

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 22, 2023

REMITLY GLOBAL, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-40822
(Commission File Number)

83-2301143
(IRS Employer
Identification No.)

1111 Third Avenue, Suite 2100
Seattle, WA 98101
(Address of Principal Executive Offices and Zip Code)

(888) 736-4859
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Common Stock, par value \$0.0001 per share	RELY	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On February 22, 2023, Remitly Global, Inc. (the “Company”) issued a press release announcing its financial results for the fiscal quarter and year ended December 31, 2022. A copy of the press release is furnished as Exhibit 99.1 hereto and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On February 22, 2023, the Company provided an investor presentation that will be made available on the investor relations section of the Company’s website at <https://ir.remitly.com/>. The investor presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference herein.

The information in Items 2.02 and 7.01 of this Current Report, including the accompanying Exhibit 99.1 and Exhibit 99.2, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of Section 18. The information in Items 2.02 and 7.01 of this Current Report, including the accompanying Exhibit 99.1 and Exhibit 99.2, shall not be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language contained in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated February 22, 2022
99.2	Investor Presentation dated February 22, 2022
104	Cover page interactive data file (embedded with the inline XBRL document)

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: February 22, 2023

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



Remitly Reports Fourth Quarter and Full Year 2022 Results

Active customers up 48% year over year

Send volume up 35% year over year

Revenue up 41% year over year

SEATTLE, WA / February 22, 2023 / [GlobeNewswire](#) / - Remitly Global, Inc. (NASDAQ: RELY), a leading digital financial services provider for immigrants and their families in over 170 countries around the world, reported results for the fourth quarter and full year ended December 31, 2022.

"Remitly's consistent out-performance in 2022 is a testament to the unique value we offer customers and the demonstrated effectiveness of our focus on delivering efficient growth," said Matt Oppenheimer, co-founder and Chief Executive Officer, Remitly. "In 2023, our increasing scale, customer loyalty, and superior technology will allow us to drive greater efficiencies, while we also invest in our strategic priorities to drive sustainable returns. We look forward to continuing to deliver value for our customers and long-term returns from our investments as we execute our vision of transforming the lives of immigrants and their families by providing the most trusted financial services on the planet."

Fourth Quarter 2022 Highlights and Key Operating Data

(All comparisons relative to the fourth quarter of 2021)

- Active customers increased to 4.2 million, from 2.8 million, up 48%.
- Send volume increased to \$8.1 billion, from \$6.0 billion, up 35%.
- Revenue totaled \$191.0 million, compared to \$135.3 million, up 41%.
- Net loss was \$19.4 million, compared to a net loss of \$16.6 million.
- Adjusted EBITDA was \$7.5 million, compared to \$(7.1) million.

Full Year 2022 Highlights and Key Operating Data:

(All comparisons relative to the full year 2021)

- Send volume increased to \$28.6 billion, from \$20.4 billion, up 40%.
- Revenue totaled \$653.6 million, compared to \$458.6 million, up 43%.
- Net loss was \$114.0 million and Adjusted EBITDA was \$(13.6) million.

2023 Financial Outlook

For fiscal year 2023, Remitly currently expects:

- Total revenue in the range of \$860 million to \$880 million, representing a growth rate of 32% to 35% year over year.
- Adjusted EBITDA to be between breakeven and \$10 million and to remain in a GAAP net loss position for 2023.

Reconciliation of GAAP to Non-GAAP Financial Measures:

A reconciliation of GAAP to non-GAAP financial measures has been provided in the financial statement tables included in this earnings release. An explanation of these measures is also included below under the heading "Non-GAAP Financial Measures." We have not provided a quantitative reconciliation of forecasted Adjusted EBITDA to forecasted GAAP net income (loss) or to forecasted GAAP income (loss) before income taxes within this earnings release because we cannot, without unreasonable effort, calculate certain reconciling items with confidence due to the variability, complexity, and limited visibility of the adjusting items that would be excluded from forecasted Adjusted EBITDA. These items include but are not limited to income taxes and stock-based compensation expense, which are directly impacted by unpredictable fluctuations in the market price of our common stock.

Note: All percentage changes described within this press release are calculated using amounts in the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission (the "SEC"), for which revenue

and active customers are presented in thousands and send volume is presented in millions. Rounding differences may occur when individually calculating percentages or totals from rounded amounts included within the press release body as compared to the amounts included with the Company's SEC filings.

Webcast Information

Remitly will host a webcast at 5:00 p.m. Eastern Time on Wednesday, February 22, 2023 to discuss its fourth quarter and full year 2022 financial results. The live webcast and investor presentation will be accessible on Remitly's website at <https://ir.remitly.com/>. A webcast replay will be available on our website at <https://ir.remitly.com/> following the live event.

We have used, and intend to continue to use, the Investor Relations section of our website at <https://ir.remitly.com> as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD.

Non-GAAP Financial Measures

Some of the financial information and data contained in this earnings release, such as Adjusted EBITDA and non-GAAP operating expenses, have not been prepared in accordance with United States generally accepted accounting principles ("GAAP").

We regularly review our key business metrics and non-GAAP financial measures to evaluate our performance, identify trends affecting our business, prepare financial projections, and make strategic decisions. We believe that these key business metrics and non-GAAP financial measures provide meaningful supplemental information for management and investors in assessing our historical and future operating performance. Adjusted EBITDA and non-GAAP operating expenses are key output measures 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. Remitly believes that the use of Adjusted EBITDA and non-GAAP operating expenses provides additional tools to assess operational performance and trends in, and in comparing Remitly's financial measures with, other similar companies, many of which present similar non-GAAP financial measures to investors. Remitly's non-GAAP financial measures may be different from non-GAAP financial measures used by other companies. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial measures determined in accordance with GAAP. Because of the limitations of non-GAAP financial measures, you should consider the non-GAAP financial measures presented herein in conjunction with Remitly's financial statements and the related notes thereto. Please refer to the non-GAAP reconciliations in this press release for a reconciliation of these non-GAAP financial measures to the most comparable financial measure prepared in accordance with GAAP.

We calculate Adjusted EBITDA as net loss adjusted by (i) interest (income) expense, net, (ii) provision for income taxes, (iii) noncash charge 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 transaction and integration costs associated with acquisitions. We calculate non-GAAP operating expenses as our GAAP operating expenses adjusted by (i) noncash stock-based compensation expense, net, (ii) noncash charges associated with our donation of common stock in connection with our Pledge 1% commitment, as well as (iii) certain transaction and integration costs associated with acquisitions.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. These statements include, but are not limited to, statements regarding our future operating results and financial position, including our fiscal year 2023 financial outlook, including forecasted fiscal year 2023 revenue and Adjusted EBITDA, anticipated future expenses and investments, expectations relating to certain of our key financial and operating metrics, our business strategy and plans, market growth, our market position and potential market opportunities, and our objectives for future operations. The words "believe," "may," "will," "estimate," "potential," "continue," "anticipate," "intend," "expect," "could," "would," "project," "plan," "target," and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on management's expectations, assumptions, and projections based on information available at the time the statements were made. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including risks and uncertainties related to our ability to successfully execute our business and growth strategy, our ability to achieve and maintain future profitability, our ability to further penetrate our existing customer base and expand our customer base in existing and new corridors, our ability to expand into broader financial services, our ability to expand internationally, the effects of seasonal trends on our results of operations, our expectations concerning relationships with third parties, including strategic, banking, and disbursement partners, our ability to obtain, maintain, protect, and enhance our intellectual property and other proprietary rights, our ability to keep data and our technology platform secure, the success of any acquisitions or investments that we make, our ability to compete effectively, our ability to stay in compliance with applicable laws and

regulations, our ability to buy foreign currency at generally advantageous rates, and the effects of changes to immigration laws, macroeconomic conditions, and geopolitical forces on our customers and business operations. It is not possible for our management 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. In light of these risks, uncertainties, and assumptions, our actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Further information on risks that could cause actual results to differ materially from forecasted results are included in our annual report on Form 10-K for the year ended December 31, 2021 filed with the SEC, and within our annual report on Form 10-K for the year ended December 31, 2022 to be filed with the SEC, which are or will be available on our website at <https://ir.remity.com> and on the SEC's website at www.sec.gov. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons if actual results differ materially from those anticipated in the forward-looking statements.

About Remitly

Remitly is a leading digital financial services provider for immigrants and their families in over 170 countries around the world. Remitly helps immigrants send money home in a safe, reliable and transparent manner. Its digitally native, cross-border remittance app eliminates the long wait times, complexities and fees typical of traditional remittance processes. Building on its strong foundation, Remitly is expanding its suite of products to further its mission and transform financial services for immigrants all around the world.

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REMITLY GLOBAL, INC.
Condensed Consolidated Statements of Operations
(unaudited)

<i>(in thousands, except share and per share data)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 191,032	\$ 135,255	\$ 653,560	\$ 458,605
Costs and expenses				
Transaction expenses ⁽¹⁾	71,866	56,431	258,827	191,606
Customer support and operations ⁽¹⁾	19,239	13,090	68,106	45,525
Marketing ⁽¹⁾	43,163	38,267	170,970	120,906
Technology and development ⁽¹⁾	42,883	19,128	138,719	64,093
General and administrative ⁽¹⁾	34,895	23,512	131,250	70,941
Depreciation and amortization	1,854	1,366	6,724	5,256
Total costs and expenses	213,900	151,794	774,596	498,327
Loss from operations	(22,868)	(16,539)	(121,036)	(39,722)
Interest income	2,274	48	4,149	140
Interest expense	(327)	(208)	(1,302)	(1,256)
Other income, net	1,092	81	5,213	3,125
Loss before provision for income taxes	(19,829)	(16,618)	(112,976)	(37,713)
Provision for income taxes	(434)	(42)	1,043	1,043
Net loss attributable to common stockholders	\$ (19,395)	\$ (16,576)	\$ (114,019)	\$ (38,756)
Net loss per share attributable to common stockholders:				
Basic and diluted	\$ (0.11)	\$ (0.10)	\$ (0.68)	\$ (0.64)
Weighted-average shares used in computing net loss per share attributable to common stockholders:				
Basic and diluted	171,505,584	163,616,647	167,774,123	60,728,748

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

Stock-Based Compensation Expense, net:

<i>(in thousands)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Customer support and operations	\$ 220	\$ 76	\$ 816	\$ 153
Marketing	3,363	1,118	10,512	2,325
Technology and development	15,461	3,409	46,420	6,931
General and administrative	8,369	3,448	37,545	7,607
Total	\$ 27,413	\$ 8,051	\$ 95,293	\$ 17,016

REMITLY GLOBAL, INC.
Condensed Consolidated Balance Sheets
(unaudited)

<i>(in thousands)</i>	December 31, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 300,635	\$ 403,262
Disbursement prefunding	158,055	119,627
Customer funds receivable, net	191,402	67,215
Prepaid expenses and other current assets	19,327	17,448
Total current assets	669,419	607,552
Restricted cash	99	51
Property and equipment, net	11,546	9,249
Operating lease right-of-use assets	8,675	5,302
Other noncurrent assets, net	6,214	3,510
Total assets	\$ 695,953	\$ 625,664
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 6,794	\$ 1,210
Customer liabilities	111,075	70,483
Accrued expenses and other current liabilities	87,752	66,683
Operating lease liabilities	3,521	3,240
Total current liabilities	209,142	141,616
Operating lease liabilities, noncurrent	5,674	2,907
Other noncurrent liabilities	1,050	813
Total liabilities	\$ 215,866	\$ 145,336
Commitments and contingencies		
Stockholders' equity		
Common stock	\$ 17	\$ 16
Additional paid-in capital	854,276	739,503
Accumulated other comprehensive (loss) income	(743)	253
Accumulated deficit	(373,463)	(259,444)
Total stockholders' equity	480,087	480,328
Total liabilities and stockholders' equity	\$ 695,953	\$ 625,664

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

(in thousands)	Year Ended December 31,	
	2022	2021
Cash flows from operating activities		
Net loss	\$ (114,019)	\$ (38,756)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	6,724	5,256
Stock-based compensation expense, net	95,293	17,016
Donation of common stock	1,972	6,933
Other	356	452
Changes in operating assets and liabilities:		
Disbursement prefunding	(38,428)	(18,069)
Customer funds receivable	(126,942)	(17,282)
Prepaid expenses and other assets	(4,598)	(12,559)
Operating lease right-of-use assets	3,763	2,780
Accounts payable	5,535	(3,035)
Customer liabilities	42,979	16,097
Accrued expenses and other liabilities	26,298	26,071
Operating lease liabilities	(4,073)	(3,295)
Net cash used in operating activities	(105,140)	(18,391)
Cash flows from investing activities		
Purchases of property and equipment	(3,679)	(1,956)
Capitalized internal-use software costs	(3,382)	(2,578)
Cash paid for acquisition, net of acquired cash and cash equivalents	(248)	—
Net cash used in investing activities	(7,309)	(4,534)
Cash flows from financing activities		
Proceeds from issuance of common stock upon initial public offering and private placements, net of underwriting discounts and commissions and other offering costs	—	305,191
Repayment of non-recourse promissory note	—	3,060
Proceeds from issuance of Series F convertible preferred stock, net of issuance costs	—	2,980
Proceeds from exercise of stock options	11,554	8,345
Payment of debt issuance costs	—	(1,373)
Repayments of revolving credit facility borrowings, net	—	(80,000)
Taxes paid related to net share settlement of equity awards	(99)	—
Repayment of long-term debt	(384)	—
Net cash provided by financing activities	11,071	238,203
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	(1,201)	(40)
Net (decrease) increase in cash, cash equivalents and restricted cash	(102,579)	215,238
Cash, cash equivalents, and restricted cash at beginning of period	403,313	188,075
Cash, cash equivalents, and restricted cash at end of period	\$ 300,734	\$ 403,313
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 906	\$ 934
Cash paid for income taxes	\$ 2,282	\$ 756
Supplemental disclosure of noncash investing and financing activities		
Operating lease right-of-use assets obtained in exchange for operating lease liabilities	\$ 7,441	\$ 2,532
Vesting of early exercised options	716	482
Noncash issuance of common stock in connection with ESPP	3,516	—
Stock-based compensation expense capitalized to internal-use software	1,821	—
IPO and debt issuance costs incurred but not yet paid	—	2,287
Conversion of redeemable convertible preferred stock to common stock in connection with initial public offering	—	390,687
Reconciliation of cash, cash equivalents, and restricted cash		
Cash and cash equivalents	\$ 300,635	\$ 403,262
Restricted cash	99	51
Total cash, cash equivalents, and restricted cash	\$ 300,734	\$ 403,313

REMITLY GLOBAL, INC.
Reconciliation of GAAP to Non-GAAP Financial Measures
(unaudited)

Reconciliation of net loss to Adjusted EBITDA:

<i>(in thousands)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Net loss	\$ (19,395)	\$ (16,576)	\$ (114,019)	\$ (38,756)
Add:				
Interest (income) expense, net	(1,947)	160	(2,847)	1,116
Provision for income taxes	(434)	(42)	1,043	1,043
Depreciation and amortization	1,854	1,366	6,724	5,256
Foreign exchange gain	(1,090)	(81)	(5,261)	(3,125)
Donation of common stock	—	—	1,972	6,933
Stock-based compensation expense, net	27,413	8,051	95,293	17,016
Transaction costs ⁽¹⁾	1,077	—	3,462	—
Adjusted EBITDA	\$ 7,478	\$ (7,122)	\$ (13,633)	\$ (10,517)

(1) Transaction costs primarily represents expenses related to the acquisition of Rewire (O.S.G) Research and Development Ltd.

Reconciliation of operating expenses to non-GAAP operating expenses:

<i>(in thousands)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Customer support and operations	\$ 19,239	\$ 13,090	\$ 68,106	\$ 45,525
Excluding: Stock-based compensation expense, net	220	76	816	153
Non-GAAP customer support and operations	\$ 19,019	\$ 13,014	\$ 67,290	\$ 45,372

<i>(in thousands)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Marketing	\$ 43,163	\$ 38,267	\$ 170,970	\$ 120,906
Excluding: Stock-based compensation expense, net	3,363	1,118	10,512	2,325
Non-GAAP marketing	\$ 39,800	\$ 37,149	\$ 160,458	\$ 118,581

<i>(in thousands)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Technology and development	\$ 42,883	\$ 19,128	\$ 138,719	\$ 64,093
Excluding: Stock-based compensation expense, net	15,461	3,409	46,420	6,931
Non-GAAP technology and development	\$ 27,422	\$ 15,719	\$ 92,299	\$ 57,162

<i>(in thousands)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
General and administrative	\$ 34,895	\$ 23,512	\$ 131,250	\$ 70,941
Excluding: Stock-based compensation expense, net	8,369	3,448	37,545	7,607
Excluding: Donation of common stock	—	—	1,972	6,933
Excluding: Transaction costs	1,077	—	3,462	—
Non-GAAP general and administrative	\$ 25,449	\$ 20,064	\$ 88,271	\$ 56,401



Investor Presentation

Fourth Quarter 2022 Earnings
February 22, 2023

Disclosures

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. These statements include, but are not limited to, statements regarding our future operating results and financial position, including our fiscal year 2023 financial outlook, including forecasted fiscal year 2023 revenue and Adjusted EBITDA, anticipated future expenses and investments, expectations relating to certain of our key financial and operating metrics, our business strategy and plans, market growth, our market position and potential market opportunities, and our objectives for future operations. The words "believe," "may," "will," "estimate," "potential," "continue," "anticipate," "intend," "expect," "could," "would," "project," "plan," "target," and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on management's expectations, assumptions, and projections based on information available at the time the statements were made. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including, without limitation, risks and uncertainties related to: our ability to successfully execute our business and growth strategy, our ability to achieve and maintain future profitability, our ability to further penetrate our existing customer base and expand our customer base in existing and new corridors, our ability to expand into broader financial services, our ability to expand internationally, the effects of seasonal trends on our results of operations, the current inflationary environment, our expectations concerning relationships with third parties, including strategic, banking and disbursement partners, our ability to obtain, maintain, protect, and enhance our intellectual property and other proprietary rights, our ability to keep data and our technology platform secure, the success of any acquisitions or investments that we make, our ability to compete effectively, our ability to stay in compliance with applicable laws and regulations, our ability to buy foreign currency at generally advantageous rates, and the effects of changes to immigration laws, macroeconomic conditions and geopolitical forces on our customers and business operations. It is not possible for our management 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. In light of these risks, uncertainties, and assumptions, our actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Further information on risks that could cause actual results to differ materially from forecasted results are included in our annual report on Form 10-K for the year ended December 31, 2022 to be filed with the SEC, which will be available on our website at <https://ir.remitly.com> and on the SEC's website at www.sec.gov. The forward-looking statements in this presentation speak only as of the date of this presentation and except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons if actual results differ materially from those anticipated in the forward-looking statements. The guidance in this presentation is only effective as of the date given, February 22, 2023, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Distribution or reference of this deck following February 22, 2023 does not constitute re-affirming guidance by Remitly.

Non-GAAP Financial Measures

A reconciliation of GAAP to non-GAAP financial measures has been provided in the Appendix included in this presentation. An explanation of these measures is also included in the Appendix within this presentation under the heading "Non-GAAP Financial Measures." We have not provided a quantitative reconciliation of forecasted Adjusted EBITDA to forecasted GAAP net income (loss) or to forecasted GAAP income (loss) before income taxes within this presentation because we cannot, without unreasonable effort, calculate certain reconciling items with confidence due to the variability, complexity and limited visibility of the adjusting items that would be excluded from forecasted Adjusted EBITDA. These items include but are not limited to income taxes and stock-based compensation expense, which are directly impacted by unpredictable fluctuations in the market price of our common stock.



4Q Strategic Overview



Matt Oppenheimer
Co-Founder & CEO

Resilient customers, premium product and increasing returns on investments

- Resilient and predictable customer behavior
- Customer experience getting even better with scale
- Consistent track record of beating expectations/execution
- Focused on increasing returns on investments

4Q22
REVENUE **\$191m**
↑ 41% YoY

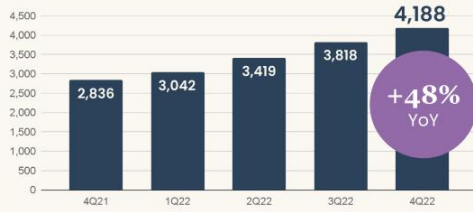
4Q22
PROFITABILITY **(\$19m)**
GAAP Net Loss
\$7.5m
Adjusted EBITDA

Adjusted EBITDA is a non-GAAP measure. Please see reconciliation of non-GAAP measures to the most comparable GAAP measures in the Appendix.



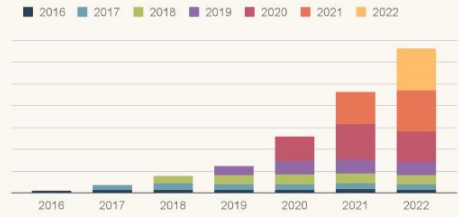
Strong new customer acquisition and high retention

Quarterly Active Customers (thousands)



- ✓ Exceptionally strong acquisition at compelling unit economics
- ✓ Geographic expansion

Revenue Contribution by Cohort



- ✓ Continued customer loyalty and predictable transacting behavior—remittances are highly non-discretionary
- ✓ The vast majority of customers expect to send money at the same frequency or more often than they did in the past year (Feb. 2023 Remitly customer survey results)



Customer peace of mind + premium experience

High return investments drive sustainable growth and enhance customer loyalty and engagement

Driving efficient customer growth



New customer acquisition



Geographical expansion

Driving higher retention and engagement



Remittance product enhancements



Complementary new products





Customer acquisition enabled by sophisticated and localized marketing

✓ Brand awareness

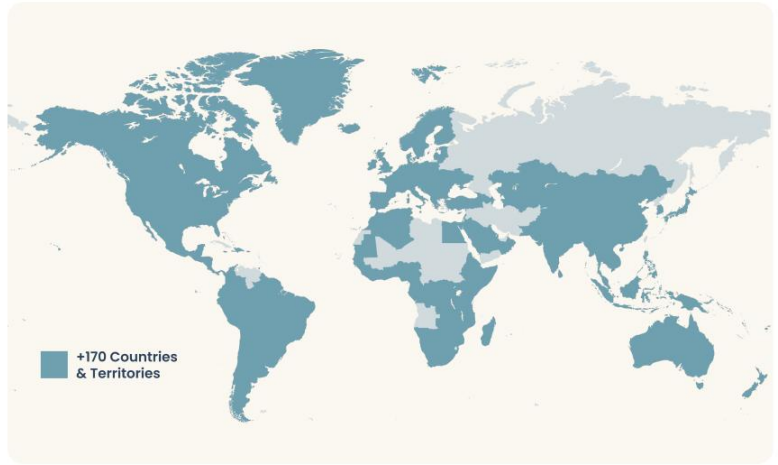
✓ Localization at scale

✓ Scale drives increasing word of mouth

The composite image consists of two parts. On the left is a Remitly advertisement featuring a smiling family of three (a woman, a young child, and another woman) with the text "Behind every international money transfer, there's a dream." and the Remitly logo. On the right is a screenshot of the Remitly mobile app interface, showing the headline "Envía dinero a Colombia de manera conveniente." and a list of transfer options: Bancolombia, Daviviota, Nequi, Bancolombia a la mano, and MOVX Mové.



Expanding into growth markets; entered key UAE market in January



+4,300
corridors

~4.0b
bank accounts

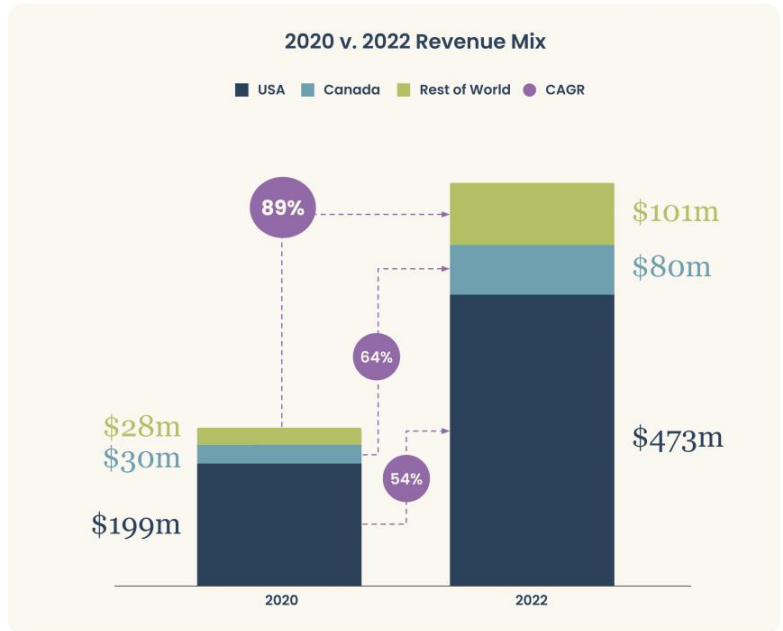
+435k
cash pickup locations

~1.1b
mobile wallets

Data as of 12/31/22.



Our revenue mix has become more globally diversified

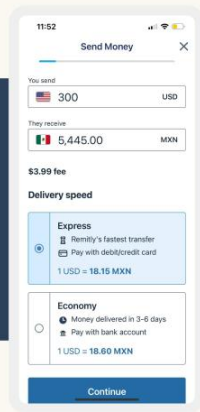




Delivering a more premium customer experience as we scale

Speed

>90% of customer transactions disbursed in less than an hour^{1,2}



Reliability

Platform Availability 99.94%¹



Premium experience leads to high retention

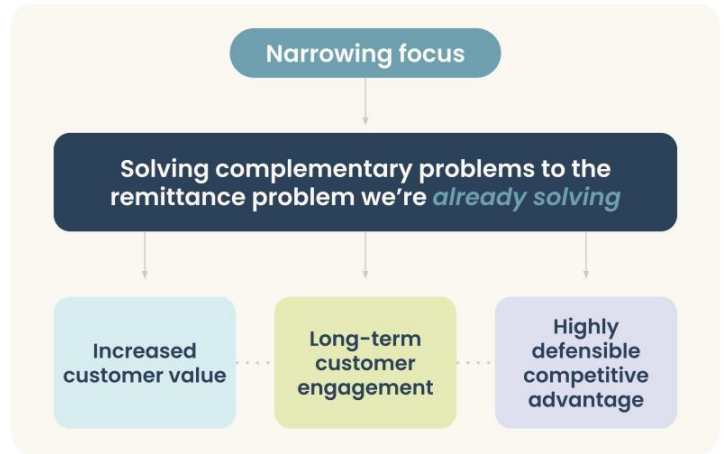
1. Remitly internal data for 4Q 2022.

2. Disbursement speed reflects the time between when Remitly has the customer funds and when the funds are successfully disbursed (e.g. completed or available for pickup)





Incredible opportunity to drive even more customer loyalty



In 2023, we plan to continue to execute strongly toward our Strategic Priorities and delivering long-term returns



New customer acquisition



Highly disciplined on CAC with variability depending on unit economics and competitive market dynamics



Geographical expansion



Enter new markets efficiently and continue penetration of existing markets



Remittance product enhancements



Deliver customer peace of mind with a flawless remittance experience and drive improved customer behavior/margins



Complementary new products



Solve problems unique to our remittance customers driving additional engagement/loyalty





Vision

To transform the lives of immigrants and their families by providing the most trusted financial services on the planet.



4Q Financial Results



Hemanth Munipalli
CFO

4Q — Strong financial performance

Adjusted EBITDA is a non-GAAP measure. Please see reconciliation of non-GAAP measures to the most comparable GAAP measures in the Appendix.

 **SCALE**

4.2m
48% growth in **quarterly active customers** over 4Q 2021

\$8.1b
35% growth in **send volume** over 4Q 2021

 **REVENUE**

\$191m
41% growth in revenue over 4Q 2021



 **PROFITABILITY**

(\$19m)
GAAP Net Loss

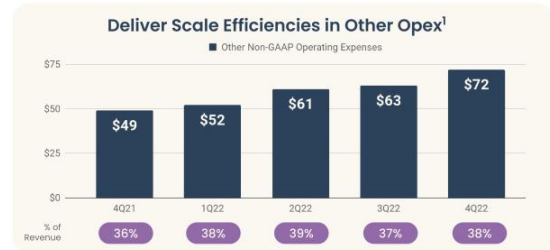
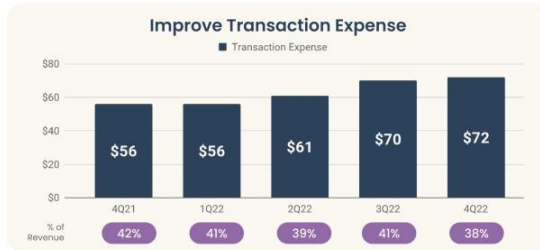
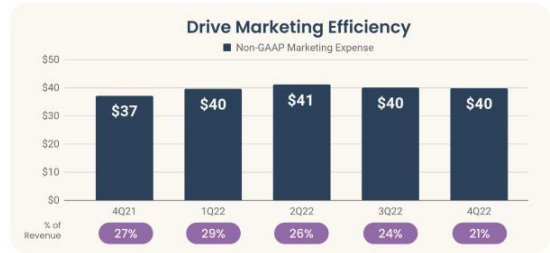
\$7.5m
Adjusted EBITDA

Q4 2022 benefited from strong execution and some favorable macro factors

	4Q22 Year-over-Year Change	Execution Wins	Macro Factors
Revenue Growth	↑ 41%	<ul style="list-style-type: none"> High retention Strong new customer acquisition Geographic expansion from prior periods 	Some favorability from strong developed market currencies
Transaction Expense as a % of Revenue	↓ 410 bps	<ul style="list-style-type: none"> Advances in our approach to fraud prevention Reducing costs across pay in and disbursement network 	
Non-GAAP Marketing Expense as a % of Revenue	↓ 660 bps	<ul style="list-style-type: none"> Brand awareness and word of mouth effects CAC efficiencies particularly outside North America Localized digital marketing 	Advertising market less competitive than expected
Non-GAAP Other Operating Expenses as a % of Revenue ¹	G&A ↓ 150 bps	<ul style="list-style-type: none"> G&A expense discipline 	
	T&D ↑ 270 bps	<ul style="list-style-type: none"> Investments in high ROI initiatives such as product enhancements and complementary new products 	

¹ Other operating expenses are non-GAAP measures and include non-GAAP customer support and operations expense, non-GAAP general and administrative expense and non-GAAP technology and development expense. Please see reconciliation of non-GAAP measures to the most comparable GAAP measures in the Appendix

Four key focus areas to drive sustainable, long-term returns



2023 Outlook

Strong revenue growth and scale efficiencies enabling higher returns

Note: This guidance is only effective as of the date given, February 22, 2023, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Distribution or reference of this deck following February 22, 2022 does not constitute re-affirming guidance.



\$860m-\$880m

2023E Revenue
32% to 35% YoY growth

—

Breakeven-\$10m

2023E Adjusted EBITDA

Key 2023 Expectations

- Macro and FX environment stable to 4Q22
- Sustained marketing efficiencies in relatively stable advertising market
- Improved scale efficiencies; continued investments in product enhancements and complementary new products



Strong balance sheet to fund strategic growth priorities

~\$300m

Cash

\$0m

Debt



 New customer acquisition

 Geographical expansion

 Remittance product enhancements

 Complementary new products

As of 12/31/22

Q & A

“

It is an easy, efficient, and fast way to send money. I would recommend it - and have done so - to others.

James

Remitly user since 2022

Sends money from
USA to Kenya



February 2023 / © 2023 Remitly Inc.

Appendix

Non-GAAP Financial Measures

Some of the financial information and data contained in this presentation, such as Adjusted EBITDA and non-GAAP operating expenses, have not been prepared in accordance with United States generally accepted accounting principles ("GAAP").

We regularly review our key business metrics and non-GAAP financial measures to evaluate our performance, identify trends affecting our business, prepare financial projections, and make strategic decisions. We believe that these key business metrics and non-GAAP financial measures provide meaningful supplemental information for management and investors in assessing our historical and future operating performance. Adjusted EBITDA and non-GAAP operating expenses are key output measures 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. Remitly believes that the use of Adjusted EBITDA and non-GAAP operating expenses provides additional tools to assess operational performance and trends in, and in comparing Remitly's financial measures with, other similar companies, many of which present similar non-GAAP financial measures to investors. Remitly's non-GAAP financial measures may be different from non-GAAP financial measures used by other companies. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial measures determined in accordance with GAAP. Because of the limitations of non-GAAP financial measures, you should consider the non-GAAP financial measures presented herein in conjunction with Remitly's financial statements and the related notes thereto. Please refer to the non-GAAP reconciliations in this presentation for a reconciliation of these non-GAAP financial measures to the most comparable financial measure prepared in accordance with GAAP.

We calculate Adjusted EBITDA as net loss adjusted by (i) interest (income) expense, net, (ii) provision for income taxes, (iii) noncash charge 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 transaction and integration costs associated with acquisitions. We calculate non-GAAP operating expenses as our GAAP operating expenses adjusted by (i) noncash stock-based compensation expense, net, (ii) noncash charges associated with our donation of common stock in connection with our Pledge 1% commitment, as well as (iii) certain transaction and integration costs associated with acquisitions.

Non-GAAP Reconciliation

Reconciliation of operating expenses to non-GAAP operating expenses (in thousands)	4Q 2022	3Q 2022	2Q 2022	1Q 2022	4Q 2021
Customer support and operations	\$19,239	\$18,142	\$16,855	\$13,870	\$13,090
Excluding: Stock-based compensation expense, net	220	226	277	93	76
Non-GAAP customer support and operations	\$19,019	\$17,916	\$16,578	\$13,777	\$13,014
Marketing	\$43,163	\$43,337	\$43,849	\$40,621	\$38,267
Excluding: Stock-based compensation expense, net	3,363	3,352	2,765	1,032	1,118
Non-GAAP marketing	\$39,800	\$39,985	\$41,084	\$39,589	\$37,149
Technology and development	\$42,883	\$36,178	\$36,083	\$23,575	\$19,128
Excluding: Stock-based compensation expense, net	15,461	13,238	13,649	4,072	3,409
Non-GAAP technology and development	\$27,422	\$22,940	\$22,434	\$19,503	\$15,719
General and administrative	\$34,895	\$35,504	\$37,509	\$23,342	\$23,512
Excluding: Stock-based compensation expense, net	8,369	8,929	15,850	4,397	3,448
Excluding: Donation of common stock	-	1,972	-	-	-
Excluding: Transaction costs	1,077	2,385	-	-	-
Non-GAAP general and administrative	\$25,449	\$22,218	\$21,659	\$18,945	\$20,064

Non-GAAP Reconciliation

Reconciliation of net loss to Adjusted EBITDA <i>(in thousands)</i>	4Q 2022	3Q 2022	2Q 2022	1Q 2022	4Q 2021
Net loss	(\$19,395)	(\$33,069)	(\$38,245)	(\$23,310)	(\$16,576)
Add:					
Interest (income) expense, net	(1,947)	(1,070)	(107)	277	(160)
Provision for income taxes	(434)	287	662	528	42
Depreciation and amortization	1,854	1,843	1,510	1,517	1,366
Foreign exchange gain	(1,090)	(1,815)	(1,687)	(669)	(81)
Donation of common stock	-	1,972	-	-	-
Stock-based compensation expense, net	27,413	25,745	32,541	9,594	8,051
Transaction costs	1,077	2,385	-	-	-
Adjusted EBITDA	\$7,478	(\$3,722)	(\$5,326)	(\$12,063)	(\$7,122)
Revenue	\$191,032	\$169,259	\$157,255	\$136,014	\$135,255
Adjusted EBITDA margin	3.9%	(2.2%)	(3.4%)	(8.9%)	(5.3%)

Thank you.



Remitly[®]
