Pagaya Technologies Ltd.

3Q 2022 Results

November 10, 2022

Legal Disclaimer

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”, “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 partnerships with certain key providers; the development, innovation, introduction and performance of, and demand for, the Company's products and services; the Company’s ability to focus on its ambition to be the trusted A.I. partner for the banking system, the Company’s ability to continue to invest in the long-term growth and scalability of its business, the Company's future growth, investments, brand awareness, financial position, gross market value, revenue, transaction costs, operating income, provision for credit losses, and cash flows; and general economic trends and trends in the Company's industry and markets, and the Company’s financial outlook for the full year of 2022. 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 the COVID-19 pandemic (including any government responses thereto); 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 6-K filed on August 16, 2022 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.

Use of Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures (including on a forward-looking basis) such as Adjusted Net Income and Adjusted EBITDA. These non-GAAP measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to net income (loss), operating income or any other performance measures derived in accordance with GAAP. Reconciliations of non-GAAP measures to their most directly comparable U.S. Generally Accepted Accounting Principles (GAAP) counterparts are included in the Non-GAAP Reconciliations section of this presentation. The Company believes that these non-GAAP measures of financial results (including on a forward-looking basis) provide useful supplemental information to investors about the Company. The Company’s management uses non-GAAP measures to evaluate its operating performance, formulate business plans, help better assess our overall liquidity position, and make strategic decisions, including those relating to operating expenses and the allocation of internal resources. However, these non-GAAP measures have limitations as analytical tools. Other companies may not use these non-GAAP measures or may use similar measures that are defined in a different manner. Therefore, the Company's non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

Additionally, forward-looking non-GAAP financial measures are presented on a non-GAAP basis without reconciliations of such forward-looking non-GAAP measures because the GAAP financial measures are not accessible on a forward-looking basis and reconciling information is not available without unreasonable effort due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments reflected in our reconciliation of historic non-GAAP financial measures, the amounts of which, based on historical experience, could be material.

Today's agenda

1. 3Q'22 highlights
2. Expansion of our infrastructure
3. Financials and outlook
4. Q&A

PAGAYA

3Q operating highlights

Network expansion

Penetrating new & existing Partners

- ~20% increase in monthly application flow from existing partners from January to September 2022
- Onboarded top-tier point-of-sale Partner to expand its U.S. presence
- Expanded presence to over 70% of all U.S. franchised dealerships[1]

Consistently raising capital

Sustained access to public and private capital markets, despite challenging funding environment

- >$2.0 billion in total funding raised in 3Q across multiple sources
- Triple-A rating from Moody's and DBRS on most recent single-family-rental ABS transaction

Strengthening our network infrastructure

Growing application flow continuously improves decisioning feedback loop

- 77 million applications evaluated from 2019 through 3Q'22
- 41 million applications evaluated 9M'22, representing ~120% growth YoY

1. National Automobile Dealers Association (NADA), 2022

3Q financial highlights

Network volume and total revenue growth driven by expansion of existing partnerships and faster growth in newer products

Network volume	Total revenue and other income	Adjusted EBITDA
$1.9B	$204.0M	($5.2M)[1]
+26%	+49%	NA
Vs 3Q'21	Vs 3Q'21	Adjusted EBITDA Margin

1. See Appendix for a reconciliation of non-GAAP measures to the most comparable GAAP measure

Our mission

Pagaya makes life-changing financial products and services available to more people

Our business model is a B2B2C platform

We sit in the middle of the ecosystem, creating value for consumers, partners, and institutional investors with a white-label solution

Partners

(fintechs, banks, other financial services companies)

Utilize our network to extend financial products to their customers

PAGAYA

Centralized data and AI network

Institutional Investors

(ABS, funds, other institutional capital)

Gain exposure to desired assets made available through our network via financing vehicles

Step 1

Consumers submit applications to their preferred lending institution

Step 2

Our Partners send applications to our network via API plug-in

Step 3

Pagaya leverages its technology and network to deliver a recommendation in real-time

Step 4

Pagaya facilitates the funding and placement of assets with long-term institutional investors

Partners join Pagaya's network because…

Sophisticated technology

Proprietary machine learning technology; no alternative data used

Seamless customer experience

Pagaya integrates seamlessly into partners' origination systems via API

Flexible solution

Pagaya assesses partner parameters and utilizes its advanced models and network pre-funded capital to lend to more customers

More Satisfied Customers

Partners improve financial inclusivity by converting their funnel more efficiently

- Incremental revenue growth & decreased acquisition costs
- Brand affinity leads to increased LTV
- Lower capital requirement & increased ROI
- Benefit from Pagaya's network insights

Power of Pagaya's A.I. network

Partners

25+

Training data points

16M+

Products

5

Channels

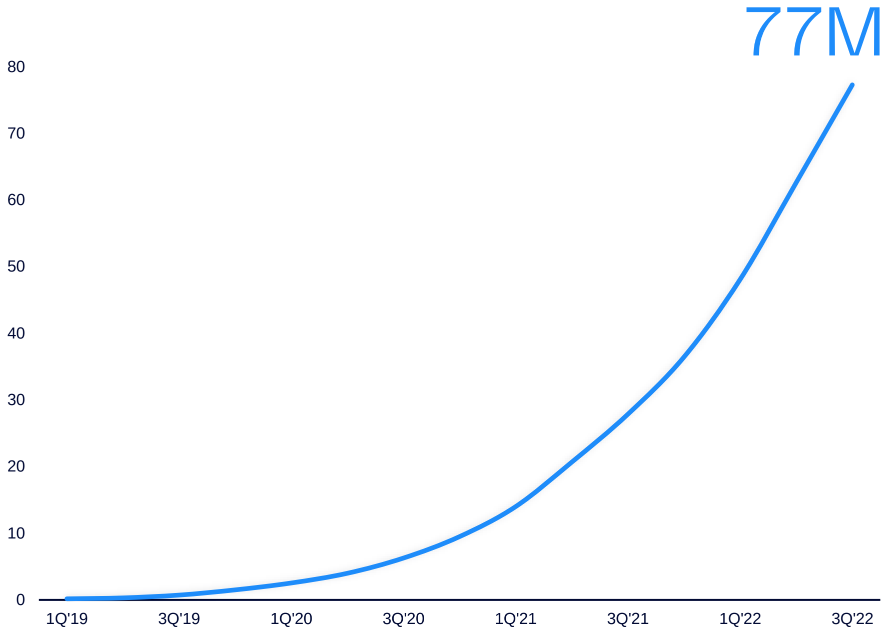
50+

Application volume processed LTM (as of 9/30/22)

$595B

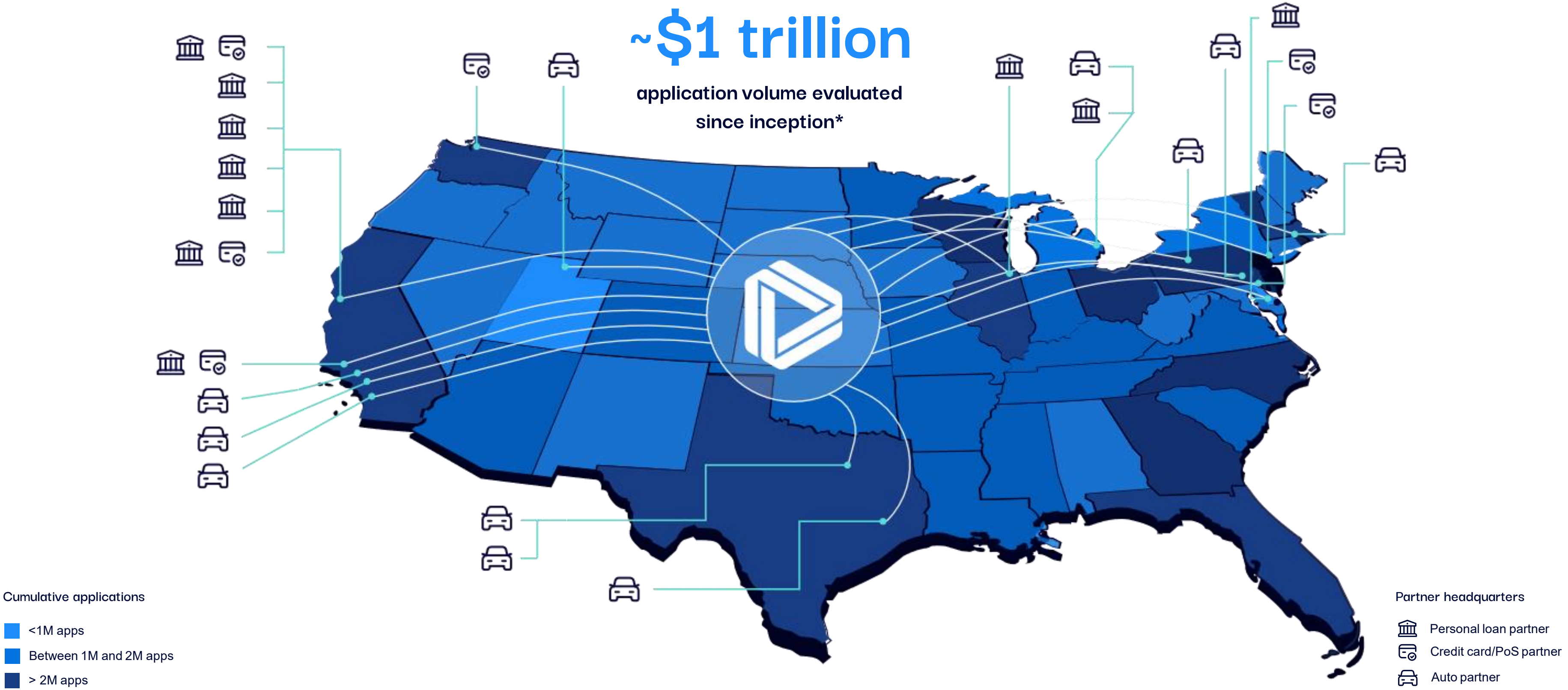
Applications evaluated since 2019

(in millions)



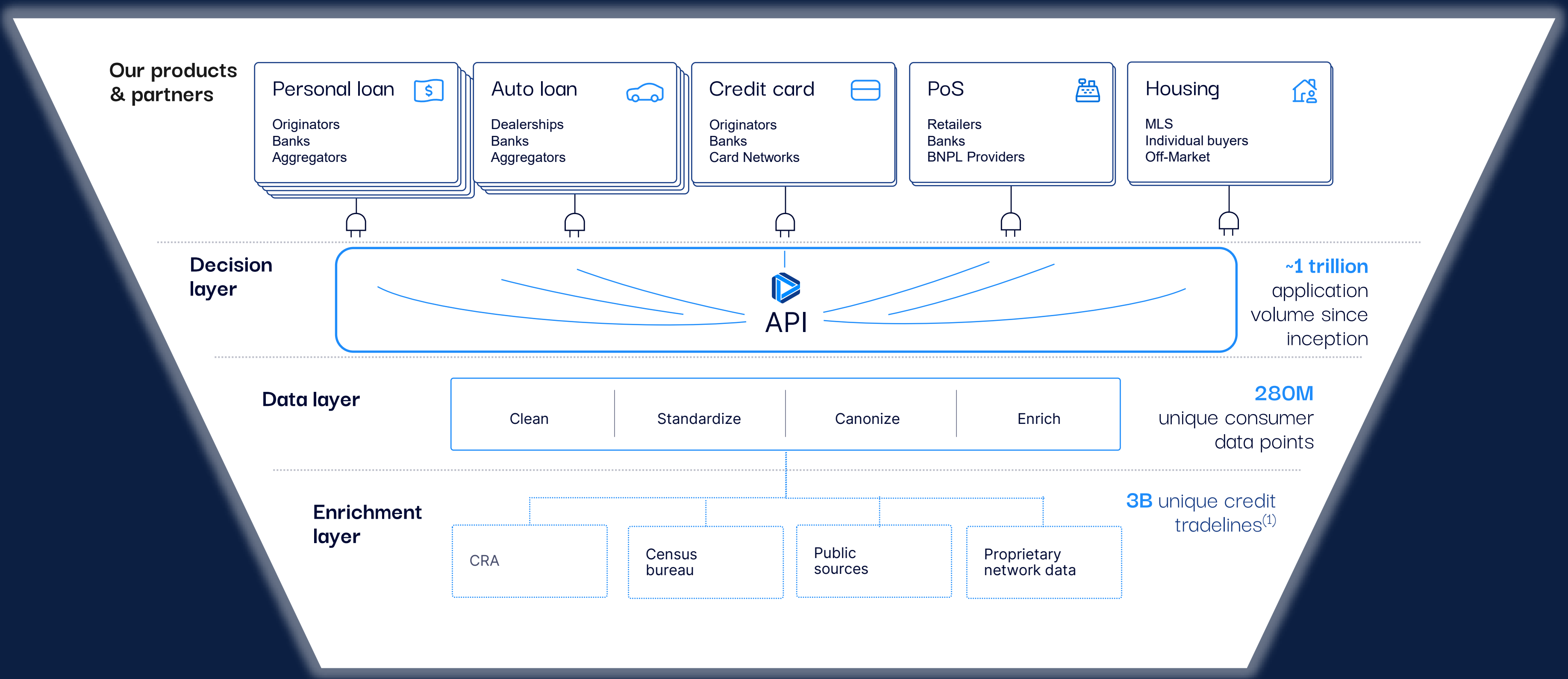
Source: Pagaya Internal Data

Building financial infrastructure to power the real economy



* Auto and personal loan application volume evaluated by Pagaya's AI network since inception

The engine behind the infrastructure



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1. An account on a credit report such as a credit card account, personal loan or mortgage

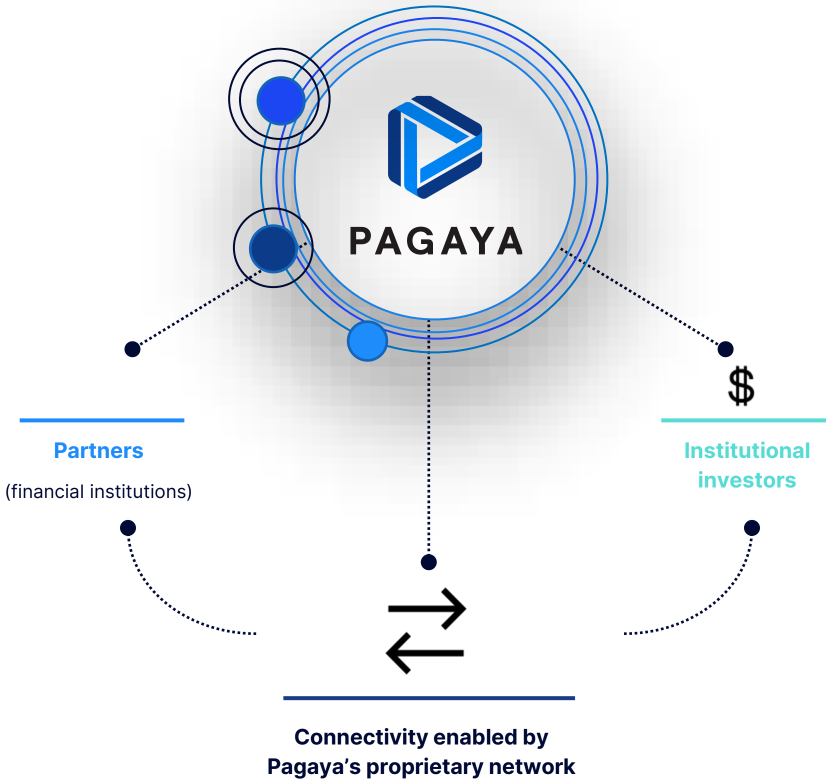
Additional ways participants benefit from Pagaya's infrastructure

Partners

- Enhanced fraud monitoring and detection enabled by Pagaya's vantage point across platforms
- Operations and servicing improvement insights

Investors

- One-stop shop access to a variety of financial products
- Optimization of risk/return balance leveraging data-rich technology and real-time model adjustments



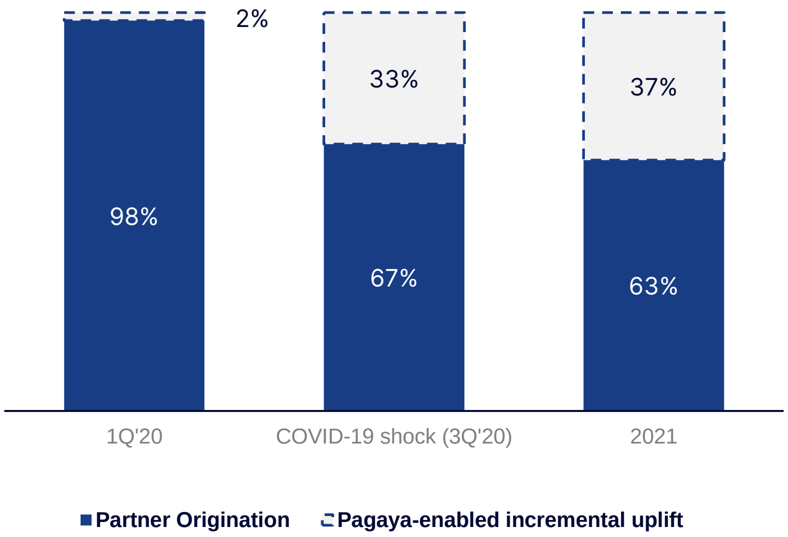
Built on years of integration with financial originators and institutional investors

Delivering results for partners and investors

Driving growth for partners through cycles

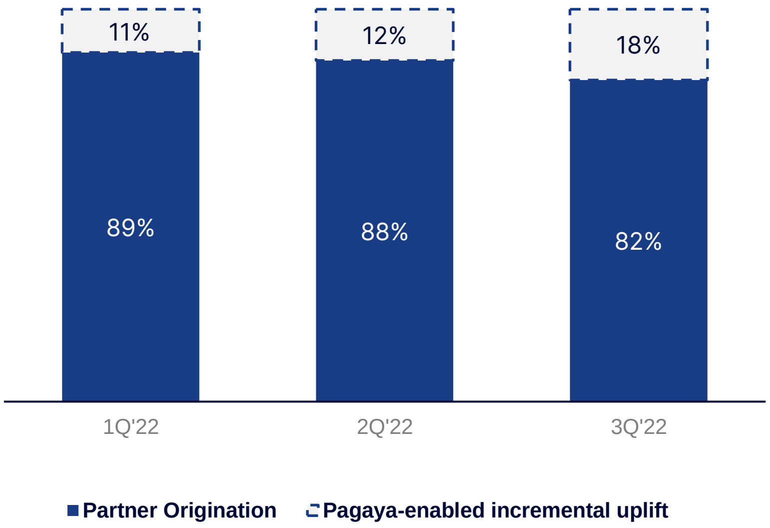
Pagaya enabled volume to Partners during COVID-19...

Partner #1



... and continues to do so in the current environment

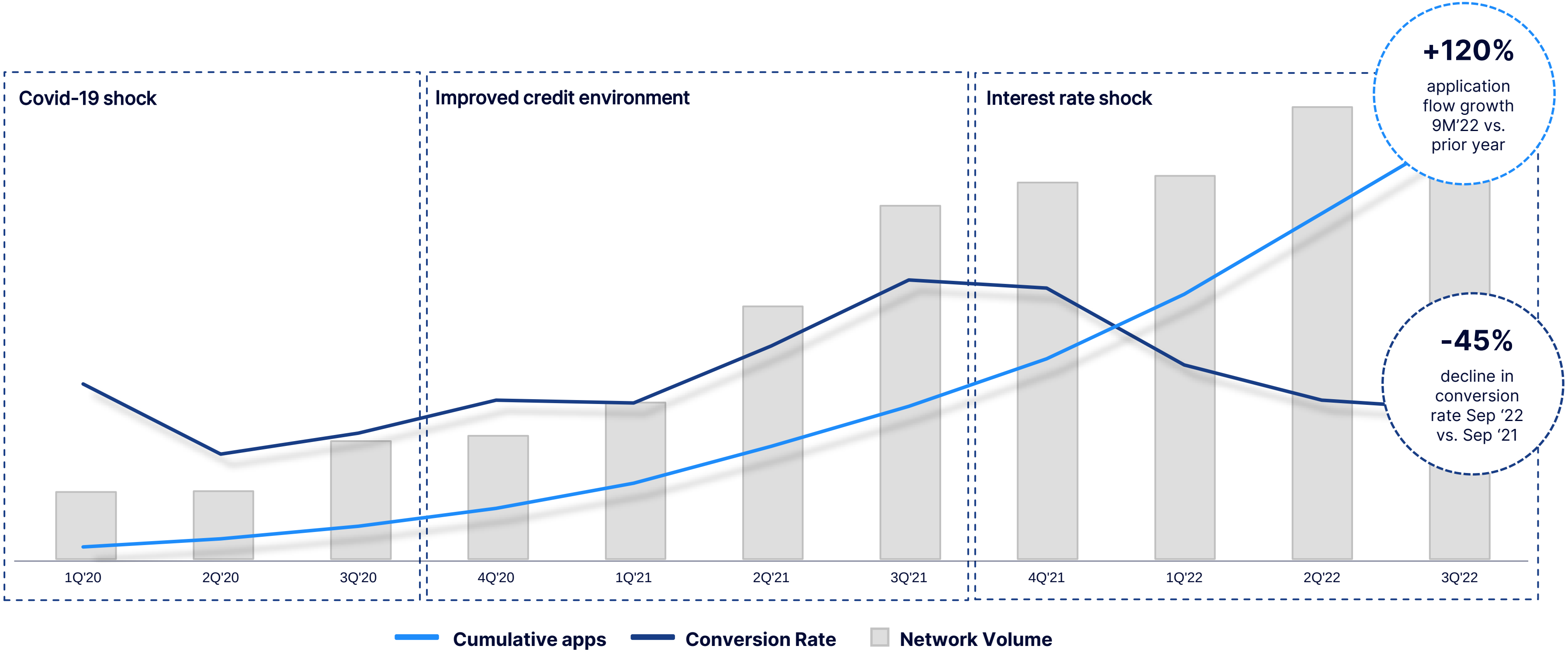
Partner #2



Source: Pagaya internal data

Consistent value creation over time

Delivering growth for partners and investors while dynamically adapting to changing market conditions



The next phase of expansion

Auto and point-of-sale

Auto

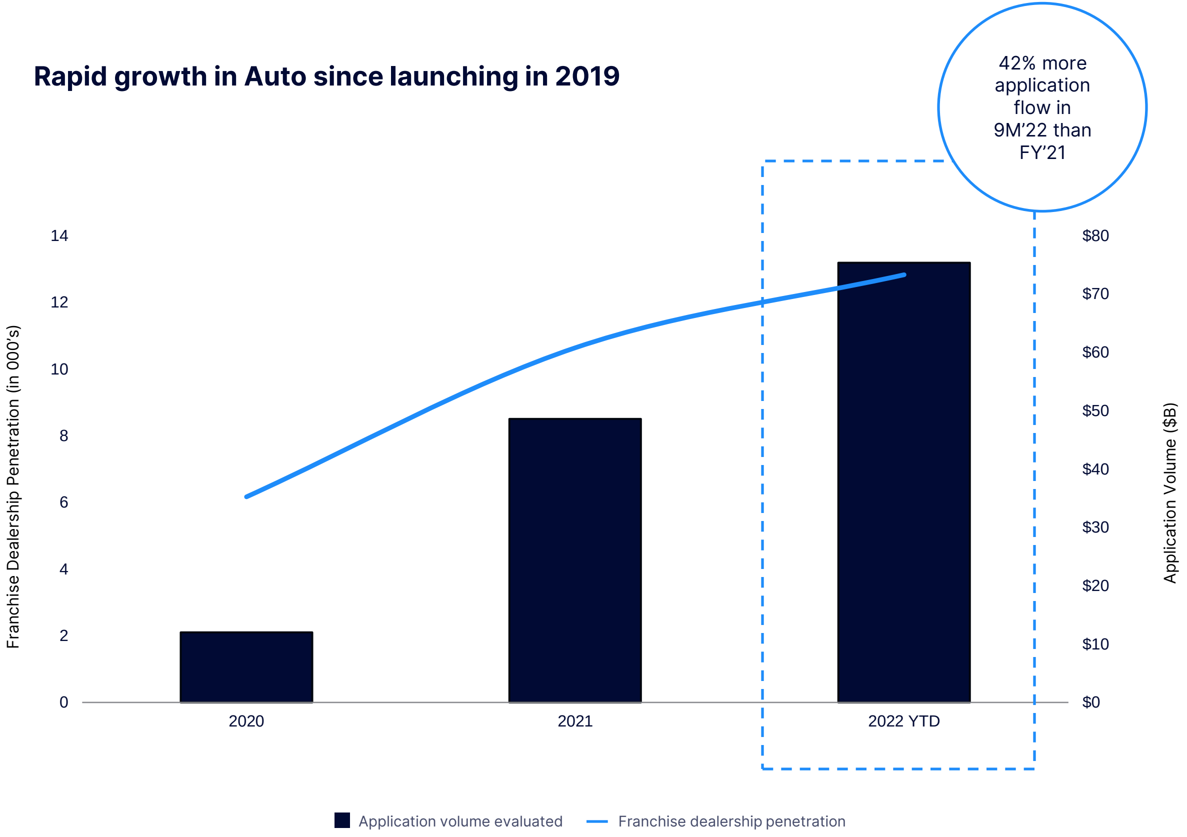
Pagaya's solution is connected to 10+ auto lenders in thousands of dealerships across 48 states

~17,000
Total U.S. franchise dealerships

12,000+
U.S. franchise dealerships where Pagaya's network is present (>70% of total)

$25B
Auto loan application volume evaluated by Pagaya during 3Q'22

Rapid growth in Auto since launching in 2019



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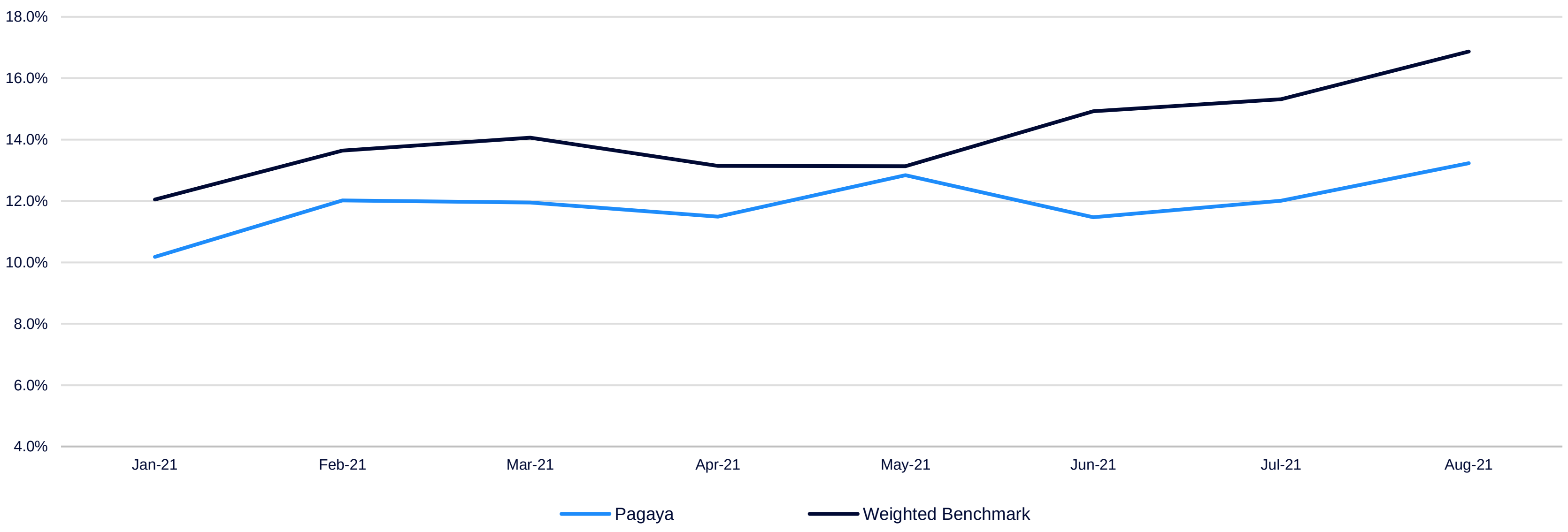
Auto credit performance vs weighted market benchmark

Auto loans 10 months on book: 30-day+ delinquency rates[1]

Each month represents the origination period of a given cohort



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Source: dv01 auto loan benchmark, Pagaya internal data
1. Benchmark is weighted to reflect Pagaya's portfolio

PoS

New strategic partner onboarded in 3Q

U.S.
Fastest growing market globally

30
of top 100 U.S. retailers

30M
U.S. customers

10K
U.S. retailers

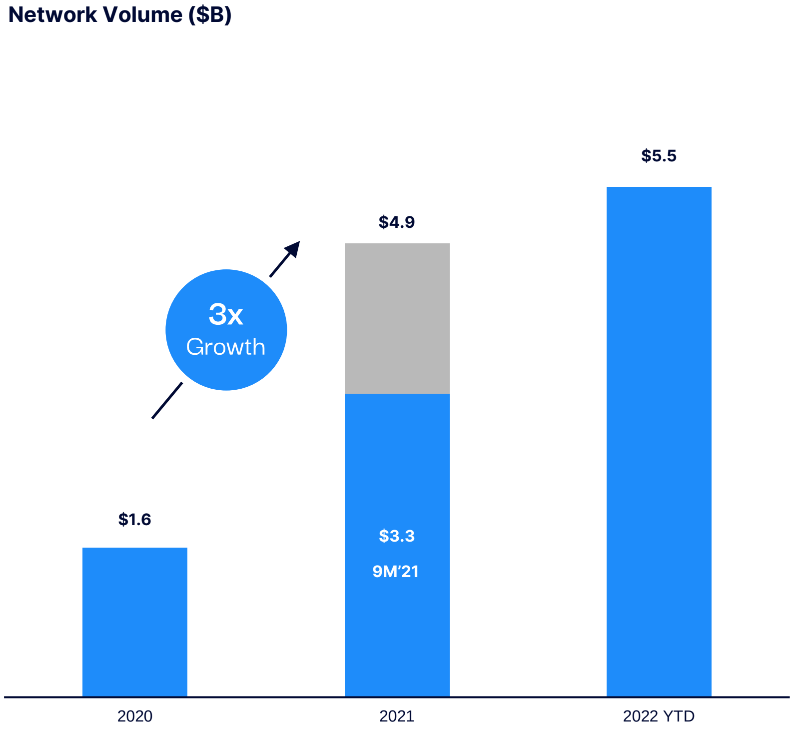
Powering our network with new partners, channels and consumer insights

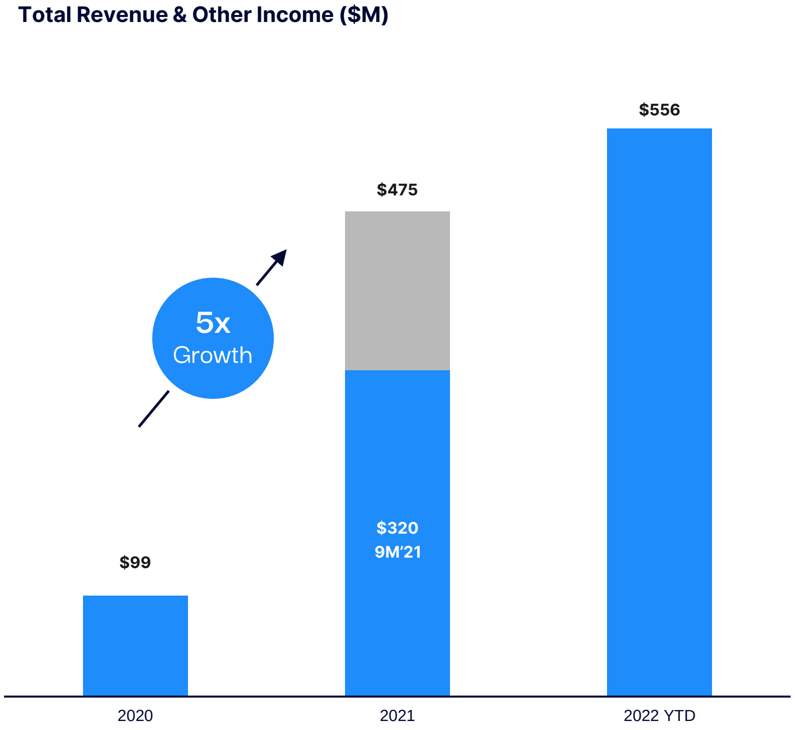
- ✓ Significant market opportunity - sales at point-of-purchase represent over $50B in annual volume[1]
- ✓ Deliver a frictionless experience for more PoS customers
- ✓ Enable penetration of new merchant relationships through our partners
- ✓ New consumer behavior insights and servicing data to further optimize performance

1. McKinsey & Company, *Buy, now pay later: Five business models to compete* (2021)

Financials & outlook

Driving strong network volume and revenue growth to date





Upfront funding model

Positioning Pagaya to deliver consistent growth to partners & investors through cycles

Step 1

Pagaya raises capital via financing vehicles, locking in cash and cost of funding ahead of sourcing loans

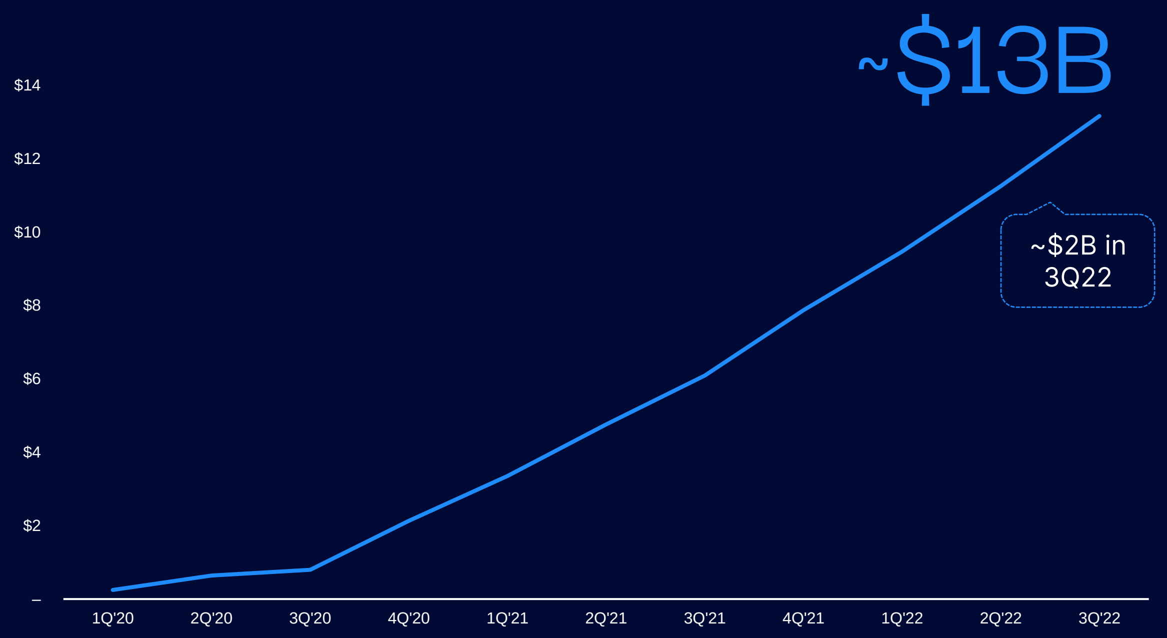
Step 2

Pagaya's AI enables partner to originate more loans

Step 3

Financing vehicle acquires loan; partner services loan

Cumulative funding raised in financing vehicles since 2020 ($B)



Raised ~$2.1B in capital in 3Q across multiple products

Funding Sources	Personal loan / credit lines	Auto loan	Single-family rental
Capital raised	**~$1.4B**	**~$300M**	**~$400M**
Public capital markets	✓	✓	✓
Private capital markets	✓	✓	✓
Bank financing	✓	✓	✓
Key highlights	• Personal loan ABS deal upsized by 2.5x due to strong demand across 20 institutional investors • Expanding into personal credit line product with 2nd executed transaction this year	• Inaugural rated deal for Pagaya's Auto Shelf (RPM) • Capital raised to purchase auto loans grew by over 80% YoY • Expanded to fund assets from 2 new auto partners	• Executed first triple-A rated real estate deal by Moody's and DBRS in August

Balance sheet and risk management

Balance-sheet light

- **Cash** of $367M: 35% of total assets
- **Investments in loans & securities** of $445M, made up almost entirely of regulatory risk retention holdings
- **All other:** ~23% of total assets comprised mainly of receivables, right-of-use assets (leases) and software

Strong liquidity position

- **$290M net-cash proceeds from PIPE** in June 2022 bolstered cash available to facilitate growth and investments
- Additional **undrawn revolving credit facility of $167.5M**, syndicated across 5 banks
- **No corporate debt** on the balance sheet, limiting contingent liquidity risk

Limited direct credit exposure

- **~$220M net economic interest** from risk retention holdings
- **Amounts to less than 3% of total network volume** generated in past 2 years

3Q'22 financial highlights

($ in millions)		3Q'22	2Q'22[2]	Δ	3Q'21	Δ	Key highlights
	Network Volume	$1,924	$1,947	(1%)	$1,522	26%	Driven by faster growth in newer products
GAAP	**Revenue from fees**	$186	$163	14%	$128	45%	Take rate of 9.6%
	Revenue from fees less production costs	$56	$58	(3%)	$46	22%	Slight decrease QoQ as a result of lower financial markets pricing and higher production costs paid to our Partners
	Net income (loss)	($75)	($175)	NM	($28)	NM	Driven by share-based compensation expense of $60m
Non-GAAP	**Adj. Net Income[1]**	($14)	($19)	(23%)	$11	NM	
	Adj. EBITDA[1]	($5)	$5	NM	$15	NM	Reflects ongoing discretionary investments in our growth strategy

1. See Appendix for a reconciliation of non-GAAP measures to the most comparable GAAP measure
2. Amounts for 2Q'22 include certain adjustments relating to deferred tax assets and warrant liability, which were not originally recorded as of and for the three and six months ended June 30, 2022.

Q&A

Thank You

PAGAYA TECHNOLOGIES LTD.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)
FOR THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(In thousands)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2022	**2021**	**2022**	**2021**
Net Loss Attributable to Pagaya Technologies Ltd.	**($74,789)**	**($28,157)**	**($268,323)**	**($80,695)**
Adjusted to exclude the following:				
Share-based compensation	60,302	3,857	223,007	62,974
Fair value adjustment to warrant liability	(3,000)	32,460	(9,408)	51,477
Non-recurring expenses	3,047	3,123	25,743	3,123
Adjusted Net Income (Loss)	**($14,440)**	**$11,283**	**($28,981)**	**$36,879**
Adjusted to exclude the following:				
Interest expenses	243	-	3,420	-
Income tax expense	6,065	3,624	25,604	11,417
Depreciation and amortization	2,929	207	4,007	489
Adjusted EBITDA	**($5,203)**	**$15,114**	**$4,120**	**$48,785**