November 4, 2026

# Sezzle Reports Third Quarter 2026 Results

- *Total Transaction Volume[1] (TTV) reached $1.4 billion, representing 34.9% YoY growth*
- *Total Revenue grew 42.6% YoY to a record $166.5 million, outpacing TTV growth by 7.7 percentage points*
- *Active Subscribers up 68.1% YoY to 955,000*
- *Net Income increased 79.3% YoY to $47.8 million, or $1.38 per Diluted Share, up 84.0%; Adjusted Net Income rose 89.9% to $47.7 million, with Adjusted Net Income per Diluted Share increasing 95.7% to $1.37*
- *Raised FY2026 guidance to approximately 42.5% Total Revenue growth, $190.0 million of Adjusted Net Income (48.8% YoY growth)[2], and $5.45–$5.50 of Adjusted Net Income per Diluted Share*
- *Introduced preliminary FY2027 guidance for Adjusted Net Income[2] per Diluted Share of $7.20, representing 30.9%–32.1% growth over FY2026 guidance*

**Sezzle Inc. (NASDAQ:SEZL)** (**Sezzle** or **Company**) // Sezzle is pleased to update the market on key financial metrics for the quarter ended September 30, 2026.

*"We enter the holiday season with Subscribers approaching one million and transaction frequency reaching a Company high,"* stated Charlie Youakim, Sezzle Executive Chairman and CEO. *"SezzleCash is showing encouraging results, bringing new Subscribers onto the platform, many of whom subsequently shop with Anywhere at checkout. We are raising FY2026 guidance for the fourth time, with Total Revenue growth now expected to reach approximately 42.5%, Adjusted Net Income of $190 million, and Adjusted Net Income per Diluted Share of $5.45–$5.50. We are also introducing preliminary FY2027 guidance of $7.20 in Adjusted Net Income per Diluted Share."*

## Third Quarter 2026 Highlights

- Total Transaction Volume increased 34.9% YoY to a quarterly high of $1.4 billion, supported by continued growth in the Subscriber base and incremental volume from SezzleCash and Sezzle

[1] Total Transaction Volume (TTV) is the total value of transactions processed through Sezzle, including Gross Merchandise Volume (GMV), cash advances (SezzleCash) and peer-to-peer (Sezzle Send) payments. Beginning in 3Q26, TTV replaces GMV. Prior periods have been recast to reflect the expanded scope of TTV and adjustments to purchase-volume measurement.
[2] Current FY2026 and Preliminary 2027 guidance reflect impact of income tax adjustment.

Send. Average quarterly transaction[3] frequency rose to a Company high of 7.8x from 6.5x in the prior comparable period.

- Total Revenue increased 42.6% YoY to a record $166.5 million, exceeding TTV growth by 7.7 percentage points. Total Revenue as a percentage of TTV expanded 60 basis points to 11.9% from 11.3% in 3Q25.
- Active Subscribers[4] grew 68.1% YoY to 955,000 (rounded to the nearest thousand). SezzleCash demonstrated early traction as an added benefit of Sezzle Anywhere, contributing to Subscriber acquisition and engagement.
- Total Operating Expenses increased 25.9% YoY to $102.3 million, well below Total Revenue growth of 42.6%. Operating Expenses decreased 8.2 percentage points YoY to 61.4% of Total Revenue and 0.5 percentage points to 7.3% of TTV.
- Transaction Related Costs[5] decreased 1.0 percentage point YoY to 4.2% of TTV, with all three components improving. The Provision for Credit Losses eased to 2.7% of TTV from 3.1% in 3Q25, and the Company's FY2026 target is now approximately 2.5% of TTV, compared with its prior target range of 2.5%–3.0% of TTV (previously expressed as a percentage of GMV). Transaction Expense declined to 1.3% of TTV from 1.7% in 3Q25, benefiting in part from a $3.7 million payment network incentive. Net Interest Expense declined to a Company low of 0.2% of TTV from 0.4%. In absolute terms, Transaction Related Costs were $58.8 million, 9.8% higher YoY.
- Operating Income grew 80.7% YoY to $64.3 million, nearly twice the rate of Total Revenue growth. Operating Margin improved 8.2 percentage points YoY to 38.6%, and Operating Income reached 4.6% of TTV, up from 3.4% in 3Q25.
- Total Revenue Less Transaction Related Costs[5] set a new quarterly high of $107.7 million, up 70.3% YoY. As a share of Total Revenue and TTV, the metric expanded to 64.7% and 7.7%, up 10.5 and 1.6 percentage points YoY, respectively.
- Non-Transaction Related Operating Expenses[5] rose 46.2% YoY to $46.2 million, representing 27.8% of Total Revenue compared with 27.1% in 3Q25. Marketing expenses moderated sequentially to $15.9 million from $19.4 million in 2Q26, while remaining above the $8.8 million reported in 3Q25. Higher Third-party Technology and Data costs also reflected continued investment in the Company's technology infrastructure to support platform growth and resilience.

[3] Transactions include purchases, SezzleCash advances, and Sezzle Send payments.
[4] Active Subscribers are unique consumers who had an active subscription for either Sezzle Premium or Sezzle Anywhere as of September 30, 2026.
[5] See appendix for a reconciliation of non-GAAP financial measures.

- Corporate Strategic Project Costs were $2.4 million in the quarter, reflecting professional services for the antitrust suit and national bank charter application.

- Net Income rose 79.3% YoY to $47.8 million, or $1.38 per Diluted Share, compared with $0.75 in 3Q25. Net Income Margin widened 5.9 percentage points YoY to 28.7%.
  - Adjusted Net Income[6] nearly doubled, rising 89.9% YoY to $47.7 million and representing 28.6% of Total Revenue. Adjusted Net Income per Diluted Share came in at $1.37, versus $0.70 in 3Q25.
- Adjusted EBITDA[6] climbed 77.1% YoY to $70.2 million. Adjusted EBITDA Margin expanded 8.2 percentage points YoY to 42.1% of Total Revenue.

## Balance Sheet and Liquidity

- As of September 30, 2026, Sezzle had $107.9 million of cash, cash equivalents, and restricted cash, $37.7 million of which was restricted.
- The Company had $104.0 million outstanding on its $300.0 million credit facility as of quarter end.
- To support the broader launch of SezzleCash and Sezzle Send, Sezzle entered into a retention arrangement with WebBank, under which WebBank originates and holds eligible SezzleCash and Sezzle Send loans off the Company's balance sheet. Sezzle continues to service the loans.

## Guidance

The Company is raising its FY2026 guidance as follows:

| | 2026 Guidance | | | | |
|---|---|---|---|---|---|
| | **Nov 2025** | **Feb 2026** | **May 2026** | **Aug 2026** | **Nov 2026** |
| Total Revenue Growth | *Not provided* | 25%–30% | 30%–35% | 35% | ~42.5% |
| Adjusted Net Income[7] | *Not provided* | $170.0M | $180.0M | $185.0M | $190.0M |
| Adjusted Net Income Per Diluted Share | $4.35 | $4.70 | $5.10 | $5.25 | $5.45–$5.50 |

[6] See appendix for a reconciliation of non-GAAP financial measures. Adjusted prior periods to include the income tax effect of non-GAAP adjustments.
[7] FY2026 Non-GAAP adjusted financial guidance reflects add-backs for estimated expenses associated with Corporate Strategic Projects and other income and expense. Previously issued Adjusted Net Income and Adjusted Net Income per Diluted Share guidance is presented as originally issued and has not been recast to reflect the income tax effects of corporate strategic project costs and other income and expense. Accordingly, prior guidance and related growth rates are not directly comparable with current guidance. Current FY2026 guidance reflects these income tax effects.

The Company is also introducing preliminary FY2027 guidance for Adjusted Net Income Per Diluted Share[8] as follows:

| | 2027 Guidance |
|---|---|
| Adjusted Net Income Per Diluted Share | $7.20 |

## Initiatives Update

- SezzleCash completed its first full quarter following its June launch, showing encouraging signs of Subscriber acquisition and cross-selling. More than 15% of SezzleCash-eligible new Anywhere Subscribers made their first transaction through SezzleCash, with over 60% of those Subscribers subsequently shopping with Sezzle at checkout. Sezzle Send launched in beta during 3Q26 and rolled out to all users in October, introducing peer-to-peer payments to the Sezzle platform.
- September enhancements to Sezzle Up, the Company's opt-in credit reporting program, expanded eligibility and streamlined enrollment. Average weekly enrollments approximately doubled in the 30 days following these changes compared with the preceding 30-day period.
- Subsequent to quarter end, Sezzle soft-launched Sezzle Anywhere in Canada. The offering includes Canada's only BNPL virtual card that can be used anywhere Visa is accepted, both online and in-store.
- In October 2026, Sezzle filed an application with the Office of the Comptroller of the Currency to establish Sezzle Bank, N.A., a national bank, along with an application to the Federal Deposit Insurance Corporation for federal deposit insurance.

## Upcoming Investor Events

- Sezzle Management will participate in the upcoming investor events:
  - November 10, 2026: Citi’s 15th Annual FinTech Conference
  - November 11, 2026: KBW Fintech Ecosystem Conference
  - November 17, 2026: TD Cowen 2026 Financials & Fintech Conference
  - December 9, 2026: Needham Midwest Non-Deal Roadshow

[8] FY2027 Non-GAAP adjusted financial guidance reflects add-backs for estimated FY2027 expenses associated with Corporate Strategic Projects and other income and expense. Preliminary FY2027 guidance reflects the income tax effects of corporate strategic project costs and other income and expense.

## Quarterly Conference Call and Presentation

The Company will host its third quarter earnings conference call on November 4, 2026, at 5:00pm ET.

To register for the call, please navigate to: https://dpregister.com/sreg/10212561/1050d1c7acb

All participants can access the webcast using the following link:

https://event.choruscall.com/mediaframe/webcast.html?webcastid=fYeuLPav

Upon registration, participants will receive the dial-in number. Those without internet access or unable to pre-register may dial in by calling: 1-866-777-2509 (US/CA toll free) or 1-412-317-5413 (international toll). A replay will be available until November 11, 2026. To access the replay dial 1-855-669-9658 (US toll free) or 1-412-317-0088 (International toll). Replay access code: 7590410.

In conjunction with the earnings call, the Company will release its presentation on the Sezzle Investor Relations website before the call. Please navigate to the Sezzle Investor Relations website for the presentation that management will review on the call.

## 3Q26 GAAP Operating Results

| ($ in thousands) | For the three months ended Sep 30, 2026 | Sep 30, 2025 | YoY Difference |
|---|---|---|---|
| Total Revenue | $ 166,503 | $ 116,796 | 42.6 % |
| Operating Expenses | $ 102,252 | $ 81,235 | 25.9 % |
| Operating Expenses as % of Total Revenue | 61.4 % | 69.6 % | (8.2 ppt) |
| Operating Expenses as % of TTV | 7.3 % | 7.8 % | (0.5 ppt) |
| Operating Income | $ 64,251 | $ 35,561 | 80.7 % |
| Operating Income as % of Total Revenue | 38.6 % | 30.4 % | 8.2 ppt |
| Operating Income as % of TTV | 4.6 % | 3.4 % | 1.2 ppt |
| Net Income | $ 47,825 | $ 26,671 | 79.3 % |
| Net Income as % of Total Revenue | 28.7 % | 22.8 % | 5.9 ppt |
| Net Income per Diluted Share | $ 1.38 | $ 0.75 | 84.0 % |

## 3Q26 Non-GAAP Operating Results[9]

| ($ in thousands) | For the three months ended Sep 30, 2026 | Sep 30, 2025 | YoY Difference |
|---|---|---|---|
| Non-Transaction Related Operating Expenses | $ 46,244 | $ 31,623 | 46.2% |
| Non-Transaction Related Operating Expenses as % of Total Revenue | 27.8 % | 27.1 % | 0.7 ppt |
| Transaction Related Costs | $ 58,789 | $ 53,535 | 9.8 % |
| Transaction Related Costs as % of Total Revenue | 35.3 % | 45.8 % | (10.5 ppt) |
| Transaction Related Costs as % of TTV | 4.2 % | 5.2 % | (1.0 ppt) |
| Total Revenue Less Transaction Related Costs | $ 107,714 | $ 63,261 | 70.3 % |
| Total Revenue Less Transaction Related Costs as % of Total Revenue | 64.7 % | 54.2 % | 10.5 ppt |
| Total Revenue Less Transaction Related Costs as % of TTV | 7.7 % | 6.1 % | 1.6 ppt |
| Adjusted EBITDA | $ 70,177 | $ 39,623 | 77.1 % |
| Adjusted EBITDA Margin | 42.1 % | 33.9 % | 8.2 ppt |
| Adjusted Net Income | $ 47,702 | $ 25,119 | 89.9 % |
| Adjusted Net Income Margin | 28.6 % | 21.5% | 7.1 ppt |
| Adjusted Net Income per Diluted Share | $ 1.37 | $ 0.70 | 95.7 % |

[9] See appendix for a reconciliation of non-GAAP financial measures.

## Appendix - Reconciliation of GAAP to Non-GAAP Financial Measures

*Reconciliation of Operating Expenses to Non-transaction Related Operating Expenses*

| | For the three months ended | |
|---|---|---|
| *($ in thousands)* | **September 30, 2026** | **September 30, 2025** |
| **Operating expenses** | **$ 102,252** | **$ 81,235** |
| Transaction expense | (18,342) | (17,435) |
| Provision for credit losses | (37,666) | (32,177) |
| **Non-transaction related operating expenses** | **$ 46,244** | **$ 31,623** |

*Reconciliation of Operating Expenses to Transaction Related Costs*

| | For the three months ended | |
|---|---|---|
| *($ in thousands)* | **September 30, 2026** | **September 30, 2025** |
| **Operating expenses** | **$ 102,252** | **$ 81,235** |
| Personnel | (16,804) | (14,320) |
| Third-party technology and data | (6,496) | (3,705) |
| Marketing, advertising, and tradeshows | (15,893) | (8,775) |
| General and administrative | (7,051) | (4,823) |
| Net interest expense | 2,781 | 3,923 |
| **Transaction related costs** | **$ 58,789** | **$ 53,535** |

*Reconciliation of Operating Income to Total Revenue Less Transaction Related Costs*

| | For the three months ended | |
|---|---|---|
| *($ in thousands)* | **September 30, 2026** | **September 30, 2025** |
| **Operating income** | **$ 64,251** | **$ 35,561** |
| Personnel | 16,804 | 14,320 |
| Third-party technology and data | 6,496 | 3,705 |
| Marketing, advertising, and tradeshows | 15,893 | 8,775 |
| General and administrative | 7,051 | 4,823 |
| Net interest expense | (2,781) | (3,923) |
| **Total revenue less transaction related costs** | **$ 107,714** | **$ 63,261** |

*Reconciliation of Net Income to Adjusted EBITDA*

| *($ in thousands)* | For the three months ended September 30, 2026 | For the three months ended September 30, 2025 |
|---|---|---|
| **Net income** | **$ 47,825** | **$ 26,671** |
| Depreciation and amortization | 559 | 369 |
| Income tax expense | 13,591 | 4,961 |
| Equity and incentive-based compensation | 2,921 | 2,409 |
| Other (income) expense, net | 54 | 6 |
| Corporate strategic projects | 2,446 | 1,284 |
| Net interest expense | 2,781 | 3,923 |
| **Adjusted EBITDA** | **$ 70,177** | **$ 39,623** |

*Reconciliation of Net Income to Adjusted Net Income and Adjusted Net Income per Diluted Share*

| *($ in thousands, except for per share numbers)* | For the three months ended September 30, 2026 | For the three months ended September 30, 2025 |
|---|---|---|
| **Net income** | **$ 47,825** | **$ 26,671** |
| Discrete tax benefit | (1,999) | (2,520) |
| Corporate strategic projects | 2,446 | 1,284 |
| Other (income) expense, net | 54 | 6 |
| Income tax effect of non-GAAP adjustments[(1)] | (624) | (322) |
| **Adjusted net income** | **47,702** | **25,119** |
| Diluted weighted-average shares outstanding | 34,753 | 35,675 |
| **Adjusted net income per diluted share** | **$ 1.37** | **$ 0.70** |

(1) Adjusted prior periods to include the income tax effect of non-GAAP adjustments at an effective tax rate of 24.9%.

Investors should be aware that generally accepted accounting principles prescribe when a company may reserve for particular risks, including litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when we establish reserves for one or more contingencies. Also, our regular reserve reviews may result in adjustments of varying magnitude as additional information regarding claims activity becomes known. Reported results, therefore, may be volatile in certain accounting periods.

## Contact Information

**Jack Fagan**
Investor Relations
+1 651 240 6001
InvestorRelations@sezzle.com

**Erin Foran**
Media Inquiries
+1 651 403 2184
erin.foran@sezzle.com

## About Sezzle Inc.

Sezzle is a forward-thinking fintech company committed to financially empowering the next generation. Through its purpose-driven payment platform, Sezzle enhances consumers' purchasing power by offering access to point-of-sale financing options and digital payment services—connecting millions of customers with its global network of merchants. Centered on transparency, inclusivity, and ease of use, Sezzle empowers consumers to manage spending responsibly, take charge of their finances, and achieve lasting financial independence.

Pay Later, SezzleCash, and Sezzle Send loans are originated by Sezzle and third-party lenders, including WebBank.

For more information visit sezzle.com.

## Consolidated Balance Sheets (unaudited)

| (in thousands, except per share amounts) | As of September 30, 2026 | As of December 31, 2025 |
|---|---|---|
| **Assets** | | |
| **Current Assets** | | |
| Cash and cash equivalents, including amounts held by variable interest entity ("VIE") of $19,610 and $25,921, respectively | $ 70,142 | $ 64,054 |
| Restricted cash, current, including amounts held by VIE of $4,305 and $8,245, respectively | 4,348 | 8,413 |
| Notes receivable | 355,529 | 283,400 |
| Allowance for credit losses | (39,611) | (28,505) |
| Notes receivable, net, including amounts held by VIE of $286,275 and $237,062, respectively | 315,918 | 254,895 |
| Other current assets | 37,332 | 24,502 |
| Total current assets | 427,740 | 351,864 |
| **Non-Current Assets** | | |
| Restricted cash, non-current | 33,374 | 30,134 |
| Deferred tax asset | 14,466 | 13,615 |
| Other assets | 6,048 | 4,616 |
| **Total Assets** | **$ 481,628** | **$ 400,229** |
| | | |
| **Liabilities and Stockholders' Equity** | | |
| **Current Liabilities** | | |
| Merchant accounts payable | $ 56,277 | $ 56,374 |
| Other payables, including amounts held by VIE of $4 and $1,476, respectively | 9,858 | 6,908 |
| Deferred revenue | 7,664 | 5,431 |
| Other current liabilities | 27,701 | 21,053 |
| Total current liabilities | 101,500 | 89,766 |
| **Non-Current Liabilities** | | |
| Operating lease liabilities | 271 | 661 |
| Line of credit, net of unamortized debt issuance costs of $1,822 and $1,268, respectively, held by VIE | 102,178 | 139,991 |
| **Total Liabilities** | **203,949** | **230,418** |
| | | |
| **Stockholders' Equity** | | |
| Common stock and additional paid-in capital, $0.00001 par value; 750,000 shares authorized; 35,238 and 35,130 shares issued, respectively; 33,783 and 33,798 shares outstanding, respectively | 199,901 | 194,890 |
| Treasury stock, at cost: 1,455 and 1,332 shares, respectively | (35,478) | (24,072) |
| Accumulated other comprehensive loss | (766) | (683) |
| Accumulated earnings (deficit) | 114,022 | (324) |
| **Total Stockholders' Equity** | **277,679** | **169,811** |
| **Total Liabilities and Stockholders' Equity** | **$ 481,628** | **$ 400,229** |

## Consolidated Statements of Operations and Comprehensive Income (unaudited)

| (in thousands, except per share amounts) | For the three months ended September 30, 2026 | For the three months ended September 30, 2025 | For the nine months ended September 30, 2026 | For the nine months ended September 30, 2025 |
|---|---|---|---|---|
| Total revenue | $ 166,503 | $ 116,796 | $ 451,725 | $ 320,410 |
| **Operating Expenses** | | | | |
| Personnel | 16,804 | 14,320 | 46,196 | 41,049 |
| Transaction expense | 18,342 | 17,435 | 57,600 | 46,995 |
| Third-party technology and data | 6,496 | 3,705 | 15,818 | 10,507 |
| Marketing, advertising, and tradeshows | 15,893 | 8,775 | 46,535 | 22,893 |
| General and administrative | 7,051 | 4,823 | 15,379 | 11,800 |
| Provision for credit losses | 37,666 | 32,177 | 81,949 | 65,624 |
| Total operating expenses | 102,252 | 81,235 | 263,477 | 198,868 |
| **Operating Income** | **64,251** | **35,561** | **188,248** | **121,542** |
| **Other Income (Expense)** | | | | |
| Net interest expense | (2,781) | (3,923) | (9,046) | (10,338) |
| Other income (expense), net | (54) | (6) | (85) | 106 |
| Income before taxes | 61,416 | 31,632 | 179,117 | 111,310 |
| Income tax expense | 13,591 | 4,961 | 39,224 | 20,871 |
| **Net Income** | **47,825** | **26,671** | **139,893** | **90,439** |
| **Other Comprehensive (Loss) Income** | | | | |
| Foreign currency translation adjustment | 70 | (339) | (83) | 483 |
| **Total Comprehensive Income** | **$ 47,895** | **$ 26,332** | **$ 139,810** | **$ 90,922** |
| **Net income per share:** | | | | |
| Basic | $ 1.42 | $ 0.78 | $ 4.15 | $ 2.67 |
| Diluted | $ 1.38 | $ 0.75 | $ 4.02 | $ 2.55 |
| **Weighted-average shares outstanding:** | | | | |
| Basic | 33,722 | 34,048 | 33,706 | 33,878 |
| Diluted | 34,753 | 35,675 | 34,803 | 35,448 |

## Consolidated Statements of Cash Flows (unaudited)

| (in thousands) | For the nine months ended September 30, 2026 | (As restated) 2025 |
|---|---|---|
| **Operating Activities:** | | |
| Net income | $ 139,893 | $ 90,439 |
| Adjustments to reconcile net income to net cash provided from operating activities: | | |
| Depreciation and amortization | 1,497 | 967 |
| Provision for credit losses | 81,949 | 65,624 |
| Discount on notes receivable | (674) | (1,516) |
| Equity based compensation and restricted stock vested | 6,355 | 5,180 |
| Deferred income taxes | (851) | 3,462 |
| Other, net | 1,421 | 384 |
| Changes in operating assets and liabilities: | | |
| Other assets | (12,786) | (15,143) |
| Merchant accounts payable | 202 | (11,445) |
| Other payables | 2,963 | (1,059) |
| Other liabilities | 5,732 | 1,738 |
| Deferred revenue | 2,238 | 608 |
| Operating leases | (9) | 35 |
| **Net Cash Provided from Operating Activities** | **227,930** | **139,274** |
| | | |
| **Investing Activities:** | | |
| Purchases and originations of notes receivable, net of proceeds from repayments | (142,332) | (83,656) |
| Purchase of property and equipment | (943) | (594) |
| Internally developed intangible asset additions | (2,316) | (1,509) |
| **Net Cash Used for Investing Activities** | **(145,591)** | **(85,759)** |
| | | |
| **Financing Activities:** | | |
| Proceeds from line of credit | 135,000 | 105,800 |
| Payments to line of credit | (172,260) | (92,800) |
| Payments of debt issuance costs | (1,163) | (10) |
| Proceeds from stock option exercises | 1,063 | 3,618 |
| Stock subscriptions collected related to stock option exercises | — | 44 |
| Repurchase of common stock | (39,360) | (34,630) |
| **Net Cash Used for Financing Activities** | **(76,720)** | **(17,978)** |
| | | |
| Effect of exchange rate changes on cash | (356) | 809 |
| Net increase in cash, cash equivalents, and restricted cash | 5,619 | 35,537 |
| Cash, cash equivalents, and restricted cash, beginning of period | 102,601 | 98,310 |
| **Cash, cash equivalents, and restricted cash, end of period** | **$ 107,864** | **$ 134,656** |

## Consolidated Statements of Cash Flows (unaudited) (continued)

| (in thousands) | For the nine months ended September 30, 2026 | (As restated) 2025 |
|---|---|---|
| **Noncash investing and financing activities:** | | |
| Conversion of accrued profit-sharing incentive plan liabilities to stockholders' equity | $ — | $ 2,301 |
| | | |
| **Supplementary disclosures:** | | |
| Interest paid | $ 11,828 | $ 11,248 |
| Income taxes paid | 47,282 | 25,324 |

## Forward Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We have based these forward-looking statements largely on our management's current expectations and projections about future events and financial trends affecting the financial condition of our business.

Forward-looking statements generally can be identified by the use of words such as "anticipate," "expect," "plan," "could," "may," "will," "believe," "estimate," "forecast," "goal," "project," other words or expressions of similar meaning (or the negative versions of such words or expressions). These forward-looking statements address various matters including the timing and nature of anticipated new products, our business strategy, future operations, financial performance or other future events. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied. Applicable risks and uncertainties include, among others: the possibility that Sezzle's national bank charter application, or other expected applications associated with that application may not be approved timely, if at all; the uncertain nature of the impact that a national bank charter may have on Sezzle's business; impact of the "buy-now, pay-later" ("BNPL") industry becoming subject to increased regulatory scrutiny; impact of operating in a highly competitive industry; impact of macro-economic conditions on consumer spending and consumer credit; our ability to maintain our relationship with our existing merchant base, increase our merchant network and Total Transaction Volume ("TTV"); our ability to retain and increase our consumer base and TTV; our ability to retain and increase our subscriber base and subscription revenue; our ability to effectively manage growth, sustain our growth rate and maintain our market share; our ability to maintain adequate access to capital in order to meet the capital requirements of our business; the loans facilitated through the Sezzle Platform involve a high degree of financial risk; our reliance on our originating bank partner to originate a substantial majority of the loans facilitated by the Sezzle Platform; our reliance on third-party data to assess creditworthiness of consumers; impact of exposure to consumer bad debts and insolvency of merchants; our ability to comply with the applicable requirements of Visa and other payment processors; impact of the integration, support and prominent presentation of our platform by our merchants; impact of any data security breaches, cyberattacks, employee or other internal misconduct, malware, phishing or ransomware, physical security breaches, natural disasters, or similar disruptions; impact of key vendors or merchants failing to comply with legal or regulatory requirements or to provide various services that are important to our operations; impact of exchange rate fluctuations in the international markets in which we operate; our ability to protect our intellectual property rights and third party allegations of the misappropriation of intellectual property rights; our ability to retain our existing workforce and recruit additional staff; impact of the costs of complying with various laws and regulations applicable to the BNPL industry in the United States and Canada; our ability to comply with applicable state lending licenses and other state lending laws and regulations; the impact of litigation, regulatory investigations and actions, and compliance issues on our business; our ability to achieve our public benefit purpose as a Delaware public benefit corporation; significant and sudden declines or volatility in the trading price of our common stock and market capitalization; and other factors identified in the "Risk Factors" section of our most recent Annual Report on Form 10-K (the "Annual Report") and the Company's subsequent filings filed with the SEC. Investors

should not place undue reliance on forward-looking statements contained in this press release, including any accompanying attachments or oral forward-looking statements that we or persons acting on our behalf may issue, which, except as otherwise noted, speak only as of the date of this press release. Except as required by law, we undertake no obligation to update or revise any forward-looking statements contained in this press release, any accompanying materials, or oral forward-looking statements made in connection with this press release.

## Non-GAAP Financial Measures

To supplement our operating results prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), we present the following non-GAAP financial measures: Total revenue less transaction related costs; transaction related costs; non-transaction related operating expenses; adjusted net income; adjusted net income margin; adjusted net income per diluted share; adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA"); and Adjusted EBITDA margin. Definitions of these non-GAAP financial measures and summaries of the reasons why management believes that the presentation of these non-GAAP financial measures provides useful information to the Company and investors are as follows:

- Total revenue less transaction related costs is defined as GAAP total revenue less transaction related costs. Transaction related costs is the sum of GAAP transaction expense, provision for credit losses, and net interest expense, as detailed in the reconciliation table of GAAP operating expenses to non-GAAP transaction related costs. We believe that total revenue less transaction related costs is a useful financial measure to both management and investors for evaluating the economic value of transactions processed on the Sezzle Platform.

- Non-transaction related operating expenses is defined as the sum of GAAP personnel; third-party technology and data; marketing, advertising, and tradeshows; and general and administrative operating expenses. We believe that non-transaction related operating expenses is a useful financial measure to both management and investors for evaluating our management of operating expenses not directly attributable to transactions processed on the Sezzle Platform.

- Adjusted EBITDA is defined as GAAP net income, adjusted for certain charges including depreciation, amortization, equity and incentive–based compensation, corporate strategic project costs, and other income and expense, as well as net interest expense and income tax expense as detailed in the reconciliation table of GAAP net income to adjusted EBITDA. We believe that this financial measure is a useful measure for period-to-period comparison of our business by removing the effect of certain non-cash and non-recurring charges, as well as funding costs, that may not directly correlate to the underlying performance of our business.

- Adjusted EBITDA margin is defined as Adjusted EBITDA divided by GAAP total revenue. We believe that this financial measure is a useful measure for period-to-period comparison of our business' unit economics by removing the effect of certain non-cash and non-recurring charges, as well as funding costs, that may not directly correlate to the underlying performance of our business.

- Adjusted net income is defined as GAAP net income, adjusted for certain items including discrete tax items, corporate strategic project costs, and other income and expense, as detailed in the reconciliation table of GAAP net income to adjusted net income. The adjustments for corporate strategic project costs and other income and expense include their related income tax effects. We believe that this financial measure is useful for period-to-period comparison of our business by

removing the effect of certain charges that, in management's view, do not correlate to the underlying performance of our business during a given period.

- Adjusted net income margin is defined as Adjusted net income divided by GAAP total revenue. We believe that this financial measure is a useful measure for period-to-period comparison of our business by removing the effect of certain charges that, in management's view, do not correlate to the underlying performance of our business during a given period.

- Adjusted net income per diluted share is defined as non-GAAP adjusted net income divided by GAAP weighted-average diluted shares outstanding. We believe that this financial measure is a useful measure for period-to-period comparison of shareholder return by removing the effect of certain charges that, in management's view, do not correlate to the underlying performance of our business during a given period.

Additionally, we have included these non-GAAP measures because they are key measures used by our management to evaluate our operating performance, guide future operating plans, and make strategic decisions, including those relating to operating expenses and the allocation of resources. Therefore, we believe these measures provide useful information to investors and other users of this press release to understand and evaluate our operating results in the same manner as our management and board of directors. However, non-GAAP financial measures have limitations, should be considered supplemental in nature, and are not meant as a substitute for the related financial information prepared in accordance with U.S. GAAP. These limitations include the following:

- Total revenue less transaction related costs is not intended to be a measure of operating profit or cash flow profitability as it excludes key operating expenses such as personnel, general and administrative, and third-party technology and data, which have been, and will continue to be for the foreseeable future, significant recurring GAAP expenses.

- Transaction related costs exclude significant expenses such as personnel, general and administrative, and third-party technology and data, which have been, and will continue to be for the foreseeable future, significant recurring GAAP expenses.

- Non-transaction related operating expenses exclude significant expenses, including transaction expense and provision for credit losses, which have been, and will continue to be for the foreseeable future, significant recurring GAAP expenses.

- Adjusted EBITDA and adjusted EBITDA margin exclude certain charges such as depreciation, amortization, and equity and incentive–based compensation, which have been, and will continue to be for the foreseeable future, recurring GAAP expenses. They also exclude corporate strategic project costs and other income and expense, which have been, and may be in the future, recurring GAAP expenses. Further, these non-GAAP financial measures exclude certain significant cash inflows and outflows, which have a significant impact on our working capital and cash.

- Adjusted EBITDA and adjusted EBITDA margin exclude net interest expense, which has a significant impact on our GAAP net income, working capital, and cash.
- Adjusted net income, adjusted net income margin, and adjusted net income per diluted share exclude certain charges such as corporate strategic project costs, other income and expense, and discrete tax items which have been, and may be in the future, recurring GAAP expenses. Further, these non-GAAP financial measures exclude certain significant cash inflows and outflows, which have a significant impact on our working capital and cash.
- Long-lived assets being depreciated or amortized may need to be replaced in the future, and these non-GAAP financial measures do not reflect the capital expenditures needed for such replacements, or for any new capital expenditures or commitments.
- These non-GAAP financial measures do not reflect income taxes that may represent a reduction in cash available to us.
- Non-GAAP measures do not reflect changes in, or cash requirements for, our working capital needs.
- Other companies, including companies in our industry, may calculate the non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

Because of these limitations, you should not consider these non-GAAP financial measures in isolation or as substitutes for analysis of our financial results as reported under GAAP, and these non-GAAP financial measures should be considered alongside other financial performance measures, including net income and other financial results presented in accordance with GAAP. We encourage you to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.