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 September 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	**7372**	**83-2301143**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

1111 Third Avenue, Suite 2100 Seattle, WA	**98101**
(Address of Principal Executive Offices)	(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	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

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 October 28, 2024, the registrant had 198,061,161 shares of common stock, $0.0001 par value per share, outstanding.

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

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

	September 30, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 324,434	$ 323,710
Disbursement prefunding	219,643	195,848
Customer funds receivable, net	276,096	379,417
Prepaid expenses and other current assets	41,083	33,143
Total current assets	861,256	932,118
Property and equipment, net	24,364	16,010
Operating lease right-of-use assets	10,768	9,525
Goodwill	54,940	54,940
Intangible assets, net	12,548	16,642
Other noncurrent assets, net	6,554	7,071
Total assets	$ 970,430	$ 1,036,306
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 16,825	$ 35,051
Customer liabilities	194,122	177,473
Short-term debt	2,426	2,481
Accrued expenses and other current liabilities	105,234	145,802
Operating lease liabilities	5,488	6,032
Total current liabilities	324,095	366,839
Operating lease liabilities, noncurrent	5,770	4,477
Long-term debt	—	130,000
Other noncurrent liabilities	9,742	5,653
Total liabilities	339,607	506,969
Commitments and contingencies (Note 15)		
Stockholders' equity		
Common stock, $0.0001 par value; 725,000,000 shares authorized as of September 30, 2024 and December 31, 2023 both; 198,033,845 and 188,435,952 shares issued and outstanding, as of September 30, 2024 and December 31, 2023, respectively	20	19
Additional paid-in capital	1,151,479	1,020,286
Accumulated other comprehensive income	1,881	335
Accumulated deficit	(522,557)	(491,303)
Total stockholders' equity	630,823	529,337
Total liabilities and stockholders' equity	$ 970,430	$ 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 September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Revenue	$ 336,527	$ 241,629	$ 912,068	$ 679,527
Costs and expenses				
Transaction expenses[1]	115,554	85,742	313,215	239,995
Customer support and operations[1]	21,792	21,190	61,910	62,604
Marketing[1]	74,792	61,351	219,862	159,074
Technology and development[1]	68,446	57,014	199,206	160,699
General and administrative[1]	50,920	49,817	140,982	130,715
Depreciation and amortization	4,655	3,418	12,240	9,634
Total costs and expenses	336,159	278,532	947,415	762,721
Income (loss) from operations	368	(36,903)	(35,347)	(83,194)
Interest income	2,065	1,808	6,233	5,200
Interest expense	(760)	(585)	(2,274)	(1,566)
Other income (expense), net	2,094	283	6,272	(2,774)
Income (loss) before provision for income taxes	3,767	(35,397)	(25,116)	(82,334)
Provision for income taxes	1,850	258	6,138	485
Net income (loss)	$ 1,917	$ (35,655)	$ (31,254)	$ (82,819)
Net income (loss) per share attributable to common stockholders:				
Basic	$ 0.01	$ (0.20)	$ (0.16)	$ (0.46)
Diluted	$ 0.01	$ (0.20)	$ (0.16)	$ (0.46)
Weighted-average shares used in computing net income (loss) per share attributable to common stockholders:				
Basic	196,169,417	182,598,013	193,167,942	178,956,602
Diluted	205,251,546	182,598,013	193,167,942	178,956,602

[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 Income (Loss)
(*In thousands*)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Net income (loss)	$ 1,917	$ (35,655)	$ (31,254)	$ (82,819)
Other comprehensive income (loss):				
Foreign currency translation adjustments	2,285	(992)	1,546	(399)
Comprehensive income (loss)	$ 4,202	$ (36,647)	$ (29,708)	$ (83,218)

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 Nine Months Ended September 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
Issuance of common stock in connection with ESPP	387,058	—	4,378	—	—	4,378
Issuance of common stock upon exercise of stock options, including early exercised options, and vesting of restricted stock units	2,456,427	—	1,560	—	—	1,560
Donation of common stock	181,961	—	2,587	—	—	2,587
Taxes paid related to net shares settlement of equity awards	(87,579)	—	(1,206)	—	—	(1,206)
Stock-based compensation expense	—	—	40,400	—	—	40,400
Other comprehensive income	—	—	—	2,285	—	2,285
Net income	—	—	—	—	1,917	1,917
Balance as of September 30, 2024	198,033,845	$ 20	$ 1,151,479	$ 1,881	$ (522,557)	$ 630,823

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 Nine Months Ended September 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
Issuance of common stock in connection with ESPP	328,272	—	3,317	—	—	3,317
Issuance of common stock upon exercise of stock options, including early exercised options, and vesting of restricted stock units	3,561,018	1	3,991	—	—	3,992
Donation of common stock	181,961	—	4,600	—	—	4,600
Taxes paid related to net shares settlement of equity awards	(104,415)	—	(2,600)	—	—	(2,600)
Stock-based compensation expense	—	—	37,393	—	—	37,393
Other comprehensive loss	—	—	—	(992)	—	(992)
Net loss	—	—	—	—	(35,655)	(35,655)
Balance as of September 30, 2023	185,128,562	$ 19	$ 983,197	$ (1,142)	$ (456,282)	$ 525,792

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)

	Nine Months Ended September 30,	
	2024	**2023**
Cash flows from operating activities		
Net loss	$ (31,254)	$ (82,819)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	12,240	9,634
Stock-based compensation expense, net	110,523	101,007
Donation of common stock	2,587	4,600
Other	299	4,674
Changes in operating assets and liabilities:		
Disbursement prefunding	(23,795)	(52,162)
Customer funds receivable	100,539	(68,553)
Prepaid expenses and other assets	(6,787)	(9,652)
Operating lease right-of-use assets	4,475	3,796
Accounts payable	(18,285)	10,448
Customer liabilities	16,811	29,211
Accrued expenses and other liabilities	(23,521)	28,118
Operating lease liabilities	(4,982)	(3,470)
Net cash provided by (used in) operating activities	138,850	(25,168)
Cash flows from investing activities		
Purchases of property and equipment	(3,192)	(2,268)
Capitalized internal-use software costs	(9,288)	(4,249)
Cash paid for acquisition, net of acquired cash, cash equivalents, and restricted cash	—	(40,933)
Net cash used in investing activities	(12,480)	(47,450)
Cash flows from financing activities		
Proceeds from exercise of stock options	5,754	12,258
Proceeds from issuance of common stock in connection with ESPP	9,382	6,046
Proceeds from revolving credit facility borrowings	863,000	424,000
Repayments of revolving credit facility borrowings	(993,000)	(424,000)
Taxes paid related to net share settlement of equity awards	(3,774)	(4,711)
Cash paid for settlement of amounts previously held back for acquisition consideration	(10,261)	—
Repayment of assumed indebtedness	—	(17,068)
Net cash used in financing activities	(128,899)	(3,475)
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	3,941	(599)
Net increase (decrease) in cash, cash equivalents, and restricted cash	1,412	(76,692)
Cash, cash equivalents, and restricted cash at beginning of period	325,029	300,734
Cash, cash equivalents, and restricted cash at end of period	$ 326,441	$ 224,042
Reconciliation of cash, cash equivalents, and restricted cash		
Cash and cash equivalents	$ 324,434	$ 223,273
Restricted cash included in prepaid expenses and other current assets	1,034	715
Restricted cash included in other noncurrent assets, net	973	54
Total cash, cash equivalents, and restricted cash	$ 326,441	$ 224,042

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 nine months ended September 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 Condensed Consolidated Statements of Cash Flows. Beginning in the year ended December 31, 2023, the Company changed the presentation of shares purchased under the Employee Stock Purchase Plan (“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 nine months ended September 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 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 nine months ended September 30, 2024 and 2023.

For the three and nine months ended September 30, 2024 and 2023, no individual customer represented 10% or more of total revenues or 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 Condensed 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 nine months ended September 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 $54.6 million and $48.3 million during the three months ended September 30, 2024 and 2023, respectively. Advertising expenses totaled $163.1 million and $123.5 million during the nine months ended September 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 will adopt this new guidance beginning with its annual report for fiscal year ending December 31, 2024. 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 nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Deferred revenue, beginning of the period	$ 1,020	$ 626	$ 1,124	$ 1,108
Deferred revenue, end of the period	857	889	857	889
Revenue recognized from amounts included in deferred revenue at the beginning of the period	$ 907	$ 296	$ 1,008	$ 735

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 nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Reduction to revenue	$ 10,219	$ 8,528	$ 28,048	$ 24,123
Marketing expenses	4,494	4,765	16,136	13,292
Total sales incentives	$ 14,713	$ 13,293	$ 44,184	$ 37,415

Revenue by Geography

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
United States	$ 219,066	$ 160,729	$ 596,343	$ 458,815
Canada	36,022	29,501	103,681	81,838
Rest of world	81,439	51,399	212,044	138,874
Total revenue	$ 336,527	$ 241,629	$ 912,068	$ 679,527

4. Prepaid Expenses & Other Current Assets

Prepaid expenses and other current assets consisted of the following:

(in thousands)	September 30, 2024	December 31, 2023
Prepaid expenses	$ 16,430	$ 8,902
Payment card receivable	10,734	15,599
Tax receivable	3,801	2,813
Other receivables	2,763	—
Capitalized cloud computing arrangement costs, net	2,445	2,220
Prepaid compensation arrangements	2,039	1,518
Restricted cash	1,034	774
Other prepaid expenses and other current assets	1,837	1,317
Prepaid expenses and other current assets	$ 41,083	$ 33,143

5. Property and Equipment

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

(in thousands)	September 30, 2024	December 31, 2023
Capitalized internal-use software	$ 36,374	$ 23,195
Computer and office equipment	8,239	8,529
Furniture and fixtures	2,927	2,636
Leasehold improvements	8,684	8,080
Projects in process	733	—
Total gross property and equipment	56,957	42,440
Less: Accumulated depreciation and amortization	(32,593)	(26,430)
Property and equipment, net	$ 24,364	$ 16,010

Depreciation and amortization expense related to property and equipment was $2.9 million and $2.2 million for the three months ended September 30, 2024 and 2023, respectively.

Depreciation and amortization expense related to property and equipment was $8.1 million and $6.0 million for the nine months ended September 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 nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Total capitalized internal-use software costs[1]	$ 3,916	$ 2,725	$ 13,178	$ 6,443
Stock-based compensation costs capitalized to internal-use software	1,122	820	3,890	2,194
Amortization expense[2]	1,999	1,193	5,493	3,136

[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 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 nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Total capitalized cloud computing arrangement costs	$ 348	$ 859	$ 1,241	$ 2,732
Technology and development	$ 570	$ 416	$ 1,619	$ 1,087
General and administrative	91	59	272	148
Total amortization expense	$ 661	$ 475	$ 1,891	$ 1,235

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

(in thousands)	September 30, 2024	December 31, 2023
Prepaid expenses and other current assets	$ 2,445	$ 2,220
Other noncurrent assets, net	935	1,811
Total capitalized cloud computing arrangement costs, net	$ 3,380	$ 4,031

6. Business Combinations

There were no significant acquisitions accounted for as business combinations or divestitures completed in the nine months ended September 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:

(in thousands)	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 the 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 the Company's common stock, subject to the aforementioned adjustments. Refer to the discussion below regarding the settlement of the holdback consideration during the nine months ended September 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 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").

There was no change in the fair value of the holdback liability during the three months ended September 30, 2024, as the holdback was settled in April 2024. The Company recorded $0.2 million during the nine months ended September 30, 2024 to reflect the change in the fair value of the holdback liability through the date of settlement.The Company recorded $0.9 million and $1.9 million during the three and nine months ended September 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 the Company’s 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:

(in thousands)		**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	$	77,914

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, ne*t,’ 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 September 30, 2024. Transaction costs totaled $0.2 million for the nine months ended September 30, 2024, which related to the change in the fair value of the holdback liability. Transaction costs totaled $0.9 million and $2.3 million for the three and nine months ended September 30, 2023, respectively, which included $0.9 million and $1.9 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 Income (Loss) since the date of the acquisition.

7. Intangible Assets

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

	September 30, 2024				December 31, 2023			
(in thousands)	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	$ (583)	$ 417	1.3	$ 1,000	$ (333)	$ 667	2.0
Customer relationships	8,500	(3,719)	4,781	2.3	8,500	(2,125)	6,375	3.0
Developed technology	12,000	(4,650)	7,350	1.3	12,000	(2,400)	9,600	4.0
Total	$ 21,500	$ (8,952)	$ 12,548		$ 21,500	$ (4,858)	$ 16,642	

The acquired identified intangible assets have estimated useful lives ranging from three to four years. Amortization expense for intangible assets was $1.7 million and $1.2 million for the three months ended September 30, 2024 and 2023, respectively. Amortization expense for intangible assets was $4.1 million and $3.6 million for the nine months ended September 30, 2024 and 2023, respectively.

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

(in thousands)	Amount
Remainder of 2024	$ 2,085
2025	8,338
2026	2,125
Total	$ 12,548

8. Fair Value Measurements

There were no financial assets and liabilities that were measured at fair value on a recurring basis as of September 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 sunsetting 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 September 30, 2024 and December 31, 2023, $0.9 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 September 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 September 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 on transaction volumes and seasonality.

As of September 30, 2024, the Company had no outstanding borrowings under the 2021 Revolving Credit Facility. As of December 31, 2023, the Company had $130.0 million outstanding borrowings under the 2021 Revolving Credit Facility. As of December 31, 2023, the weighted-average interest rate was 9.0%. As of September 30, 2024 and December 31, 2023, the Company had unused borrowing capacity of $276.3 million and $146.8 million, respectively, under the 2021 Revolving Credit Facility. As of September 30, 2024 and December 31, 2023, the Company had $49.3 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 September 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 September 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 nine months ended September 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 Income (Loss) Per Common Share

The following table presents the calculation of basic and diluted net income (loss) per share attributable to common stockholders for the periods indicated. Basic net income (loss) per share is calculated using the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is calculated using the weighted-average number of shares of common stock outstanding including the dilutive effect of all potential shares of common stock as determined under the treasury stock method. Dilutive common shares primarily include outstanding stock options, unvested RSUs, and ESPP related shares. In periods when the Company reported a net loss, diluted net loss per share is the same as basic net loss per share because the effects of potentially dilutive items were anti-dilutive.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except share and per share data)	2024	2023	2024	2023
Numerator:				
Net income (loss) attributable to common stockholders	$ 1,917	$ (35,655)	$ (31,254)	$ (82,819)
Denominator:				
Weighted-average shares used in computing net income (loss) per share attributable to common stockholders:				
Basic	196,169,417	182,598,013	193,167,942	178,956,602
Effect of dilutive securities	9,082,129	—	—	—
Diluted	205,251,546	182,598,013	193,167,942	178,956,602
Net income (loss) per share attributable to common stockholders:				
Basic	$ 0.01	$ (0.20)	$ (0.16)	$ (0.46)
Diluted	$ 0.01	$ (0.20)	$ (0.16)	$ (0.46)

The following securities were not included in the computation of diluted shares outstanding because the effect would be anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Stock options outstanding	993,843	11,449,901	8,938,147	11,449,901
RSUs outstanding	12,936,491	25,501,813	25,570,037	25,501,813
ESPP	2,072,556	654,994	2,072,556	654,994
Shares subject to repurchase	—	19,710	—	19,710
Unvested common stock, subject to service-based vesting conditions, issued in connection with acquisition[(1)]	—	104,080	52,040	104,080
Equity issuable in connection with acquisition[(1)]	—	133,309	—	133,309
Total	16,002,890	37,863,807	36,632,780	37,863,807

[(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 September 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 nine months ended September 30, 2024 and 2023.

Donation to Remitly Philanthropy Fund

In July 2021, the Company's board of directors approved the reservation of up to 1,819,609 shares of common stock (which was approximately 1.0% of the fully diluted capitalization as of June 30, 2021) that the Company may issue to or for the benefit of a 501(c)(3) nonprofit foundation or a similar charitable organization pursuant to the Company's Pledge 1% commitment in installments over ten years. On September 10, 2021, the Company executed the stock donation agreement, pursuant to which it issued the first installment of the Pledge 1% commitment to Remitly Philanthropy Fund, a donor advised fund administered on the Company's behalf by Rockefeller Philanthropy Advisors, Inc., on the day after consummation of the Company's initial public offering.

The Company donated 181,961 shares of its common stock to Remitly Philanthropy Fund on both September 18, 2024 and September 20, 2023, pursuant to the stock donation agreement, and in connection with the Pledge 1% commitment, which publicly acknowledges the Company's intent to give back and increase social impact, in order to sustainably fund a portion of its corporate social responsibility goals and further its mission to expand financial inclusion for immigrants. For the three and nine months ended September 30, 2024 and 2023, the Company recorded a charge of $2.6 million and $4.6 million, respectively, to '*General and administrative expenses*' within the Condensed Consolidated Statements of Operations based on the closing price of its common stock as reported on the Nasdaq Global Select Market (the "NASDAQ") on September 18, 2024 and September 20 2023, respectively.

12. Stock-Based Compensation

Shares Available for Issuance

As of September 30, 2024, 11,615,477 and 6,921,709 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 nine months ended September 30, 2024:

	Stock Options			
(in thousands, except share and per share data)	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	(1,745,172)	3.28		24,089
Forfeited	(118,077)	6.26		
Balances as of September 30, 2024	8,938,147	4.66	5.11	77,993
Vested and exercisable as of September 30, 2024	8,109,918	4.05	4.93	75,720
Vested and expected to vest as of September 30, 2024	8,938,147	$ 4.66	5.11	$ 77,993

[(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 nine months ended September 30, 2024 and 2023.

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

	Nine Months Ended September 30,	
(in thousands)	2024	2023
Aggregate grant-date fair value of options vested	$ 10,266	$ 7,068
Intrinsic value of options exercised	24,089	59,845

Restricted Stock Units

Restricted stock unit activity during the nine months ended September 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	12,016,829	16.34
Vested	(6,952,837)	13.79
Cancelled/forfeited	(3,049,620)	15.28
Unvested at September 30, 2024	25,570,037	$ 15.62

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

	Nine Months Ended September 30,	
(in thousands, except per share data)	2024	2023
Weighted-average grant date fair value of RSUs granted	$ 16.34	$ 16.85
Aggregate grant-date fair value of RSUs vested	95,880	79,962

Employee Stock Purchase Plan ("ESPP")

A new 24-month ESPP offering period commences on March 1 and September 1 of each fiscal year, and the plan includes a rollover feature for the purchase price if the Company's stock price at the end of the purchase period is less than the Company's stock price on the first day of the offering. If this rollover feature is triggered, a new 24-month offering period begins. This feature under the ESPP was triggered on February 29, 2024 and August 30, 2024, resulting in incremental stock-based compensation expense of $1.7 million and $4.5 million, respectively, to be recognized over the new offering periods.

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 nine months ended September 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:

	Nine Months Ended September 30,	
	2024	2023
Risk-free interest rates	3.84% to 5.20%	4.81% to 5.40%
Expected term (in years)	0.5 to 2.0 years	0.5 to 2.0 years
Volatility	39.3% to 61.3%	47.8% to 65.2%
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:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Customer support and operations	$ 278	$ 386	$ 890	$ 1,010
Marketing	4,514	4,525	13,014	12,235
Technology and development	21,873	19,828	61,854	55,047
General and administrative	12,613	11,834	34,765	32,715
Total	$ 39,278	$ 36,573	$ 110,523	$ 101,007

As of September 30, 2024, the total unamortized compensation cost related to all non-vested equity awards, including options and RSUs, was $342.1 million, which will be amortized over a weighted-average remaining requisite service period of approximately 2.7 years. As of September 30, 2024, the total unrecognized compensation expense related to the ESPP was $12.0 million, which is expected to be amortized over the next 1.9 years.

13. Restructuring Initiatives

In the nine months ended September 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 nine months ended September 30, 2024, respectively. The Company incurred $1.4 million related to restructuring initiatives for the three and nine months ended September 30, 2023.

The following table presents the restructuring costs included within the Condensed Consolidated Statements of Operations for the nine months ended September 30, 2024:

(in thousands)		Amount
Customer support and operations	$	758
General and administrative		34
Total restructuring costs	$	792

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

(in thousands)		Amount
Balance as of December 31, 2023	$	78
Expenses incurred		792
Cash payments		(870)
Balance as of September 30, 2024	$	—

14. 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 49.1% and (0.7)% for the three months ended September 30, 2024 and 2023, respectively, and (24.4)% and (0.6)% for the nine months ended September 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 September 30, 2024, tax years 2012 through 2023 remain open for examination by taxing authorities.

15. 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 September 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 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 September 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 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 nine months ended September 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 nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Beginning balance	$ 3,684	$ 2,808	$ 3,359	$ 3,762
Provisions for transaction losses	16,644	9,004	44,304	28,150
Losses incurred, net of recoveries	(16,367)	(8,929)	(43,702)	(29,029)
Ending balance	$ 3,961	$ 2,883	$ 3,961	$ 2,883

16. Accrued Expenses & Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

(in thousands)	September 30, 2024	December 31, 2023
Trade settlement liability[1]	$ 29,170	$ 58,950
Accrued transaction expense	21,239	18,500
Accrued marketing expense	20,008	13,633
Accrued salary, benefits, and related taxes	10,520	10,251
Accrued taxes and taxes payable	4,822	9,259
Reserve for transaction losses	3,961	3,359
ESPP employee contributions	1,106	3,565
Holdback liability[2]	—	12,990
Other accrued expenses	14,408	15,295
Total	$ 105,234	$ 145,802

[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.

17. Supplemental Cash Flow Information

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

	Nine Months Ended September 30,	
(in thousands)	2024	2023
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 1,922	$ 1,329
Cash paid for income taxes	4,071	4,691
Supplemental disclosure of noncash investing and financing activities		
Operating lease right-of-use assets obtained in exchange for operating lease liabilities	$ 5,617	$ 5,414
Vesting of early exercised options	48	311
Stock-based compensation expense capitalized to internal-use software	3,890	2,194
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. As of September 30, 2024, our Remitly app had a 4.9 iOS App Store rating with approximately 2.9 million reviewers and a 4.8 Android Google Play rating with over 900,000 reviewers. App rating is based on all countries or regions and the rating may vary based on user location and device type.

- **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 5,100 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. 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 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

	Three Months Ended September 30,	
(in thousands)	**2024**	**2023**
Active customers	7,310	5,409

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 7.3 million, or 35% growth, for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The 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 September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Send volume	$ 14,490	$ 10,227	$ 39,195	$ 28,351

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 42% to $14.5 billion for the three months ended September 30, 2024, compared to $10.2 billion for the three months ended September 30, 2023, driven by the increase in active customers.

Send volume increased 38%, to $39.2 billion for the nine months ended September 30, 2024, compared to $28.4 billion for the nine months ended September 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 as many customers continue to send transactions in the periods after they are acquired.

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/Tết, 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 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 United States 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 nine months ended September 30, 2024 and 2023

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

	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
(dollars in thousands)	2024	2023	Amount	Percent	2024	2023	Amount	Percent
Revenue	$ 336,527	$ 241,629	$ 94,898	39 %	$ 912,068	$ 679,527	$ 232,541	34 %
Costs and expenses								
Transaction expenses	115,554	85,742	29,812	35 %	313,215	239,995	73,220	31 %
Customer support and operations	21,792	21,190	602	3 %	61,910	62,604	(694)	(1)%
Marketing	74,792	61,351	13,441	22 %	219,862	159,074	60,788	38 %
Technology and development	68,446	57,014	11,432	20 %	199,206	160,699	38,507	24 %
General and administrative	50,920	49,817	1,103	2 %	140,982	130,715	10,267	8 %
Depreciation and amortization	4,655	3,418	1,237	36 %	12,240	9,634	2,606	27 %
Total costs and expenses	336,159	278,532	57,627	21 %	947,415	762,721	184,694	24 %
Income (loss) from operations	368	(36,903)	37,271	nm	(35,347)	(83,194)	47,847	(58)%
Interest income	2,065	1,808	257	14 %	6,233	5,200	1,033	20 %
Interest expense	(760)	(585)	(175)	30 %	(2,274)	(1,566)	(708)	45 %
Other income (expense), net	2,094	283	1,811	640 %	6,272	(2,774)	9,046	(326)%
Income (loss) before provision for income taxes	3,767	(35,397)	39,164	(111)%	(25,116)	(82,334)	57,218	(69)%
Provision for income taxes	1,850	258	1,592	617 %	6,138	485	5,653	1166 %
Net income (loss)	$ 1,917	$ (35,655)	$ 37,572	(105)%	$ (31,254)	$ (82,819)	$ 51,565	(62)%

nm = not meaningful

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

Revenue

Revenue increased 39%, or $94.9 million, and 34%, or $232.5 million, for the three and nine months ended September 30, 2024, respectively, compared to the three and nine months ended September 30, 2023. The increase was primarily driven by a 35% increase in active customers period over period, continued strength in the retention of existing customers, favorable customer behavior based on foreign currency movement, 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 42% and 38% to $14.5 billion and $39.2 billion for the three and nine months ended September 30, 2024, respectively, as compared to $10.2 billion and $28.4 billion for the three and nine months ended September 30, 2023, respectively.

Transaction Expenses

Transaction expenses increased $29.8 million, or 35%, to $115.6 million for the three months ended September 30, 2024, compared to $85.7 million for the three months ended September 30, 2023. The increase was primarily due to a $21.9 million, or 31%, 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 $7.7 million increase in our provision for transaction losses.

Transaction expenses increased $73.2 million, or 31%, to $313.2 million for the nine months ended September 30, 2024, compared to $240.0 million for the nine months ended September 30, 2023. The increase was primarily due to a $55.6 million, or 29%, 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 $16.6 million increase in our provision for transaction losses.

As a percentage of revenue, transaction expenses decreased to 34% for both the three and nine months ended September 30, 2024, as compared to 35% for both the three and nine months ended September 30, 2023.

Customer Support and Operations Expenses

Customer support and operations expenses increased $0.6 million, or 3%, for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The increase was primarily driven by a $1.3 million increase in third-party personnel costs to support customer operations compared to the three months ended September 30, 2023. This was partially offset by $0.7 million in restructuring costs incurred during the three months ended September 30, 2023 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).

Customer support and operations expenses decreased $0.7 million, or 1%, for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. The decrease was primarily driven by a $0.5 million decrease in personnel-related costs driven by a decrease in customer support and operations headcount and a $0.4 million decrease in other customer support and operating expenses compared to the nine months ended September 30, 2023.

As a percentage of revenue, customer support and operations expenses decreased to 7% for both the three and nine months ended September 30, 2024, from 9% for both the three and nine months ended September 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 $13.4 million, or 22%, for the three months ended September 30, 2024, compared to the three months ended September 30, 2023, primarily due to an increase of $10.8 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 $1.9 million, driven by a 19% increase in marketing headcount compared to the three months ended September 30, 2023.

Marketing expenses increased $60.8 million, or 38%, for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023, primarily due to an increase of $51.6 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 $7.1 million, driven by a 23% increase in marketing headcount compared to the nine months ended September 30, 2023.

As a percentage of revenue, marketing expenses decreased to 22% for the three months ended September 30, 2024, from 25% for the three months ended September 30, 2023, due to channel efficiencies and optimized local marketing.

As a percentage of revenue, marketing expenses increased to 24% for the nine months ended September 30, 2024, from 23% for the nine months ended September 30, 2023.

Technology and Development Expenses

Technology and development expenses increased $11.4 million, or 20%, for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The increase was driven by $9.7 million in personnel-related expenses, net of personnel-related expenses capitalized as internal-use software, resulting from a 22% increase in headcount compared to the three months ended September 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 $38.5 million, or 24%, for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. The increase was driven by $32.0 million in personnel-related expenses, net of personnel-related expenses capitalized as internal-use software, resulting from a 27% increase in headcount compared to the nine months ended September 30, 2023, as part of our continued investment in our technology platform. The increase in technology and development expense was also driven by a $6.0 million increase in software costs for cloud services to support incremental transaction volume.

As a percentage of revenue, technology and development expenses decreased to 20% and 22% for the three and nine months ended September 30, 2024, respectively, from 24% for both the three and nine months ended September 30, 2023, as we benefited from increasing efficiencies and scale.

General and Administrative Expenses

General and administrative expenses increased $1.1 million, or 2%, for the three months ended September 30, 2024, compared to the three months ended September 30, 2023. The increase was primarily driven by a $4.9 million increase in personnel-related expenses resulting from a 24% increase in headcount compared to the three months ended September 30, 2023. This was partially offset by a $2.0 million decrease in the fair market value of our charitable contributions related to our annual Pledge 1% donation and $1.7 million reduction in professional fees.

General and administrative expenses increased $10.3 million, or 8%, for the nine months ended September 30, 2024, compared to the nine months ended September 30, 2023. The increase was primarily driven by a $16.4 million increase in personnel-related expenses resulting from a 23% increase in headcount compared to the nine months ended September 30, 2023. This was partially offset by a $2.6 million decrease in taxes, a $2.1 million decrease in acquisition and integration costs, primarily related to the change in the fair value of the holdback liability, and a $2.0 million decrease in the fair market value of our charitable contributions related to our annual Pledge 1% donation.

As a percentage of revenue, general and administrative expenses decreased to 15% for both the three and nine months ended September 30, 2024, from 21% and 19% for the three and nine months ended September 30, 2023, respectively, as we continue to leverage scale in our general and administrative functions.

Depreciation and Amortization

Depreciation and amortization increased $1.2 million and $2.6 million, or 36% and 27%, respectively, for the three and nine months ended September 30, 2024, compared to the three and nine months ended September 30, 2023. The increase is primarily driven by an increase in amortization of internal-use software.

Interest Income

Interest income increased $0.3 million and $1.0 million for the three and nine months ended September 30, 2024, respectively, as compared to the three and nine months ended September 30, 2023. These increases are primarily due to an increase in average invested balances throughout the periods.

Interest Expense

Interest expense increased $0.2 million and $0.7 million for the three and nine months ended September 30, 2024, respectively, as compared to the three and nine months ended September 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 for Income Taxes

The provision for income taxes increased $1.6 million and $5.7 million for the three and nine months ended September 30, 2024, respectively, as compared to the three and nine months ended September 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 income (loss). Adjusted EBITDA is calculated as net income (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 income (loss) to Adjusted EBITDA, the most directly comparable financial measure prepared in accordance with GAAP, for each of the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Net income (loss)	$ 1,917	$ (35,655)	$ (31,254)	$ (82,819)
Add:				
Interest income, net	(1,305)	(1,223)	(3,959)	(3,634)
Provision for income taxes	1,850	258	6,138	485
Depreciation and amortization	4,655	3,418	12,240	9,634
Foreign exchange (gain) loss	(2,274)	(376)	(6,667)	2,611
Donation of common stock[1]	2,587	4,600	2,587	4,600
Stock-based compensation expense, net	39,278	36,573	110,523	101,007
Acquisition, integration, restructuring, and other costs[2]	—	2,901	1,468	4,390
Adjusted EBITDA	$ 46,708	$ 10,496	$ 91,076	$ 36,274

[1] Refer to Note 11. *Common Stock* within the notes to the condensed consolidated financial statements for further detail on the donation of common stock.

[2] Acquisition, integration, restructuring, and other costs for the nine months ended September 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 September 30, 2023 consisted primarily of $1.4 million in restructuring charges incurred, $0.9 million related to the change in the fair value of the holdback liability, and $0.6 million of expenses incurred in connection with the acquisition and integration of Rewire. Acquisition, integration, restructuring, and other costs for the nine months ended September 30, 2023 consisted primarily of $1.9 million related to the change in the fair value of the holdback liability, $1.4 million in restructuring charges incurred, and $1.1 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 September 30, 2024 and December 31, 2023, our principal sources of liquidity were cash and cash equivalents of $324.4 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 nine months ended September 30, 2024 and 2023, the average term of outstanding borrowings under our 2021 Revolving Credit Facility was approximately four days. During the nine months ended September 30, 2024, we cumulatively borrowed $863.0 million against this credit facility and repaid $993.0 million. 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 nine months ended September 30, 2024. As of September 30, 2024, we have unused borrowing capacity of $276.3 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:

	Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**
Net cash provided by (used in):		
Operating activities[1]	$ 138,850	$ (25,168)
Investing activities	(12,480)	(47,450)
Financing activities[1]	(128,899)	(3,475)
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	3,941	(599)
Net increase (decrease) in cash, cash equivalents, and restricted cash	$ 1,412	$ (76,692)

[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 nine months ended September 30, 2024, net cash provided by operating activities was $138.9 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 cash flow related to customer funds working capital changes of $63.8 million related to combined customer funds receivable, customer liabilities, disbursement prefunding, and trade settlement liability. In addition to these and other changes in working capital, the cash generated from operations reflects the $31.3 million net loss for the period exclusive of the $125.6 million of noncash charges.

For the nine months ended September 30, 2023, net cash used in operating activities was $25.2 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. Specifically, as a result of both growth and timing, we saw an increase in disbursement prefunding of $52.2 million and customer funds receivable of $68.6 million, offset by an increase in customer liabilities of $29.2 million and accrued expenses and other liabilities, which is inclusive of our trade settlement liability, of $28.1 million, which were the key drivers for the unfavorable changes in our operating assets and liabilities of $62.3 million. This change in our operating assets and liabilities was also partially offset by cash generated from our operations, when excluding the $119.9 million of noncash charges included within the $82.8 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 $12.5 million for the nine months ended September 30, 2024, a decrease of $35.0 million, compared to net cash used in investing activities of $47.5 million for the nine months ended September 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 $5.0 million for the nine months ended September 30, 2024, as compared to the nine months ended September 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 nine months ended September 30, 2024 was $128.9 million, an increase of $125.4 million, compared to net cash used in financing activities for the nine months ended September 30, 2023 of $3.5 million. The increase was primarily driven by the increase in net repayments on our 2021 Revolving Credit Facility of $130.0 million and the settlement of amounts previously held back for the Rewire acquisition of $10.3 million in the nine months ended September 30, 2024. offset by the repayment of assumed indebtedness of $17.1 million that occurred in the nine months ended September 30, 2023.

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 nine months ended September 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 15. *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 nine months ended September 30, 2024, we entered into a three-year cloud infrastructure arrangement. For further details on this arrangement, refer to Note 15. *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 15. *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 September 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 Estimates

The 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 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 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 September 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 $18.0 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 September 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 September 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

None.

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

On August 2, 2024, Matthew Oppenheimer, our Chief Executive Officer, adopted a trading plan intended to satisfy the conditions under Rule 10b5-1 of the Exchange Act. Mr. Oppenheimer's plan is for the sale of up to 350,000 shares of our common stock and terminates on the earlier of the date all the shares under the plan are sold and October 16, 2025.

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	Offer Letter, dated as of July 26, 2024, by and between the Registrant and Vikas Mehta	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:	October 30, 2024	By:	/s/ Matthew Oppenheimer
			Matthew Oppenheimer Chief Executive Officer (Principal Executive Officer)
Date:	October 30, 2024	By:	/s/ Vikas Mehta
			Vikas Mehta Chief Financial Officer (Principal Financial Officer)
Date:	October 30, 2024	By:	/s/ Gail Miller
			Gail Miller Chief Accounting Officer (Principal Accounting Officer)

Date: July 26, 2024

Dear Vikas:

This letter agreement is between you and Remitly Global, Inc. (the "**Company**")[1]. Under the terms of this agreement, you will work in the role of Chief Financial Officer, reporting to Matt Oppenheimer, the Company's Chief Executive Officer.

1. Cash Compensation. In this position, the Company will pay you an annual base salary payable in accordance with the Company's standard payroll schedule. Your pay will be periodically reviewed as a part of the Company's regular reviews of compensation.

2. Employee Benefits. You will be eligible to participate in a number of Company-sponsored benefits to the extent that you comply with the eligibility requirements of each such benefit plan. The Company, in its sole discretion, may amend, suspend or terminate its employee benefits at any time, with or without notice. In addition, you will be entitled to paid vacation in accordance with the Company's vacation policy, as in effect from time to time.

3. Termination Benefits. You will be eligible to receive change in control and severance payments and benefits under the Change in Control and Severance Agreement (the "**Severance Agreement**") between you and the Company, attached to this offer letter as **Exhibit A**.

4. Confidentiality Agreement. By signing this letter agreement, you reaffirm the terms and conditions of the Employee Proprietary Information, Inventions and Arbitration Agreement by and between you and the Company.

5. No Conflicting Obligations. You understand and agree that by signing this letter agreement, you represent to the Company that your performance will not breach any other agreement to which you are a party and that you have not, and will not during the term of your employment with the Company, enter into any oral or written agreement in conflict with any of the provisions of this letter or the Company's policies. You are not to bring with you to the Company, or use or disclose to any person associated with the Company, any confidential or proprietary information belonging to any former employer or other person or entity with respect to which you owe an obligation of confidentiality under any agreement or otherwise. The Company does not need and will not use such information and we will assist you in any way possible to preserve and protect the confidentiality of proprietary information belonging to third parties. Also, we expect you to abide by any obligations to refrain from soliciting any person employed by or otherwise associated with any former employer and suggest that you refrain from having any contact with such persons until such time as any non-solicitation obligation expires.

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[1] Any reference to the Company will be understood to include any direct or indirect subsidiary of the Company that employs you, including Remitly, Inc.

6. <u>Outside Activities</u>. While you render services to the Company, you agree that you will not engage in any other employment, consulting or other business activity without the written consent of the Company. In addition, while you render services to the Company, you will not assist any person or entity in competing with the Company, in preparing to compete with the Company or in hiring any employees or consultants of the Company.

7. <u>Equal Employment Opportunity</u>. The Company is an equal opportunity employer and conducts its employment practices based on business needs and in a manner that treats employees and applicants on the basis of merit and experience. The Company prohibits unlawful discrimination on the basis of race, color, religion, sex, pregnancy, national origin, citizenship, ancestry, age, physical or mental disability, veteran status, marital status, domestic partner status, sexual orientation, or any other consideration made unlawful by federal, state or local laws.

8. <u>Arbitration</u>. You and the Company agree to submit to mandatory binding arbitration, governed by the Federal Arbitration Act ("**FAA**"), any and all claims arising out of or related to your employment with the Company and the termination thereof, including, but not limited to, claims for unpaid wages, wrongful termination, torts, stock or stock options or other ownership interest in the Company, and/or discrimination (including harassment) based upon any federal, state or local ordinance, statute, regulation or constitutional provision except that each party may, at its, his or her option, seek injunctive relief in court related to the improper use, disclosure or misappropriation of a party's private, proprietary, confidential or trade secret information (collectively, "**Arbitrable Claims**"). Further, to the fullest extent permitted by law, you and the Company agree that no class or collective actions can be asserted in arbitration or otherwise. All claims, whether in arbitration or otherwise, must be brought solely in your or the Company's individual capacity, and not as a plaintiff or class member in any purported class or collective proceeding. <u>Nothing in this Arbitration and Class Action Waiver section, however, restricts your right to pursue claims in court: (a) on a representative action basis under applicable law, or (b) arising under the Washington State Law Against Discrimination (RCW 49.60, *et seq.*) or any federal anti-discrimination law.</u>

SUBJECT TO THE ABOVE PROVISO, THE PARTIES HEREBY WAIVE ANY RIGHTS THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS. THE PARTIES FURTHER WAIVE ANY RIGHTS THEY MAY HAVE TO PURSUE OR PARTICIPATE IN A CLASS OR COLLECTIVE ACTION PERTAINING TO ANY CLAIMS BETWEEN YOU AND THE COMPANY.

This agreement to arbitrate does not restrict your right to file administrative claims you may bring before any government agency where, as a matter of law, the parties may not restrict the employee's ability to file such claims (including, but not limited to, the National Labor Relations Board, the Equal Employment Opportunity Commission and the Department of Labor). However, the parties agree that, to the fullest extent permitted by law, arbitration shall be the exclusive remedy for the subject matter of such administrative claims, except for the resolution of claims of discrimination. The arbitration shall be conducted in Seattle, Washington through JAMS before a single neutral arbitrator, in accordance with the JAMS employment arbitration rules then in effect, provided however, that the FAA, including its procedural provisions for compelling arbitration, shall govern and apply to this arbitration agreement. The JAMS rules may be found and reviewed at http://www.jamsadr.com/rules-employment-arbitration. If you are unable to access these rules, please let me know and I will provide you with a hardcopy. The arbitrator shall issue a written decision that contains the essential findings and conclusions on which the decision is based. If, for any reason, any term of this Arbitration and Class Action Waiver provision is held to be invalid or unenforceable, all other valid terms and conditions herein shall be severable in nature, and remain fully enforceable.

9. General Obligations. As an employee, you will be expected to adhere to the Company's standards of professionalism, loyalty, integrity, honesty, reliability and respect for all. You will also be expected to comply with the Company's policies and procedures. The Company is an equal opportunity employer.

10. At-Will Employment. Your employment with the Company will continue for no specific period of time. Your employment with the Company will be on an "at will" basis, meaning that either you or the Company may terminate your employment at any time for any reason or no reason. The Company also reserves the right to modify or amend the terms of your employment at any time for any reason. Any contrary representations which may have been made to you are superseded by this letter agreement. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and the Company's Board of Directors.

11. Withholdings. All forms of compensation paid to you as an employee of the Company shall be less all applicable withholdings.

[SIGNATURE PAGE FOLLOWS]

This letter agreement supersedes and replaces any prior understandings or agreements, whether oral, written or implied, between you and the Company regarding the matters described in this letter (other than the Severance Agreement). This letter will be governed by the laws of Washington, without regard to its conflict of laws provisions.

Very truly yours, REMITLY GLOBAL,INC.

/s/ Matthew Oppenheimer
By: Matthew Oppenheimer
Chief Executive Officer

ACCEPTED AND AGREED

/s/ Vikas Mehta
Vikas Mehta

Exhibit 31.1

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: October 30, 2024

/s/ Matthew Oppenheimer

Matthew Oppenheimer
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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, Vikas Mehta, 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: October 30, 2024

/s/ Vikas Mehta

Vikas Mehta

Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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 September 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: October 30, 2024

/s/ Matthew Oppenheimer

Matthew Oppenheimer
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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

I, Vikas Mehta, 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 September 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: October 30, 2024

/s/ Vikas Mehta

Vikas Mehta

Chief Financial Officer
(Principal Financial Officer)