

# Pagaya Reports Fourth Quarter and Full Year 2023 Results

- *Record Network Volume of \$2.4 billion in 4Q'23 and \$8.3 billion in FY'23*
- *Record Total Revenue and Other Income of \$218 million in 4Q'23 and \$812 million in FY'23*
- *Record Adjusted EBITDA of \$34 million in 4Q'23 and \$82 million in FY'23*
- *Company provides first quarter and full year 2024 financial outlook*

New York, NY and Tel Aviv, Israel – February 21, 2024 – Pagaya Technologies Ltd. (NASDAQ: PGY) (“Pagaya”, the “Company” or “we”), a global technology company delivering artificial intelligence infrastructure for the financial ecosystem, today announced financial results for the fourth quarter and full year 2023.<sup>1</sup>

For additional information, view Pagaya's fourth quarter 2023 letter to shareholders [here](#).

*“We delivered record fourth quarter results, ending the year with network volume, total revenue and adjusted EBITDA far exceeding our outlook from the start of the year,” said Gal Krubiner, co-founder and CEO of Pagaya Technologies. “We grew our network with transformational new lending partnerships and enhanced network monetization, reflecting the value our product can provide. We expect to build on this momentum in 2024 to expand our product ecosystem and reach a new level of scale and profitability.”*

## **Fourth Quarter and Full Year 2023 Highlights**

*All comparisons are made versus the same period in 2022 and on a year-over-year basis unless otherwise stated.*

- **Record network volume of \$2.4 billion in 4Q'23 (exceeding outlook of ~\$2.1 billion to \$2.3 billion)**, grew by 33% year-over-year, driven primarily by the continued ramp-up of new partnerships in our auto and real estate verticals. Network volume increased by 14% in FY'23 to \$8.3 billion.
- **The Company expanded its lending network with four leading U.S. lenders in 2023**, including U.S. Bank in its personal loan vertical, and Westlake Financial, Exeter Finance and a top 5 auto captive in its auto vertical, demonstrating the strength of its enterprise-grade flagship credit product.

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<sup>1</sup> The results reported herein and attached financial statements are unaudited.

- **The Company raised \$6.6 billion across 15 asset-backed securitizations (“ABS”) in 2023** and was once again the number one personal loan ABS issuer in the US by issuance size, with a funding base of over 100 institutional investment firms.
- **Record total revenue and other income of \$218 million in 4Q’23 (in-line with our outlook of ~\$206 million to \$231 million)**, increased 13% year-over-year, driven primarily by an 18% growth in revenue from fees. Total revenue and other income increased by 8% in FY’23 to \$812 million.
- **Record revenue from fees less production costs (“FRLPC”) of \$76 million in 4Q’23**, increased by 42% year-over-year, reflecting deeper monetization of the Company’s lending product. FRLPC as a percentage of network volume (“FRLPC margin”) improved 20 basis points to 3.2% in the fourth quarter. FRLPC increased by 13% in FY’23 to \$264 million with a FY’23 FRLPC margin of 3.2%.
- **Record adjusted EBITDA of \$34 million in 4Q’23 (exceeding outlook of ~\$17 million to \$27 million)**. This is an increase of \$43 million compared to the prior year period, benefiting from the growth in FRLPC and operating leverage as the business scales. The Company also generated positive quarterly GAAP operating income in 4Q’23 for the second consecutive quarter of \$11 million. Adjusted EBITDA increased to \$82 million in FY’23, compared to negative \$5 million in FY’22.
- **Adjusted net income of \$12 million in 4Q’23**, which excludes the impact of non-cash items such as share-based compensation expense, represents the third consecutive quarter of positive adjusted net income. Adjusted net income in FY’23 amounted to \$17 million.
- **Net loss attributable to Pagaya shareholders of \$14 million in 4Q’23**, improved by \$20 million compared to the prior year period, reflecting the continued improvement in operating results. Net loss attributable to Pagaya shareholders in FY’23 amounted to \$128 million.

### First Quarter 2024 Outlook

	<b>1Q24</b>
Network Volume	Expected to be between \$2.2 billion and \$2.4 billion
Total Revenue and Other Income	Expected to be between \$225 million and \$240 million
Adjusted EBITDA	Expected to be between \$32 million and \$38 million

### Full Year 2024 Outlook

	<b>FY24</b>
Network Volume	Expected to be between \$9.0 billion and \$10.5 billion
Total Revenue and Other Income	Expected to be between \$925 million and \$1,050 million
Adjusted EBITDA	Expected to be between \$150 million and \$190 million

## **Webcast**

The Company will hold a webcast and conference call today, February 21, 2024 at 8:30 a.m. Eastern Time. A live webcast of the call will be available via the Investor Relations section of the Company's website at [investor.pagaya.com](http://investor.pagaya.com). To listen to the live webcast, please go to the site at least five minutes prior to the scheduled start time in order to register, download and install any necessary audio software. Shortly before the call, the accompanying materials will be made available on the Company's website. Shortly after the call, a replay of the webcast will be available for 90 days on the Company's website.

The conference call can also be accessed by dialing 1-877-407-9208 or 1-201-493-6784. The telephone replay can be accessed by dialing 1-844-512-2921 or 1-412-317-6671 and providing the conference ID# 13743371. The telephone replay will be available starting shortly after the call until Wednesday, March 6, 2024. A replay will also be available on the Investor Relations website following the call.

## **About Pagaya Technologies**

Pagaya (NASDAQ: PGY) is a global technology company making life-changing financial products and services available to more people nationwide. By using machine learning, a vast data network and a sophisticated AI-driven approach, Pagaya provides comprehensive consumer credit and residential real estate solutions for its partners, their customers, and investors. Its proprietary API and capital solutions integrate into its network of partners to deliver seamless user experiences and greater access to the mainstream economy. Pagaya has offices in New York and Tel Aviv. For more information, visit [pagaya.com](http://pagaya.com).

## **Cautionary Note About Forward-Looking Statements**

This document 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, that involve risks and uncertainties. These forward-looking statements generally are identified by the words "anticipate," "believe," "continue," "can," "could," "estimate," "expect," "intend," "may," "opportunity," "future," "strategy," "might," "outlook," "plan," "possible," "potential," "predict," "project," "should," "strive," "will," "would," "will be," "will continue," "will likely result," and similar expressions. All statements other than statements of historical fact are forward-looking statements, including statements regarding: The Company's strategy and future operations, including the Company's ability to continue to deliver consistent results for its lending partners and investors; the Company's ability to continue to drive sustainable gains in profitability; the Company's ability to achieve continued momentum in its business; the Company's ability to achieve positive net cash flow by 2025; and the Company's financial outlook for Network Volume, Total Revenue and Other Income and Adjusted EBITDA for the full year 2024. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Risks, uncertainties and assumptions include factors relating to: the Company's ability to attract new partners and to retain and grow its relationships with existing partners to support the underlying investment needs for its securitizations and funds products; the need to maintain a consistently high level of trust in its brand; the concentration of a large percentage of its investment revenue with a small number of partners and platforms; its ability to sustain its revenue growth rate or the growth rate of its related key operating metrics; its ability to improve, operate and implement its technology, its existing funding arrangements for the Company and its affiliates

that may not be renewed or replaced or its existing funding sources that may be unwilling or unable to provide funding to it on terms acceptable to it, or at all; the performance of loans facilitated through its model; changes in market interest rates; its securitizations, warehouse credit facility agreements; the impact on its business of general economic conditions, including, but not limited to rising interest rates, inflation, supply chain disruptions, exchange rate fluctuations and labor shortages; the effect of and uncertainties related to public health crises such as the COVID-19 pandemic (including any government responses thereto); geopolitical conflicts such as the war in Israel; its ability to realize the potential benefits of past or future acquisitions; anticipated benefits and savings from our recently announced reduction in workforce; changes in the political, legal and regulatory framework for AI technology, machine learning, financial institutions and consumer protection; the ability to maintain the listing of our securities on Nasdaq; the financial performance of its partners, and fluctuations in the U.S. consumer credit and housing market; its ability to grow effectively through strategic alliances; seasonal fluctuations in our revenue as a result of consumer spending and saving patterns; pending and future litigation, regulatory actions and/or compliance issues including with respect to the merger with EJF Acquisition Corp.; and other risks that are described in and the Company's Form 20-F filed on April 20, 2023 and subsequent filings with the U.S. Securities and Exchange Commission. These forward-looking statements reflect the Company's views with respect to future events as of the date hereof and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, investors should not place undue reliance on these forward-looking statements. The forward-looking statements are made as of the date hereof, reflect the Company's current beliefs and are based on information currently available as of the date they are made, and the Company assumes no obligation and does not intend to update these forward-looking statements.

### **Financial Information; Non-GAAP Financial Measures**

Some of the unaudited financial information and data contained in this press release and Form 6-K, such as Fee Revenue Less Production Costs ("FRLPC"), FRLPC Margin, Adjusted EBITDA and Adjusted Net Income (Loss), have not been prepared in accordance with United States generally accepted accounting principles ("U.S. GAAP"). To supplement the unaudited consolidated financial statements prepared and presented in accordance with U.S. GAAP, management uses the non-GAAP financial measures FRLPC, FRLPC Margin, Adjusted Net Income (Loss) and Adjusted EBITDA to provide investors with additional information about our financial performance and to enhance the overall understanding of the results of operations by highlighting the results from ongoing operations and the underlying profitability of our business. Management believes these non-GAAP measures provide an additional tool for investors to use in comparing our core financial performance over multiple periods. However, non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by U.S. GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, non-GAAP financial measures may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures used by other companies. As a result, non-GAAP financial measures should be viewed as supplementing, and not as an alternative or substitute for, our unaudited consolidated financial statements prepared and presented in accordance with U.S. GAAP. To address these limitations, management provides a reconciliation of Adjusted Net Income (Loss) and Adjusted EBITDA to net income (loss) attributable to Pagaya's shareholders and a calculation of FRLPC and FRLPC Margin. Management encourages investors and others to review our financial information in its entirety, not to rely on any single financial measure and to view Adjusted Net Income (Loss) and Adjusted EBITDA in conjunction with its respective related GAAP financial measures.

Non-GAAP financial measures include the following items:



Fee Revenue Less Production Costs (“FRLPC”) is defined as revenue from fees less production costs. FRLPC Margin is defined as FRLPC divided by Network Volume.

Adjusted Net Income (Loss) is defined as net income (loss) attributable to Pagaya Technologies Ltd.’s shareholders excluding share-based compensation expense, change in fair value of warrant liability, impairment, including credit-related charges, restructuring expenses, transaction-related expenses, and non-recurring expenses associated with mergers and acquisitions.

Adjusted EBITDA is defined as net income (loss) attributable to Pagaya Technologies Ltd.’s shareholders excluding share-based compensation expense, change in fair value of warrant liability, impairment, including credit-related charges, restructuring expenses, transaction-related expenses, non-recurring expenses associated with mergers and acquisitions, interest expense, depreciation expense, and income tax expense (benefit).

These items are excluded from our Adjusted Net Income (Loss) and Adjusted EBITDA measures because they are noncash in nature, or because the amount and timing of these items is unpredictable, is not driven by core results of operations and renders comparisons with prior periods and competitors less meaningful.

We believe FRLPC, FRLPC Margin, Adjusted Net Income (Loss) and Adjusted EBITDA provide useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Moreover, we have included FRLPC, FRLPC Margin, Adjusted Net Income (Loss) and Adjusted EBITDA because these are key measurements used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting. However, this non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for or superior to financial information presented in accordance with U.S. GAAP and may be different from similarly titled non-GAAP financial measures used by other companies. The tables below provide reconciliations of Adjusted EBITDA to Net Loss Attributable to Pagaya Technologies Ltd., its most directly comparable U.S. GAAP amount.

In addition, Pagaya provides outlook for the fiscal year 2024 on a non-GAAP basis. The Company cannot reconcile its expected Adjusted EBITDA to expected Net Loss Attributable to Pagaya under “Full-Year 2024 Outlook” without unreasonable effort because certain items that impact net income (loss) and other reconciling items are out of the Company’s control and/or cannot be reasonably predicted at this time, which unavailable information could have a significant impact on the Company’s U.S. GAAP financial results.

## **Investors & Analysts**

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**PAGAYA TECHNOLOGIES LTD.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
(In thousands, except share and per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Revenue</b>				
Revenue from fees	\$ 210,428	\$ 178,173	\$ 772,814	\$ 685,414
<b>Other Income</b>				
Interest income	7,783	14,631	38,748	57,758
Investment income (loss)	(167)	86	489	5,756
<b>Total Revenue and Other Income</b>	<b>218,044</b>	<b>192,890</b>	<b>812,051</b>	<b>748,928</b>
Production costs	134,482	124,709	508,944	451,084
Technology, data and product development (1)	17,550	23,554	74,383	150,933
Sales and marketing (1)	9,576	13,974	49,773	104,203
General and administrative (1)	45,784	57,350	203,351	294,213
<b>Total Costs and Operating Expenses</b>	<b>207,392</b>	<b>219,587</b>	<b>836,451</b>	<b>1,000,433</b>
<b>Operating Income (Loss)</b>	<b>10,652</b>	<b>(26,697)</b>	<b>(24,400)</b>	<b>(251,505)</b>
Other income (expense), net	(25,633)	(34,715)	(156,768)	(24,869)
<b>Income (Loss) Before Income Taxes</b>	<b>(14,981)</b>	<b>(61,412)</b>	<b>(181,168)</b>	<b>(276,374)</b>
Income tax expense (benefit)	5,056	(9,204)	15,571	16,400
<b>Net Income (Loss) Including Noncontrolling Interests</b>	<b>(20,037)</b>	<b>(52,208)</b>	<b>(196,739)</b>	<b>(292,774)</b>
Less: Net income (loss) attributable to noncontrolling interests	(5,619)	(18,210)	(68,301)	9,547
<b>Net Income (Loss) Attributable to Pagaya Technologies Ltd.</b>	<b>\$ (14,418)</b>	<b>\$ (33,998)</b>	<b>\$ (128,438)</b>	<b>\$ (302,321)</b>
<b>Per share data:</b>				
Net income (loss) attributable to Pagaya Technologies Ltd. shareholders	\$ (14,418)	\$ (33,998)	\$ (128,438)	\$ (302,321)
Less: Undistributed earnings allocated to participated securities	—	—	—	(12,205)
Net income (loss) attributable to Pagaya Technologies Ltd. ordinary shareholders	\$ (14,418)	\$ (33,998)	\$ (128,438)	\$ (314,526)
<b>Net loss per share:</b>				
Basic and Diluted	\$ (0.02)	\$ (0.05)	\$ (0.18)	\$ (0.69)
<b>Net loss per share (pro-forma post Reverse Stock Split) (3):</b>				
Basic and Diluted	\$ (0.24)	\$ (0.59)	\$ (2.14)	\$ (8.22)
<b>Non-GAAP adjusted net income (loss) (2)</b>	<b>\$ 12,389</b>	<b>\$ (3,683)</b>	<b>\$ 16,556</b>	<b>\$ (32,664)</b>
<b>Non-GAAP adjusted net income (loss) per share:</b>				
Basic	\$ 0.02	\$ (0.01)	\$ 0.02	\$ (0.07)
Diluted	\$ 0.02	\$ (0.01)	\$ 0.02	\$ (0.07)
<b>Non-GAAP adjusted net income (loss) per share (pro-forma post Reverse Stock Split) (3):</b>				
Basic	\$ 0.20	\$ (0.06)	\$ 0.28	\$ (0.85)
Diluted	\$ 0.20	\$ (0.06)	\$ 0.27	\$ (0.85)
<b>Weighted average shares outstanding:</b>				
Basic	735,509,992	688,165,887	720,466,726	459,044,846
Diluted	757,607,624	697,441,165	740,322,318	699,631,838
<b>Weighted average shares outstanding (pro-forma post Reverse Stock Split) (3):</b>				
Basic	61,292,498	57,347,157	60,038,893	38,253,737
Diluted	63,133,967	58,120,097	61,693,526	58,302,653

(1) The following table sets forth share-based compensation for the periods indicated below:

	<b>Three Months Ended December 31,</b>		<b>Year Ended December 31.</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Technology, data and product development	\$ 3,460	\$ 4,886	\$ 12,375	\$ 81,337
Selling and marketing	2,237	3,843	13,216	58,377
General and administrative	8,046	9,953	45,464	101,975
<b>Total</b>	<b>\$ 13,743</b>	<b>\$ 18,682</b>	<b>\$ 71,055</b>	<b>\$ 241,689</b>

(2) See "Reconciliation of Non-GAAP Financial Measures."

(3) Weighted average shares outstanding used in the computation of basic and diluted earnings (loss) per share have been adjusted to give effect to the 1-for-12 Reverse Stock Split that was approved by shareholders on February 15, 2024.

**PAGAYA TECHNOLOGIES LTD.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(In thousands)

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 186,478	\$ 309,793
Restricted cash	16,874	22,539
Fees and other receivables	79,526	59,219
Investments in loans and securities	2,490	1,007
Prepaid expenses and other current assets	16,261	27,258
Income tax receivable	1,773	—
<b>Total current assets</b>	<b>303,402</b>	<b>419,816</b>
Restricted cash	19,189	4,744
Fees and other receivables	34,181	38,774
Investments in loans and securities	714,303	462,969
Equity method and other investments	26,383	25,894
Right-of-use assets	55,729	61,077
Property and equipment, net	41,557	31,663
Goodwill	10,945	—
Intangible assets	2,550	—
Prepaid expenses and other assets	137	142
<b>Total non-current assets</b>	<b>904,974</b>	<b>625,263</b>
<b>Total Assets</b>	<b>\$ 1,208,376</b>	<b>\$ 1,045,079</b>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 1,286	\$ 1,739
Accrued expenses and other liabilities	28,562	49,496
Operating lease liability - current	6,931	8,530
Secured borrowing - current	37,685	61,829
Income taxes payable - current	461	6,424
<b>Total current liabilities</b>	<b>74,925</b>	<b>128,018</b>
Non-current liabilities:		
Warrant liability	3,242	1,400
Revolving credit facility	90,000	15,000
Secured borrowing - non-current	234,028	77,802
Operating lease liability - non-current	43,940	49,097
Income taxes payable - non-current	22,135	7,771
Deferred tax liabilities, net - non-current	107	568
<b>Total non-current liabilities</b>	<b>393,452</b>	<b>151,638</b>
<b>Total Liabilities</b>	<b>468,377</b>	<b>279,656</b>
Redeemable convertible preferred shares	74,250	—
Shareholders' equity:		
Additional paid-in capital	1,101,914	968,432
Accumulated other comprehensive income (loss)	444	(713)
Accumulated deficit	(542,637)	(414,199)
<b>Total Pagaya Technologies Ltd. shareholders' equity</b>	<b>559,721</b>	<b>553,520</b>
Noncontrolling interests	106,028	211,903
<b>Total shareholders' equity</b>	<b>665,749</b>	<b>765,423</b>
<b>Total Liabilities, Redeemable Convertible Preferred Shares, and Shareholders' Equity</b>	<b>\$ 1,208,376</b>	<b>\$ 1,045,079</b>



**PAGAYA TECHNOLOGIES LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

	Year Ended December 31,	
	2023	2022
<b>Cash flows from operating activities</b>		
Net loss including noncontrolling interests	\$ (196,739)	\$ (292,774)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Equity method income (loss)	(488)	(5,756)
Depreciation and amortization	19,127	6,294
Share-based compensation	71,055	241,689
Fair value adjustment to warrant liability	1,842	(11,088)
Issuance of ordinary shares related to commitment shares	—	1,000
Impairment loss on available-for-sale debt securities	134,510	15,007
Loss on loans held-for-investment	—	10,651
Other than temporary impairment of investments in loans and securities	—	33,704
Write-off of capitalized software	2,475	3,209
Tax benefit related to release of valuation allowance	(1,162)	—
Gain on foreign exchange	(1,320)	—
Change in operating assets and liabilities:		
Fees and other receivables	(20,740)	(46,453)
Deferred tax assets, net	—	5,681
Deferred tax liabilities, net	(461)	568
Prepaid expenses and other assets	12,912	(23,227)
Right-of-use assets	3,854	7,742
Accounts payable	(448)	(9,841)
Accrued expenses and other liabilities	(17,770)	32,403
Operating lease liability	(3,712)	(11,192)
Income tax receivable / payable	6,642	2,383
<b>Net cash provided by (used in) operating activities</b>	<b>9,577</b>	<b>(40,000)</b>
<b>Cash flows from investing activities</b>		
Proceeds from the sale/maturity/prepayment of:		
Investments in loans and securities	172,061	112,897
Short-term deposits	—	5,020
Equity method and other investments	—	453
Cash and restricted cash acquired from Darwin Homes, Inc.	1,608	—
Payments for the purchase of:		
Investments in loans and securities	(566,173)	(355,633)
Property and equipment	(20,189)	(22,406)
Equity method and other investments	—	(5,750)
<b>Net cash used in investing activities</b>	<b>(412,693)</b>	<b>(265,419)</b>
<b>Cash flows from financing activities</b>		
Proceeds from sale of ordinary shares in connection with the Business Combination and PIPE Investment, net of issuance costs	—	291,872
Proceeds from issuance of redeemable convertible preferred shares, net	74,250	—
Proceeds from secured borrowing	338,472	139,413
Proceeds received from noncontrolling interests	19,955	105,469
Proceeds from revolving credit facility	130,000	42,100
Proceeds from exercise of stock options	4,334	1,617
Proceeds from issuance of ordinary shares from the Equity Financing Purchase Agreement	27,892	—
Distributions made to noncontrolling interests	(43,767)	(77,764)
Payments made to revolving credit facility	(55,000)	(27,100)
Payments made to secured borrowing	(206,390)	(37,687)
Settlement of share-based compensation in satisfaction of tax withholding requirements	(650)	—
<b>Net cash provided by financing activities</b>	<b>289,096</b>	<b>437,920</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(515)	—
Net increase (decrease) in cash, cash equivalents and restricted cash	(114,535)	132,501
Cash, cash equivalents and restricted cash, beginning of period	337,076	204,575
<b>Cash, cash equivalents and restricted cash, end of period</b>	<b>\$ 222,541</b>	<b>\$ 337,076</b>

**PAGAYA TECHNOLOGIES LTD.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)**  
(\$ in thousands, unless otherwise noted)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Net Loss Attributable to Pagaya Technologies Ltd.</b>	\$ (14,418)	\$ (33,998)	\$ (128,438)	\$ (302,321)
Adjusted to exclude the following:				
Share-based compensation	13,743	18,682	71,055	241,689
Fair value adjustment to warrant liability	(1,921)	(1,680)	1,842	(11,088)
Impairment loss on certain investments	12,603	8,836	52,381	8,836
Write-off of capitalized software	3	3,209	1,938	3,209
Restructuring expenses	—	—	5,450	—
Transaction-related expenses	1,656	—	6,153	—
Non-recurring expenses	723	1,268	6,175	27,011
<b>Adjusted Net Income (Loss)</b>	<b>\$ 12,389</b>	<b>\$ (3,683)</b>	<b>\$ 16,556</b>	<b>\$ (32,664)</b>
Adjusted to exclude the following:				
Interest expenses	10,808	1,716	30,740	5,136
Income tax expense (benefit)	5,056	(9,204)	15,571	16,400
Depreciation and amortization	5,966	2,217	19,155	6,294
<b>Adjusted EBITDA</b>	<b>\$ 34,219</b>	<b>\$ (8,954)</b>	<b>\$ 82,022</b>	<b>\$ (4,834)</b>

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Fee Revenue Less Production Costs (FRLPC):</b>				
Revenue from fees	\$ 210,428	\$ 178,173	\$ 772,814	\$ 685,414
Production costs	134,482	124,709	508,944	451,084
<b>Fee Revenue Less Production Costs (FRLPC)</b>	<b>\$ 75,946</b>	<b>\$ 53,464</b>	<b>\$ 263,870</b>	<b>\$ 234,330</b>
<b>Fee Revenue Less Production Costs Margin (FRLPC Margin):</b>				
Fee Revenue Less Production Costs (FRLPC)	\$ 75,946	\$ 53,464	\$ 263,870	\$ 234,330
Network Volume (in millions)	2,380	1,786	8,299	7,307
<b>Fee Revenue Less Production Costs Margin (FRLPC Margin)</b>	<b>3.2 %</b>	<b>3.0 %</b>	<b>3.2 %</b>	<b>3.2 %</b>