

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 3, 2021



CARDLYTICS, INC.  
(Exact Name of Registrant as Specified in its Charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)  
675 Ponce de Leon Avenue NE, Suite 6000

001-38386  
(Commission  
File Number)  
Atlanta Georgia  
(Address of principal executive offices, including zip code)  
(888) 798-5802  
(Registrant's telephone, including area code)

26-3039436  
(I.R.S. Employer  
Identification No.)  
30308

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class  
Common Stock

Trading symbol  
CDLX

Name of each exchange on which registered  
The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

**ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

On August 3, 2021, Cardlytics, Inc. (the "Company") issued a press release announcing its financial results for the three and six months ended June 30, 2021, as well as information regarding a conference call to discuss these financial results and the Company's recent corporate highlights. The Company's press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information included in this Item 2.02 and Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

**ITEM 7.01 OTHER EVENTS**

On August 3, 2021, the Company is also posting a slide presentation on its website, which the Company will reference during the conference call described above.

A copy of the slide presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K. The information in this Item 7.01 and Exhibit 99.2 hereto shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits

<u>Exhibit</u>	<u>Exhibit Description</u>
99.1	<a href="#">Press release dated August 3, 2021</a>
99.2	<a href="#">Presentation titled "Earnings Presentation Q2 2021"</a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Cardlytics, Inc.**

Date: August 3, 2021

By: /s/ Andrew Christiansen  
Andrew Christiansen  
Chief Financial Officer  
*(Principal Financial and Accounting Officer)*

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### Cardlytics Announces Second Quarter 2021 Financial Results

Atlanta, GA – August 3, 2021 – Cardlytics, Inc. (NASDAQ: CDLX), a digital advertising platform, today announced financial results for the second quarter ended June 30, 2021. Supplemental information is available on the Investor Relations section of the Cardlytics' website at <http://ir.cardlytics.com/>.

"While we grew Cardlytics platform billings 111% and adjusted contribution 123% year-over-year, we fell below our guidance. This was driven by us forecasting a faster recovery than was realized due to labor shortage and supply chain challenges in retail, restaurant and travel," said Lynne Laube, CEO & Co-Founder of Cardlytics. "Our core business remains on a very solid foundation and we continue to make significant progress on all of our strategic initiatives, including the integration of Dosh and Bridg."

"We believe we will still be dealing with an uneven recovery in Q3 as each industry we operate in is still working through unique macroeconomic challenges," said Andy Christiansen, CFO of Cardlytics. "We remain very excited about the long-term potential of Cardlytics and continue to make immense progress on our product and technology initiatives."

#### Second Quarter 2021 Financial Results

- Revenue was \$58.9 million, an increase of 109% year-over-year, compared to \$28.2 million in the second quarter of 2020.
- Billings, a non-GAAP metric, was \$85.3 million, an increase of 116% year-over-year, compared to \$39.5 million in the second quarter of 2020.
- Gross profit was \$23.2 million, an increase of 193% year-over-year, compared to \$7.9 million in the second quarter of 2020.
- Adjusted contribution, a non-GAAP metric, was \$29.6 million, an increase of 139% year-over-year, compared to \$12.4 million in the second quarter of 2020.
- Net loss attributable to common stockholders was \$(47.3) million, or \$(1.43) per diluted share, based on 33.0 million weighted-average common shares outstanding, compared to a net loss attributable to common stockholders of \$(19.8) million, or \$(0.73) per diluted share, based on 27.1 million weighted-average common shares outstanding in the second quarter of 2020.
- Non-GAAP net loss was \$(12.8) million, or \$(0.39) per diluted share, based on 33.0 million weighted-average common shares outstanding, compared to a non-GAAP net loss of \$(10.2) million, or \$(0.38) per diluted share, based on 27.1 million weighted-average common shares outstanding in the second quarter of 2020.
- Adjusted EBITDA, a non-GAAP metric, was a loss of \$(5.7) million compared to a loss of \$(7.7) million in the second quarter of 2020.

#### Key Metrics

- Cardlytics MAUs were 167.6 million, an increase of 7%, compared to 157.2 million in the second quarter of 2020.
- Cardlytics ARPU was \$0.34, an increase of 89%, compared to \$0.18 in the second quarter of 2020.
- Bridg ARR was \$12.5 million in the second quarter of 2021.

Definitions of MAUs, ARPU and ARR are included below under the caption "Non-GAAP Measures and Other Performance Metrics."

#### Third Quarter 2021 Financial Expectations

Cardlytics anticipates billings, revenue, and adjusted contribution to be in the following ranges (in millions):

	<b>Q3 2021 Guidance</b>
Billings <sup>(1)</sup>	\$85.0 - \$95.0
Revenue	\$57.0 - \$66.0
Adjusted contribution <sup>(2)</sup>	\$27.0 - \$32.0

(1) A reconciliation of billings to GAAP revenue on a forward-looking basis is presented below under the heading "Reconciliation of Forecasted GAAP Revenue to Billings."

(2) A reconciliation of adjusted contribution to GAAP gross profit on a forward-looking basis is not available without unreasonable efforts due to the high variability, complexity and low visibility with respect to the items excluded from this non-GAAP measure.

## Earnings Teleconference Information

Cardlytics will discuss its second quarter 2021 financial results during a teleconference today, August 3, 2021, at 5:00 PM ET / 2:00 PM PT. The conference call can be accessed at (866) 385-4179 (domestic) or (210) 874-7775 (international), conference ID# 3993796. A replay of the conference call will be available through 8:00 PM ET / 5:00 PM PT on August 10, 2021 at (855) 859-2056 (domestic) or (404) 537-3406 (international). The replay passcode is 3993796. The call will also be broadcast simultaneously at <http://ir.cardlytics.com/>. Following the completion of the call, a recorded replay of the webcast will be available on Cardlytics' website.

## About Cardlytics

Cardlytics (NASDAQ: CDLX) is a digital advertising platform. We partner with financial institutions to run their banking rewards programs that promote customer loyalty and deepen banking relationships. In turn, we have a secure view into where and when consumers are spending their money. We use these insights to help marketers identify, reach, and influence likely buyers at scale, as well as measure the true sales impact of marketing campaigns. Headquartered in Atlanta, we have offices in London, New York, San Francisco, Austin and Visakhapatnam. In March 2021, we acquired Dosh, a transaction-based advertising platform, and in May 2021 we acquired Bridg, a customer data platform. Learn more at [www.cardlytics.com](http://www.cardlytics.com).

## Cautionary Language Concerning Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, our financial guidance for the third quarter of 2021, future growth, the integration of Dosh and Bridg, and achievement of long-range goals. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," or variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control.

Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: risks related to the uncertain impacts that COVID-19 may have on our business, financial condition, results of operations; unfavorable conditions in the global economy and the industries that we serve; our quarterly operating results have fluctuated and may continue to vary from period to period; our ability to sustain our revenue growth and billings; risks related to the integration of Dosh and Bridg with our company; risks related to our substantial dependence on our Cardlytics Direct product; risks related to our substantial dependence on JPMorgan Chase Bank, National Association ("Chase"), Bank of America, National Association ("Bank of America") and a limited number of other financial institution ("FI") partners; the timing of the phased launch of the Cardlytics platform by U.S. Bank; risks related to our ability to maintain relationships with Chase, Wells Fargo and Bank of America; the amount and timing of budgets by marketers, which are affected by budget cycles, economic conditions and other factors, including the impact of the COVID-19 pandemic; our ability to generate sufficient revenue to offset contractual commitments to FIs; our ability to attract new partners, including FI partners, and maintain relationships with bank processors and digital banking providers; our ability to maintain relationships with marketers; our ability to adapt to changing market conditions, including our ability to adapt to changes in consumer habits, negotiate fee arrangements with new and existing partners and retailers, and develop and launch new services and features; and other risks detailed in the "Risk Factors" section of our Form 10-Q filed with the Securities and Exchange Commission on August 3, 2021 and in subsequent periodic reports that we file with the Securities and Exchange Commission. Past performance is not necessarily indicative of future results.

The forward-looking statements included in this press release represent our views as of the date of this press release. We anticipate that subsequent events and developments will cause our views to change. We undertake no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

## Non-GAAP Measures and Other Performance Metrics

To supplement the financial measures presented in our press release and related conference call or webcast in accordance with generally accepted accounting principles in the United States ("GAAP"), we also present the following non-GAAP measures of financial performance: billings, adjusted contribution, adjusted EBITDA, adjusted Partner Share and other third party costs, non-GAAP net loss and non-GAAP net loss per share as well as certain other performance metrics, such as monthly active users ("MAUs"), average revenue per user ("ARPU") and annualized recurring revenue ("ARR").

A “non-GAAP financial measure” refers to a numerical measure of our historical or future financial performance or financial position that is included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP in our financial statements. We provide certain non-GAAP measures as additional information relating to our operating results as a complement to results provided in accordance with GAAP. The non-GAAP financial information presented herein should be considered in conjunction with, and not as a substitute for or superior to, the financial information presented in accordance with GAAP and should not be considered a measure of liquidity. There are significant limitations associated with the use of non-GAAP financial measures. Further, these measures may differ from the non-GAAP information, even where similarly titled, used by other companies and therefore should not be used to compare our performance to that of other companies.

We have presented billings, adjusted contribution, adjusted EBITDA, adjusted Partner Share and other third-party costs, non-GAAP net loss and non-GAAP net loss per share as non-GAAP financial measures in this press release. Billings represents the gross amount billed to customers and marketers for advertising campaigns in order to generate revenue. Cardlytics platform billings is recognized gross of both Consumer Incentives and Partner Share. Cardlytics platform GAAP revenue is recognized net of Consumer Incentives and gross of Partner Share. Bridg platform billings is the same as Bridg platform GAAP revenue. We define adjusted contribution as a measure by which revenue generated from our marketers exceeds the cost to obtain the purchase data and the digital advertising space from our partners. Adjusted contribution demonstrates how incremental marketing spend on our platform generates incremental amounts to support our sales and marketing, research and development, general and administration and other investments. Adjusted contribution is calculated by taking our total revenue less our Partner Share and other third-party costs exclusive of deferred implementation costs, which is a non-cash cost. Adjusted contribution does not take into account all costs associated with generating revenue from advertising campaigns, including sales and marketing expenses, research and development expenses, general and administrative expenses and other expenses, which we do not take into consideration when making decisions on how to manage our advertising campaigns. We define adjusted EBITDA as our net loss before income tax benefit; interest expense, net; depreciation and amortization expense; stock-based compensation expense; foreign currency (loss) gain; deferred implementation costs; restructuring costs, acquisition and integration costs and change in fair value of contingent consideration. We define adjusted Partner Share and other third-party costs as our Partner Share and other third-party costs excluding non-cash equity expense and amortization of deferred implementation costs. We define non-GAAP net loss income as our net loss before stock-based compensation expense; foreign currency (loss) gain; acquisition and integration costs; amortization of acquired intangibles; change in fair value of contingent consideration; and restructuring costs. Notably, any impacts related to minimum Partner Share commitments in connection with agreements with certain partners are not added back to net loss in order to calculate adjusted EBITDA, adjusted contribution and non-GAAP net loss. We define non-GAAP net loss per share as non-GAAP net loss divided by non-GAAP weighted-average common shares outstanding, basic and diluted, which includes our GAAP weighted-average common shares outstanding, basic and diluted, and our weighted-average preferred shares outstanding, assuming conversion.

We believe the use of non-GAAP financial measures, as a supplement to GAAP measures, is useful to investors in that they eliminate items that are either not part of our core operations or do not require a cash outlay, such as stock-based compensation expense. Management uses these non-GAAP financial measures when evaluating operating performance and for internal planning and forecasting purposes. We believe that these non-GAAP financial measures help indicate underlying trends in the business, are important in comparing current results with prior period results and are useful to investors and financial analysts in assessing operating performance.

We define MAUs as targetable customers or accounts that have logged in and visited online or mobile applications containing offers from, opened an email containing offers from, or redeemed an offer from the Cardlytics platform during a monthly period. We then calculate a monthly average of these MAUs for the periods presented. We define ARPU as the total revenue generated in the applicable period calculated in accordance with GAAP, divided by the average number of MAUs in the applicable period. We define ARR as the annualized GAAP revenue of the final month in the period presented for the Bridg platform. ARR should not be considered in isolation from, or as an alternative to, revenue prepared in accordance with GAAP. We believe that ARR is an indicator of the Bridg platform’s ability to generate future revenue from existing clients

**CARDLYTICS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
(Amounts in thousands)

	June 30, 2021	December 31, 2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 250,603	\$ 293,239
Restricted cash	111	110
Accounts receivable, net	73,468	81,249
Other receivables	6,142	5,306
Prepaid expenses and other assets	8,132	5,687
Total current assets	338,456	385,591
Long-term assets:		
Property and equipment, net	13,095	13,865
Right-of-use assets under operating leases, net	11,694	10,764
Intangible assets, net	137,185	447
Goodwill	718,490	—
Capitalized software development costs, net	9,157	6,299
Deferred implementation costs, net	2,173	3,785
Other long-term assets, net	2,617	1,786
Total assets	\$ 1,232,867	\$ 422,537
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 5,217	\$ 1,363
Accrued liabilities:		
Accrued compensation	9,090	7,582
Accrued expenses	8,207	5,502
Partner Share liability	28,688	37,457
Consumer Incentive liability	36,561	24,290
Deferred revenue	2,777	349
Current operating lease liabilities	6,000	4,718
Current finance lease liabilities	23	13
Current contingent consideration	164,952	—
Other current liabilities	1,457	—
Total current liabilities	262,972	81,274
Long-term liabilities:		
Convertible senior notes, net	179,113	174,011
Long-term finance lease liabilities	44	—
Long-term operating lease liabilities	8,218	9,381
Long-term contingent consideration	67,449	—
Other long-term liabilities	679	679
Total liabilities	518,475	265,345
Stockholders' equity:		
Common stock, \$0.0001 par value—100,000 shares authorized and 27,861 and 33,023 shares issued and outstanding as of December 31, 2020 and June 30, 2021, respectively.	8	8
Additional paid-in capital	1,181,290	551,429
Accumulated other comprehensive income	(652)	(192)
Accumulated deficit	(466,254)	(394,053)
Total stockholders' equity	714,392	157,192
Total liabilities and stockholders' equity	\$ 1,232,867	\$ 422,537

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Revenue	\$ 58,853	\$ 28,222	\$ 112,083	\$ 73,731
Costs and expenses:				
Partner Share and other third-party costs	29,953	16,811	59,724	42,949
Delivery costs	5,748	3,499	9,686	6,905
Sales and marketing expense	17,063	10,405	30,265	21,373
Research and development expense	8,934	3,966	15,152	7,817
General and administration expense	16,888	11,734	29,063	22,478
Acquisition and integration costs	14,182	—	21,212	—
Depreciation and amortization expense	8,833	1,545	11,898	3,876
Total costs and expenses	101,601	47,960	177,000	105,398
Operating loss	(42,748)	(19,738)	(64,917)	(31,667)
Other income (expense):				
Interest (expense) income, net	(3,078)	(10)	(6,123)	274
Change in fair value of contingent consideration	(1,480)	—	(1,480)	—
Foreign currency (loss) gain	—	(10)	319	(1,896)
Total other expense	(4,558)	(20)	(7,284)	(1,622)
Loss before income taxes	(47,306)	(19,758)	(72,201)	(33,289)
Income tax benefit	—	—	—	—
Net loss	(47,306)	(19,758)	(72,201)	(33,289)
Net loss attributable to common stockholders	\$ (47,306)	\$ (19,758)	\$ (72,201)	\$ (33,289)
Net loss per share attributable to common stockholders, basic and diluted	\$ (1.43)	\$ (0.73)	\$ (2.32)	\$ (1.24)
Weighted-average common shares outstanding, basic and diluted	32,977	27,072	31,145	26,898

**CARDLYTICS, INC.**  
**STOCK-BASED COMPENSATION EXPENSE (UNAUDITED)**  
(Amounts in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Delivery costs	\$ 521	\$ 357	\$ 830	\$ 532
Sales and marketing expense	3,655	2,567	6,087	3,836
Research and development expense	2,448	1,401	3,962	2,004
General and administrative expense	6,713	4,783	9,706	6,861
Total stock-based compensation expense	\$ 13,337	\$ 9,108	\$ 20,585	\$ 13,233



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

	Six Months Ended June 30,	
	2021	2020
<b>Operating activities</b>		
Net loss	\$ (72,201)	\$ (33,289)
Adjustments to reconcile net loss to net cash used in operating activities:		
Credit loss expense	1,156	1,326
Depreciation and amortization	11,898	3,876
Amortization of financing costs charged to interest expense	448	48
Accretion of debt discount and non-cash interest expense	4,680	—
Amortization of right-of-use assets	2,354	1,731
Stock-based compensation expense	20,585	13,233
Change in fair value of contingent consideration	1,480	—
Other non-cash expense, net	(279)	2,073
Amortization of deferred implementation costs	1,612	1,999
Change in operating assets and liabilities:		
Accounts receivable	10,209	42,460
Prepaid expenses and other assets	(1,896)	(603)
Accounts payable	2,021	(163)
Other accrued expenses	2,021	(6,922)
Partner Share liability	(8,768)	(22,665)
Consumer Incentive liability	(2,830)	(10,748)
Net cash used in operating activities	<u>(27,510)</u>	<u>(7,644)</u>
<b>Investing activities</b>		
Acquisition of property and equipment	(1,790)	(1,225)
Acquisition of patents	(58)	(30)
Capitalized software development costs	(4,431)	(2,132)
Business acquisition, net of cash acquired	(494,131)	—
Net cash used in investing activities	<u>(500,410)</u>	<u>(3,387)</u>
<b>Financing activities</b>		
Principal payments of debt	(11)	(11)
Proceeds from issuance of common stock	485,690	5,435
Deferred equity issuance costs	(190)	—
Debt issuance costs	(86)	(13)
Net cash received from financing activities	<u>485,403</u>	<u>5,411</u>
Effect of exchange rates on cash, cash equivalents and restricted cash	(118)	(492)
Net increase in cash, cash equivalents and restricted cash	(42,635)	(6,112)
Cash, cash equivalents, and restricted cash — Beginning of period	293,349	104,587
Cash, cash equivalents, and restricted cash — End of period	<u>\$ 250,714</u>	<u>\$ 98,475</u>

**CARDLYTICS, INC.**  
**SUMMARY OF GAAP AND NON-GAAP RESULTS (UNAUDITED)**  
(Dollars in thousands)

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2021	2020	\$	%	2021	2020	\$	%
Billings <sup>(1)</sup>	\$ 85,337	\$ 39,521	\$ 45,816	116 %	\$ 161,654	\$ 107,297	\$ 54,357	51 %
Consumer Incentives	26,484	11,299	15,185	134	49,571	33,566	16,005	48
Revenue	58,853	28,222	30,631	109	112,083	73,731	38,352	52
Adjusted Partner Share and other third-party costs <sup>(1)</sup>	29,223	15,820	13,403	85	58,112	40,950	17,162	42
Adjusted contribution <sup>(1)</sup>	29,630	12,402	17,228	139	53,971	32,781	21,190	65
Delivery costs	5,748	3,499	2,249	64	9,686	6,905	2,781	40
Deferred implementation costs	730	991	(261)	(26)	1,612	1,999	(387)	(19)
Gross profit	\$ 23,152	\$ 7,912	\$ 15,240	193 %	\$ 42,673	\$ 23,877	\$ 18,796	79 %
Net loss	\$ (47,306)	\$ (19,758)	\$ (27,548)	139 %	\$ (72,201)	\$ (33,289)	\$ (38,912)	117 %
Adjusted EBITDA <sup>(1)</sup>	\$ (5,666)	\$ (7,693)	\$ 2,027	(26)%	\$ (9,610)	\$ (11,676)	\$ 2,066	(18)%

(1) Billings, adjusted Partner Share and other third-party costs, adjusted contribution and adjusted EBITDA are non-GAAP measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are presented below under the headings "Reconciliation of GAAP Revenue to Billings", "Reconciliation of GAAP Gross Profit to Adjusted Contribution" and "Reconciliation of GAAP Net Loss to Adjusted EBITDA."

**CARDLYTICS, INC.**  
**RECONCILIATION OF GAAP REVENUE TO BILLINGS (UNAUDITED)**  
(Amounts in thousands)

	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 56,763	\$ 2,090	\$ 58,853	\$ 109,993	\$ 2,090	\$ 112,083
Plus:						
Consumer Incentives	26,484	—	26,484	49,571	—	49,571
Billings	\$ 83,247	\$ 2,090	\$ 85,337	\$ 159,564	\$ 2,090	\$ 161,654

	Three Months Ended June 30, 2020			Six Months Ended June 30, 2020		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 28,222	\$ —	\$ 28,222	\$ 73,731	\$ —	\$ 73,731
Plus:						
Consumer Incentives	11,299	—	11,299	33,566	—	33,566
Billings	\$ 39,521	\$ —	\$ 39,521	\$ 107,297	\$ —	\$ 107,297

**CARDLYTICS, INC.**  
**RECONCILIATION OF GAAP GROSS PROFIT TO ADJUSTED CONTRIBUTION (UNAUDITED)**  
(Amounts in thousands)

	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 56,763	\$ 2,090	\$ 58,853	\$ 109,993	\$ 2,090	\$ 112,083
Minus:						
Partner Share and other third-party costs	29,890	63	29,953	59,661	63	59,724
Delivery costs <sup>(1)</sup>	4,837	911	5,748	8,775	911	9,686
Gross profit	<u>22,036</u>	<u>1,116</u>	<u>23,152</u>	<u>41,557</u>	<u>1,116</u>	<u>42,673</u>
Plus:						
Delivery costs <sup>(1)</sup>	4,837	911	5,748	8,775	911	9,686
Deferred implementation costs <sup>(2)</sup>	730	—	730	1,612	—	1,612
Adjusted contribution	<u>\$ 27,603</u>	<u>\$ 2,027</u>	<u>\$ 29,630</u>	<u>\$ 51,944</u>	<u>\$ 2,027</u>	<u>\$ 53,971</u>

(1) Stock-based compensation expense recognized in consolidated delivery costs totaled \$0.5 million and \$0.8 million for the three and six months ended June 30, 2021, respectively.

(2) Deferred implementation costs is excluded from adjusted Partner Share and other third-party costs as follows (in thousands):

	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Partner Share and other third-party costs	\$ 29,890	\$ 63	\$ 29,953	\$ 59,661	\$ 63	\$ 59,724
Minus:						
Deferred implementation costs	730	—	730	1,612	—	1,612
Adjusted Partner Share and other third-party costs	<u>\$ 29,160</u>	<u>\$ 63</u>	<u>\$ 29,223</u>	<u>\$ 58,049</u>	<u>\$ 63</u>	<u>\$ 58,112</u>

**CARDLYTICS, INC.**  
**RECONCILIATION OF GAAP GROSS PROFIT TO ADJUSTED CONTRIBUTION (UNAUDITED)**  
(Amounts in thousands)

	Three Months Ended June 30, 2020			Six Months Ended June 30, 2020		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 28,222	\$ —	\$ 28,222	\$ 73,731	\$ —	\$ 73,731
Minus:						
Partner Share and other third-party costs	16,811	—	16,811	42,949	—	42,949
Delivery costs <sup>(1)</sup>	3,499	—	3,499	6,905	—	6,905
Gross profit	7,912	—	7,912	23,877	—	23,877
Plus:						
Delivery costs <sup>(1)</sup>	3,499	—	3,499	6,905	—	6,905
Deferred implementation costs <sup>(2)</sup>	991	—	991	1,999	—	1,999
Adjusted contribution	<u>\$ 12,402</u>	<u>\$ —</u>	<u>\$ 12,402</u>	<u>\$ 32,781</u>	<u>\$ —</u>	<u>\$ 32,781</u>

(1) Stock-based compensation expense recognized in consolidated delivery costs totaled \$0.4 million and \$0.5 million for the three and six months ended June 30, 2020, respectively.

(2) Deferred implementation costs is excluded from adjusted Partner Share and other third-party costs as follows (in thousands):

	Three Months Ended June 30, 2020			Six Months Ended June 30, 2020		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Partner Share and other third-party costs	\$ 16,811	\$ —	\$ 16,811	\$ 42,949	\$ —	\$ 42,949
Minus:						
Deferred implementation costs	991	—	991	1,999	—	1,999
Adjusted Partner Share and other third-party costs	<u>\$ 15,820</u>	<u>\$ —</u>	<u>\$ 15,820</u>	<u>\$ 40,950</u>	<u>\$ —</u>	<u>\$ 40,950</u>

**CARDLYTICS, INC.**  
**RECONCILIATION OF GAAP NET LOSS TO ADJUSTED EBITDA (UNAUDITED)**  
(Amounts in thousands)

	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Net loss	\$ (45,328)	\$ (1,978)	\$ (47,306)	\$ (70,223)	\$ (1,978)	\$ (72,201)
Plus:						
Interest expense, net	3,078	—	3,078	6,123	—	6,123
Depreciation and amortization expense	7,092	1,741	8,833	10,157	1,741	11,898
Stock-based compensation expense	13,179	158	13,337	20,427	158	20,585
Foreign currency gain	—	—	—	(319)	—	(319)
Deferred implementation costs	730	—	730	1,612	—	1,612
Acquisition and integration costs	14,114	68	14,182	21,144	68	21,212
Change in fair value of contingent consideration	1,480	—	1,480	1,480	—	1,480
Adjusted EBITDA	<u>\$ (5,655)</u>	<u>\$ (11)</u>	<u>\$ (5,666)</u>	<u>\$ (9,599)</u>	<u>\$ (11)</u>	<u>\$ (9,610)</u>

	Three Months Ended June 30, 2020			Six Months Ended June 30, 2020		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Net loss	\$ (19,758)	\$ —	\$ (19,758)	\$ (33,289)	\$ —	\$ (33,289)
Plus:						
Interest expense (income), net	10	—	10	(274)	—	(274)
Depreciation and amortization expense	1,545	—	1,545	3,876	—	3,876
Stock-based compensation expense	9,108	—	9,108	13,233	—	13,233
Foreign currency loss	8	—	8	1,894	—	1,894
Deferred implementation costs	991	—	991	1,999	—	1,999
Restructuring costs	403	—	403	885	—	885
Adjusted EBITDA	<u>\$ (7,693)</u>	<u>\$ —</u>	<u>\$ (7,693)</u>	<u>\$ (11,676)</u>	<u>\$ —</u>	<u>\$ (11,676)</u>

**CARDLYTICS, INC.**  
**RECONCILIATION OF GAAP NET LOSS TO NON-GAAP NET LOSS**  
**AND NON-GAAP NET LOSS PER SHARE (UNAUDITED)**  
(Amounts in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net loss	\$ (47,306)	\$ (19,758)	\$ (72,201)	\$ (33,289)
Plus:				
Stock-based compensation expense	13,337	9,108	20,585	13,233
Foreign currency loss (gain)	—	8	(319)	1,894
Acquisition and integration costs	14,182	—	21,212	—
Amortization of acquired intangibles	5,522	—	6,511	—
Change in fair value of contingent consideration	1,480	—	1,480	—
Restructuring costs	—	403	—	885
Non-GAAP net loss	<u>\$ (12,785)</u>	<u>\$ (10,239)</u>	<u>\$ (22,732)</u>	<u>\$ (17,277)</u>
Weighted-average number of shares of common stock used in computing non-GAAP net loss per share:				
GAAP weighted-average common shares outstanding, diluted	<u>32,977</u>	<u>27,072</u>	<u>31,145</u>	<u>26,898</u>
Non-GAAP net loss per share attributable to common stockholders, diluted	<u>\$ (0.39)</u>	<u>\$ (0.38)</u>	<u>\$ (0.73)</u>	<u>\$ (0.64)</u>

**CARDLYTICS, INC.**  
**RECONCILIATION OF FORECASTED GAAP REVENUE TO BILLINGS (UNAUDITED)**  
(Amounts in thousands)

	<u>Q3 2021 Guidance</u>
Revenue	\$57.0 - \$66.0
Plus:	
Consumer Incentives	\$28.0 - \$29.0
Billings	<u>\$85.0 - \$95.0</u>

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August 3, 2021

# Earnings Presentation

## Q2 2021



## Disclaimer

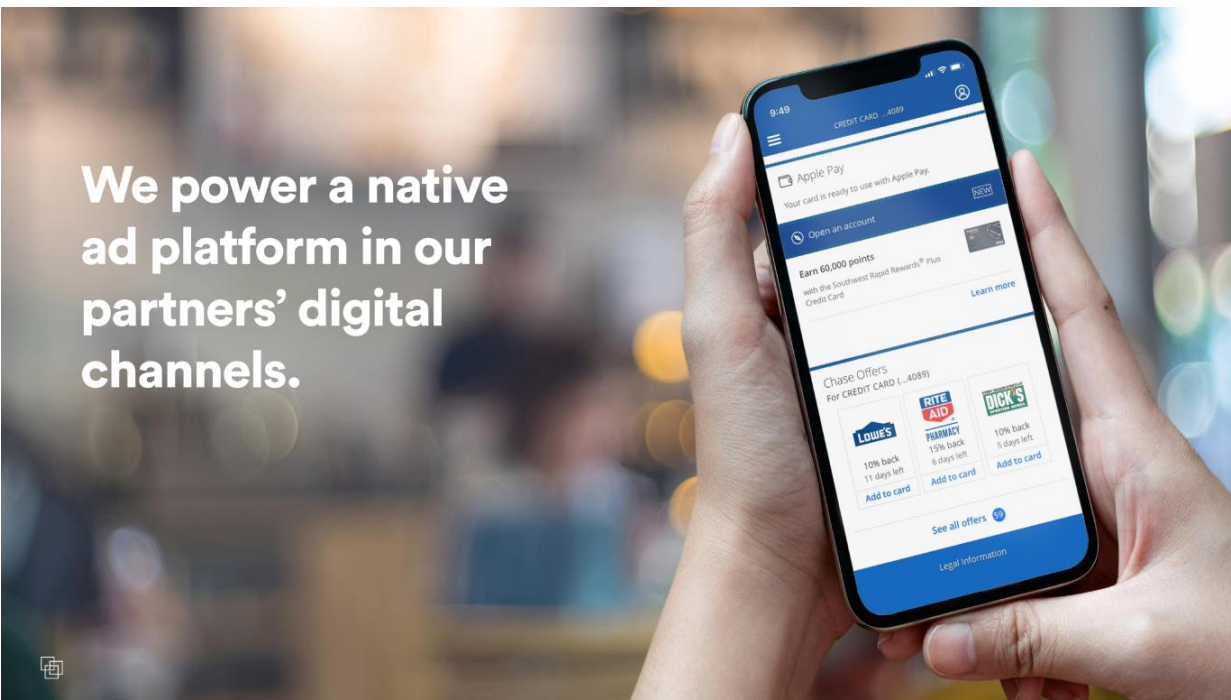
This presentation includes forward-looking statements. All statements contained in this presentation other than statements of historical facts, including statements regarding expectations about future financial performance or results of Cardlytics, Inc. ("Cardlytics," "we," "us," or "our") including our financial guidance for the three months ending September 30, 2021, the potential benefits of our acquisitions of Dosh and Bridg, the anticipated impact of our strategic initiatives to create shareholder value, growth in MAUs and ARPU are forward looking statements. The words "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "will" and similar expressions are intended to identify forward-looking statements. The future events and trends discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: risks related to the uncertain impacts that COVID-19 may have on our business, financial condition, results of operations; unfavorable conditions in the global economy and the industries that we serve; our quarterly operating results have fluctuated and may continue to vary from period to period; our ability to sustain our revenue and billings growth; risks related to the integration of Dosh and Bridg with our company; risks related to our substantial dependence on our Cardlytics platform product; risks related to our substantial dependence on JPMorgan Chase Bank, National Association ("Chase"), Bank of America, National Association ("Bank of America"), Wells Fargo Bank, National Association ("Wells Fargo") and a limited number of other financial institution ("FI") partners; risks related to our ability to maintain relationships with Chase, Bank of America and Wells Fargo; the amount and timing of budgets by marketers, which are affected by budget cycles, economic conditions and other factors, including the impact of the COVID-19 pandemic; our ability to generate sufficient revenue to offset contractual commitments to FIs; our ability to attract new partners, which include FI partners, and maintain relationships with bank processors and digital banking providers; our ability to maintain relationships with marketers; our ability to adapt to changing market conditions, including our ability to adapt to changes in consumer habits, negotiate fee arrangements with new and existing partners and retailers, and develop and launch new services and features; and other risks detailed in the "Risk Factors" section of our Form 10-Q filed with the Securities and Exchange Commission on August 3, 2021. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. We are under no duty to update any of these forward-looking statements after the date of this presentation to conform these statements to actual results or revised expectations, except as required by law.

In addition to U.S. GAAP financial information, this presentation includes billings, adjusted contribution, adjusted Partner Share and other third-party costs, adjusted EBITDA, adjusted EBITDA margin, non-GAAP net loss and non-GAAP net loss per share, each of which is a non-GAAP financial measure. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. Reconciliations of billings, adjusted contribution, adjusted Partner Share and other third-party costs, adjusted EBITDA, adjusted EBITDA margin, non-GAAP net loss and non-GAAP net loss per share to the most directly comparable GAAP measures are included in the appendix to this presentation. Please see appendix for definitions.





**We power a native  
ad platform in our  
partners' digital  
channels.**



## Cardlytics provides a scaled solution based on purchase intelligence



>167M

Monthly Active Users<sup>(1)</sup>



>\$3.6T

in Annual Spend<sup>(2)</sup>



1 IN 2

U.S. Purchase Transactions<sup>(3)</sup>

### Distinctive Benefits for Marketers

Reach valuable banking customers

Operate in a brand-safe, privacy-protected, trusted digital channel

Market to the most valuable customers based on their actual spending

Drive in-store and online traffic

Closed-loop solution measures marketing results to the penny

(1) Monthly active users ("MAUs") during the three months ended June 30, 2021. Please see appendix for definitions.

(2) Based on data from our partners during the twelve months ended December 31, 2020.

(3) Based on aggregated data of our current partners from the June 2020 Nielsen Report.



## Cardlytics is focused on five strategic initiatives to create shareholder value

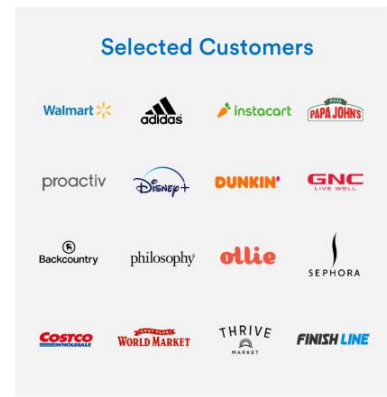
- 1 Drive long-term growth & operating leverage**  
Continued expansion of MAUs and advertising budgets while realizing the value of our operating investments
- 2 Self-service portal**  
Provide a solution for SMBs and agencies
- 3 Grocery & CPG at scale**  
Scaled SKU-level offers from leading brands with a friction-free customer experience
- 4 Product & category offers**  
Product-level offers across wider retail to provide advertisers enhanced flexibility and optionality
- 5 Next gen customer experience**  
Upgraded UI / UX for more content and better offer constructs and engagement solutions to drive engagement and spend

## Dosh Overview

**DO\$H** | Founded in 2016 | Headquartered in Austin, TX

Converting high-value customers on behalf of new advertiser and fintech partners while helping more consumers save money

<b>Innovative Platform</b>	<ul style="list-style-type: none"><li>Dosh's technology complements Cardlytics' product and technology roadmap</li><li>Modern, efficient platform that can quickly integrate with neo-banks, fintechs, smaller banks, and consumer-facing organizations</li></ul>
<b>Partnerships with Long-Term Potential</b>	<ul style="list-style-type: none"><li>Dosh brings partnerships with multiple neo-banks and fintech players, including Venmo, Betterment and Ellevest</li><li>Increased exposure with millennial and younger consumer audiences</li></ul>
<b>New Advertising Solutions</b>	<ul style="list-style-type: none"><li>Potential to enable new content desired by existing partners, such as travel and local offers</li><li>Unique ways for advertisers to connect directly with consumers</li></ul>
<b>Customer Engagement</b>	<ul style="list-style-type: none"><li>A test and learn DTC app to better understand engagement and drive advertiser ROI</li><li>Results utilized by partners to drive faster scaled deployments</li></ul>



## Bridg Overview

**Bridg** | Founded in 2010 | Headquartered in Los Angeles, CA

A customer data platform working with leading retailers to help them understand and reach customers using product-level insights

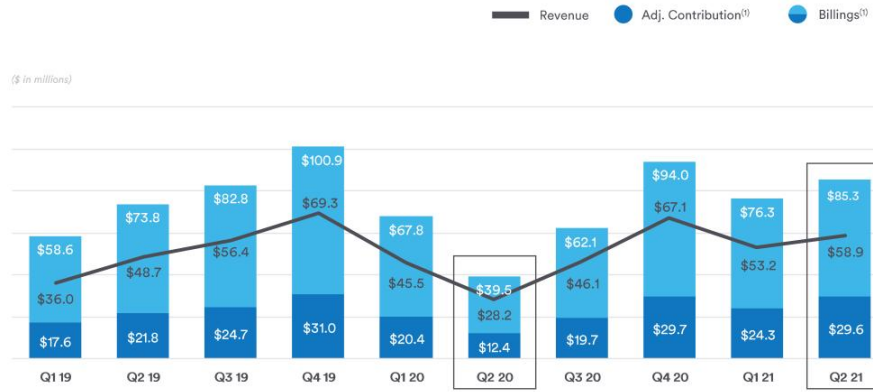
<b>Product-level Insights that Differentiate from CDP Peers</b>	<ul style="list-style-type: none"><li>• Access to SKU and UPC data through its client relationships</li><li>• Connects to all of a merchant's customers point-of-sale through proprietary technology</li><li>• Capable of connecting to most point of sale systems in the U.S.</li><li>• Ability to ingest, clean and categorize SKU data to create usable insights</li></ul>
<b>Partnerships with Leading Businesses</b>	<ul style="list-style-type: none"><li>• Strong relationships in the restaurant vertical</li><li>• Expansion into retail and grocery with several key contracts signed in 2020 and 2021</li></ul>
<b>Potential New Advertising Solutions</b>	<ul style="list-style-type: none"><li>• Ability to target on other digital media platforms, including Cardlytics</li><li>• Potential to enable product-level offers for partners</li><li>• Once integrated, Bridg could move to deterministic modeling</li><li>• Possibility for measurement business</li></ul>
<b>Privacy Focused</b>	<ul style="list-style-type: none"><li>• Built from the ground up to protect consumer privacy and security</li><li>• Not reliant on cookies or other sources for data ingestion</li><li>• Data never leaves the platform and is never sold</li></ul>



# Financial Information & Operating Metrics



## Trended Consolidated Results



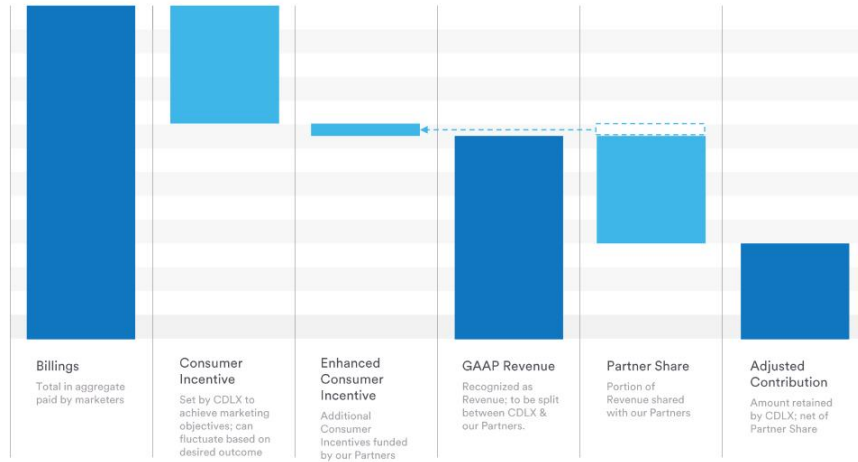
Q2 Billings  
115.9% y/y

Q2 Revenue  
108.5% y/y

Q2 Adj.  
Contribution  
138.9% y/y

<sup>(1)</sup> Adjusted contribution and billings are non-GAAP measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are included in the appendix to this presentation, as well as the definitions of these non-GAAP measures.

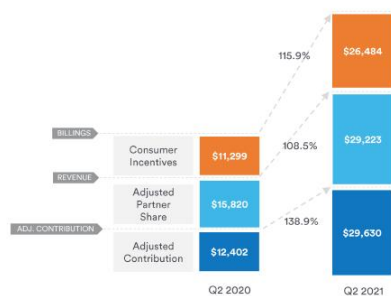
## Billings and Adjusted Contribution best reflect performance





## Q2 2021 year-over-year Consolidated Results

(Amounts in thousands)



	Three Months Ended June 30		Change	
	2020	2021	\$	%
<b>Billings<sup>(1)</sup></b>	\$39,521	\$85,337	\$45,816	115.9%
Consumer Incentives	11,299	26,484	15,185	134.4%
<b>Revenue</b>	\$28,222	\$58,853	\$30,631	108.5%
Adjusted Partner Share and other third-party costs <sup>(1)</sup>	15,820	29,223	13,403	84.7%
<b>Adjusted contribution<sup>(1)</sup></b>	\$12,402	\$29,630	\$17,228	138.9%
Delivery costs	3,499	5,748	2,249	64.3%
Deferred implementation costs	991	730	(261)	(26.3%)
<b>Gross profit</b>	\$7,912	\$23,152	\$15,240	192.6%
<b>Net loss</b>	(\$19,758)	(\$47,306)	(\$27,548)	139.4%
<b>Adjusted EBITDA<sup>(1)</sup></b>	(\$7,693)	(\$5,666)	\$2,027	(26.3%)

(1) Billings, adjusted Partner Share and other third-party costs, adjusted contribution and adjusted EBITDA are non-GAAP measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are presented below under the headings "Reconciliation of GAAP Revenue to Billings", "Reconciliation of GAAP Gross Profit to Adjusted Contribution" and "Reconciliation of GAAP Net Loss to Adjusted EBITDA".

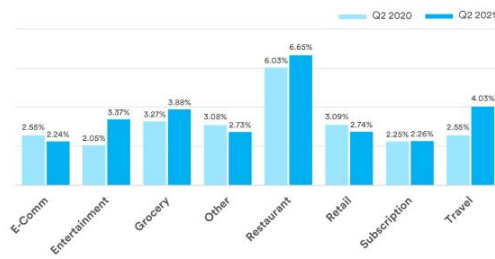
## Cardlytics Platform Advertiser Spend by Industry

Industry	% Change		% of Total Advertiser Spend		
	Three Months Ended June 30, 2021		Three Months Ended June 30,		
	vs 2020	vs 2019	2019	2020	2021
Grocery & Gas	> 470%	> (25)%	< 10%	> 0%	> 5%
Restaurant	> 110%	> 30%	> 25%	> 30%	< 35%
Retail	> 120%	> 10%	< 30%	< 30%	< 30%
Travel & Entertainment	> 515%	> (75)%	> 20%	> 0%	< 5%
Direct to Consumer	> 65%	> 120%	< 15%	> 35%	< 30%

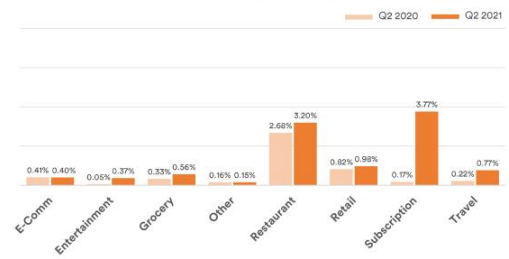
## Cardlytics Platform Engagement Metrics – U.S.

There may be variation in future quarters due to factors such as global economic events, bank launches, new advertisers with significant spend, and growth in nascent or new verticals.

Offer Activation Rates by Industry



Campaign Spend Ratios by Industry



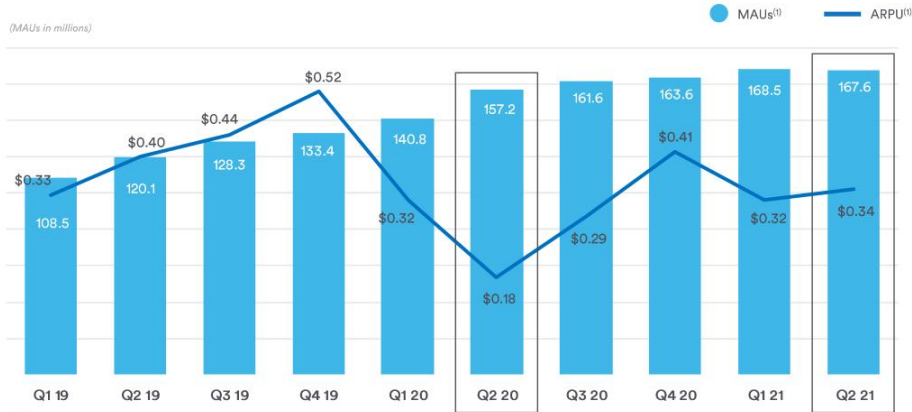
**Monthly log-in days<sup>(1)</sup>** show that MAUs are logging in 10.3 and 10.8 days per month on average for Q2 2020 and Q2 2021, respectively. **Offer activation rates<sup>(1)</sup>** show higher rates for small-ticket, volume-heavy offers versus large-ticket and subscription offers.

**Campaign spend ratios<sup>(1)</sup>** show Cardlytics currently targets a small proportion of total MAU spend.

- As budgets increase and more advertisers come onto the platform, more spend from MAUs can be targeted with offers.
- There remains considerable room to target larger audiences in light of existing MAU engagement levels.

<sup>(1)</sup> Please see appendix for definitions.

# Significant MAU increase precedes opportunity for expected Billings growth and future ARPU expansion for the Cardlytics platform



# Appendix



## Appendix

### Q2 2021 Results

(Amounts in thousands, except ARPU, MAUs and per share amounts)

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2021	2020	AMT	%	2021	2020	AMT	%
Revenue	\$58,853	\$28,222	\$30,631	108.5%	\$112,083	\$73,731	\$38,352	52.0%
Billings <sup>(1)</sup>	95,537	39,521	45,916	115.9%	161,654	107,297	54,357	50.7%
Gross Profit	23,152	7,912	15,240	192.6%	42,673	23,977	18,796	78.7%
Adjusted contribution <sup>(2)</sup>	29,630	12,402	17,228	138.9%	53,971	32,781	21,190	64.6%
Net loss attributable to common stockholders	(47,306)	(19,759)	(27,548)	139.4%	(72,200)	(33,289)	(38,912)	116.9%
Net loss per share (EPS)	(\$1.43)	(\$0.73)	(\$0.70)	95.9%	(\$2.32)	(\$1.24)	(\$1.08)	87.1%
Adjusted EBITDA <sup>(2)</sup>	(\$5,666)	(\$7,693)	\$2,027	(26.3%)	(\$9,610)	(\$11,676)	\$2,066	(17.7%)
Adjusted EBITDA margin <sup>(2)(3)</sup>	(9.6%)	(27.3%)	17.6%	(64.7%)	(8.6%)	(16.8%)	7.3%	(45.9%)
Non-GAAP net loss <sup>(1)</sup>	(\$12,785)	(\$10,239)	(\$2,546)	24.9%	(\$22,732)	(\$17,277)	(\$5,455)	31.6%
Non-GAAP net loss per share <sup>(1)</sup>	(\$0.39)	(\$0.38)	(\$0.01)	2.6%	(\$0.73)	(\$0.64)	(\$0.09)	14.1%
MAUs (in millions)	167.6	157.2	10.4	6.6%	167.9	149.0	18.9	12.7%
ARPU	\$0.34	\$0.18	\$0.16	88.9%	\$0.66	\$0.49	\$0.17	33.4%
ARR	\$12,511	\$ -	\$12,511	NM	\$12,511	\$ -	\$12,511	NM

(1) Billings, adjusted contribution, adjusted EBITDA, adjusted EBITDA margin, non-GAAP net loss and non-GAAP net loss per share are non-GAAP measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are included in the appendix to this presentation, as well as definitions of these non-GAAP terms.

(2) Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue.



## Appendix

### Guidance

(Amounts in millions)

	Q3 2021 Guidance
Billings <sup>(1)</sup>	\$85.0 - \$95.0
Revenue	\$57.0 - \$66.0
Adjusted Contribution <sup>(1)</sup>	\$27.0 - \$32.0

<sup>(1)</sup> Billings and adjusted contribution are non-GAAP measures. Definitions of these non-GAAP measures are included in the appendix to this presentation. A reconciliation of billings to GAAP revenue on a forward-looking basis is presented below under the heading "Reconciliation of Forecasted GAAP Revenue to Billings." A reconciliation of adjusted contribution to GAAP gross profit on a forward-looking basis is not available without unreasonable efforts due to the high variability, complexity and low visibility with respect to the items excluded from this non-GAAP measure.

## Appendix

### Reconciliation of GAAP Revenue to Billings

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2019	Jun 30, 2019	Sept 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sept 30, 2020	Dec 31, 2020	Mar 31, 2021	Jun 30, 2021
<b>Cardlytics Platform</b>										
Revenue	\$35,988	\$48,730	\$56,419	\$69,293	\$45,509	\$28,222	\$46,079	\$67,082	\$53,230	\$56,763
Plus:										
Consumer Incentives	22,562	25,046	26,373	31,642	22,267	11,299	16,014	26,883	23,087	26,484
Billings	\$58,550	\$73,776	\$82,792	\$100,935	\$67,776	\$39,521	\$62,093	\$93,965	\$76,317	\$83,247
<b>Bridg Platform</b>										
Revenue	-	-	-	-	-	-	-	-	-	\$2,090
Plus:										
Consumer Incentives	-	-	-	-	-	-	-	-	-	-
Billings	-	-	-	-	-	-	-	-	-	\$2,090
<b>Consolidated</b>										
Revenue	\$35,988	\$48,730	\$56,419	\$69,293	\$45,509	\$28,222	\$46,079	\$67,082	\$53,230	\$58,853
Plus:										
Consumer Incentives	22,562	25,046	26,373	31,642	22,267	11,299	16,014	26,883	23,087	26,484
Billings	\$58,550	\$73,776	\$82,792	\$100,935	\$67,776	\$39,521	\$62,093	\$93,965	\$76,317	\$85,337



## Appendix

### Reconciliation of GAAP Gross Profit to Adjusted Contribution

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2019	Jun 30, 2019	Sept 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sept 30, 2020	Dec 31, 2020	Mar 31, 2021	Jun 30, 2021
<b>Cardlytics Platform</b>										
Revenue	\$35,988	\$48,730	\$56,419	\$69,293	\$45,509	\$28,222	\$46,079	\$67,082	\$53,230	\$56,763
Minus:										
Partner Share and other third-party costs	19,004	27,620	32,470	38,986	26,138	16,811	27,971	38,388	29,771	29,890
Delivery costs	5,246	3,370	3,070	3,207	3,406	3,499	3,498	3,907	3,938	4,837
Gross Profit	\$13,738	\$17,740	\$20,879	\$27,100	\$15,966	\$7,912	\$14,610	\$24,787	\$19,521	\$22,036
Plus:										
Delivery costs	3,246	3,370	3,070	3,207	3,406	3,499	3,498	3,907	3,938	4,837
Deferred implementation costs	653	731	789	696	1,008	991	1,641	958	882	730
Adjusted contribution	\$17,637	\$21,841	\$24,738	\$31,003	\$20,379	\$12,402	\$19,749	\$29,652	\$24,341	\$27,603
<b>Bridg Platform</b>										
Revenue	-	-	-	-	-	-	-	-	-	\$2,090
Minus:										
Partner Share and other third-party costs	-	-	-	-	-	-	-	-	-	63
Delivery costs	-	-	-	-	-	-	-	-	-	911
Gross Profit	-	-	-	-	-	-	-	-	-	\$1,116
Plus:										
Delivery costs	-	-	-	-	-	-	-	-	-	911
Adjusted contribution	-	-	-	-	-	-	-	-	-	\$2,027
<b>Consolidated</b>										
Revenue	\$35,988	\$48,730	\$56,419	\$69,293	\$45,509	\$28,222	\$46,079	\$67,082	\$53,230	\$58,853
Minus:										
Partner Share and other third-party costs	19,004	27,620	32,470	38,986	26,138	16,811	27,971	38,388	29,771	29,953
Delivery costs	3,246	3,370	3,070	3,207	3,406	3,499	3,498	3,907	3,938	5,748
Gross Profit	\$13,738	\$17,740	\$20,879	\$27,100	\$15,966	\$7,912	\$14,610	\$24,787	\$19,521	\$23,152
Plus:										
Delivery costs	3,246	3,370	3,070	3,207	3,406	3,499	3,498	3,907	3,938	5,748
Deferred implementation costs	653	731	789	696	1,008	991	1,641	958	882	730
Adjusted contribution	\$17,637	\$21,841	\$24,738	\$31,003	\$20,379	\$12,402	\$19,749	\$29,652	\$24,341	\$29,630

## Appendix

### Reconciliation of GAAP Partner Share and Other Third-Party Costs to Adjusted Partner Share and Other Third-Party Costs

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2019	Jun 30, 2019	Sept 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sept 30, 2020	Dec 31, 2020	Mar 31, 2021	Jun 30, 2021
<b>Cardlytics Platform</b>										
Partner Share and other third-party costs	\$19,004	\$27,620	\$32,470	\$38,986	\$26,138	\$16,811	\$27,971	\$38,388	\$29,771	\$29,890
Minus:										
Deferred implementation costs	653	731	789	696	1,008	991	1,641	958	882	730
Adjusted Partner Share and other third-party costs	\$18,351	\$26,889	\$31,681	\$38,290	\$25,130	\$15,820	\$26,330	\$37,430	\$28,889	\$29,160
<b>Bridg Platform</b>										
Partner Share and other third-party costs	-	-	-	-	-	-	-	-	-	\$63
Minus:										
Deferred implementation costs	-	-	-	-	-	-	-	-	-	-
Adjusted Partner Share and other third-party costs	-	-	-	-	-	-	-	-	-	\$63
<b>Consolidated</b>										
Partner Share and other third-party costs	\$19,004	\$27,620	\$32,470	\$38,986	\$26,138	\$16,811	\$27,971	\$38,388	\$29,771	\$29,953
Minus:										
Deferred implementation costs	653	731	789	696	1,008	991	1,641	958	882	730
Adjusted Partner Share and other third-party costs	\$18,351	\$26,889	\$31,681	\$38,290	\$25,130	\$15,820	\$26,330	\$37,430	\$28,889	\$29,223

## Appendix

### Reconciliation of GAAP Net (Loss) Income to Adjusted EBITDA

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2019	Jun 30, 2019	Sept 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sept 30, 2020	Dec 31, 2020	Mar 31, 2021	Jun 30, 2021
<b>Cardlytics Platform</b>										
Net (loss) income	(\$6,314)	(\$6,310)	(\$7,747)	\$3,427	(\$13,531)	(\$19,758)	(\$15,356)	(\$6,777)	(\$24,895)	(\$46,323)
Plus:										
Income tax benefit	-	-	-	-	-	-	-	-	-	-
Interest expense (income), net	304	338	218	(312)	(284)	10	283	3,039	3,045	3,078
Depreciation and amortization expense	961	1,053	1,167	1,354	2,331	1,645	1,933	2,017	3,066	7,092
Stock-based compensation expense	1,708	3,072	7,486	3,685	4,126	9,108	11,578	7,584	7,248	13,179
Foreign currency (gain) loss	(491)	667	903	(1,859)	1,886	8	(1,046)	(2,377)	(319)	-
Deferred implementation costs	653	731	789	696	1,008	991	1,641	958	882	730
Costs associated with financing events	-	-	123	-	-	-	-	-	-	-
Loss on extinguishment of debt	-	23	28	-	-	-	-	-	-	-
Restructuring costs	-	-	-	-	482	403	391	47	-	-
Acquisition and integration costs	-	-	-	-	-	-	-	-	7,030	14,194
Change in fair value of contingent consideration	-	-	-	-	-	-	-	-	-	1,480
<b>Adjusted EBITDA</b>	<b>(\$3,179)</b>	<b>(\$620)</b>	<b>\$2,967</b>	<b>\$6,891</b>	<b>(\$3,982)</b>	<b>(\$7,693)</b>	<b>(\$296)</b>	<b>\$4,491</b>	<b>(\$3,944)</b>	<b>(\$5,652)</b>
<b>Bridg Platform</b>										
Net (loss) income	-	-	-	-	-	-	-	-	-	(\$1,978)
Plus:										
Depreciation and amortization expense	-	-	-	-	-	-	-	-	-	1,741
Stock-based compensation expense	-	-	-	-	-	-	-	-	-	158
Acquisition and integration costs	-	-	-	-	-	-	-	-	-	68
<b>Adjusted EBITDA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(\$11)</b>
<b>Consolidated</b>										
Net (loss) income	(\$6,314)	(\$6,510)	(\$7,747)	\$3,427	(\$13,531)	(\$19,758)	(\$15,356)	(\$6,777)	(\$24,895)	(\$47,306)
Plus:										
Income tax benefit	-	-	-	-	-	-	-	-	-	-
Interest expense (income), net	304	338	218	(312)	(284)	10	283	3,039	3,045	3,078
Depreciation and amortization expense	961	1,053	1,167	1,354	2,331	1,645	1,933	2,017	3,066	8,833
Stock-based compensation expense	1,708	3,072	7,486	3,685	4,126	9,108	11,578	7,584	7,248	13,337
Foreign currency (gain) loss	(491)	667	903	(1,859)	1,886	8	(1,046)	(2,377)	(319)	-
Deferred implementation costs	653	731	789	696	1,008	991	1,641	958	882	730
Costs associated with financing events	-	-	123	-	-	-	-	-	-	-
Loss on extinguishment of debt	-	23	28	-	-	-	-	-	-	-
Restructuring costs	-	-	-	-	482	403	391	47	-	-
Acquisition and integration costs	-	-	-	-	-	-	-	-	7,030	14,182
Change in fair value of contingent consideration	-	-	-	-	-	-	-	-	-	1,480
<b>Adjusted EBITDA</b>	<b>(\$3,179)</b>	<b>(\$620)</b>	<b>\$2,967</b>	<b>\$6,891</b>	<b>(\$3,982)</b>	<b>(\$7,693)</b>	<b>(\$296)</b>	<b>\$4,491</b>	<b>(\$3,944)</b>	<b>(\$5,656)</b>

## Appendix

### Reconciliation of GAAP Net Loss to Non-GAAP Net Loss and Non-GAAP Net Loss Per Share

(Amounts in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net loss	(\$47,306)	(\$19,758)	(\$72,201)	(\$33,289)
Plus:				
Stock-based compensation expense	13,337	9,108	20,585	13,233
Foreign currency loss	-	8	(319)	1,894
Acquisition and integration costs	14,182	-	21,212	-
Amortization of acquired intangibles	5,522	-	6,511	-
Change in fair value of contingent consideration	1,480	-	1,480	-
Restructuring costs	-	403	-	895
Non-GAAP net loss	(\$12,785)	(\$10,239)	(\$22,732)	(\$17,277)
Weighted-average number of shares of common stock used in computing non-GAAP net loss per share:				
Weighted-average common shares outstanding, diluted	32,977	27,072	31,145	26,898
Non-GAAP net loss per share attributable to common stockholders, diluted	(\$0.39)	(\$0.38)	(\$0.73)	(\$0.64)

Reconciliation of Forecasted GAAP Revenue to Billings

(Amounts in millions)

	Q3 2021 Guidance
Revenue	\$57.0 - \$66.0
Plus:	
Consumer Incentives	\$28.0 - \$29.0
Billings	\$85.0 - \$95.0

## Appendix

### Definitions

**Adjusted contribution:** We define adjusted contribution measures of the degree by which revenue generated from our marketers exceeds the cost to obtain the purchase data and the digital advertising space from our partners. Adjusted contribution demonstrates how incremental marketing spend on our platform generates incremental amounts to support our sales and marketing, research and development, general and administration and other investments. Adjusted contribution is calculated by taking our total revenue less our Partner Share and other third-party costs exclusive of deferred implementation costs, which is a non-cash cost. Adjusted contribution does not take into account all costs associated with generating revenue from advertising campaigns, including sales and marketing expenses, research and development expenses, general and administrative expenses and other expenses, which we do not take into consideration when making decisions on how to manage our advertising campaigns.

**Adjusted EBITDA:** We define adjusted EBITDA as our net loss before income tax benefit; interest expense, net; depreciation and amortization expense; stock-based compensation expense; foreign currency gain (loss); deferred implementation costs; restructuring costs; acquisition and integration costs; and change in fair value of contingent considerations.

**ARR:** We define ARR as the annualized GAAP revenue of the final month in the period presented for the Bridg platform. ARR should not be considered in isolation from, or as an alternative to, revenue prepared in accordance with GAAP. We believe that ARR is an indicator of the Bridg platform's ability to generate future revenue from existing clients.

**ARPU:** We define ARPU as the total Cardlytics platform revenue generated in the applicable period calculated in accordance with GAAP, divided by the average number of MAUs in the applicable period.

**Billings:** Billings represents the gross amount billed to customers and marketers for advertising campaigns in order to generate revenue. Cardlytics platform billings is recognized gross of both Consumer Incentives and Partner Share. Cardlytics platform GAAP revenue is recognized net of Consumer Incentives and gross of Partner Share. Bridg platform billings is the same as Bridg platform GAAP revenue.

**Campaign spend ratio:** We define campaign spend ratio as the amount of spend from MAUs that is associated with the campaigns in which they were targeted with offers divided by the total amount of spend from MAUs in the industries in which MAUs were targeted with offers during the applicable period.

**MAUs:** We define MAUs as targetable customers or accounts that have logged in and visited online or mobile applications containing offers from, opened an email containing offers from, or redeemed an offer from the Cardlytics platform during a monthly period. We then calculate a monthly average of these MAUs for the periods presented.

**Monthly log-in days:** We define monthly log-in days as the number of days in which MAUs logged in and visited the online or mobile banking applications of, or opened an email containing our offers from, our partners during a monthly period. We then calculate an average of the monthly log-in days for the periods presented.

**Non-GAAP net loss:** We define non-GAAP net loss as our net loss income before stock-based compensation expense; foreign currency (gain) loss; acquisition and integration costs; amortization of acquired intangibles; change in fair value of contingent considerations; and restructuring costs. Notably, any impacts related to minimum Partner Share commitments in connection with agreements with certain Partners are not added back to net loss in order to calculate adjusted EBITDA.

**Non-GAAP net loss per share:** We define non-GAAP net loss per share as non-GAAP net loss divided by GAAP weighted-average common shares outstanding, diluted.

**Offer activation rate:** We define offer activation rate as the total number of offers activated by MAUs divided by the total number of offers served to MAUs in the applicable period.

## Appendix

### Industry Definitions

Industry	Segment Families
DTC	Direct to consumer
Entertainment	Amusement Parks, Cinema/Video, Concerts/Theater, Gaming, Golf, Miscellaneous Recreation Services, Museums/Parks, Radio, Sporting & Sporting Venues/Other, Ticket Providers
Grocery	Convenience, Grocery
Other	Business Services, Financial Institutions, Gyms/Fitness, Home/ Maintenance, Online Education/ Distance Learning, Other Services, Salon/Spa
Restaurant	Banquet/Caterers, Bars/Night Clubs/Taverns, Fast Food/ Quick Serve, Full Service Restaurants, Quick Serve Light Fares
Retail	Accessories, Apparel, Auto Services and Products, Beauty Products/Cosmetics, Books/ Magazine, Child/ Infant Care, Drug Store/Pharmacy, General/Multi-Line, Home & Garden, Office Supplies, Other Retail, Pets, Shoes & Athletic Footwear, Specialty Gifts, Sporting & Outdoor Goods
Subscription	Bundled, Insurance/Real Estate, Internet, Phone, Professional Services, Television
Travel	Airlines, Car Rental, Cruise Lines, Gas Stations, Hotels/Lodging, Other Travel, Parking Services, Personal Transportation, Tour Operators/Agencies, Travel Aggregators and Agencies
Exclusions	Antique/Pawn, Charitable and Social Service Organizations, Courier/Freight/Storage, Gambling, Government, Lifestyle/ Social, Medical Services, Other Educational, Schools





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