbursement to the recipient. We disburse transactions in multiple foreign currencies, including most notably the Indian rupee, the Mexican peso, and the Philippine peso. In the vast majority of cases, the recipient disbursement occurs within a day of sending, which mitigates foreign currency exchange risk. To enable disbursement in the receive currency, we prefund many disbursement partners one to two business days in advance based on expected send volume. Foreign exchange rate risk due to differences between the timing of transaction initiation and payment varies based on the day of the week and the bank holiday schedule; for example, disbursement prefunding is typically largest before long weekends.
- While the majority of our revenue and expenses are denominated in the U.S. dollar, certain of our international operations are conducted in foreign currencies, a significant portion of which occur in Canada and Europe. Changes in the relative value of the U.S. dollar to other currencies may affect revenue and other operating results as expressed in U.S. dollars. In addition, certain of our international subsidiary financial statements are denominated in and operated in currencies outside of the U.S. dollar. As such, the condensed consolidated financial statements will continue to remain subject to the impact of foreign currency translation, as our international business continues to grow. In periods where other currencies weaken against the U.S. dollar, this can negatively impact our consolidated results which are reported in U.S. dollars.

As of June 30, 2024 and December 31, 2023, a hypothetical uniform 10% strengthening or weakening in the value of the U.S. dollar relative to other currencies in which our net loss was generated, would have resulted in a decrease or increase to the fair value of our customer transaction-related assets and liabilities denominated in currencies other than the subsidiaries' functional currencies of approximately \$13.4 million and \$19.3 million, respectively, based on our unhedged exposure to foreign currency at that date. There are inherent limitations in this sensitivity analysis, primarily due to the following assumptions: (1) foreign exchange rate movements are linear and instantaneous, (2) exposure is static, and (3) customer transaction behavior due to currency rate changes is static. As a result, the analysis is unable to reflect the potential effects of more complex market changes that could arise, which may positively or negatively affect our results from operations. For example, both the disbursement prefunding balance and the customer funds liability balance (and resulting net impact to our net currency position) may be highly variable day to day. In addition, changes in foreign exchange rates may impact customer behavior by altering the timing or volume of transactions sent through our platform. For example, an increase in the value of a send currency against a receive currency may accelerate the timing or amount of remittances.

To the extent practicable, we minimize our foreign currency exposures by maintaining natural hedges between our current assets and current liabilities in similarly denominated foreign currencies. At this time, we do not enter into derivatives or other financial instruments in an attempt to hedge our foreign currency exchange risk. We may do so in the future, but it is difficult to predict the impact hedging activities would have on our operating results.

Item 4. Controls and Procedures***Evaluation of Disclosure Controls and Procedures***

Based on their evaluation as of June 30, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) were effective at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting as defined in the Exchange Act Rule 13a-15(f) that occurred during the quarter ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

In the normal course of business, the Company occasionally becomes involved in various legal proceedings. In the opinion of management, any liability from such proceedings would not have a material adverse effect on the business or financial condition of the Company.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in Part I, Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2023, which could materially affect our business, reputation, financial condition, future results, or the trading price of the Company's stock. These are not the only risks facing the Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, reputation, financial condition, and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sales of Unregistered Equity Securities

In April 2024, we issued 112,888 shares of our common stock to former shareholders of Rewire in connection with the release of equity proceeds held back pursuant to the terms of the Rewire acquisition. The shares were issued to former shareholders that were not a "U.S. person," as defined in Rule 902 of Regulation S under the Securities Act, or were an "accredited investor," and the issuances were exempt from the registration requirements of the Securities Act under Regulation S and Rule 506 of Regulation D, respectively. The shares bear a restrictive Securities Act legend. See Note 6. *Business Combinations* in our notes to the condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further details.

Use of Proceeds

In September 2021, we completed our initial public offering (the "IPO"), in which we issued and sold 7,000,000 shares of our common stock at \$43.00 per share. Concurrently, 5,162,777 shares were sold by certain of our existing stockholders. In addition, we concurrently issued 581,395 shares of common stock in a private placement at the same offering price as the IPO. We received net proceeds of \$305.2 million for the IPO and private placement, after deducting underwriting discounts and other fees of \$20.8 million. There has been no material change in the planned use of proceeds from our IPO as described in our final prospectus filed with the SEC on September 24, 2021 pursuant to Rule 424(b) under the Securities Act.

Issuer Purchase of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three months ended June 30, 2024, none of our officers or directors adopted, modified, or terminated any Rule 10b5-1 or non-Rule 10b5-1 trading arrangements.

Item 6. Exhibits

Exhibit Number	Description	Filed Herewith	Incorporated by reference			
			Form	File No.	Exhibit Filing Date	
3.1	Amended and Restated Certificate of Incorporation		10-Q	001-40822	3.3	November 12, 2021
3.2	Amended and Restated Bylaws		8-K	001-40822	3.1	March 20, 2024
10.1	2021 Employee Stock Purchase Plan, as amended, and forms of award agreements thereunder	x				
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	x				
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	x				
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	x				
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	x				
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).	x				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	x				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	x				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	x				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	x				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	x				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).	x				

* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10-Q and are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

SIGNATURES

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 thereunto duly authorized.

Remitly Global, Inc.

Date: July 31, 2024

By: /s/ Matthew Oppenheimer
Matthew Oppenheimer
Chief Executive Officer
(Principal Executive Officer)

Date: July 31, 2024

By: /s/ Hemanth Munipalli
Hemanth Munipalli
Chief Financial Officer
(Principal Financial Officer)

Date: July 31, 2024

By: /s/ Gail Miller
Gail Miller
Chief Accounting Officer
(Principal Accounting Officer)

**REMITLY GLOBAL, INC.
2021 EMPLOYEE STOCK PURCHASE PLAN**

Adopted by the Board
Effective Date: September 22, 2021
Amendment Date(s): July 20, 2024; November 14, 2023

DEFINITIONS.

“*Affiliate*” means any entity, other than a Subsidiary or Parent, (i) that, directly or indirectly, is controlled by, controls or is under common control with, the Company and (ii) in which the Company has a significant equity interest, in either case as determined by the Committee, whether now or hereafter existing.

“*Board*” shall mean the Board of Directors of the Company.

“*Code*” shall mean the U.S. Internal Revenue Code of 1986, as amended.

“*Committee*” shall mean the Committee of the Board that consists exclusively of one or more members of the Board appointed by the Board.

“*Common Stock*” shall mean the common stock of the Company.

“*Company*” shall mean Remitly Global, Inc.

“*Contributions*” means payroll deductions taken from a Participant's Compensation and used to purchase shares of Common Stock under the Plan and, to the extent payroll deductions are not permitted by applicable laws (as determined by the Committee in its sole discretion), contributions by other means, provided, however, that allowing such other contributions does not jeopardize the qualification of the Plan as an “employee stock purchase plan” under Section 423 of the Plan.

“*Corporate Transaction*” means the occurrence of any of the following events: (i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then-outstanding voting securities; (ii) the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets; or (iii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

“**Effective Date**” shall mean the date on which the Registration Statement covering the initial public offering of the shares of Common Stock is declared effective by the U.S. Securities and Exchange Commission.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended.

“**Fair Market Value**” shall mean, as of any date, the value of a share of Common Stock determined as follows:

if such Common Stock is then quoted on the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market (collectively, the “Nasdaq Market”), its closing price on the Nasdaq Market on the date of determination, or if there are no sales for such date, then the last preceding business day on which there were sales, as reported in *The Wall Street Journal* or such other source as the Board or the Committee deems reliable;

if such Common Stock is publicly traded and is then listed on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal* or such other source as the Board or the Committee deems reliable;

with respect to the initial Offering Period, Fair Market Value on the Offering Date shall be the price at which shares of Common Stock are offered to the public pursuant to the Registration Statement covering the initial public offering of shares of Common Stock; or

if none of the foregoing is applicable, by the Board or the Committee in good faith.

“**Non-Section 423 Component**” means the part of the Plan which is not intended to meet the requirements set forth in Section 423 of the Code.

“**Notice Period**” shall mean within two (2) years from the Offering Date or within one (1) year from the Purchase Date on which such shares were purchased.

“**Offering Date**” shall mean the first business day of each Offering Period; provided that for the initial Offering Period, the Offering Date shall be the Effective Date.

“**Offering Period**” shall mean a period with respect to which the right to purchase Common Stock may be granted under the Plan, as determined by the Committee pursuant to Section 5(a).

“**Oversubscribed**” shall mean the cumulative share amounts for any Purchase Date are larger than the remaining amount of shares available under the Plan.

“**Parent**” shall have the same meaning as “parent corporation” in Sections 424(e) and 424(f) of the Code.

“**Participant**” shall mean an eligible employee who meets the eligibility requirements set forth in Section 4 and who is either automatically enrolled in the initial Offering Period or who elects to participate in this Plan pursuant to Section 6(b).

“**Participating Corporation**” shall mean any Parent, Subsidiary or Affiliate that the Committee designates from time to time as eligible to participate in this Plan. For purposes of the Section 423 Component, only the Parent and Subsidiaries may be Participating Corporations, provided, however, that at any given time a Parent or Subsidiary that is a Participating Corporation under the Section 423 Component shall not be a Participating Corporation under the Non-Section 423 Component. The Committee may provide that any Participating Corporation shall only be eligible to participate in the Non-Section 423 Component.

“**Plan**” shall mean this Remitly Global, Inc. 2021 Employee Stock Purchase Plan, as may be amended from time to time.

“**Purchase Date**” shall mean the last business day of each Purchase Period, which is the last calendar day of February and August. If those dates are not Trading Days, the Purchase will take place on the preceding Trading Day.

“**Purchase Period**” shall mean an approximate six (6) month period during which Contributions may be made toward the purchase of Common Stock under the Plan, as determined by the Committee pursuant to Section 5(b), commencing on the Offering Date and ending with the Purchase Date

“**Purchase Price**” shall mean the price at which Participants may purchase shares of Common Stock under the Plan, as determined pursuant to Section 8.

“**Section 423 Component**” means the part of the Plan, which excludes the Non-Section 423 Component, pursuant to which options to purchase shares of Common Stock under the Plan that satisfy the requirements for “employee stock purchase plans” set forth in Section 423 of the Code may be granted to eligible employees.

“**Subsidiary**” shall have the same meaning as “subsidiary corporation” in Sections 424(e) and 424(f) of the Code.

“**Trading Day**” means a day on which the national stock exchange upon which Common Stock is listed is open for trading.

1. PURPOSE. Remitly Global, Inc. adopted the Plan effective as of the Effective Date. The purpose of this Plan is to provide eligible employees of the Company and the Participating Corporations with a means of acquiring an equity interest in the Company, to enhance such employees’ sense of participation in the affairs of the Company.

2. ESTABLISHMENT OF PLAN. The Company proposes to grant rights to purchase shares of Common Stock to eligible employees of the Company and its Participating Corporations pursuant to this Plan. The Company intends this Plan to qualify as an “employee stock purchase plan” under Section 423 of the Code (including any amendments to or replacements of such Section), and this Plan shall be so construed, although the Company makes no undertaking or representation to maintain such qualification. Any term not expressly defined in this Plan but defined for purposes of Section 423 of the Code shall have the same definition herein. In addition, this Plan authorizes the grant of options under a Non-Section 423

Component that is not intended to meet Section 423 requirements, provided, to the extent necessary under Section 423 of the Code, the other terms and conditions of the Plan are met.

Subject to Section 14, a total of 3,500,000 shares of Common Stock is reserved for issuance under this Plan. In addition, on each January 1 of each of 2022 through 2031, the aggregate number of shares of Common Stock reserved for issuance under the Plan shall be increased automatically by the number of shares equal to one percent (1%) of the total number of outstanding shares of Common Stock and shares of preferred stock of the Company outstanding (on an as converted to common stock basis) on the immediately preceding December 31st (rounded down to the nearest whole share); provided, that the Board or the Committee may in its sole discretion reduce the amount of the increase in any particular year. Subject to Section 14, no more than 35,000,000 shares of Common Stock may be issued over the term of this Plan. The number of shares initially reserved for issuance under this Plan and the maximum number of shares that may be issued under this Plan shall be subject to adjustments effected in accordance with Section 14. Any or all such shares may be granted under the Section 423 Component.

3. ADMINISTRATION. The Plan will be administered by the Committee. The Committee may delegate administrative tasks under the Plan to a subcommittee or to one or more officers to assist with the administration of the Plan pursuant to specific delegation as permitted by applicable law. Subject to the provisions of this Plan and the limitations of Section 423 of the Code or any successor provision in the Code, all questions of interpretation or application of this Plan shall be determined by the Committee and its decisions shall be final and binding upon all eligible employees and Participants. The Committee will have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility, to designate the Participating Corporations, to determine whether Participating Corporations shall participate in the Section 423 Component or Non-Section 423 Component and to decide upon any and all claims filed under the Plan. Every finding, decision and determination made by the Committee will, to the full extent permitted by law, be final and binding upon all parties. Notwithstanding any provision to the contrary in this Plan, the Committee may adopt rules, sub-plans, and/or procedures relating to the operation and administration of the Plan designed to facilitate compliance with local laws, regulations or customs or to achieve tax, securities law or other objectives for eligible employees outside of the United States. Further, the Committee is specifically authorized to adopt rules and procedures regarding the application of the definition of Compensation (as defined below) to Participants on payrolls outside of the United States, handling of payroll deductions and other contributions, taking of payroll deductions and making of other contributions to the Plan, establishment of bank or trust accounts to hold contributions, payment of interest, establishment of the exchange rate applicable to payroll deductions taken and other contributions made in a currency other than U.S. dollars, obligations to pay payroll tax, determination of beneficiary designation requirements, tax withholding procedures, and handling of stock certificates that vary with applicable local requirements.

The Committee will have the authority to determine the Fair Market Value of the Common Stock (which determination shall be final, binding and conclusive for all purposes) in accordance with Section 7 below and to interpret Section 7 of the Plan in connection with circumstances that impact the Fair Market Value. Members of the Committee shall receive no compensation for their services in connection with the administration of this Plan, other than standard fees as established from time to time by the Board for services rendered by Board members serving on

Board committees. All expenses incurred in connection with the administration of this Plan shall be paid by the Company. For purposes of this Plan, the Committee may designate separate offerings under the Plan (the terms of which need not be identical) in which eligible employees of one or more Participating Corporations will participate, and the provisions of the Plan will separately apply to each such separate offering even if the dates of the applicable Offering Periods of each such offering are identical. To the extent permitted by Section 423 of the Code, the terms of each separate offering under the Plan need not be identical, provided that the rights and privileges established with respect to a particular offering are applied in an identical manner to all employees of every Participating Corporation whose employees are granted options under that particular offering. The Committee may establish rules to govern the terms of the Plan and the offering that will apply to Participants who transfer employment between the Company and Participating Corporations or between Participating Corporations, in accordance with requirements under Section 423 of the Code to the extent applicable.

4. ELIGIBILITY.

(a) Any employee of the Company or the Participating Corporations is eligible to participate in an Offering Period under this Plan, except that one or more of the following categories of employees may be excluded from coverage under the Plan if determined by the Committee (other than where such exclusion is prohibited by applicable law):

(i) employees who do not meet eligibility requirements that the Committee may choose to impose (within the limits permitted by the Code);

(ii) employees who are not employed by the Company or a Participating Corporation prior to the beginning of such Offering Period or prior to such other time period as specified by the Committee;

(iii) employees who are customarily employed for twenty (20) or less hours per week;

(iv) employees who are customarily employed for five (5) months or less in a calendar year;

(v) (a) employees who are “highly compensated employees” of the Company or any Participating Corporation (within the meaning of Section 414(q) of the Code), or (b) any employees who are “highly compensated employees” with compensation above a specified level, who is an officer and/or is subject to the disclosure requirements of Section 16(a) of the Exchange Act;

(vi) employees who are citizens or residents of a foreign jurisdiction (without regard to whether they are also a citizen of the United States or a resident alien (within the meaning of Section 7701(b)(1)(A) of the Code)) if either (i) such employee’s participation is prohibited under the laws of the jurisdiction governing such employee, or (ii) compliance with the laws of the foreign jurisdiction would violate the requirements of Section 423 of the Code; and

(vii) individuals who provide services to the Company or any of its Participating Corporations who are reclassified as common law employees for any reason except for federal income and employment tax purposes.

The foregoing notwithstanding, an individual shall not be eligible if his or her participation in the Plan is prohibited by the law of any country that has jurisdiction over him or her, if complying with the laws of the applicable country would cause the Plan to violate Section 423 of the Code, or if he or she is subject to a collective bargaining agreement that does not provide for participation in the Plan.

(b) No employee who, together with any other person whose stock would be attributed to such employee pursuant to Section 424(d) of the Code, owns stock or holds options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or its Parent or Subsidiary or who, as a result of being granted an option under this Plan with respect to such Offering Period, would own stock or hold options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or its Parent or Subsidiary shall be granted an option to purchase Common Stock under the Plan. Notwithstanding the foregoing, the rules of Section 424(d) of the Code shall apply in determining share ownership and the extent to which shares held under outstanding equity awards are to be treated as owned by the employee.

5. OFFERING PERIODS.

(a) Initial Offering Period.

(i) The initial Offering Period shall commence on the Effective Date and shall end with the Purchase Date that occurs on a date selected by the Committee which is no more than twenty seven (27) months after the commencement of the initial Offering Period.

(ii) The initial Offering Period shall consist of four (4) Purchase Periods (except as otherwise provided by the Committee).

(iii) Any employee who is an eligible employee determined in accordance with Section 4 immediately prior to the initial Offering Period will be automatically enrolled in the initial Offering Period under this Plan at a Contribution level of one percent (1%).

(iv) Contributions shall commence on the first payday following the last Purchase Date, as soon as practicable following the effective date of filing with the U.S. Securities and Exchange Commission a securities registration statement for the Plan) and shall continue to the end of the Offering Period unless sooner altered or terminated as provided in this Plan.

(v) A decrease in the rate of Contributions may be made twice during the initial Purchase Period and once during any subsequent Purchase Period, or more frequently under rules determined by the Committee.

(b) Each Offering Period shall consist of up to four (4) (except as otherwise provided by the Committee) Purchase Periods during which Contributions made by Participants are accumulated under this Plan.

(c) Offering Periods to consist of four (4) separate six (6) month Purchase Periods, except as otherwise provided by an applicable sub-plan, or by the Committee. The Committee may at any time establish a different duration for an Offering Period or Purchase Period to be effective after the next scheduled Purchase Date, up to a maximum duration of twenty-four (24) months.

6. PARTICIPATION IN THIS PLAN.

(a) With respect to Offering Periods any employee who is an eligible employee determined in accordance with Section 4 immediately prior to an Offering Period may elect to participate in this Plan by submitting an enrollment agreement prior to the commencement of the Offering Period (or such earlier date as the Committee may determine) to which such agreement relates, subject to the other terms and provisions of this Plan.

(b) Once an employee becomes a Participant in an Offering Period, then such Participant will automatically participate in each subsequent Offering Period commencing immediately following the last day of the prior Offering Period unless the Participant withdraws or is deemed to withdraw from this Plan or terminates further participation in an Offering Period as set forth in Section 10 or Section 11 below. A Participant who is continuing participation pursuant to the preceding sentence is not required to file any additional enrollment agreement in order to continue participation in this Plan, but participation in any subsequent Offering Period will be governed by the Plan and enrollment agreement and other terms in effect on the Offering Date for such relevant Offering Period; a Participant who is not continuing participation pursuant to the preceding sentence is required to file an enrollment agreement prior to the commencement of the Offering Period (or such earlier date as the Committee may determine) to which such agreement relates.

7. PURCHASE PRICE. The Purchase Price per share at which a share of Common Stock will be sold in any Offering Period shall be eighty-five percent (85%) of the lesser of:

- (a) The Fair Market Value on the Offering Date; or
- (b) The Fair Market Value on the Purchase Date.

8. PAYMENT OF PURCHASE PRICE; CONTRIBUTION CHANGES; SHARE ISSUANCES.

(a) The Purchase Price shall be accumulated by regular payroll deductions made during each Offering Period.

(i) The Contributions are made as a percentage of the Participant's Compensation in one percent (1%) increments not less than one percent (1%), nor greater than fifteen percent (15%) or such lower limit or other increment requirements set by the Committee.

(ii) “*Compensation*” shall mean base salary or regular hourly wages (including base salary and hourly wages paid while on a leave of absence. For purposes of determining a Participant’s Compensation, any election by such Participant to reduce his or her regular cash remuneration under Sections 125 or 401(k) of the Code (or in foreign jurisdictions, equivalent deductions) shall be treated as if the Participant did not make such election.

(b) Changes To Contributions During Purchase Period.

(i) Decrease Contributions. A Participant may decrease the rate of Contributions one time during a Purchase Period by filing with the Company or a third party designated by the Company a Change of Enrollment agreement, with the new rate to become effective no later than the third payroll period commencing after the Company’s receipt of the authorization and continuing for the remainder of the Offering Period unless changed as described below.

(ii) Suspended Contributions. A Participant may reduce his or her Contribution percentage to zero during a Purchase Period by filing with the Company or a third party designated by the Company a request for cessation of Contributions. Such reduction shall be effective beginning no later than the third payroll period after the Company’s receipt of the request and no further Contributions will be made for the duration of the Offering Period. Contributions credited to the Participant’s account prior to the effective date of the request shall be used to purchase shares of Common Stock in accordance with Subsection (c) below. A reduction of the Contribution percentage to zero shall be treated as such Participant’s withdrawal from such Offering Period and the Plan, effective as of the day after the next Purchase Date following the filing date of such request with the Company.

(iii) Increase Contributions. A Participant may increase the rate of Contributions during an enrollment period by filing with the Company or a third party designated by the Company a Change of Enrollment agreement prior to the beginning of the following Purchase Period, or such other time period as specified by the Committee. Increasing the Contribution rate will suspend Contributions for the current enrolled Offering Period and enroll the Participant in the subsequent Offering Period. Contributions shall commence on the first payday following enrollment and shall continue to the end of that Offering Period unless sooner altered or terminated as provided in this Plan. Notwithstanding the foregoing, the terms of any sub-plan may permit matching shares without the payment of any purchase price.

(c) All Contributions made for a Participant are credited to his or her book account under this Plan and are deposited with the general funds of the Company, except to the extent local legal restrictions outside the United States require segregation of such Contributions. No interest accrues on the Contributions, except to the extent required due to local legal requirements. All Contributions received or held by the Company may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such Contributions, except to the extent necessary to comply with local legal requirements outside the United States.

(d) On each Purchase Date, so long as this Plan remains in effect and provided that the Participant has not submitted a signed and completed withdrawal form before

that date which notifies the Company that the Participant wishes to withdraw from that Offering Period under this Plan and have all Contributions accumulated in the account maintained on behalf of the Participant as of that date returned to the Participant, the Company shall apply the funds then in the Participant's account to the purchase of shares of Common Stock reserved under the option granted to such Participant with respect to the Offering Period to the extent that such option is exercisable on the Purchase Date. The Purchase Price per share shall be as specified in Section 7 of this Plan. Any fractional share, as calculated under this Subsection (e) below, shall be rounded down to four decimal places. Any amount remaining in a Participant's account on a Purchase Date which is less than the amount necessary to purchase a share after applying the foregoing shall be refunded without interest; however, the Committee may determine for future Offering Periods that such amounts shall be carried forward without interest (except to the extent necessary to comply with local legal requirements outside the United States) into the next Purchase Period. No Common Stock shall be purchased on a Purchase Date on behalf of any employee whose participation in this Plan has terminated prior to such Purchase Date, except to the extent required due to local legal requirements outside the United States.

(e) As promptly as practical after the Purchase Date, the Company shall issue shares for the Participant's benefit representing the shares purchased.

(f) During a Participant's lifetime, his or her option to purchase shares hereunder is exercisable only by him or her. The Participant will have no interest or voting right in shares until such shares have been purchased.

(g) The Company or any Subsidiary or Affiliate, as applicable, may withhold, by any method permissible under the applicable law, the amount necessary to meet applicable withholding obligations, including any withholding required for any tax deductions or benefits attributable to the sale or early disposition of shares of Common Stock by a Participant. The Company shall not be required to issue any shares of Common Stock under the Plan until such obligations are satisfied. As part of the enrollment process, the Participant is acknowledging the responsibility for tax obligations that may arise as part of this Program.

9. LIMITATIONS ON SHARES TO BE PURCHASED.

(a) Any other provision of the Plan notwithstanding, no Participant shall purchase Common Stock with a Fair Market Value in excess of the following limit:

(i) Compliance with IRS \$25,000 limitation (Section 423 of the Code).

(b) In no event shall a Participant be permitted to purchase more than 2,000 shares on any one Purchase Date or such lesser number as the Committee shall determine. If a lower limit is set under this Subsection (b), then all Participants will be notified of such limit prior to the commencement of the next Offering Period for which it is to be effective.

(c) Oversubscription. If the number of shares to be purchased on a Purchase Date by all Participants exceeds the number of shares then available for issuance under this Plan, then the Company will make a pro rata allocation of the remaining shares in as uniform a manner as shall be reasonably practicable and as the Committee shall determine to be

equitable. In such event, the Company will give notice of such reduction of the number of shares to be purchased under a Participant's option to each Participant affected. In this event, all funds not used to purchase shares on the Purchase Date shall be returned to the Participant, without interest (except to the extent required due to local legal requirements outside the United States).

10. WITHDRAWAL.

(a) Each Participant may withdraw from an Offering Period under this Plan pursuant to a method specified for such purpose by the Company. Such withdrawal may be elected at any time prior to the end of an Offering Period, or such other time period as specified by the Committee.

(b) Upon withdrawal from this Plan, the accumulated Contributions shall be returned to the withdrawn Participant, without interest (except to the extent required due to local legal requirements outside the United States), and his or her interest in this Plan shall terminate. In the event a Participant voluntarily elects to withdraw from this Plan, he or she may not resume his or her participation in this Plan during the same Offering Period, but he or she may participate in any Offering Period under this Plan which commences on a date subsequent to such withdrawal by filing a new enrollment agreement in the same manner as set forth in Section 6 above for initial participation in this Plan.

11. AUTOMATIC TRANSFER TO LOW PRICE OFFERING PERIOD.

(a) To the extent permitted by Applicable Laws, if the Fair Market Value of the Common Stock on any Purchase Date in an Offering Period is lower than the Fair Market Value of the Common Stock on the Offering Date of such Offering Period, then all participants in such Offering Period will be automatically withdrawn from such Offering Period immediately after the share purchase on such Purchase Date and automatically re-enrolled in the immediately following Offering Period as of the first day thereof.

12. TERMINATION OF EMPLOYMENT. Termination of a Participant's employment for any reason, including retirement, death, disability, or the failure of a Participant to remain an eligible employee of the Company or of a Participating Corporation, immediately terminates his or her participation in this Plan. In such event, accumulated Contributions credited to the Participant's account will be returned to him or her or, in the case of his or her death, to his or her legal representative, without interest (except to the extent required due to local legal requirements outside the United States). For purposes of this Section 11, an employee will not be deemed to have terminated employment or failed to remain in the continuous employ of the Company or of a Participating Corporation in the case of sick leave, military leave, or any other leave of absence approved by the Company; provided that such leave is for a period of not more than ninety (90) days or reemployment upon the expiration of such leave is guaranteed by contract or statute. The Company will have sole discretion to determine whether a Participant has terminated employment and the effective date on which the Participant terminated employment, regardless of any notice period or garden leave required under local law.

13. CAPITAL CHANGES. If the number and class of outstanding shares is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision,

combination, reclassification or similar change in the capital structure of the Company, without consideration, then the Committee shall adjust the number and class of Common Stock that may be delivered under the Plan, the Purchase Price per share and the number of shares of Common Stock covered by each option under the Plan which has not yet been exercised, and the numerical limits of Sections 2 and 9 shall be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and in compliance with the applicable securities laws; provided that fractions of a share will not be issued.

14. NONASSIGNABILITY. Neither Contributions credited to a Participant's account nor any rights with regard to the exercise of an option or to receive shares under this Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, by the laws of descent and distribution or as provided in Section 22 below) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be void and without effect.

15. USE OF PARTICIPANT FUNDS AND REPORTS. The Company may use all Contributions received or held by it under the Plan for any corporate purpose, and the Company will not be required to segregate Participant Contributions (except to the extent required due to local legal requirements outside the United States). Until shares are issued, Participants will only have the rights of an unsecured creditor unless otherwise required under local law. Each Participant shall receive, or have access to, promptly after the end of each Purchase Period a report of his or her account setting forth the total Contributions accumulated, the number of shares purchased, the per share price thereof and the remaining cash balance, if any, carried forward to the next Purchase Period or Offering Period, as the case may be.

16. NOTICE OF DISPOSITION. Each U.S. taxpayer Participant shall notify the Company in writing if the Participant disposes of any of the shares purchased in any Offering Period pursuant to this Plan if such disposition occurs within two (2) years from the Offering Date or within one (1) year from the Purchase Date on which such shares were purchased (the "**Notice Period**"). The Company may, at any time during the Notice Period, place a legend or legends on any certificate representing shares acquired pursuant to this Plan requesting the Company's transfer agent to notify the Company of any transfer of the shares. The obligation of the Participant to provide such notice shall continue notwithstanding the placement of any such legend on the certificates.

17. NO RIGHTS TO CONTINUED EMPLOYMENT. Neither this Plan nor the grant of any option hereunder shall confer any right on any employee to remain in the employ of the Company or any Participating Corporation or restrict the right of the Company or any Participating Corporation to terminate such employee's employment.

18. EQUAL RIGHTS AND PRIVILEGES. All eligible employees granted an option under the Section 423 Component of this Plan shall have equal rights and privileges with respect to this Plan or within any separate offering under the Plan so that this Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 or any successor provision of the Code and the related regulations. Any provision of this Plan which is inconsistent with Section 423 or any successor provision of the Code, without further act or amendment by the

Company, the Committee or the Board, shall be reformed to comply with the requirements of Section 423. This Section 19 shall take precedence over all other provisions in this Plan.

19. NOTICES. All notices or other communications by a Participant to the Company under or in connection with this Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

20. TERM; STOCKHOLDER APPROVAL. This Plan will become effective on the Effective Date. This Plan shall be approved by the stockholders of the Company, in any manner permitted by applicable corporate law, within twelve (12) months before or after the date this Plan is adopted by the Board. No purchase of shares that are subject to such stockholder approval before becoming available under this Plan shall occur prior to stockholder approval of such shares and the Board or Committee may delay any Purchase Date and postpone the commencement of any Offering Period subsequent to such Purchase Date as deemed necessary or desirable to obtain such approval (provided that if a Purchase Date would occur more than six (6) months after commencement of the Offering Period to which it relates, then such Purchase Date shall not occur and instead such Offering Period shall terminate without the purchase of such shares and Participants in such Offering Period shall be refunded their Contributions without interest). This Plan shall continue until the earlier to occur of (a) termination of this Plan by the Board (which termination may be effected by the Board at any time pursuant to Section 25 below), (b) issuance of all of the shares of Common Stock reserved for issuance under this Plan, or (c) the tenth (10th) anniversary of the Effective Date.

21. DESIGNATION OF BENEFICIARY.

(a) If authorized by the Committee, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's account under this Plan in the event of such Participant's death prior to a Purchase Date. Such form shall be valid only if it was filed with the Company or a third party designated by the Company at the prescribed location before the Participant's death.

(b) If authorized by the Company, such designation of beneficiary may be changed by the Participant at any time by written notice filed with the Company at the prescribed location before the Participant's death. In the event of the death of a Participant and in the absence of a beneficiary validly designated under this Plan who is living at the time of such Participant's death, the Company shall deliver such cash to the executor or administrator of the estate of the Participant or to the legal heirs of the Participant.

22. CONDITIONS UPON ISSUANCE OF SHARES; LIMITATION ON SALE OF SHARES. Shares shall not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of U.S. or non-U.S. laws, including, without limitation, the U.S. Securities Act of 1933, as amended, the Exchange Act, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or automated quotation system upon which the shares may then be listed, exchange control restrictions and/or securities law restrictions outside the United States, and shall be further subject to the approval of counsel for the Company with respect to such compliance. Shares may be held in trust or subject to further restrictions as permitted by any sub-plan.

23. GOVERNING LAW. The Plan shall be governed by the substantive laws (excluding the conflict of laws rules) of the State of Delaware.

24. AMENDMENT OR TERMINATION. The Committee, in its sole discretion, may amend, suspend, or terminate the Plan, or any part thereof, at any time and for any reason. Unless otherwise required by applicable law, if the Plan is terminated, the Committee, in its discretion, may elect to terminate all outstanding Offering Periods either immediately or upon completion of the purchase of shares of Common Stock on the next Purchase Date (which may be sooner than originally scheduled, if determined by the Committee in its discretion), or may elect to permit Offering Periods to expire in accordance with their terms (and subject to any adjustment pursuant to Section 12). If an Offering Period is terminated prior to its previously-scheduled expiration, all amounts then credited to Participants' accounts for such Offering Period, which have not been used to purchase shares of Common Stock, shall be returned to those Participants (without interest thereon, except as otherwise required under local laws) as soon as administratively practicable. Further, the Committee will be entitled to change the Purchase Periods and Offering Periods, limit the frequency and/or number of changes in the amount contributed during an Offering Period, establish the exchange ratio applicable to amounts contributed in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the administration of the Plan, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts contributed from the Participant's base salary and other eligible compensation, and establish such other limitations or procedures as the Committee determines in its sole discretion advisable which are consistent with the Plan. Such actions will not require stockholder approval or the consent of any Participants. However, no amendment shall be made without approval of the stockholders of the Company (obtained in accordance with Section 19 above) within twelve (12) months of the adoption of such amendment (or earlier if required by Section 19) if such amendment would: (a) increase the number of shares that may be issued under this Plan; or (b) change the designation of the employees (or class of employees) eligible for participation in this Plan. In addition, in the event the Board or Committee determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board or Committee may, in its discretion and, to the extent necessary or desirable, modify, amend or terminate the Plan to reduce or eliminate such accounting consequences including, but not limited to: (i) amending the definition of compensation, including with respect to an Offering Period underway at the time; (ii) altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in

Purchase Price; (iii) shortening any Offering Period by setting a Purchase Date, including an Offering Period underway at the time of the Committee's action; (iv) reducing the maximum percentage of Compensation a participant may elect to set aside as Contributions; and (v) reducing the maximum number of shares a Participant may purchase during any Offering Period. Such modifications or amendments will not require approval of the stockholders of the Company or the consent of any Participants.

25. CORPORATE TRANSACTIONS. In the event of a Corporate Transaction, the Offering Period for each outstanding right to purchase Common Stock will be shortened by setting a new Purchase Date and will end on the new Purchase Date. The new Purchase Date shall occur on or prior to the consummation of the Corporate Transaction, as determined by the Board or Committee, and the Plan shall terminate on the consummation of the Corporate Transaction.

26. CODE SECTION 409A; TAX QUALIFICATION.

(a) Options granted under the Plan generally are exempt from the application of Section 409A of the Code. However, options granted to U.S. taxpayers which are not intended to meet the Code Section 423 requirements are intended to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities shall be construed and interpreted in accordance with such intent. Subject to Subsection (b), options granted to U.S. taxpayers outside of the Code Section 423 requirements shall be subject to such terms and conditions that will permit such options to satisfy the requirements of the short-term deferral exception available under Section 409A of the Code, including the requirement that the shares of Common Stock subject to an option be delivered within the short-term deferral period. Subject to Subsection (b), in the case of a Participant who would otherwise be subject to Section 409A of the Code, to the extent the Committee determines that an option or the exercise, payment, settlement or deferral thereof is subject to Section 409A of the Code, the option shall be granted, exercised, paid, settled or deferred in a manner that will comply with Section 409A of the Code, including Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding the foregoing, the Company shall have no liability to a Participant or any other party if the option that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee with respect thereto.

(b) Although the Company may endeavor to (i) qualify an option for favorable tax treatment under the laws of the United States or jurisdictions outside of the United States or (ii) avoid adverse tax treatment (*e.g.*, under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan, including Subsection (a). The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants under the Plan.

**APPENDIX REMITLY GLOBAL, INC.
2021 EMPLOYEE STOCK PURCHASE PLAN GLOBAL
ENROLLMENT/CHANGE FORM**

COUNTRY SPECIFIC PROVISIONS FOR EMPLOYEES OUTSIDE THE U.S.

Terms and Conditions

This Appendix includes additional terms and conditions that govern the options granted to me under the ESPP if I reside and/or work in one of the countries below. This Appendix forms part of the Agreement. Any capitalized term used in this Appendix without definition will have the meaning ascribed to it in the Agreement or the ESPP, as applicable.

If I am a citizen or resident of a country, or am considered resident of a country, other than the one in which I am currently working, or I transfer employment and/or residency between countries after the enrolling in the ESPP, the Company will, in its sole discretion, determine to what extent the additional terms and conditions included herein will apply to me.

Notifications

This Appendix also includes information relating to exchange control, securities laws, foreign asset/account reporting and other issues of which you should be aware with respect to your participation in the ESPP. The information is based on the securities, exchange control, foreign asset/account reporting and other laws in effect in the respective countries as of July 2022. Such laws are complex and change frequently. As a result, you should not rely on the information herein as the only source of information relating to the consequences of your participation in the ESPP because the information may be out of date at the time that you purchase shares of Common Stock under the ESPP or sell any shares of Common Stock acquired under the ESPP.

In addition, the information is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country, or are considered resident of a country, other than the one in which you are currently working and/or residing, or if you transfer employment and/or residency after enrollment in the ESPP, the information contained herein may not apply to you in the same manner.

ALL PARTICIPANTS OUTSIDE OF THE UNITED STATES

1. Data Privacy:-

(a) **Data Collection and Usage**. *The Company collects, processes and uses personal data about me, including but not limited to, my name, home address, email address and telephone number, date of birth, social insurance number, passport number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares awarded, canceled, exercised, vested, unvested, purchased or outstanding in my favor, which the Company receives from me or my Employer (“Personal Data”). In order for me to participate in the ESPP, I acknowledge that the Company will collect Personal Data for purposes of allocating shares of Common Stock and implementing, administering and managing the ESPP.*

If I am based in the United Kingdom, the EU or EEA, the Company’s legal basis for the processing of Personal Data is the necessity of the processing for the Company’s performance of its obligations under the ESPP and, where applicable, the Company’s legitimate interest of complying with contractual or statutory obligations to which it is subject.

If I am based in any other jurisdiction, the Company’s legal basis for the processing of Personal Data is my consent, as further described below.

(b) **Stock Plan Administration and Service Providers**. *The Company may transfer Personal Data to [insert name of stock plan administrator/broker] (“Service Provider”), an independent service provider with operations, relevant to the Company, in the U.S., which is assisting the Company with the implementation, administration and management of the ESPP. Service Provider may open an account for me to receive and trade shares of Common Stock. I may be asked to acknowledge, or agree to, separate terms and data processing practices with Service Provider, with such agreement being a condition to the ability to participate in the ESPP.*

(c) **International Data Transfers**. *Personal Data will be transferred from my country to the U.S., where the Company and its service providers are based. I understand and acknowledge that the U.S. might have enacted data privacy laws that are less protective or otherwise different from those applicable in my country of residence.*

If I am based in the UK/EU/EEA, the onward transfer of Personal Data by the Company to Service Provider will be based on consent and/or applicable data protection laws. I may request a copy of such appropriate safeguards at privacy@remity.com.

If I am based in any other jurisdiction, the Company’s legal basis for the transfer of the Personal Data to the U.S. is my consent, as further described below.

(d) **Data Retention**. *The Company will use Personal Data only as long as necessary to implement, administer and manage my participation in the ESPP or as required to comply with legal or regulatory obligations, including, without limitation, under tax and securities laws. When the Company no longer needs Personal Data for any of the above*

purposes, the Company will cease to use Personal Data for this purpose. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be relevant laws or regulations (if I am in the UK/EU/EEA) and/or my consent (if I am outside the UK/EU/EEA).

(e) Data Subject Rights. I understand that I may have a number of rights under data privacy laws in my jurisdiction. Subject to the conditions set out in the applicable law and depending on where I am based, such rights may include the right to (i) request access to, or copies of, Personal Data processed by the Company, (ii) rectification of incorrect Personal Data, (iii) deletion of Personal Data, (iv) restrictions on the processing of Personal Data, (v) object to the processing of Personal Data for legitimate interests, (vi) portability of Personal Data, (vii) lodge complaints with competent authorities in my jurisdiction, and/or to (viii) receive a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding these rights or to settlement these rights, I can contact privacy@remitly.com.

(f) Necessary Disclosure of Personal Data. I understand that providing the Company with Personal Data is necessary for the performance of my participation in the ESPP and that my refusal to provide Personal Data would make it impossible for the Company to perform its contractual obligations and may affect my ability to participate in the ESPP.

(g) Voluntariness and Consequences of Consent Denial or Withdrawal. If I am located in a jurisdiction outside the UK/EU/EEA, I hereby unambiguously consent to the collection, use and transfer, in electronic or other form, of my Personal Data, as described above and in any other grant materials, by and among, as applicable, the Employer, the Company and any Subsidiary for the exclusive purpose of implementing, administering and managing my participation in the ESPP. I understand that I may, at any time, refuse or withdraw the consents herein, in any case without cost, by contacting in writing my human resources representative. If I do not consent or later seek to revoke consent, my employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to offer participation in the ESPP or other equity awards to me or administer or maintain such awards. Therefore, I understand that refusing or withdrawing consent may affect my ability to participate in the ESPP. For more information on the consequences of refusal to consent or withdrawal of consent, I should contact my local human resources representative.

COUNTRY-SPECIFIC PROVISIONS

AUSTRALIA

Notifications

Tax Information. The ESPP is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the “Tax Act”) applies (subject to the conditions in the Tax Act).

Securities Law Information. If I offer shares of Common Stock acquired under the ESPP for sale to a person or entity resident in Australia, my offer may be subject to disclosure requirements under Australian law. I acknowledge that I should obtain legal advice on any disclosure obligations prior to making any such offer.

Exchange Control Information. Exchange control reporting is required for cash transactions exceeding AUD 10,000 and international fund transfers. The Australian bank assisting with the transactions will file the report on my behalf. If an Australian bank is not involved in the transfer, I will be required to file the report.

BRAZIL

Terms and Conditions

Authorization for ESPP Participation. The following provisions supplement Section 2 of the Agreement:

I hereby authorize the Employer to take payroll deductions from each of my paychecks in that percentage of my compensation (from 1% to 15%) that I have specified and authorize the Employer or any other Subsidiary to remit such accumulated payroll deductions, on my behalf, to the United States of America, to purchase Shares, as provided under the terms of the ESPP.

Upon request of the Company or the Employer, I agree to execute any letters of authorization or other agreements or consents that may be required to enable the Employer or any other Subsidiary to remit the accumulated payroll deductions taken from my compensation from Brazil to the United States of America for the purchase of Shares. I understand that if I fail to execute such letters of authorization or any other agreements or consents that may be required for the remittance of accumulated payroll deductions, I may not be able to participate in the ESPP.

Compliance with Brazilian Law. The following provision supplements the Agreement:

By enrolling in the ESPP and accepting the terms of this Agreement, I expressly agree that I will fully comply with applicable laws in Brazil governing the ESPP, including (but not limited to) any requirements that apply upon the purchase of Shares pursuant to the ESPP. I also agree to report any pay any and all Tax-Related Items associated with the purchase of Shares, the receipt of any dividends and the sale of Shares acquired under the ESPP.

Nature of Grant. The following provision supplements Section 12 of the Agreement:

By enrolling and participating in the ESPP, I agree that (i) I am making a personal investment decision and (ii) the value of the Shares is not fixed and may increase or decrease in value without compensation to me.

Notifications

Exchange Control Information. If I am a resident or domiciled in Brazil, I will be required to submit an annual declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is greater than US\$1 million as of December 31 of each year. If the aggregate value exceeds US\$100 million as of the end of each quarter, a declaration must be submitted quarterly. Assets and rights that must be reported include Shares acquired under the ESPP. I understand that I should consult with my personal advisor(s) regarding any personal legal, regulatory or foreign exchange obligations I may have in connection with my participation in the ESPP.

Foreign Asset/Account Reporting Information. If I am a resident or domiciled in Brazil, I may be required to submit an annual declaration of assets and rights held outside of Brazil to the Central Bank of Brazil. If the aggregate value of such assets and/or rights is US\$1 million or more but less than US\$100 million, a declaration must be submitted annually. If the aggregate value exceeds US\$100 million, a declaration must be submitted quarterly. I understand that I should consult with my personal advisor(s) regarding any personal foreign asset/foreign account tax obligations I may have in connection with my participation in the ESPP.

Tax on Financial Transaction (IOF). Repatriation of funds (*e.g.*, the proceeds from the sale of Shares) into Brazil and the conversion of USD into BRL associated with such fund transfers may be subject to the Tax on Financial Transactions. It is my responsibility to comply with any applicable Tax on Financial Transactions arising from my participation in the ESPP. I understand that I should consult with my personal tax advisor for additional details.

CANADA

Terms and Conditions

Termination of Service Relationship. The following provision replaces Section 12(i) of the Agreement:-

for purposes of my participation in the ESPP, in the event of termination of my employment (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where I am employed or the terms of my employment agreement, if any), my right to participate in the ESPP and my right to purchase shares of Common Stock, if any, will terminate effective as of the date that is the earliest of (1) the date my employment or service relationship is terminated, (2) the date that I receive notice of termination of employment, or (3) the date I am no longer actively providing service to the Company or any Participating Corporation, including the Employer, regardless of any notice period or period of pay in lieu of such notice required under applicable law (including, but not limited to statutory law, regulatory law and/or common law). In case of any dispute as to whether termination of my employment

has occurred or the date I am no longer actively providing services cannot be reasonably determined under the terms of this Agreement and the ESPP, the Committee shall have exclusive discretion to determine when I am no longer actively providing services for purposes of my participation in the ESPP (including whether I may still be considered to be actively providing services while on a leave of absence).

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued participation in the ESPP during a statutory notice period, I acknowledge that my right to participate in the ESPP, if any, will terminate effective as of the last day of my minimum statutory notice period, but I will not earn or be entitled to a pro-rata purchase if the Purchase Date falls after the end of my statutory notice period, nor will I will be entitled to any compensation for the lost ability to purchase shares of Common Stock.

The following provisions will apply if I am a resident of Quebec:

Language Provision. The parties acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention (« Agreement »), ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à, la présente convention.

Data Privacy. The following provision supplements Data Privacy provisions of this Appendix:

I hereby authorize the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel involved in the administration and operation of the ESPP. I further authorize the Company, the Employer and any of their respective Subsidiaries or Affiliates and the administrator of the ESPP to disclose and discuss the ESPP with their advisors. I further authorize the Company, the Employer and any of their respective Subsidiaries or Affiliates to record such information and to keep such information in my employee file.

Notifications

Securities Law Information. You are not permitted to sell or otherwise dispose of shares of Common Stock acquired under the ESPP in Canada. You will only be permitted to sell or dispose of any shares of Common Stock if such sale or disposal take place outside of Canada through the facilities of the exchange on which the shares of Common Stock are then listed.

Foreign Asset/Account Reporting Information. Canadian residents must report annually on Form T1135 (Foreign Income Verification Statement) the specified foreign property (including options, shares of Common Stock acquired under the ESPP and other rights to receive shares of Common Stock) they hold if the total cost of such specified foreign property exceeds CAD 100,000 at any time during the year. Options also must be reported (generally at nil cost) on Form T1135 if the CAD 100,000 threshold is exceeded due to other specified foreign property held. If shares of Common Stock are acquired, their cost generally is the adjusted cost base ("**ACB**") of the shares of Common Stock. The ACB would normally equal the fair market value

of the shares of Common Stock at acquisition, but if you own other shares, this ACB may have to be averaged with the ACB of the other shares. The Form T1135 must be filed at the same time you file your annual tax return. *You should consult your personal legal advisor to ensure compliance with applicable reporting obligations.*

IRELAND

There are no country-specific provisions.

NICARAGUA

There are no country-specific provisions.

PHILIPPINES

Terms and Conditions

Necessary Approvals. I understand that the offering of the ESPP and the grant of option may be subject to certain securities approval/confirmation requirements in the Philippines with the Philippine Securities and Exchange Commission. Notwithstanding any provision of the ESPP or the Agreement to the contrary, if the Company has not obtained, or does not maintain, the necessary securities approval/confirmation, I will not be able to participate in the ESPP or purchase shares of Common Stock under the ESPP. I will be able to exercise my options only if and when all necessary securities approvals/confirmation have been obtained and are maintained.

Notifications

Securities Law Information. I acknowledge that there are risks of participating in the ESPP, which include (without limitation) the risk of fluctuation in the price of the shares of Common Stock on the Nasdaq and the risk of currency fluctuations between the U.S. Dollar and my local currency. In this regard, I understand that the value of any shares of Common Stock I may acquire under the ESPP may decrease below the purchase price of the shares, and fluctuations in foreign exchange rates between my local currency and the U.S. Dollar may affect the value of the shares of Common Stock or any amounts due to me pursuant to the purchase of shares of Common Stock under the ESPP or the subsequent sale of any shares of Common Stock I acquire. The Company is not making any representations, projections or assurances about the value of the shares of Common Stock now or in the future.

For further information on risk factors impacting the Company's business that may affect the value of the shares of Common Stock, I should refer to the risk factors discussion in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Company's "Investor Relations" page at <https://ir.remitly.com/>.

I also understand that the sale or disposal of shares of Common Stock acquired under the ESPP may be subject to certain restrictions under Philippines securities laws. Those restrictions should not apply if the offer and resale of shares of Common Stock takes place outside of the Philippines through the facilities of a stock exchange on which the shares Common Stock are listed. The shares of Common Stock are currently listed on the Nasdaq. The Company's designated broker should be able to assist me in the sale of shares

of Common Stock on Nasdaq. *If I have questions with regard to the application of Philippines securities laws to the disposal or sale of shares of Common Stock acquired under the ESPP, I should consult with my legal advisor.*

POLAND

Terms and Conditions

Authorization for Payroll Deductions. I understand that as a condition of my participation in the ESPP, I will be required to execute the attached Consent for Deduction form. I understand that I must print out the form, sign and date the form in the applicable places, scan the executed form and email it to the Company at the following address: 1111 3rd Ave, Suite 2100, Seattle, WA, 98101. I understand that I will not be able to participate in the ESPP until the Company receives my executed form.

Notifications

Exchange Control Information. Polish residents holding foreign securities (including shares of Common Stock) and maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such transactions or balances exceeds PLN 7,000,000. If required, the reports must be filed on a quarterly basis on special forms available on the website of the National Bank of Poland. In addition, transfers of funds in excess of €15,000 into and out of Poland must be made via a bank account held at a bank in Poland. Polish residents are required to store all documents related to any foreign exchange transactions for a period of five years. You are responsible for complying with all applicable exchange control regulations.

(Consent for Deduction form on next page)

CONSENT FOR DEDUCTION ZGODA NA POTRĄCENIE

I, the undersigned, in order to participate in the Remitly Global, Inc. 2021 Employee Stock Purchase Plan (“Plan”), authorize my employer Remitly Poland sp. z.o.o. to withhold payroll deductions in the amount of % of my compensation, or such other percentage as subsequently selected by me under the Plan. I understand that this amount must not be less than 1% and not more than 15% of my compensation for any Offering Period with the reservation that the deductions are made in accordance with the applicable provisions of the Polish labor law.

I acknowledge and agree that any past payroll deductions from my compensation with respect to my participation in the Plan complied with Polish law and that I authorized all such deductions.

All the terms written in capital letters shall have the meanings given to them in the Plan.

In case of any discrepancies between the Polish language version of this document and its English language version, the Polish language version shall prevail.

Ja niżej podpisany, w celu uczestnictwa w Remitly Global, Inc. 2021 Employee Stock Purchase Plan (“Plan”), upoważniam mojego pracodawcę Remitly Poland sp. z.o.o. do potrącenia kwoty w wysokości % z mojego wynagrodzenia lub inny procent wskazany przeze mnie w umowie przystąpienia do Planu. Przyjmuję do wiadomości, iż ta kwota nie może być mniejsza niż 1% i większa niż 15% mojego wynagrodzenia w każdym Okresie Oferty z zastrzeżeniem, że potrącenia będą dokonywane zgodnie z obowiązującymi przepisami polskiego prawa pracy.

Niniejszym potwierdzam i zgadzam się z tym, że jakiegokolwiek przeszłe potrącenia z mojego wynagrodzenia dokonane w związku z moim uczestnictwem w Planie były zgodne z polskim prawem i że wyraziłem/am na nie zgodę.

Wszystkie terminy pisane wielkimi literami mają znaczenie przypisane im w ramach Planu.

W przypadku jakichkolwiek rozbieżności pomiędzy polską a angielską wersją językową niniejszego dokumentu, wersja polska ma charakter wiążący.

Employee:

Date:

SINGAPORE

Notifications

Securities Law Notification. The offer of participation in the ESPP is being made pursuant to the “Qualifying Person” exemption under Section 273 (1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“**SFA**”). The ESPP has not been lodged or registered as a prospectus with the Monetary Authority of Singapore and the offerings under the ESPP are not made with a view to the options or shares of Common Stock being subsequently offered for sale to another party. Your participation in the ESPP is subject to section 257 of the SFA and you should not make (i) any subsequent sale of shares of Common Stock in Singapore or (ii) any offer of such subsequent sale of shares of Common Stock in Singapore, unless such sale or offer in Singapore is made after six months from the date of grant or pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA, or pursuant to, and in accordance with the conditions of, any applicable provisions of the SFA.

Director Notification Obligation. Directors, associate directors or shadow directors of a Singapore Subsidiary must notify the Singapore Subsidiary in writing of an interest (e.g., options or shares of Common Stock) in the Company or any related entity within two business days of (i) acquiring or disposing of such interest, (ii) any change in a previously disclosed interest (e.g., sale of shares of Common Stock), or (iii) becoming a director, associate director or shadow director.

UNITED KINGDOM

Terms and Conditions

Responsibility for Taxes.

The following provisions supplement Section 11 of the Agreement:

Without limitation to Section 11 of the Agreement, I agree that I am liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company or, if different, the Employer or Her Majesty's Revenue & Customs ("**HRMC**") (or any other tax or relevant authority). I also agree to indemnify and keep indemnified the Company and, if different, the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax or relevant authority) on my behalf.

Notwithstanding the foregoing, if I am a director or executive officer (within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In such case, if the amount of any income tax due is not collected from or paid by me within 90 days of the end of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute an additional benefit to me on which additional income tax and National Insurance Contributions ("**NICs**") may be payable. I acknowledge that the Company or the Employer may recover any such additional income tax and employee NICs at any time thereafter by any of the means referred to in this Agreement. However, I am primarily responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime.

Global ESPP Enrollment and Change Form (Nicaragua) Remitly Global, Inc. (the “Company”) 2021 Employee Stock Purchase Plan (the “ESPP”)

Capitalized terms used but not otherwise defined herein shall have the meaning given to them in the ESPP.

<p>SECTION 1: ENROLLMENT CONFIRMED</p>	<p>I understand that I have been automatically enrolled in the ESPP and I hereby elect to continue to participate in the ESPP. I understand that my enrollment in the ESPP was effective at the beginning of the initial Purchase Period and, as a result of that enrollment, I am electing to purchase shares of Common Stock of the Company pursuant to the terms and conditions of the ESPP and this Agreement. I understand that the shares purchased on my behalf will be issued in street name and deposited directly into my brokerage account. I hereby agree to take all steps, and sign all forms, required to establish an account with the Company’s broker for this purpose.</p> <p>My participation will continue as long as the Company offers the ESPP and I remain eligible, unless I withdraw from the ESPP by filing an Enrollment/Change Form with the Company or any third party designated by the Company. I understand that I must notify the Company of any disposition of shares of Common Stock purchased under the ESPP.</p>
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<p>SECTION 2: ELECT/CHANGE CONTRIBUTION PERCENTAGE</p>	<p>I understand that I am currently enrolled in the ESPP at a contribution level equal to 1% of my compensation (base salary or wages). My contributions will be applied to the purchase of shares of Common Stock pursuant to the ESPP.</p> <p>I hereby authorize the Company or the Parent, Subsidiary or Affiliate employing me (the “Employer”) to continue my enrollment by withholding from each of my paychecks (to the extent permitted by applicable laws) during each Purchase Period the specified percentage of my compensation, as long as I continue to participate in the ESPP. The percentage must not exceed a maximum of 15.0%.</p> <p>Continue my contribution level at 1%</p> <p>Increase or decrease my contribution level to ___% (must be a percentage up to a maximum of 15.0%)</p>
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Note: After this initial election, you may only decrease your contributions one more time to a percentage other than 0% during this Offering Period, to be effective during this Offering Period. Such a change will be effective as soon as reasonably practicable after the change form is received by the Company. Any other decreases will take effect with the next Offering Period. You may not increase your contributions during this Offering Period, other than pursuant to this initial election. Any further increase in your contribution percentage can only take effect with the next Offering Period.

I understand that if I do not file or submit this Agreement by [], 2021, the Initial Offering Period Deadline, my participation in the ESPP will be automatically terminated.

SECTION 3:

**WITHDRAW FROM ESPP /
DISCONTINUE
CONTRIBUTIONS**

***DO NOT CHECK THE BOX BELOW IF YOU WISH TO CONTINUE TO
PARTICIPATE IN THE ESPP***

Withdraw from the ESPP

I understand that my enrollment in the ESPP was automatically effective at the beginning of the initial Offering Period. I hereby elect to withdraw from the ESPP and stop my contributions under the ESPP, effective as soon as reasonably practicable after this form is received by the Company. Accumulated contributions will be returned to me without interest, pursuant to Section 11 of the ESPP.

Note: No contributions will be made if you elect to withdraw from the ESPP. **If you withdraw, you cannot resume participation until the start of the next Offering Period and you must timely file a new Enrollment/Change Form to do so.**

Suspend Contributions under the ESPP

I hereby authorize the Company to suspend my contributions under the ESPP, effective as soon as reasonably practicable after this form is received by the Company. My accumulated contributions thus far during the current Offering Period will be applied to the purchase of shares of Common Stock pursuant to the ESPP. Following the purchase, my participation in the ESPP will cease.

	<p>Note: No future contributions will be made if you elect to suspend contributions. You may only suspend your contributions once during this Offering Period. You may enroll in subsequent Purchase Periods.</p>
<p>SECTION 4: COMPLIANCE WITH LAW</p>	<p>Unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Common Stock the Company shall not be required to deliver any shares under the ESPP prior to the completion of any registration or qualification of the shares under any applicable law, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. I agree that the Company shall have unilateral authority to amend the ESPP and this Agreement without my consent to the extent necessary to comply with securities or other laws applicable to the issuance of shares.</p>
<p>SECTION 5: NO ADVICE REGARDING GRANT</p>	<p>The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding my participation in the ESPP or my acquisition or sale of shares of Common Stock. I understand that I should consult with my own personal tax, legal and financial advisors regarding my participation in the ESPP before taking any action related to the ESPP.</p>

<p>SECTION 6: APPENDIX</p>	<p>Notwithstanding any provisions of the Agreement, my participation in the ESPP will be subject to any additional or different terms and conditions set forth in the appendix to this Agreement for employees outside the United States (the “<i>Appendix</i>”). Moreover, if I relocate to one of the countries included in the Appendix, the additional or different terms and conditions for such country will apply to me, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of the Agreement.</p>
<p>SECTION 7: SEVERABILITY</p>	<p>If one or more provisions of the Agreement are held to be unenforceable under applicable law, then such provision will be enforced to the maximum extent possible given the intent of the parties thereto. If such clause or provision cannot be so enforced, then (a) such provision will be excluded from the Agreement, (b) the balance of the Agreement will be interpreted as if such provision were so excluded and (c) the balance of the Agreement will be enforceable in accordance with its terms.</p>

<p>SECTION 8: WAIVER</p>	<p>I acknowledge that a waiver by the Company of breach of any provision of the Agreement shall not operate or be construed as a waiver of any other provision of the Agreement, or any subsequent breach by any participant.</p>
<p>SECTION 9: GOVERNING LAW AND VENUE</p>	<p>This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto will be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to such state's conflict of laws rules. Any and all disputes relating to, concerning or arising from this Agreement, or relating to, concerning or arising from the relationship between the parties evidenced by the ESPP or this Agreement, will be brought and heard exclusively in the state and federal courts in King County, Washington.</p> <p>Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning, or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning, or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.</p>

<p>SECTION 10: ELECTRONIC DELIVERY AND ACCEPTANCE</p>	<p>The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the ESPP by electronic means. I hereby consent to receive such documents by electronic delivery and agree to participate in the ESPP through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.</p>
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SECTION 11:

RESPONSIBILITY FOR TAXES

I acknowledge that, regardless of any action taken by the Company or the Employer, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax related items related to my participation in the ESPP and legally applicable to me ("*Tax-Related Items*") is and remains my responsibility and may exceed the amount withheld by the Company or the Employer, if any. I further acknowledge that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the options, including, but not limited to, the purchase of shares of Common Stock, the subsequent sale of shares of Common Stock acquired pursuant to such purchase and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of my participation to reduce or eliminate my liability for Tax-Related Items or achieve any particular tax result. Further, if I am subject to Tax-Related Items in more than one jurisdiction, I acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, I agree to make arrangements satisfactory to the Company and/or the Employer to fulfill all Tax-Related Items. In this regard, I authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any withholding obligations for Tax-Related Items by one or a combination of the following:

- a. withholding from my wages or other cash compensation paid to me by the Company and/or the Employer or any Parent or Subsidiary; or
- b. withholding from proceeds of the sale of shares of Common Stock acquired upon purchase either through a voluntary sale or through a mandatory sale arranged by the Company (on my behalf pursuant to this authorization and without further consent); or
- c. payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- d. any other arrangement approved by the Committee and permitted under applicable law;

	<p>all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable.</p> <p>Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to the maximum permissible statutory rate for my tax jurisdiction(s) in which case I will have no entitlement to the equivalent amount in shares of Common Stock and may receive a refund of any over-withheld amount in cash or if not refunded, I may seek a refund from the local tax authorities. In the event of under-withholding, I may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.</p> <p>Finally, I agree to pay to the Company or the Employer any amount of Tax- Related Items that the Company or the Employer may be required to withhold or account for as a result of my participation in the ESPP that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares of Common Stock or the proceeds of the sale of shares of Common Stock, if I fail to comply with my obligations in connection with the Tax-Related Items.</p>
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SECTION 12:
NATURE OF GRANT

- By enrolling and participating in the ESPP, I acknowledge, understand and agree that:
- a. the ESPP is established voluntarily by the Company and it is discretionary in nature;
 - b. all decisions with respect to future offers to participate in the ESPP, if any, will be at the sole discretion of the Committee;
 - c. I am voluntarily participating in the ESPP;
 - d. the options and shares of Common Stock subject to the options, and the income from and value of same, are not intended to replace any pension rights or compensation;
 - e. the options and the shares of Common Stock subject to the options, and the income from and value of same, are not part of normal or expected compensation for purposes of, including, but not limited to calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long- service awards, pension or retirement or welfare benefits or similar payments;
 - f. the future value of the shares subject to the options is unknown, indeterminable, and cannot be predicted with certainty;
 - g. the value of the shares purchased under the ESPP may increase or decrease in the future, even below the purchase price of the shares;
 - h. unless otherwise agreed with the Company in writing, the options and the shares of Common Stock subject to the options, and the income from and value of same, are not granted as consideration for or in connection with the service I may provide as a director of any parent or Subsidiary;
 - i. for purposes of my participation in the ESPP, my employment will be considered terminated as of the date I am no longer actively employed by the Company or a designated Participating Corporation, including the Employer, (regardless of the reason for such termination and regardless of whether later found to be invalid or in breach of employment laws in the jurisdiction where I am employed or the terms of my employment agreement, if any), and my right to participate in the ESPP and my options, if any, will terminate effective as of my last day of active employment and will not be extended by any notice period (e.g., active employment would not include any contractual notice or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where I am employed or the terms of my employment agreement, if any); the Committee shall have exclusive discretion to determine when I am no longer actively employed for purposes of my participation in the ESPP (including whether I may still be considered to be providing services while on a leave of absence);
 - j. no claim or entitlement to compensation or damages shall arise from forfeiture of the options under the ESPP resulting from termination of my employment (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where I am employed, or the terms of my employment agreement, if any); and
 - k. neither the Company, the Employer nor any parent or Subsidiary will be liable for any foreign exchange rate fluctuation between my local currency and the United States Dollar that may affect the value of the options or of any amounts due to me pursuant to purchase or sale of shares of Common Stock under the ESPP.

<p>SECTION 13: INSIDER TRADING/MARKET ABUSE LAWS</p>	<p>I acknowledge that, depending on my country of residence, the broker’s country, or the country in which the shares of Common Stock are listed, I may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect my ability to directly or indirectly, accept, acquire, sell or attempt to sell or otherwise dispose of shares of Common Stock, or rights to shares of Common Stock (e.g., options), or rights linked to the value of shares of Common Stock, during such times as I am considered to have “inside information” regarding the Company (as defined by the laws or regulations in the applicable jurisdiction(s)). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders I placed before possessing the inside information. Furthermore, I may be prohibited from (i) disclosing the inside information to any third party, including fellow employees and (ii) “tipping” third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. I acknowledge that it is my responsibility to comply with any applicable restrictions and understand that I should consult my personal legal advisor on such matters. In addition, I acknowledge having read the Company’s Insider Trading Policy, and agree to comply with such policy, as it may be amended from time to time, whenever I acquire or dispose of the Company’s securities.</p>
<p>SECTION 14: FOREIGN ASSET/ACCOUNT, EXCHANGE CONTROL AND TAX REPORTING</p>	<p>I may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the acquisition, holding and/or transfer of shares of Common Stock or cash resulting from my participation in the ESPP. I may be required to report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the applicable authorities in my country and/or repatriate funds received in connection with the ESPP within certain time limits or according to specified procedures. I acknowledge that I am responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements and should consult my personal legal and tax advisors on such matters.</p>
<p>SECTION 15: LANGUAGE</p>	<p>I acknowledge that I am sufficiently proficient in the English language or have consulted with an advisor who is sufficiently proficient in English so as to allow me to understand the terms and conditions of the Agreement and any other documents related to the ESPP. Furthermore, if I have received this Agreement, or any other document related to the options and/or the ESPP translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.</p>

<p>SECTION 16: TERMINATION, MODIFICATION AND IMPOSITION OF OTHER REQUIREMENTS</p>	<p>The Company, at its option, may elect to terminate, suspend or modify the terms of the ESPP at any time, to the extent permitted by the ESPP. I agree to be bound by such termination, suspension or modification regardless of whether notice is given to me of such event, subject in any case to my right to timely withdraw from the ESPP in accordance with the ESPP withdrawal procedures then in effect. The Company reserves the right to impose other requirements on my participation in the ESPP to the extent the Company determines it is necessary or advisable for legal or administrative reasons and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.</p>
<p>SECTION 17: ACKNOWLEDGMENT AND SIGNATURE</p>	<p>I acknowledge that I have received the ESPP Prospectus (which summarizes the major features of the ESPP) and that the ESPP is available online at sec.gov. I have read the ESPP and the ESPP Prospectus and my signature below indicates that I hereby agree to be bound by the terms of the ESPP.</p> <p>Signature: __ Date: __</p>

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Matthew Oppenheimer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Remitly Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2024

/s/ Matthew Oppenheimer
Matthew Oppenheimer
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Hemanth Munipalli, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Remitly Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2024

/s/ Hemanth Munipalli
Hemanth Munipalli
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Matthew Oppenheimer, Chief Executive Officer of Remitly Global, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended June 30, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: July 31, 2024

/s/ Matthew Oppenheimer

Matthew Oppenheimer
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Hemanth Munipalli, Chief Financial Officer of Remitly Global, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended June 30, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: July 31, 2024

/s/ Hemanth Munipalli

Hemanth Munipalli
Chief Financial Officer
(Principal Financial Officer)