

PAGAYA TECHNOLOGIES LTD.

2Q24 Earnings Supplement

August 9th, 2024

Contents

01

Financial Metrics

02

Operating Metrics

03

Non-GAAP Reconciliations

01

Financial Metrics

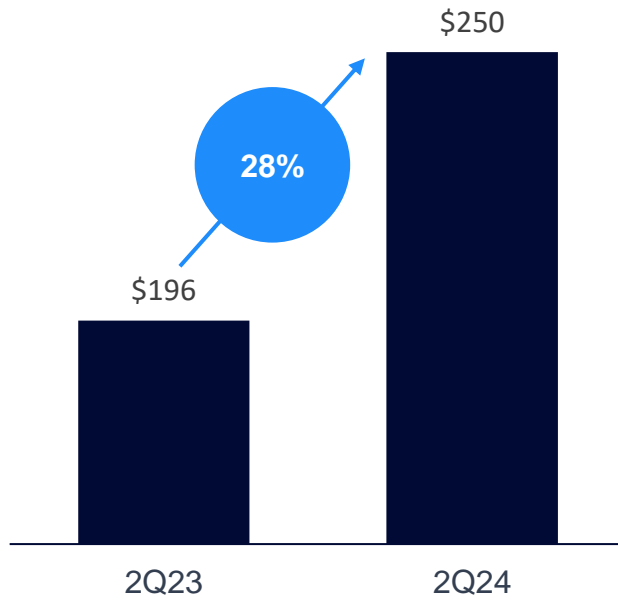
2Q'24 financial highlights

(\$ millions)	Q2 2024	Q2 2023	%Δ
Network Volume	\$2,331	\$1,957	19%
Total revenue & other income	\$250	\$196	28%
Revenue from fees	\$243	\$186	31%
Production costs	\$146	\$121	21%
Revenue from fees less production costs (FRLPC)*	\$97	\$65	49%
Core operating expenses*	\$55	\$55	1%
Net income (loss) attributable to Pagaya Technologies Ltd.	(\$75)	(\$31)	(139%)
Adj. Net Income*	\$7	\$1	711%
Adj. EBITDA*	\$50	\$17	188%

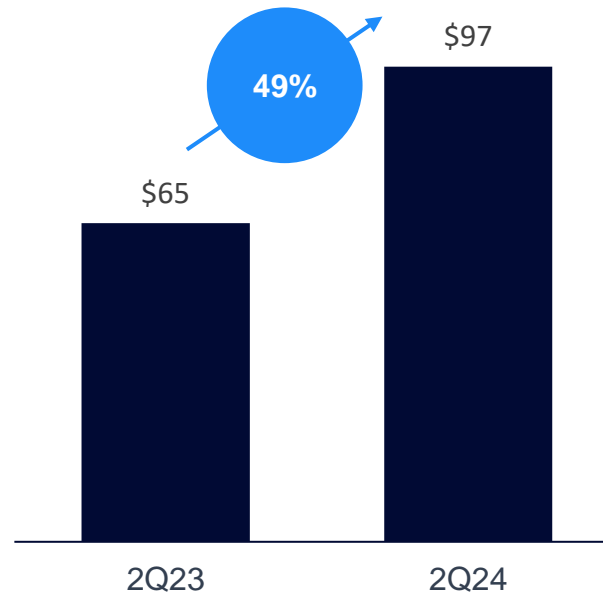
Key financial metrics

In \$ millions; % in YoY growth

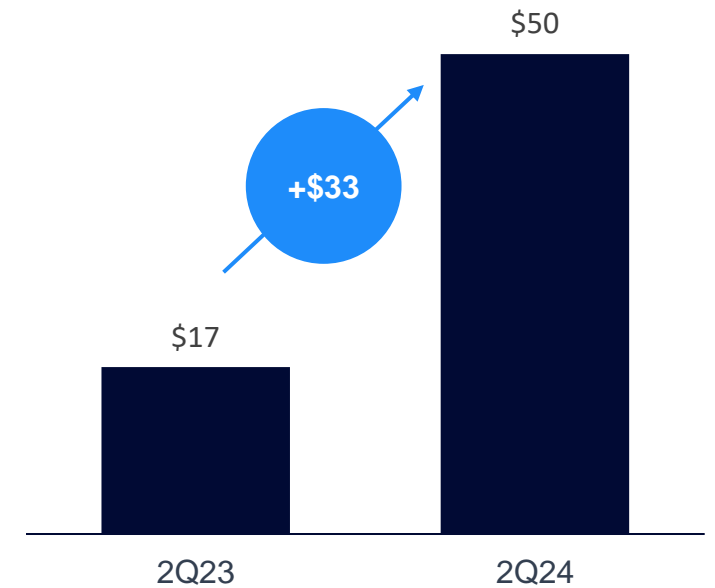
Total Revenue



FRLPC

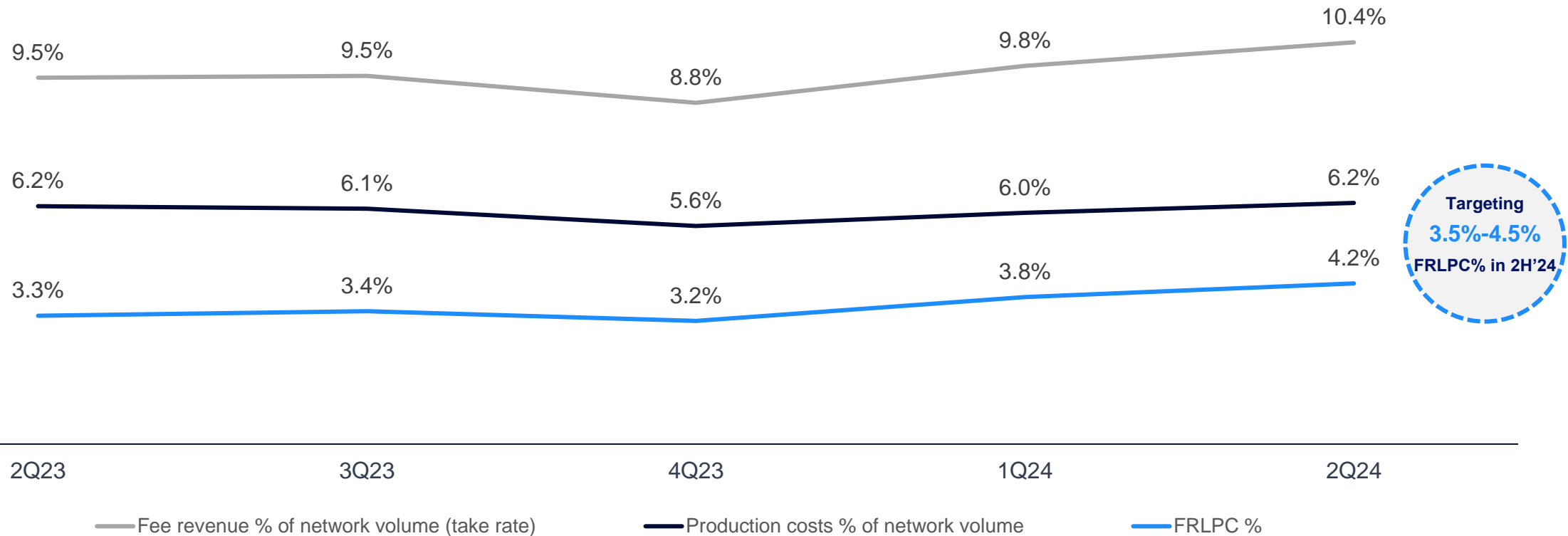


Adjusted EBITDA



Evolution of FRLPC

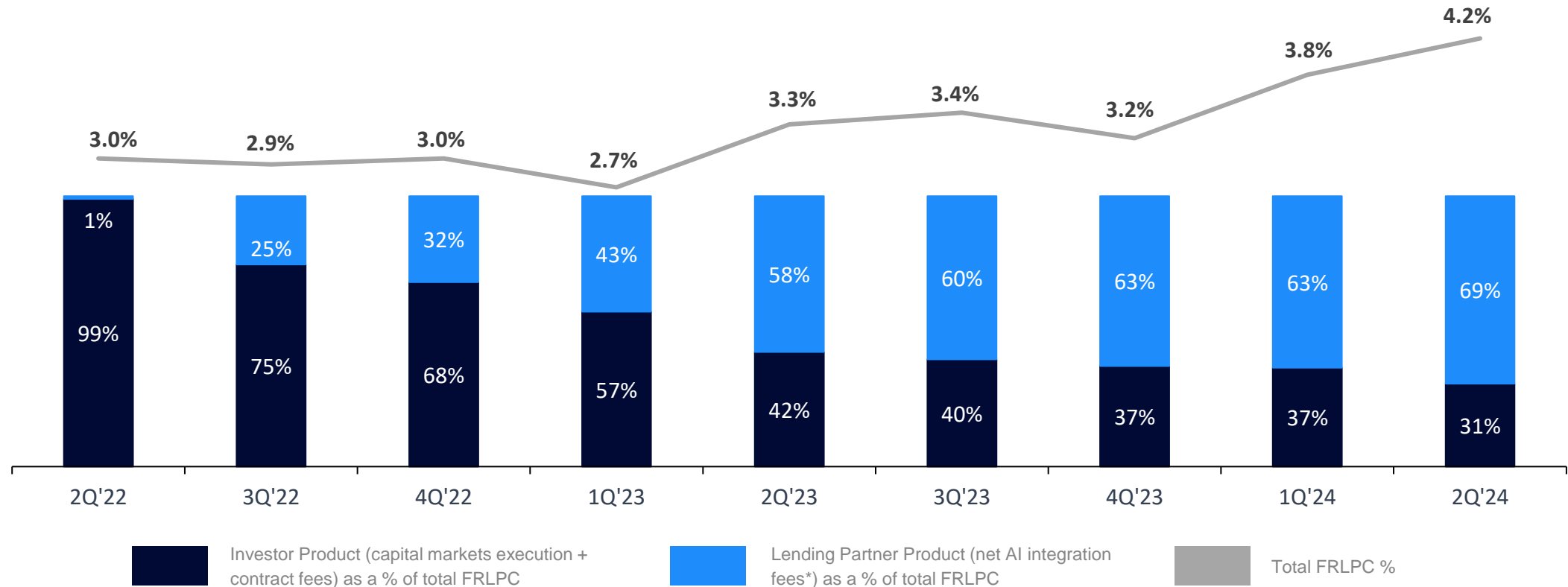
Components of FRLPC as a % of network volume



Evolution of FRLPC by product

% contribution from lending partner and investor products

Fee revenue less production costs as a % of network volume – breakdown by product



Evolution of FRLPC by line item

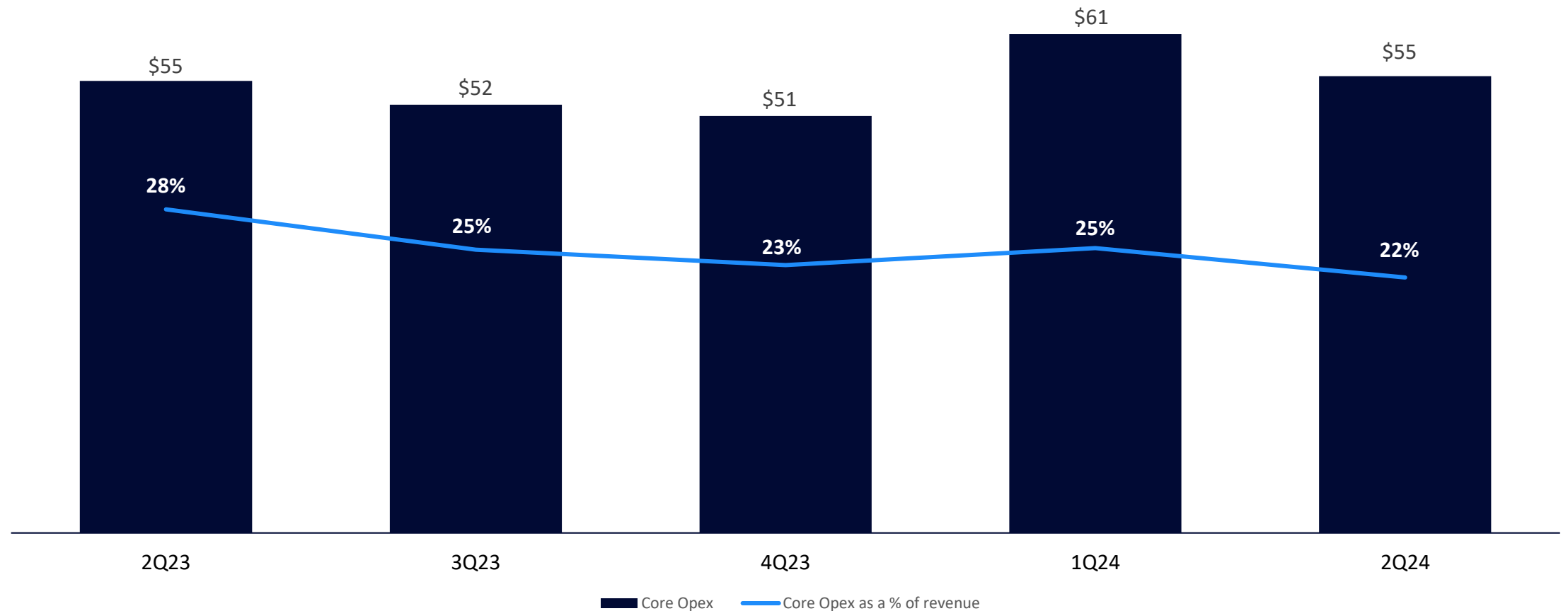
(\$ in millions)

	2Q23	3Q23	4Q23	1Q24	2Q24
AI integration	\$159	\$174	\$184	\$206	\$216
Contract	\$18	\$17	\$20	\$22	\$21
Capital markets	\$9	\$10	\$7	\$10	\$6
Total Fee Revenue	\$186	\$201	\$210	\$237	\$243
Production costs	(\$121)	(\$129)	(\$134)	(\$145)	(\$146)
Total FRLPC	\$65	\$73	\$76	\$92	\$97

Core operating expenses

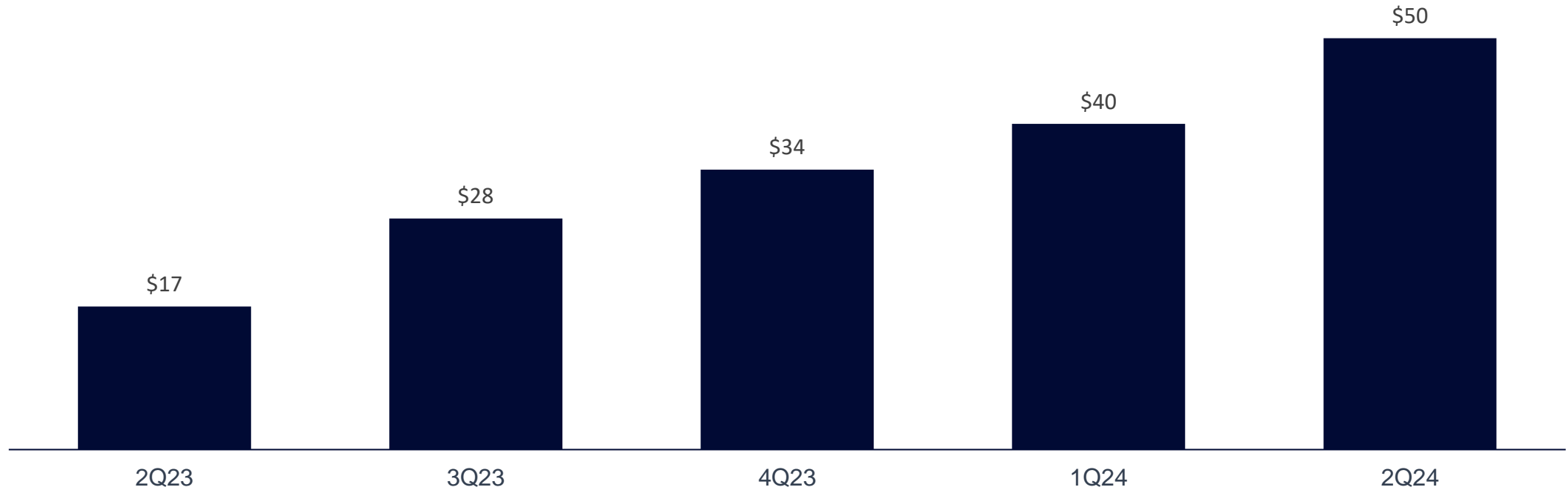
In \$ millions

Total operating expenses excluding share-based compensation expense, one-time expenses, and depreciation



Adjusted EBITDA

In \$ millions



02

Operating Metrics

Network volume

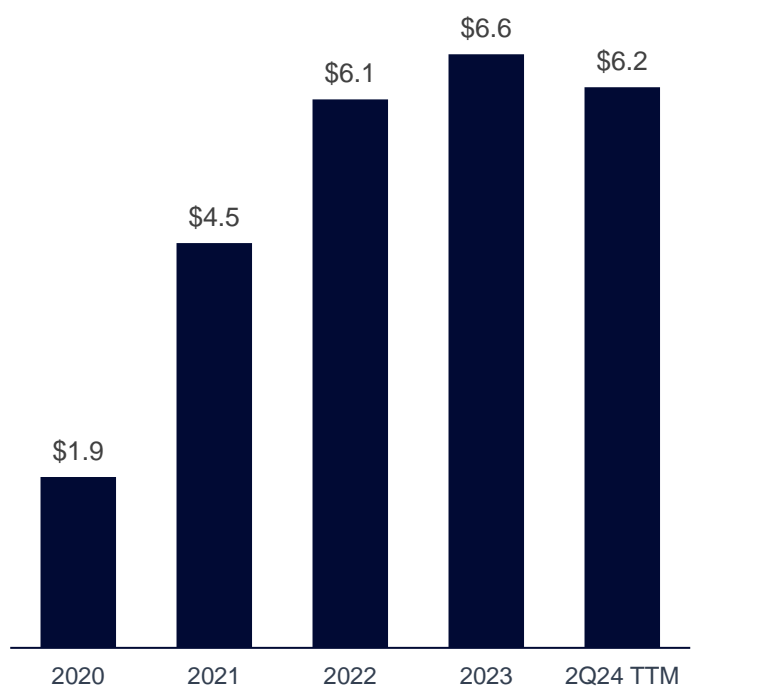
in \$ millions



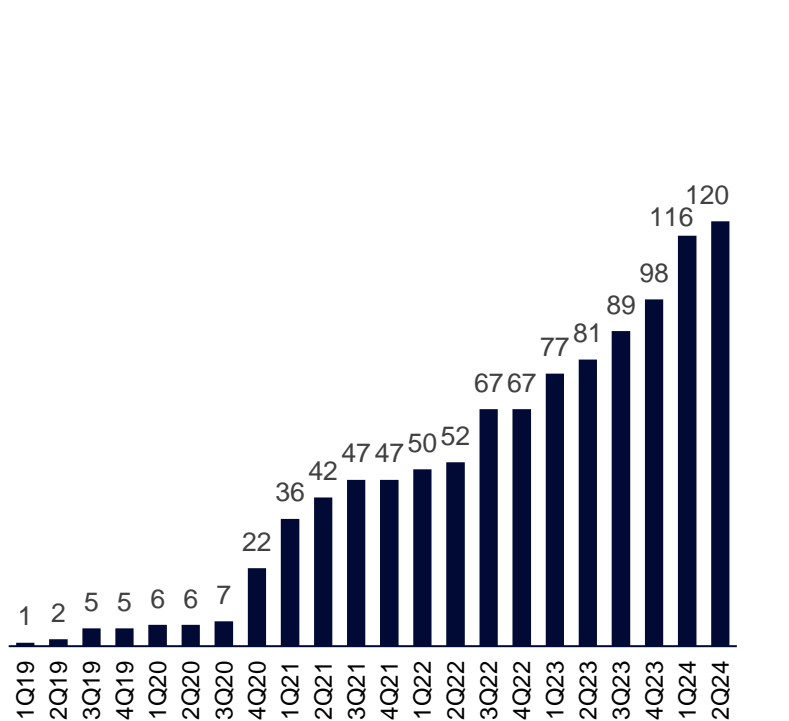
Our ABS funding network

ABS Issuance

Pagaya ABS issuance across all products (in \$billions)

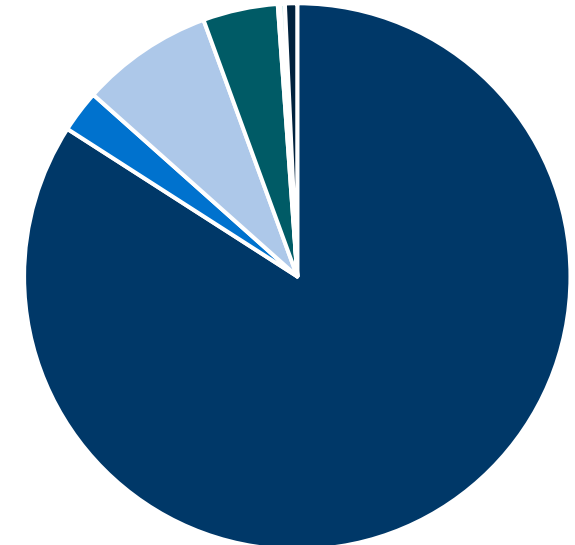


Growing ABS investor base



ABS Investor Base

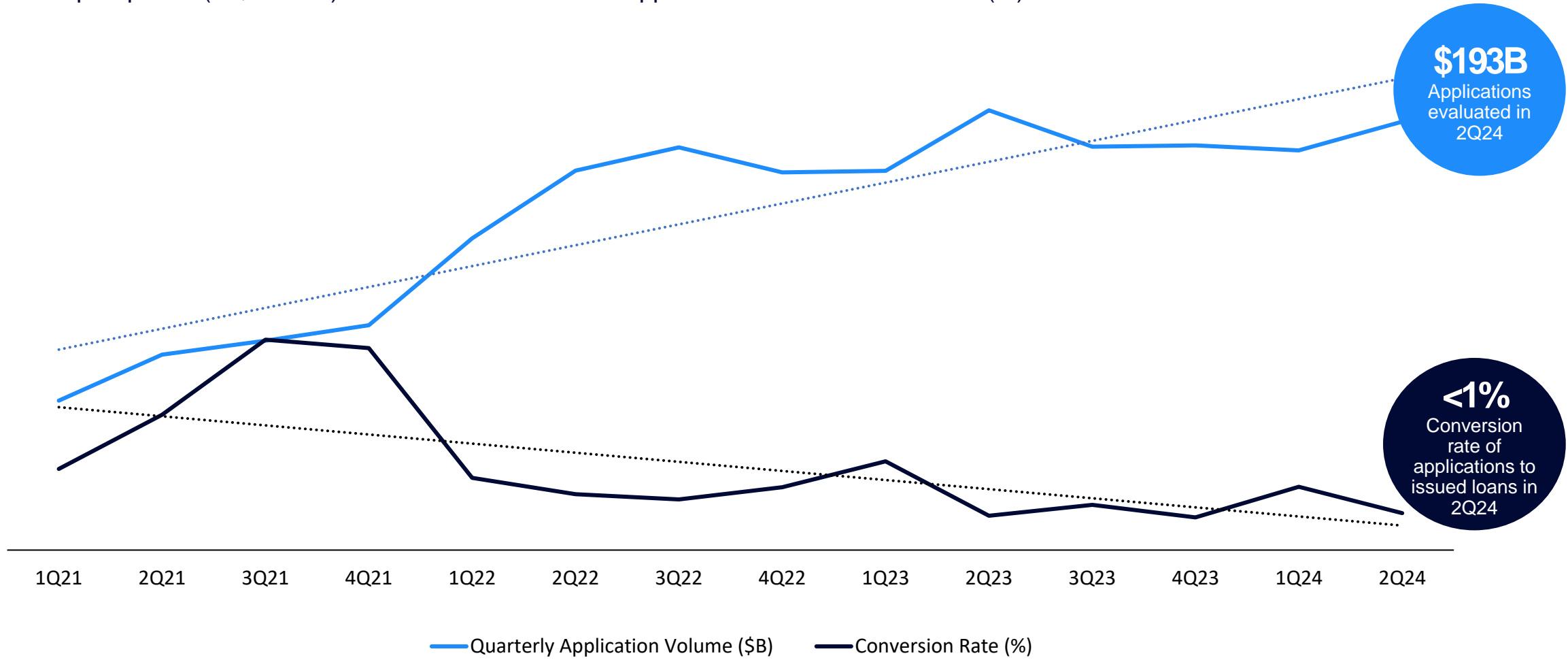
Investors in Pagaya's financing vehicles
Capital contributed in TTM 2Q'24 by investor type



- Asset Manager
- Bank / Depository
- Hedge Fund
- Insurance Company
- Other
- Pension Fund
- Sovereign Wealth Fund

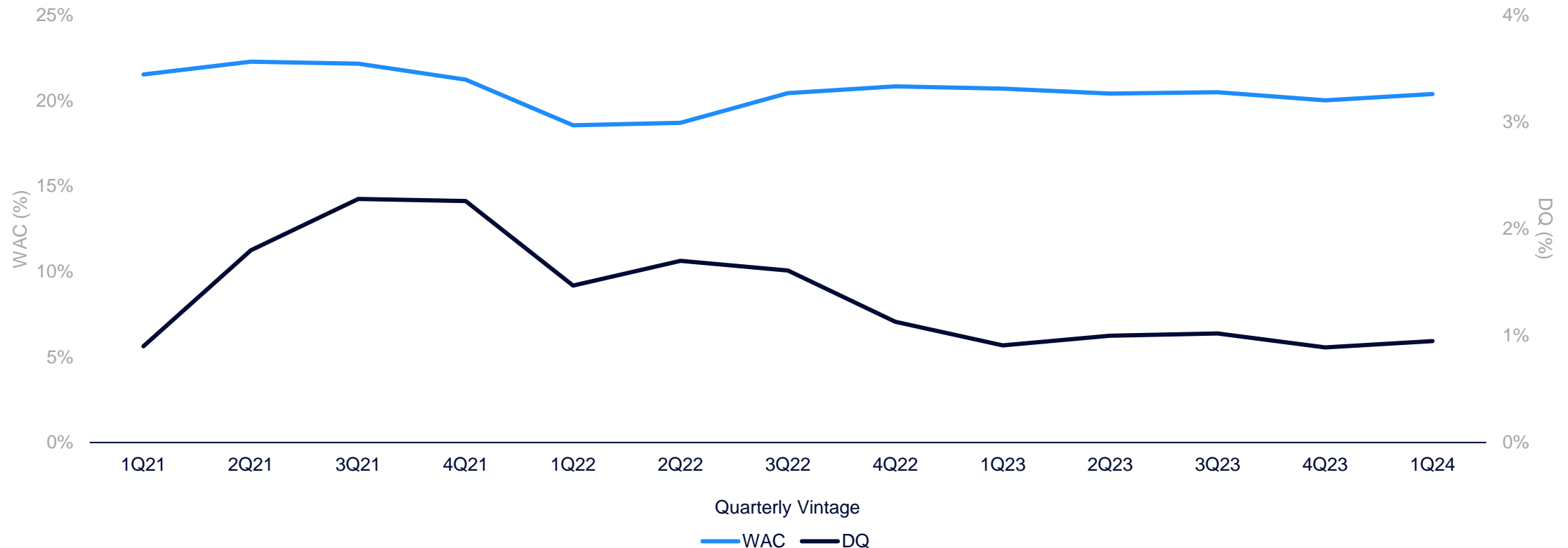
Applications evaluated vs conversion rate %

Applications per quarter (in \$ billions) versus conversion rate of applications into network volume (%)



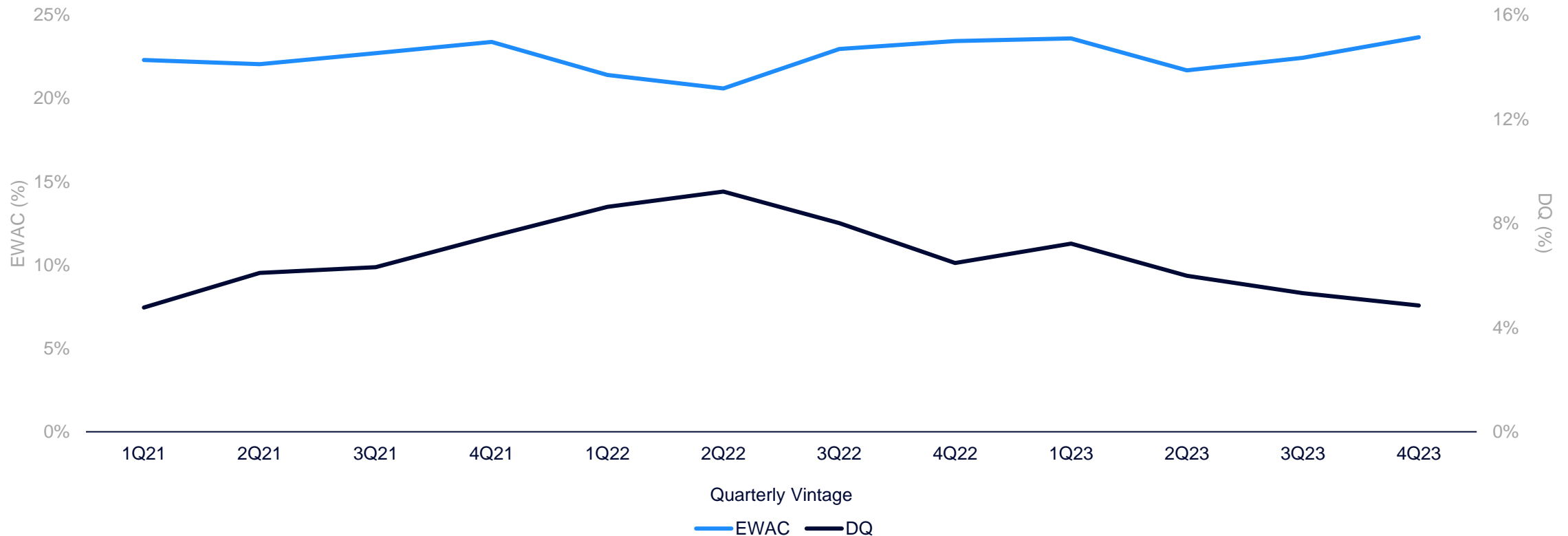
Credit performance: personal loan portfolio

Pagaya personal loan portfolio weighted average coupon (“WAC”) vs. 30-day+ DQs plus cumulative gross loss (“DQ”)
Figures represent performance 3 months from issuance



Credit performance: auto loan portfolio

Pagaya auto loan portfolio effective weighted average coupon (“EWAC”) vs. 60-day+ DQs plus cumulative gross loss (“DQ”)
Figures represent performance 6 months from issuance



03

Non-GAAP Reconciliations

PAGAYA TECHNOLOGIES LTD.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)
FOR THREE MONTHS ENDED JUNE 30, 2024 AND 2023

(in thousands)

	Three Months Ended June 30,	
	2024	2023
Net Loss Attributable to Pagaya Technologies Ltd.	(\$74,785)	(\$31,297)
<i>Adjusted to exclude the following:</i>		
Share-based compensation	\$18,044	\$20,208
Fair value adjustment to warrant liability	\$329	\$2,625
Impairment loss on certain investments	\$58,179	\$4,236
Write-off of capitalized software	\$2,561	\$106
Restructuring expenses	\$2,725	\$1,146
Transaction-related expenses	\$135	\$2,025
Non-recurring expenses	—	\$1,837
Adjusted Net Income (Loss)	\$7,188	\$886
<i>Adjusted to exclude the following:</i>		
Interest expenses	\$21,563	\$7,134
Provision for income tax	\$14,152	\$5,006
Depreciation and amortization	\$7,042	\$4,468
Adjusted EBITDA	\$50,305	\$17,494

**PAGAYA TECHNOLOGIES LTD.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)
FOR THREE MONTHS ENDED JUNE 30, 2024 AND 2023**

(in thousands)

	Three Months Ended June 30,	
	2024	2023
Fee revenue less production costs (FRLPC)		
Revenue from fees	\$242,594	\$185,685
Production costs	(\$145,602)	(\$120,613)
Fee revenue less production costs (FRLPC)	\$96,992	\$65,072

**Fee revenue less production costs as a % of network volume
(FRLPC %)**

Fee revenue less production costs (FRLPC) <i>(in thousands)</i>	\$96,992	\$65,072
Network volume <i>(in millions)</i>	\$2,331	\$1,957
Fee revenue less production costs % (FRLPC %)	4.2%	3.3%

PAGAYA TECHNOLOGIES LTD.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)
FOR THREE MONTHS ENDED JUNE 30, 2024 AND 2023

(in thousands)

	Three Months Ended June 30,	
	2024	2023
Operating expenses	(\$99,715)	(\$85,237)
<i>Adjusted to exclude the following:</i>		
Share-based compensation	\$18,044	\$20,208
Depreciation and amortization	\$7,042	\$4,468
Whole loan allowance for losses	\$13,783	\$588
Write-off of capitalized software	\$2,561	\$106
Transaction-related expenses	\$135	\$2,025
Restructuring expenses	\$2,725	\$1,146
Non-recurring expenses	—	\$1,837
Core operating expenses	(\$55,426)	(\$54,859)