Pagaya Technologies Ltd.

2Q 2022 Results

August 16, 2022

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Cautionary Note About Forward-Looking Statements

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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 Pagaya's mission and platform

2 2Q'22 highlights

3 Financials and outlook

4 Q&A

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

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Centralized data and AI network

Institutional Investors

(ABS, funds, other institutional capital)

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

Step 1

Consumers submit applications to their preferred lending institution

Step 2

Our partners send the 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

”Win-win-win“ proposition for partners, their customers and institutional investors

Partners **win**

- Deepened customer relationships
- Expanded customer base
- Additional revenue streams with limited incremental risk or capital requirements

Partners’ Customers **win**

- Convenience and access financial products and services
- Reduced dependence on higher-cost credit alternatives
- Expanded choice – Pagaya enables similar outcomes across brands

Investors **win**

- Diversified exposure to unique asset flows
- Ability to deploy capital at scale
- No need to incur the cost of building own analytic capabilities to evaluate assets

AI ecosystem designed to deliver better outcomes than traditional models

PAGAYA
AI Ecosystem

Data-Rich AI
~63 million applications[1] evaluated since beginning of 2019, utilizing 16 million training data points

Fully Automated
AI network enables us to spot trends early and react quickly

Real-Time Reaction
260+ data scientists refining models

1. As of 2Q'22

2Q'22 highlights

2Q financial highlights

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

Network volume

$1.9B

+79%

Vs 2Q'21

Total revenue and other income

$181.5M

+83%

Vs 2Q'21

Adjusted EBITDA

$4.9M[1]

3%

Adjusted EBITDA Margin

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

2Q operating highlights

Business momentum

Scaling existing partners and adding meaningful new partners

- 5 new programs with existing partners contributed ~7% of volume in 1H'22
- Onboarded a large US bank with over $100B in assets as a major partner in auto

Consistently raising capital

~$1.8B in funding raised

- Raised across ABS and our privately managed funds, despite challenging macroeconomic conditions

Strengthening our leadership team

Ashok Vaswani, President

- Bringing 30+ years of financial services expertise. Prior to Pagaya, he served as:
  - CEO, Barclays UK
  - CEO, Citigroup Asia

Newly listed public company

NASDAQ: PGY

- Completed combination with EJF Capital on June 22, 2022, bringing in over $290M of net proceeds

Our unique platform

Business model that drives consistent growth

01

Differentiated funding model

Pagaya raises capital in financing vehicles, then has cash to deploy to acquire network volume ahead of partner origination

02

Ability to react quickly to consumer behavior trends

A fully automated, data-rich AI network that evaluates consumer behavior so we can spot trends early and adapt quickly

03

Enabling growth for partners through macro cycles

AI capabilities become even more valuable in tighter credit conditions, resulting in increased application flow from partners

01 Differentiated funding model that limits balance sheet utilization

Traditional Funding Model

STEP 1	STEP 2	STEP 3
Lender originates loan **using own capital**	Funded **on-balance sheet** (inventory risk)	Loans are sold to investors

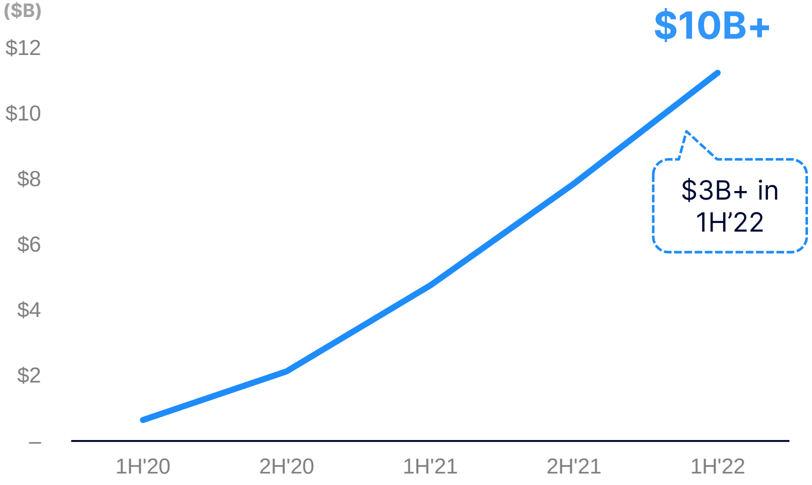
Pagaya's Funding Model

STEP 1	STEP 2	STEP 3
Pagaya raises capital via financing vehicle	Pagaya's AI **enables partner to originate more loans**	Financing **vehicle acquires loan** Partner services loan

01 Flexibility to opportunistically deploy institutional investor capital

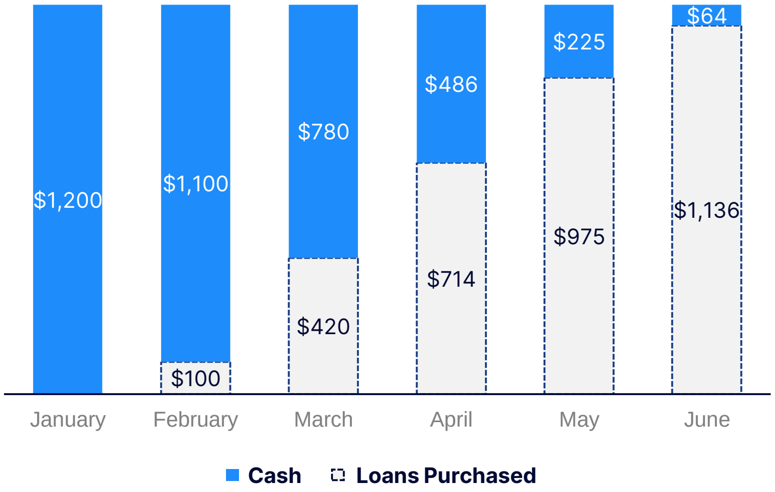
Consistently raising capital across diverse sources

Cumulative funding raised in financing vehicles since 2020



Funding model enables flexible deployment

Illustrative financing vehicle deployment ($M)



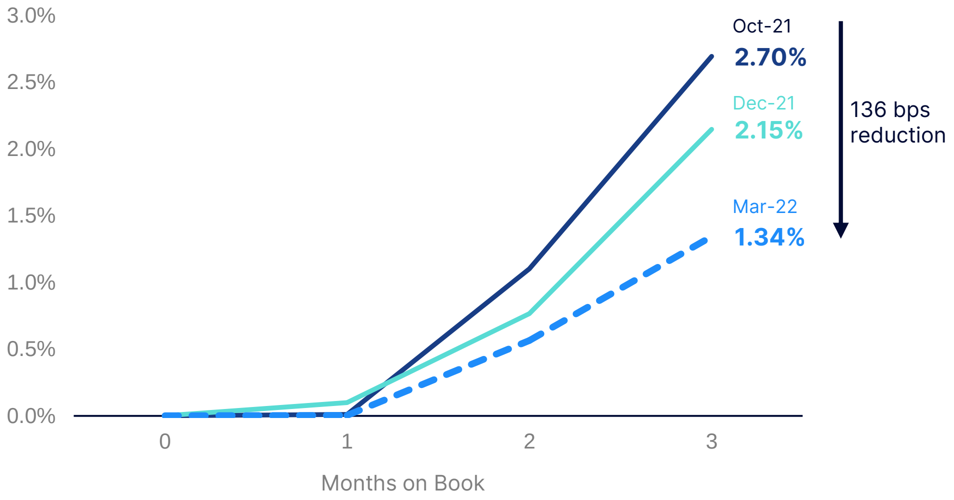
Source: Pagaya internal data

02 Relative value of AI during changing market conditions

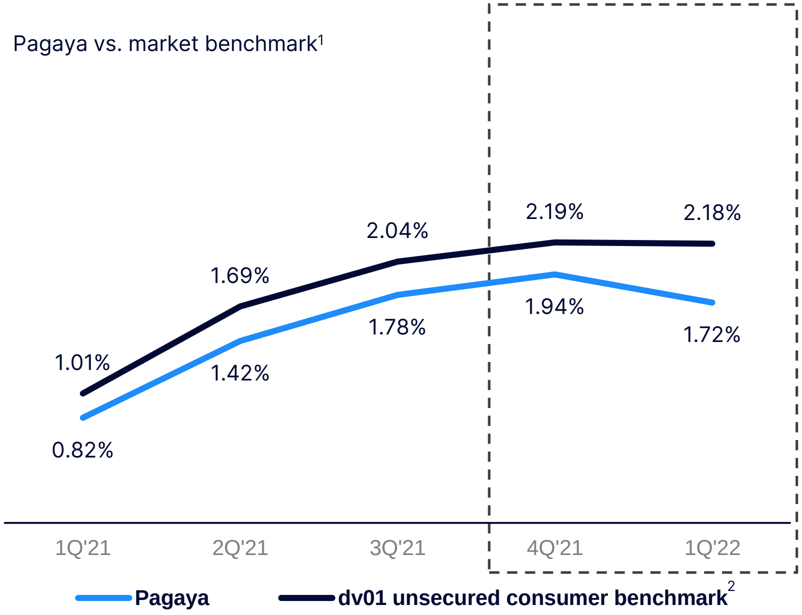
In Fall 2021, Pagaya's AI spotted changes in consumer behavior, enabling us to react quickly

Unsecured Personal Loans 30-day+ delinquency rates

Pagaya AI-enabled loans by select cohorts



Pagaya vs. market benchmark[1]

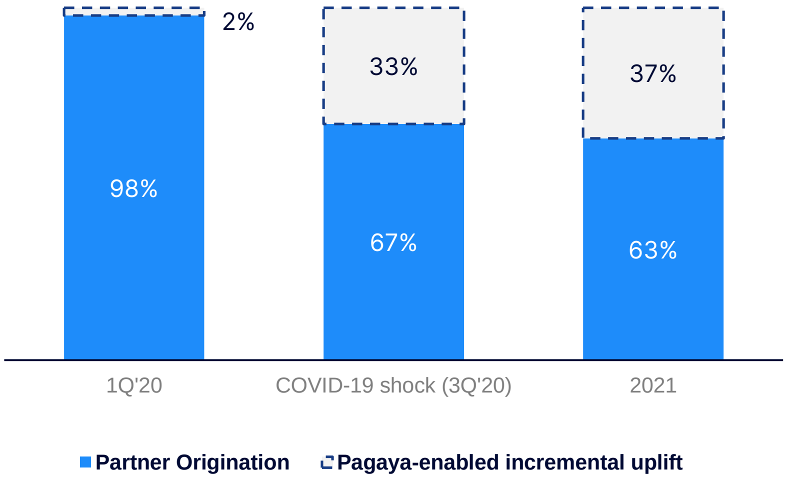


Source: dv01 unsecured consumer benchmark, Pagaya internal data
1. Shows rates for 3 months on book 2. Benchmark is weighted to reflect Pagaya's portfolio

03 Enabling growth for partners through macro cycles

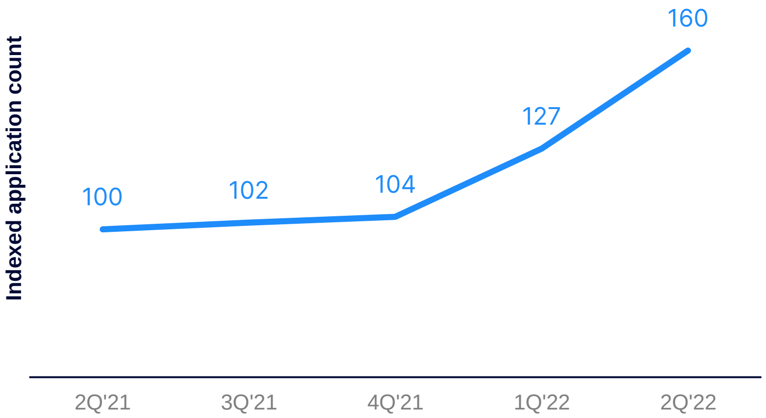
Pagaya enabled volume to partners during COVID-19

Single partner case study



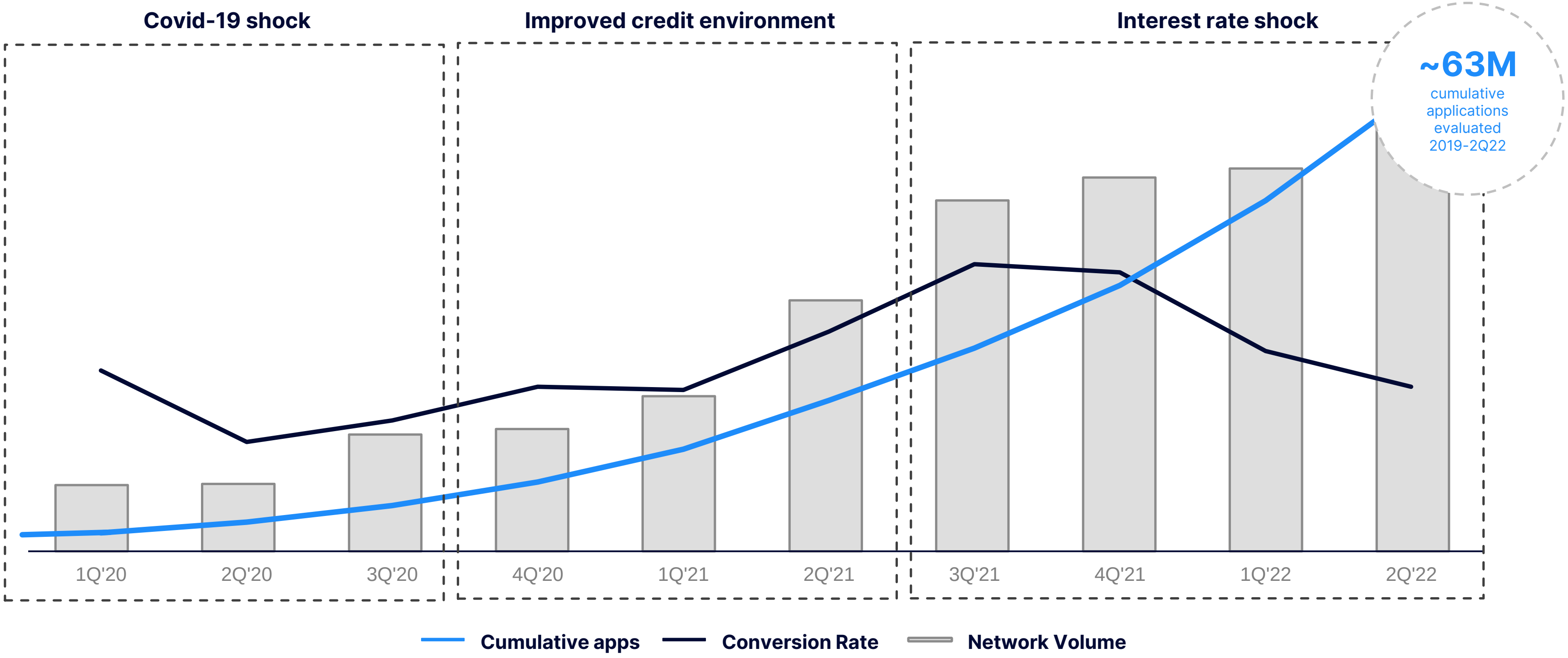
In current environment, Pagaya is seeing rapid growth in application flow

Top 3 partners applications evaluated



Bringing it all together: consistent value creation through cycles

Exponential growth in application flow powered by AI capabilities and differentiated funding model



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Source: Pagaya Internal Data

Significant runway within existing products and partnerships

Capturing less than 1% of opportunity in existing products today

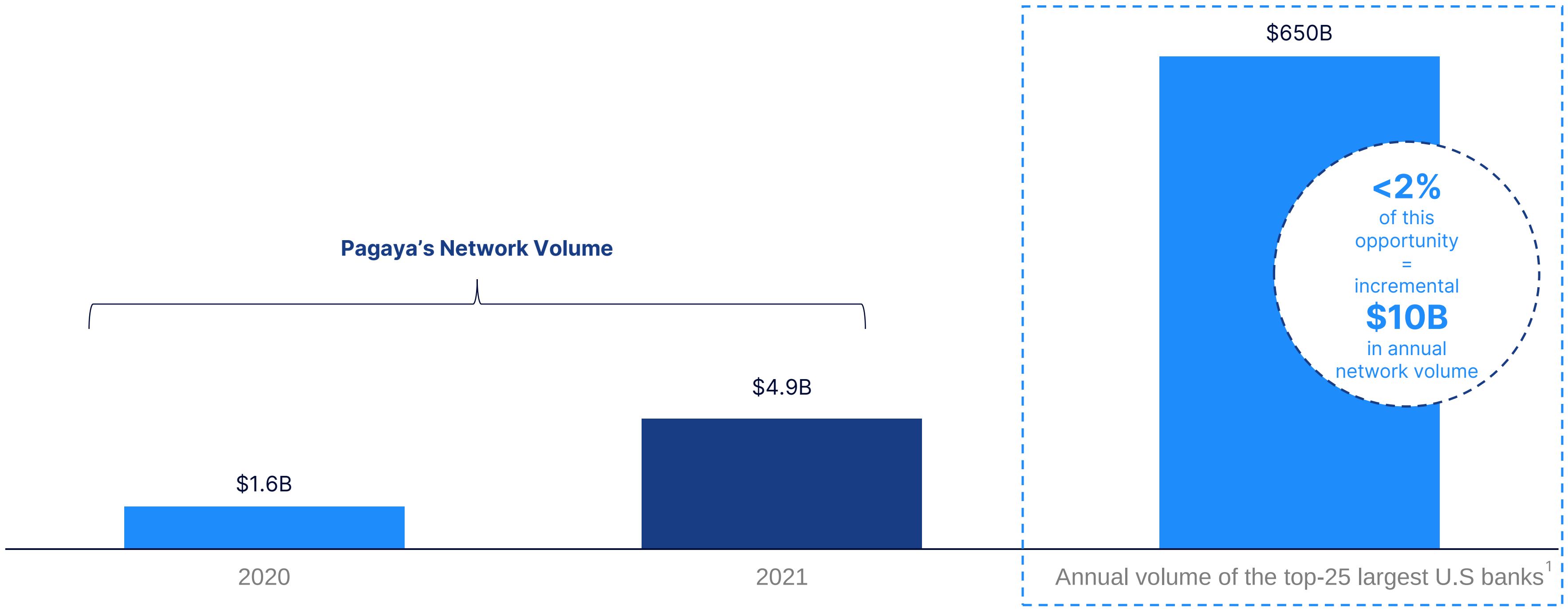
~$4 trillion Total Addressable Market

- **Personal Loans** [1]
- **Auto Loans** [2]
- **Credit Cards / POS** [3]
- **Real Estate** [4]

5 new programs launched year-to-date, delivering over $200M in Network Volume

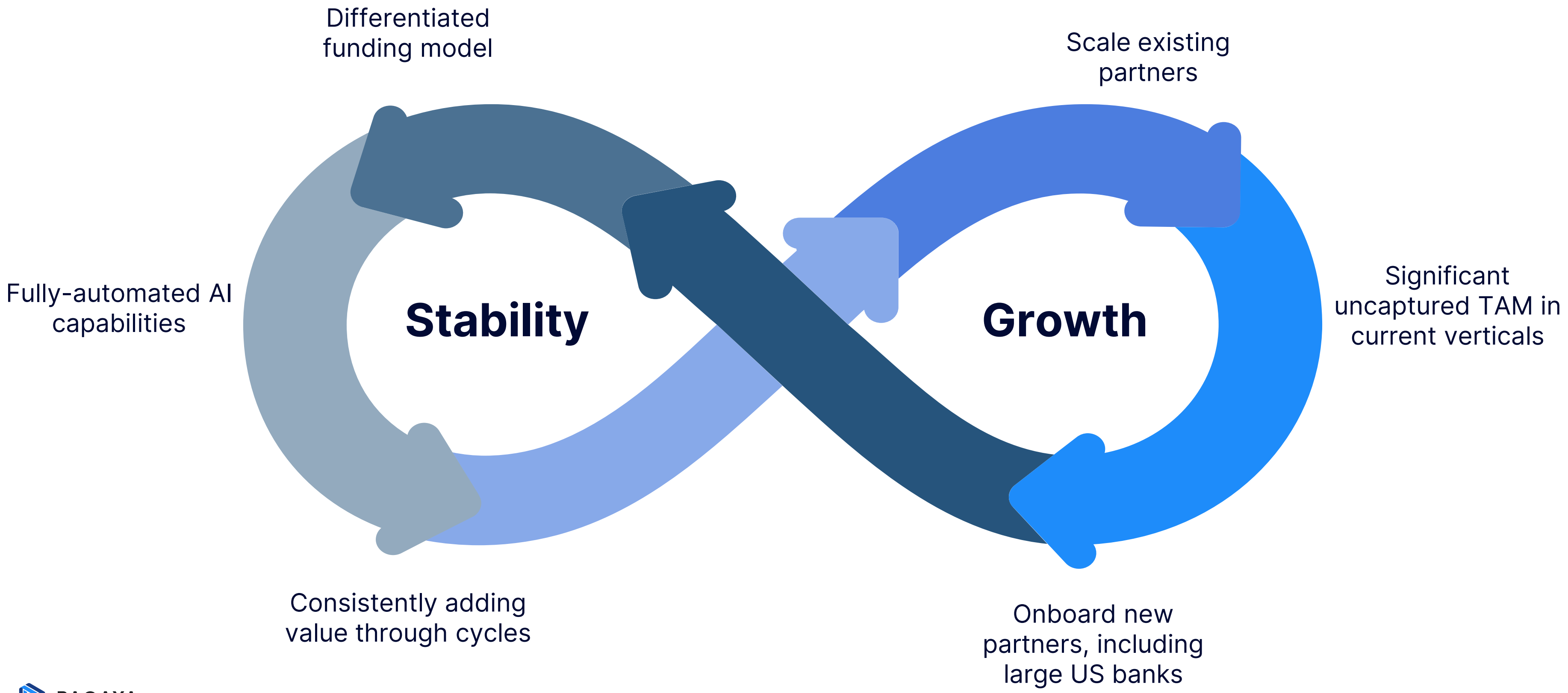
Note: Represents estimated annual U.S. market origination volumes; Only select partners shown, not inclusive of Pagaya's total partners
1. Origination volumes based on TransUnion "All Signs Point to a Healthy Credit Market in 2022" reports provided Q4 2021 originations of 5.1mm loans (annualized) and average debt per borrower of $9,622. 2. Origination volumes based on TransUnion "All Signs Point to a Healthy Credit Market in 2022" reports provided Q4 2021 originations of 20.1mm loans (annualized) and average debt per borrower of $5,127; Origination volumes estimated by applying a 3-year weighted average loan life assumption to McKinsey & Company US Lending at the Point of Sale report's estimate of $162bn POS lending outstanding balances in 2021. 3. Origination volumes based on TransUnion "All Signs Point to a Healthy Credit Market in 2022" reports provided Q4 2021 originations of 7.3mm loans (annualized) and average debt per borrower of $21,210. 4. Origination volumes based on TransUnion "Consumer Credit Origination, Balance and Delinquency Trends: Q4 2020" reports provided Q4 2019 originations of 2.3mm loans (annualized) and average balance of new mortgage loans of $286,912; use of 2019 number is intended to reflect normalized mortgage lending environment

Onboarding bank partners can step-change volume growth



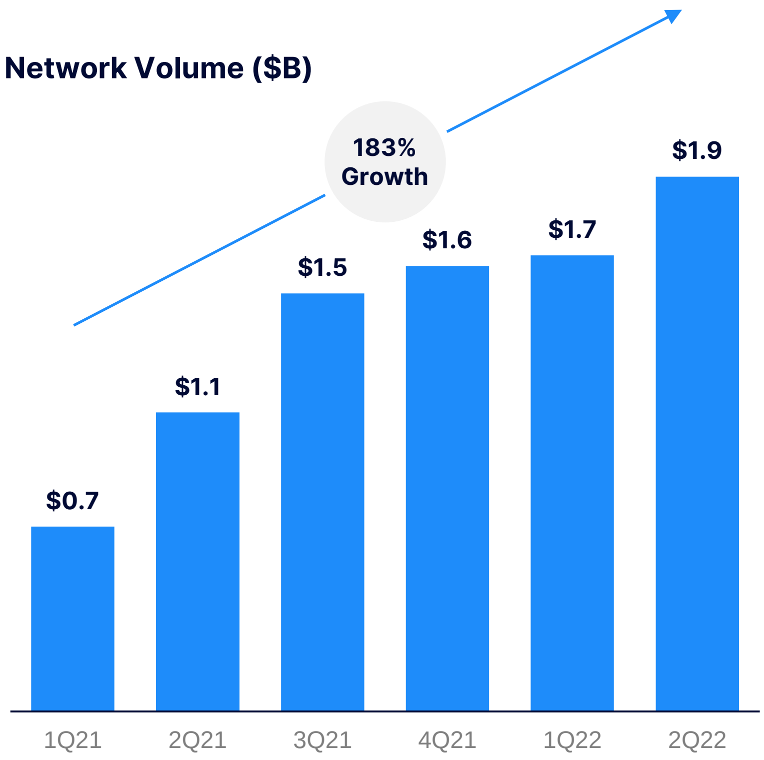
1. Represents estimated annual origination volume of credit card, personal loan and auto loans by the top 25 largest U.S. banks by assets, excluding trust banks, per SNL Financial data as of 12/31/2021

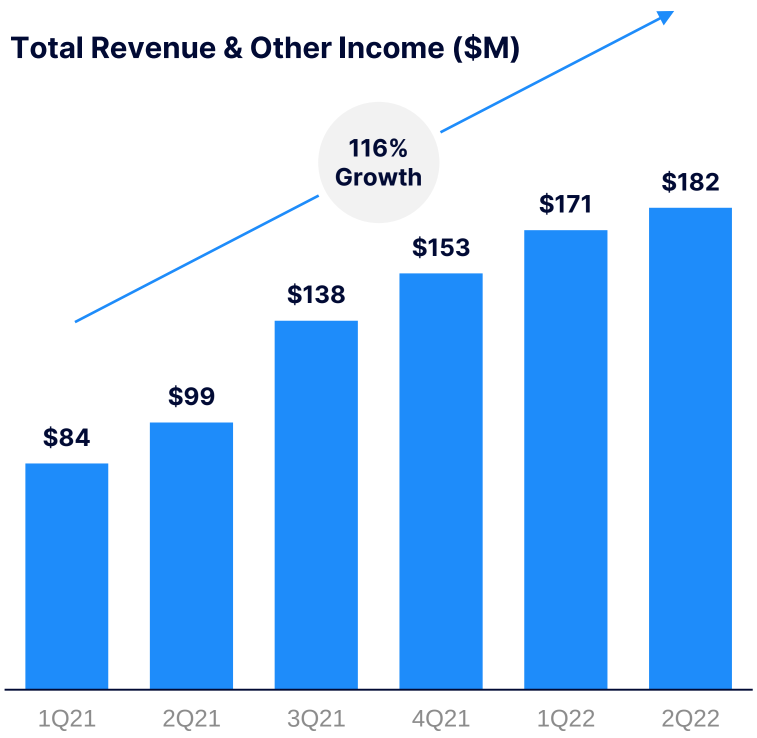
Pagaya's flywheel



Financials & Outlook

Pagaya has delivered extraordinary growth to date





Financial operating model

Six months ending June 2022

	$M	Description and drivers
Network Volume	**$3,597**	• Assets originated by partners and acquired by Financing Vehicles
Revenue from fees	322	• ~9% take rate
Interest & investment income	30	• Consists of interest income and investment income
Total revenue	**$352**	
Production costs	(197)	• Expenses paid to partners for originating and servicing Network Volume • Highly variable and correlated to Network Volume
Operating Expenses[1]	(130)	• Research & Development, General & Administrative, and Sales & Marketing
Other	(17)	• Includes Other Income/Expense, Noncontrolling Interests, and income taxes
Adj. Net income[2]	**$8**	
Adjustments	2	• Add back for depreciation & amortization, interest and taxes
Adj. EBITDA[2]	**$9**	

1. Excludes share-based compensation and non-recurring items
2. See Appendix for a reconciliation of non-GAAP measures to the most comparable GAAP measure

Pagaya 2Q’22 financial highlights

($ in millions)		2Q’22	1Q’22	Δ	2Q’21	Δ	Key highlights
	Network Volume	$1,947	$1,650	18%	$1,088	79%	Driven by faster growth in newer products, such as auto, credit card and single-family residential and scaling of existing partnerships
GAAP	**Total revenue**	$182	$171	6%	$99	83%	Revenue from fees grew by 77% YoY, driven by growth in network volume
GAAP	**Revenue less production costs**	$77	$78	(2%)	$36	110%	Production costs were ~5% of network volume in 2Q’22, in line with historical levels
GAAP	**Net loss**	($146)	($18)	NM	($6)	NM	Driven by share-based compensation expense of $146m
Non-GAAP	**Adj. Net Income[1]**	$3	$4	(15%)	$5	(34%)	
Non-GAAP	**Adj. EBITDA[1]**	$5	$4	12%	$7	(30%)	Reflects investments in hiring, AI development, public company readiness, bank partnership readiness

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

2022 Outlook

	2022E
Network Volume	$7.2B to $7.8B
Total Revenue and Other Income	$700M to $725M
Adjusted EBITDA	($20M) to $10M

Medium term ambition

Network volume

$25B+

Adjusted EBITDA margin

~20%

Q&A

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Thank You

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Appendix

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
Net Loss Attributable to Pagaya Technologies Ltd.	**($146,274)**	**($5,874)**	**($164,546)**	**($52,538)**
Adjusted to exclude the following:				
Share-based compensation	146,070	1,862	162,705	59,117
Fair value adjustment to warrant liability	(13,737)	9,293	(13,268)	19,017
Non-recurring expenses	17,422	-	22,696	-
Adjusted Net Income	**$3,481**	**$5,281**	**$7,587**	**$25,596**
Adjusted to exclude the following:				
Interest expenses	3,177	-	3,177	-
Income tax expense (benefit)	(2,404)	1,627	(2,590)	7,793
Depreciation and amortization	671	156	1,148	282
Adjusted EBITDA	**$4,925**	**$7,064**	**$9,322**	**$33,671**