

CARDLYTICS, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except par value amounts)

	December 31,	
	2018	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 39,623	\$ 104,458
Restricted cash	20,247	129
Accounts receivable, net	58,125	81,452
Other receivables	2,417	3,908
Prepaid expenses and other assets	3,956	5,783
Total current assets	124,368	195,730
Long-term assets:		
Property and equipment, net	10,230	14,290
Intangible assets, net	370	389
Capitalized software development costs, net	1,625	3,815
Deferred FI implementation costs, net	15,877	8,383
Other long-term assets, net	1,293	1,706
Total assets	<u>\$ 153,763</u>	<u>\$ 224,313</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 2,099	\$ 1,229
Accrued liabilities:		
Accrued compensation	5,936	8,186
Accrued expenses	4,388	6,018
FI Share liability	27,656	41,956
Consumer Incentive liability	11,476	19,861
Deferred revenue	346	1,127
Current portion of long-term debt	21	24
Total current liabilities	51,922	78,401
Long-term liabilities:		
Deferred liabilities	3,173	2,632
Long-term debt, net of current portion	46,693	13
Total liabilities	101,788	81,046
Stockholders' equity:		
Common stock, \$0.0001 par value—100,000 shares authorized and 22,466 and 26,547 shares issued and outstanding as of December 31, 2018 and December 31, 2019, respectively	7	8
Additional paid-in capital	371,463	480,578
Accumulated other comprehensive income	1,992	1,312
Accumulated deficit	(321,487)	(338,631)
Total stockholders' equity	51,975	143,267
Total liabilities and stockholders' equity	<u>\$ 153,763</u>	<u>\$ 224,313</u>

See notes to the consolidated financial statements

CARDLYTICS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except per share amounts)

	Year Ended December 31,		
	2017	2018	2019
Revenue	\$ 130,365	\$ 150,684	\$ 210,430
Costs and expenses:			
FI Share and other third-party costs	73,247	85,371	118,080
Delivery costs	7,012	10,632	12,893
Sales and marketing expense	31,927	41,878	43,828
Research and development expense	12,150	16,210	11,699
General and administration expense	20,100	34,228	36,720
Depreciation and amortization expense	3,028	3,282	4,535
Total costs and expenses	147,464	191,601	227,755
Operating loss	(17,099)	(40,917)	(17,325)
Non-operating (expense) income:			
Interest expense, net	(8,239)	(3,264)	(548)
Change in fair value of warrant liabilities, net	(581)	(6,760)	—
Change in fair value of convertible promissory notes	(1,244)	—	—
Change in fair value of convertible promissory notes—related parties	6,213	—	—
Other income (expense), net	1,309	(2,101)	729
Total non-operating (expense) income	(2,542)	(12,125)	181
Loss before income taxes	(19,641)	(53,042)	(17,144)
Income tax benefit	—	—	—
Net loss	(19,641)	(53,042)	(17,144)
Adjustments to the carrying value of redeemable convertible preferred stock	(5,743)	(157)	—
Net loss attributable to common stockholders	\$ (25,384)	\$ (53,199)	\$ (17,144)
Net loss per share attributable to common stockholders, basic and diluted	\$ (7.86)	\$ (2.79)	\$ (0.72)
Weighted-average common shares outstanding, basic and diluted	3,230	19,060	23,746

See notes to the consolidated financial statements

CARDLYTICS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

	Year Ended December 31,		
	2017	2018	2019
Operating activities			
Net loss	\$ (19,641)	\$ (53,042)	\$ (17,144)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:			
Depreciation and amortization	3,028	3,282	4,535
Amortization of financing costs charged to interest expense	560	282	95
Accretion of debt discount and non-cash interest expense	6,889	2,326	—
Stock-based compensation expense	5,147	26,790	15,851
Change in the fair value of warrant liabilities, net	581	6,760	—
Change in the fair value of convertible promissory notes	1,244	—	—
Change in the fair value of convertible promissory notes - related parties	(6,213)	—	—
Other non-cash (income) expense, net	(1,102)	4,771	631
Amortization of deferred FI implementation costs	1,626	1,618	2,869
Settlement of paid-in-kind interest	—	(8,353)	—
Change in operating assets and liabilities:			
Accounts receivable	(7,503)	(9,426)	(26,018)
Prepaid expenses and other assets	(666)	(2,275)	(2,224)
Deferred FI implementation costs	(10,900)	(9,250)	—
Recovery of deferred FI implementation costs	4,100	5,380	4,625
Accounts payable	(1,907)	911	(601)
Other accrued expenses	466	3,255	6,152
FI Share liability	804	3,742	14,301
Customer Incentive liability	1,385	4,234	8,385
Net cash (used in) provided by operating activities	(22,102)	(18,995)	11,457
Investing activities			
Acquisition of property and equipment	(1,215)	(5,920)	(8,277)
Acquisition of patents	(60)	(23)	(31)
Capitalized software development costs	(372)	(1,399)	(2,712)
Net cash used in investing activities	(1,647)	(7,342)	(11,020)
Financing activities			
Proceeds from issuance of debt	12,500	47,435	—
Principal payments of debt	(99)	(52,581)	(46,698)
Proceeds from issuance of common stock	230	72,334	91,216
Proceeds from issuance of Series G preferred stock	11,940	—	—
Equity issuance costs	(2,668)	(1,949)	(196)
Debt issuance costs	(142)	(48)	(143)
Net cash provided by financing activities	21,761	65,191	44,179
Effect of exchange rates on cash, cash equivalents and restricted cash	282	(246)	101
Net (decrease) increase in cash, cash equivalents and restricted cash	(1,706)	38,608	44,717
Cash, cash equivalents, and restricted cash — Beginning of period	22,968	21,262	59,870
Cash, cash equivalents, and restricted cash — End of period	\$ 21,262	\$ 59,870	\$ 104,587

See notes to the consolidated financial statements