

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 1, 2023



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 1, 2023, Cardlytics, Inc. (the "Company") issued a press release announcing its financial results for the three and six months ended June 30, 2023, 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 1, 2023, 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 1, 2023</a>
99.2	<a href="#">Presentation titled "Earnings Presentation Q2 2023"</a>
104	The cover page from Cardlytics, Inc.'s Form 8-K filed on August 1, 2023, formatted in Inline XBRL.

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**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 1, 2023

By: /s/ Karim Tamsamani  
Karim Tamsamani  
Chief Executive Officer  
*(Principal Executive, Financial and Accounting Officer)*



### Cardlytics Announces Second Quarter 2023 Financial Results

Atlanta, GA – August 1, 2023 – Cardlytics, Inc. (NASDAQ: CDLX), a digital advertising platform, today announced financial results for the second quarter ended June 30, 2023. Supplemental information is available on the Investor Relations section of Cardlytics' website at <http://ir.cardlytics.com/>.

"Our results this quarter are a great sign that our strategy and priorities are moving the company towards achieving consistent growth and profitability," said Karim Tamsamani, Chief Executive Officer. "We are moving forward with a disciplined approach and the organizational changes we are making continue to give our teams room to operate with speed and a clear focus."

#### Second Quarter 2023 Financial Results

- Revenue was \$76.7 million, an increase of 2% year-over-year, compared to \$75.4 million in the second quarter of 2022.
- Billings, a non-GAAP metric, was \$109.4 million, an increase of 2% year-over-year, compared to \$107.7 million in the second quarter of 2022.
- Gross profit was \$30.5 million, an increase of 13% year-over-year, compared to \$27.0 million in the second quarter of 2022.
- Adjusted contribution, a non-GAAP metric, was \$37.5 million, an increase of 7% year-over-year, compared to \$35.1 million in the second quarter of 2022.
- Net loss attributable to common stockholders was \$(23.5) million, or \$(0.67) per diluted share, based on 34.9 million fully diluted weighted-average common shares, compared to a net loss attributable to common stockholders of \$(126.3) million, or \$(3.75) per diluted share, based on 33.6 million fully diluted weighted-average common shares in the second quarter of 2022.
- Non-GAAP net loss was \$(8.4) million, or \$(0.24) per diluted share, based on 34.9 million fully diluted weighted-average common shares, compared to non-GAAP net loss of \$(21.7) million, or \$(0.65) per diluted share, based on 33.6 million fully diluted weighted-average common shares in the second quarter of 2022.
- Adjusted EBITDA, a non-GAAP metric, was a loss of \$(4.1) million compared to a loss of \$(15.8) million in the second quarter of 2022.

#### Key Metrics

- Cardlytics MAUs were 188.1 million, an increase of 5% year-over-year, compared to 179.9 million in the second quarter of 2022.
- Cardlytics ARPU was \$0.38 in each of the second quarter of 2023 and 2022.

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

#### Third Quarter 2023 Financial Expectations

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

	<b>Q3 2023 Guidance</b>
Billings <sup>(1)</sup>	\$111.0 - \$123.0
Revenue	\$75.0 - \$84.0
Adjusted contribution <sup>(2)</sup>	\$39.0 - \$45.0
Adjusted EBITDA <sup>(2)</sup>	(\$2.0) - \$2.0

(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 and a reconciliation of adjusted EBITDA to net loss 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 2023 financial results during a teleconference today, August 1, 2023, at 5:00 PM ET / 2:00 PM PT. A live dial-in will be available after registering at <http://ir.cardlytics.com/>. Shortly after the conclusion of the call, a replay of this conference call will be available through 8:00 PM ET on August 8, 2023 on the Cardlytics Investor Relations website 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, Cardlytics has offices in Menlo Park, New York, Los Angeles, and London. 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 2023. 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 unfavorable conditions in the global economy and the industries that we serve; risks related to the fact that 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, Bridg and Entertainment with our company; potential payments under the Merger Agreement with Bridg; risks related to our substantial dependence on our Cardlytics platform; 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, 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 macroeconomic events; 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 1, 2023 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, non-GAAP net loss and non-GAAP net loss per share as well as certain other performance metrics, such as monthly active users ("MAUs") and average revenue per user ("ARPU").

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, 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 platforms generates incremental amounts to support our sales and marketing, research and development, delivery costs, general and administration and other investments. Adjusted contribution is calculated by taking our total revenue less our Partner Share and other third-party costs. 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, delivery costs, 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 taxes; interest expense, net; depreciation and amortization expense; stock-based compensation expense; foreign currency gain (loss); acquisition and integration (benefit) cost; loss (gain) in fair value of contingent consideration; goodwill impairment and restructuring and reduction of force. We define non-GAAP net loss as our net loss before stock-based compensation expense; foreign currency (gain) loss; acquisition and integration (benefit) cost; amortization of acquired intangibles; and loss (gain) in fair value of contingent consideration. Notably, any impacts related to minimum Partner Share commitments in connection with agreements with certain partners are not added back to net income 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 weighted-average common shares outstanding, diluted.

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, opened an email containing an offer, 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.

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

	June 30, 2023	December 31, 2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 92,069	\$ 121,905
Restricted cash	76	80
Accounts receivable and contract assets, net	97,279	115,609
Other receivables	4,466	4,470
Prepaid expenses and other assets	7,824	7,978
Total current assets	201,714	250,042
Long-term assets:		
Property and equipment, net	3,401	5,916
Right-of-use assets under operating leases, net	4,510	6,571
Intangible assets, net	46,563	53,475
Goodwill	352,721	352,721
Capitalized software development costs, net	21,922	19,925
Other long-term assets, net	2,493	2,586
Total assets	\$ 633,324	\$ 691,236
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 1,698	\$ 3,765
Accrued liabilities:		
Accrued compensation	8,609	10,486
Accrued expenses	10,466	21,335
Short-term debt	30,000	—
Partner Share liability	49,055	48,593
Consumer Incentive liability	43,090	53,983
Deferred revenue	3,015	1,751
Current operating lease liabilities	3,002	4,910
Current contingent consideration	18,987	104,121
Total current liabilities	167,922	248,944
Long-term liabilities:		
Convertible senior notes, net	226,774	226,047
Deferred liabilities	84	334
Long-term operating lease liabilities	2,432	4,306
Total liabilities	397,212	479,631
<b>Stockholders' equity:</b>		
Common stock, \$0.0001 par value—100,000 shares authorized and 37,088 and 33,477 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively.	9	9
Additional paid-in capital	1,219,530	1,182,568
Accumulated other comprehensive income	3,043	5,598
Accumulated deficit	(986,470)	(976,570)
Total stockholders' equity	236,112	211,605
Total liabilities and stockholders' equity	\$ 633,324	\$ 691,236

**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,	
	2023	2022	2023	2022
Revenue	\$ 76,701	\$ 75,405	\$ 141,032	\$ 143,333
Costs and expenses:				
Partner Share and other third-party costs	39,170	40,280	72,554	75,433
Delivery costs	7,015	8,162	13,439	14,695
Sales and marketing expense	15,205	21,983	29,153	39,631
Research and development expense	14,847	13,581	26,411	25,872
General and administration expense	16,276	20,984	29,346	41,409
Acquisition and integration cost (benefit)	(9,947)	2,197	(8,224)	(2,401)
Loss (gain) in fair value of contingent consideration	11,258	(2,968)	(23,326)	(68,018)
Goodwill impairment	—	83,149	—	83,149
Depreciation and amortization expense	7,200	10,356	13,775	20,227
Total costs and expenses	101,024	197,724	153,128	229,997
Operating loss	(24,323)	(122,319)	(12,096)	(86,664)
Other expense (income):				
Interest expense, net	(574)	(879)	(582)	(1,826)
Foreign currency gain (loss)	1,389	(4,538)	2,778	(6,208)
Total other expense (income)	815	(5,417)	2,196	(8,034)
Loss before income taxes	(23,508)	(127,736)	(9,900)	(94,698)
Income tax benefit	—	1,446	—	1,446
Net loss	(23,508)	(126,290)	(9,900)	(93,252)
Net loss attributable to common stockholders	\$ (23,508)	\$ (126,290)	\$ (9,900)	\$ (93,252)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.67)	\$ (3.75)	\$ (0.29)	\$ (2.77)
Weighted-average common shares outstanding, basic and diluted	34,880	33,635	34,241	33,688

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Delivery costs	\$ 565	\$ 914	\$ 1,133	\$ 1,496
Sales and marketing	3,751	3,633	6,804	7,337
Research and development	4,502	4,247	8,587	7,451
General and administration	2,921	4,048	3,183	10,143
Total stock-based compensation	\$ 11,739	\$ 12,842	\$ 19,707	\$ 26,427



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

	Six Months Ended June 30,	
	2023	2022
<b>Operating activities</b>		
Net income	\$ (9,900)	\$ (93,252)
Adjustments to reconcile net income to net cash used in operating activities:		
Credit loss expense	744	1,041
Depreciation and amortization	13,775	20,227
Amortization of financing costs charged to interest expense	819	790
Amortization of right-of-use assets	2,205	2,939
Stock-based compensation expense	19,707	26,427
Goodwill impairment	—	83,149
Gain in fair value of contingent consideration	(23,326)	(68,018)
Other non-cash (income) expense, net	(3,147)	6,087
Income tax benefit	—	(1,446)
Change in operating assets and liabilities:		
Accounts receivable	18,069	19,663
Prepaid expenses and other assets	430	(1,885)
Accounts payable	(2,046)	(1,821)
Other accrued expenses	(10,954)	(5,770)
Partner Share liability	269	(4,821)
Consumer Incentive liability	(10,958)	(9,679)
Net cash used in operating activities	(4,313)	(26,369)
<b>Investing activities</b>		
Acquisition of property and equipment	(342)	(889)
Acquisition of patents	—	(57)
Capitalized software development costs	(5,207)	(6,083)
Business acquisitions, net of cash acquired	—	(2,274)
Net cash used in investing activities	(5,549)	(9,303)
<b>Financing activities</b>		
Proceeds from issuance of debt	30,000	—
Settlement of contingent consideration	(50,050)	—
Principal payments of debt	(11)	(21)
Proceeds from issuance of common stock	11	393
Repurchase of common stock	—	(40,000)
Deferred debt costs	(45)	—
Deferred equity issuance costs	—	(174)
Net cash used in financing activities	(20,095)	(39,802)
Effect of exchange rates on cash, cash equivalents and restricted cash	117	(969)
Net decrease in cash, cash equivalents and restricted cash	(29,840)	(76,443)
Cash, cash equivalents, and restricted cash — Beginning of period	121,985	233,562
Cash, cash equivalents, and restricted cash — End of period	\$ 92,145	\$ 157,119

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

	Three Months Ended		Change		Six Months Ended		Change	
	June 30,				June 30,			
	2023	2022	\$	%	2023	2022	\$	%
Billings <sup>(1)</sup>	\$ 109,424	\$ 107,744	\$ 1,680	2 %	\$ 205,050	\$ 205,969	\$ (919)	— %
Consumer Incentives	32,723	32,339	384	1	64,018	62,636	1,382	2
Revenue	76,701	75,405	1,296	2	141,032	143,333	(2,301)	(2)
Partner Share and other third-party costs <sup>(1)</sup>	39,170	40,280	(1,110)	(3)	72,554	75,433	(2,879)	(4)
Adjusted contribution <sup>(1)</sup>	37,531	35,125	2,406	7	68,478	67,900	578	1
Delivery costs	7,015	8,162	(1,147)	(14)	13,439	14,695	(1,256)	(9)
Gross profit	\$ 30,516	\$ 26,963	\$ 3,553	13 %	\$ 55,039	\$ 53,205	\$ 1,834	3 %
Net loss	\$ (23,508)	\$ (126,290)	\$ 102,782	81 %	\$ (9,900)	\$ (93,252)	\$ 83,352	(89)%
Adjusted EBITDA <sup>(1)</sup>	\$ (4,073)	\$ (15,785)	\$ 11,712	74 %	\$ (10,164)	\$ (26,322)	\$ 16,158	(61)%

(1) Billings, 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			Three Months Ended		
	June 30, 2023			June 30, 2022		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 70,726	\$ 5,975	\$ 76,701	\$ 69,270	\$ 6,135	\$ 75,405
Plus:						
Consumer Incentives	32,723	—	32,723	32,339	—	32,339
Billings	\$ 103,449	\$ 5,975	\$ 109,424	\$ 101,609	\$ 6,135	\$ 107,744

	Six Months Ended			Six Months Ended		
	June 30, 2023			June 30, 2022		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 129,756	\$ 11,276	\$ 141,032	\$ 133,253	\$ 10,080	\$ 143,333
Plus:						
Consumer Incentives	64,018	—	64,018	62,636	—	62,636
Billings	\$ 193,774	\$ 11,276	\$ 205,050	\$ 195,889	\$ 10,080	\$ 205,969

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

	Three Months Ended June 30, 2023			Three Months Ended June 30, 2022		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 70,726	\$ 5,975	\$ 76,701	\$ 69,270	\$ 6,135	\$ 75,405
Minus:						
Partner Share and other third-party costs	39,086	84	39,170	39,403	877	40,280
Delivery costs <sup>(1)</sup>	5,217	1,798	7,015	6,311	1,851	8,162
Gross profit	26,423	4,093	30,516	23,556	3,407	26,963
Plus:						
Delivery costs <sup>(1)</sup>	5,217	1,798	7,015	6,311	1,851	8,162
Adjusted contribution	<u>\$ 31,640</u>	<u>\$ 5,891</u>	<u>\$ 37,531</u>	<u>\$ 29,867</u>	<u>\$ 5,258</u>	<u>\$ 35,125</u>

(1) Stock-based compensation expense recognized in consolidated delivery costs totaled \$0.6 million and \$0.9 million for the three months ended June 30, 2023 and 2022, respectively.

	Six Months Ended June 30, 2023			Six Months Ended June 30, 2022		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Revenue	\$ 129,756	\$ 11,276	\$ 141,032	\$ 133,253	\$ 10,080	\$ 143,333
Minus:						
Partner Share and other third-party costs	72,261	293	72,554	74,431	1,002	75,433
Delivery costs <sup>(1)</sup>	9,910	3,529	13,439	11,218	3,477	14,695
Gross profit	47,585	7,454	55,039	47,604	5,601	53,205
Plus:						
Delivery costs <sup>(1)</sup>	9,910	3,529	13,439	11,218	3,477	14,695
Adjusted contribution	<u>\$ 57,495</u>	<u>\$ 10,983</u>	<u>\$ 68,478</u>	<u>\$ 58,822</u>	<u>\$ 9,078</u>	<u>\$ 67,900</u>

(1) Stock-based compensation expense recognized in consolidated delivery costs totaled \$1.5 million and \$1.1 million for the six months ended June 30, 2022 and 2023, respectively.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net loss	\$ (23,508)	\$ (126,290)	\$ (9,900)	\$ (93,252)
Plus:				
Income tax benefit	—	(1,446)	—	(1,446)
Interest expense, net	574	879	582	1,826
Depreciation and amortization	7,200	10,356	13,775	20,227
Stock-based compensation expense	11,739	12,842	19,707	26,427
Foreign currency (gain) loss	(1,389)	4,538	(2,778)	6,208
Acquisition and integration cost (benefit) cost	(9,947)	2,197	(8,224)	(2,401)
Loss (gain) in fair value of contingent consideration	11,258	(2,968)	(23,326)	(68,018)
Goodwill impairment	—	83,149	—	83,149
Restructuring and reduction of force	—	958	—	958
Adjusted EBITDA	<u>\$ (4,073)</u>	<u>\$ (15,785)</u>	<u>\$ (10,164)</u>	<u>\$ (26,322)</u>

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

	Three Months Ended June 30, 2023			Three Months Ended June 30, 2022		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Adjusted Contribution	\$ 31,640	\$ 5,891	\$ 37,531	\$ 29,867	\$ 5,258	\$ 35,125
Minus:						
Delivery costs	5,217	1,798	7,015	6,311	1,851	8,162
Sales and marketing expense	12,834	2,371	15,205	20,908	1,075	21,983
Research and development expense	13,399	1,448	14,847	11,936	1,645	13,581
General and administration expense	15,117	1,159	16,276	21,232	(248)	20,984
Stock-based compensation expense	(10,605)	(1,134)	(11,739)	(13,944)	1,102	(12,842)
Restructuring and reduction of force	—	—	—	(958)	—	(958)
Adjusted EBITDA	<u>\$ (4,322)</u>	<u>\$ 249</u>	<u>\$ (4,073)</u>	<u>\$ (15,618)</u>	<u>\$ (167)</u>	<u>\$ (15,785)</u>

	Six Months Ended June 30, 2023			Six Months Ended June 30, 2022		
	Cardlytics Platform	Bridg Platform	Consolidated	Cardlytics Platform	Bridg Platform	Consolidated
Adjusted Contribution	\$ 57,495	\$ 10,983	\$ 68,478	\$ 58,822	\$ 9,078	\$ 67,900
Minus:						
Delivery costs	9,910	3,529	13,439	11,218	3,477	14,695
Sales and marketing expense	24,382	4,771	29,153	36,816	2,815	39,631
Research and development expense	23,726	2,685	26,411	22,895	2,977	25,872
General and administration expense	28,447	899	29,346	40,441	968	41,409
Stock-based compensation expense	(18,708)	(999)	(19,707)	(25,879)	(548)	(26,427)
Restructuring and reduction of force	—	—	—	(958)	—	(958)
Adjusted EBITDA	\$ (10,262)	\$ 98	\$ (10,164)	\$ (25,711)	\$ (611)	\$ (26,322)

**CARDLYTICS, INC.**  
**RECONCILIATION OF GAAP NET INCOME 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,	
	2023	2022	2023	2022
Net loss	\$ (23,508)	\$ (126,290)	\$ (9,900)	\$ (93,252)
Plus:				
Stock-based compensation expense	11,739	12,842	19,707	26,427
Foreign currency (gain) loss	(1,389)	4,538	(2,778)	6,208
Acquisition and integration (benefit) cost	(9,947)	2,197	8,224	(2,401)
Amortization of acquired intangibles	3,441	7,207	6,898	14,353
Loss (gain) in fair value of contingent consideration	11,258	(2,968)	(23,326)	(68,018)
Goodwill impairment	—	83,149	—	83,149
Restructuring and reduction of force	—	(958)	—	(958)
Income tax benefit	—	(1,446)	—	(1,446)
Non-GAAP net loss	\$ (8,406)	\$ (21,729)	\$ (1,175)	\$ (35,938)
Weighted-average number of shares of common stock used in computing non-GAAP net loss per share:				
Non-GAAP weighted-average common shares outstanding, diluted	34,880	33,635	34,241	33,688
Non-GAAP net loss per share attributable to common stockholders, diluted	\$ (0.24)	\$ (0.65)	\$ (0.03)	\$ (1.07)

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

	Q3 2023
Revenue	\$75.0 - \$84.0
Plus:	
Consumer Incentives	\$36.0 - \$39.0
Billings	\$111.0 - \$123.0

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CARDLYTICS Q2 2023

# Earnings Presentation

August 1, 2023



# 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"), such as including becoming cash flow positive, earnings guidance for the third quarter of 2023, the short- and long-term success of our product initiatives, our ability to achieve liquidity, long-term growth and profitability, the anticipated impact of our strategic initiatives to create shareholder value and growth in billings, 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 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, Bridg and Entertainment with our company; potential payments under the Merger Agreement with Bridg; risks related to our substantial dependence on our Cardlytics platform; 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, 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; 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 current partners; 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 1, 2023. 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 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.



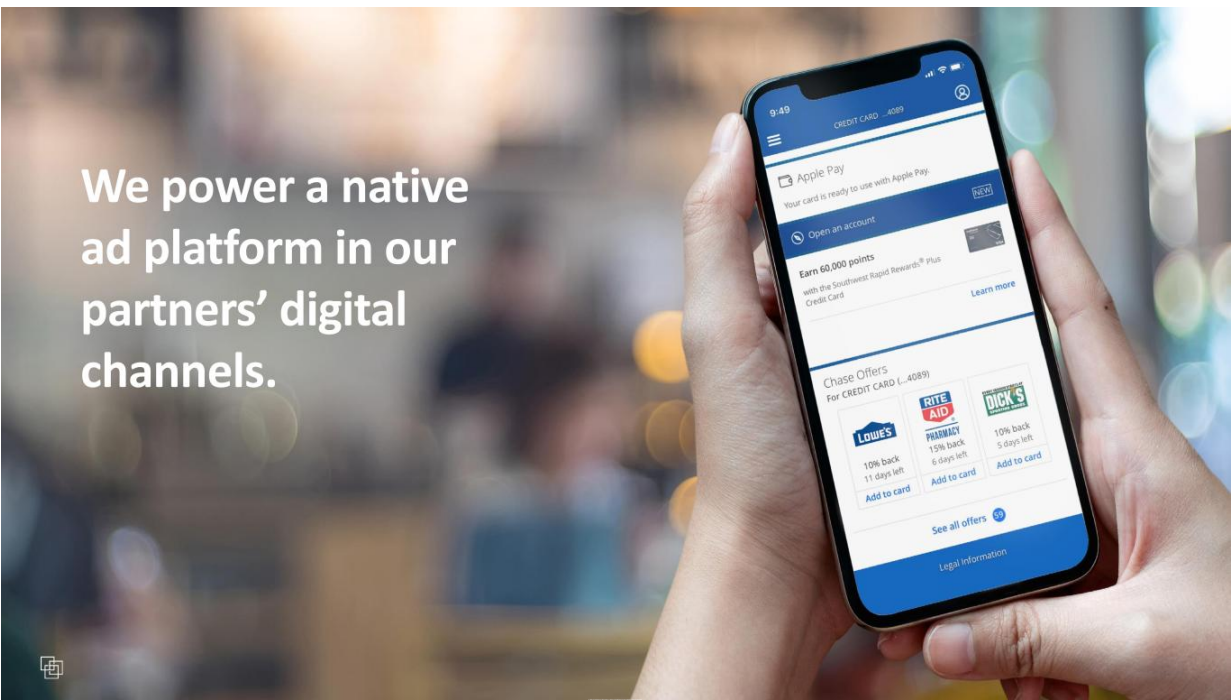


# 01

Company overview



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



## Cardlytics provides a scaled solution based on purchase intelligence

### 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



**188M+**  
Monthly Active Users<sup>(1)</sup>

**\$4.1T+**  
in Annual Spend<sup>(2)</sup>

**1 in 2**  
U.S. Purchase Transactions<sup>(3)</sup>

(1) Monthly active users ("MAU") during the three months ended June 30, 2023. Please see appendix for definitions.

(2) Based on data from our partners during the three months ended June 30, 2023.

(3) Based on aggregated data of our current partners from the June 2022 Nielsen Report.

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

---

## Ad Server and Ads Manager adoption

- + Connecting nearly all of MAUs to new Ad Server by the end of 2023
- + Increasing adoption by agency, middle market and SMB clients

---

## Next-gen customer experience

- + Upgraded UI / UX for more content and better offer constructs, and engagement solutions to drive engagement and spend

---

## Product & category offers

- + Delivering product-level offers across wider retail to provide advertisers enhanced flexibility and optionality

---

## Grocery & CPG at scale

- + Scaled product-level offers from leading brands with a friction-free customer experience

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## Drive long-term growth & operating leverage

- + Becoming consistently cash flow positive as soon as possible with continued self-funding of growth initiatives
- 



# 02

Financial information & operating metrics

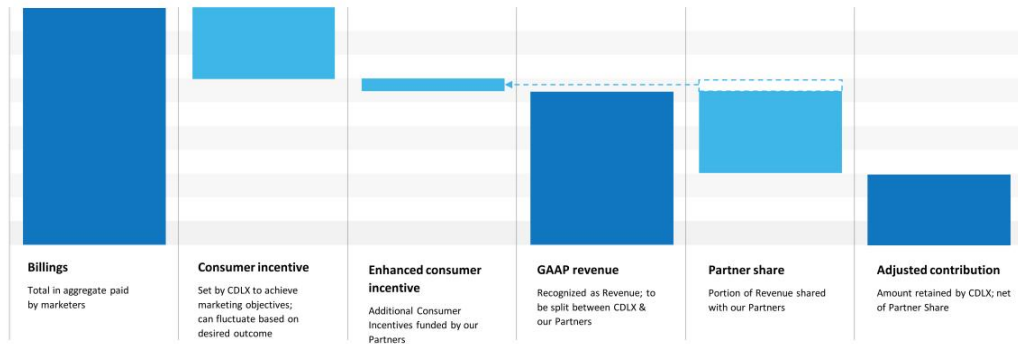


# Trended consolidated results

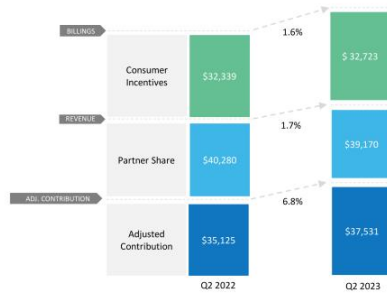


(1) Adjusted contribution and billings are non-GAAP measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are included in the appendix to this presentation, as well as the definitions of these non-GAAP measures.

## Billings and adjusted contribution best reflect performance



# Q2 2023 year-over-year consolidated results



*(Amounts in thousands)*

	Three Months Ended June 30,		Change	
	2022	2023	\$	%
Billings <sup>(1)</sup>	\$107,744	\$109,424	\$1,680	1.6%
Consumer Incentives	32,339	32,723	384	1.2%
Revenue	\$75,405	\$76,701	\$1,296	1.7%
Partner Share and other third-party costs	40,280	39,170	(1,110)	(2.8%)
Adjusted contribution <sup>(1)</sup>	\$35,125	\$37,531	\$2,406	6.8%
Delivery costs	8,162	7,015	(1,147)	(14.1%)
Gross profit	\$26,963	\$30,516	\$3,553	13.2%
Net loss	(\$126,290)	(\$23,508)	\$102,782	(81.4%)
Adjusted EBITDA <sup>(1)</sup>	(\$15,785)	(\$4,073)	\$11,712	74.2%



(1) Billings, adjusted contribution and adjusted EBITDA are non-GAAP measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are presented in the appendix under the headings "Reconciliation of GAAP Revenue to Billings", "Reconciliation of GAAP Gross Profit to Adjusted Contribution" and "Reconciliation of GAAP Net (Loss) Income to Adjusted EBITDA."



## Cardlytics platform advertiser spend by industry

Industry	% Change		% of Advertiser Spend		
	Three Months Ended June 30,		Three Months Ended June 30,		
	vs 2022	vs 2021	2023	2022	2021
Grocery & Gas	> (5%)	< 180%	> 10%	> 10%	> 0%
Restaurant	> (10%)	> (30%)	> 15%	> 20%	> 30%
Retail	> (5%)	< 15%	> 30%	< 35%	< 35%
Travel & Entertainment	> 65%	> 175%	> 10%	< 10%	< 10%
Other	n/a	n/a	< 5%	> 0%	> 0%
DTC	> 0%	> 35%	< 30%	> 25%	> 25%



# Cardlytics platform engagement metrics<sup>(1)</sup>

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.

**Monthly log-in days<sup>(2)</sup>** show that MAUs logged in 10 days per month in Q2 2023 and Q2 2022.

**Offer activation rates<sup>(2)</sup>** show higher rates for small-ticket, volume-heavy offers versus large-ticket and subscription offers.

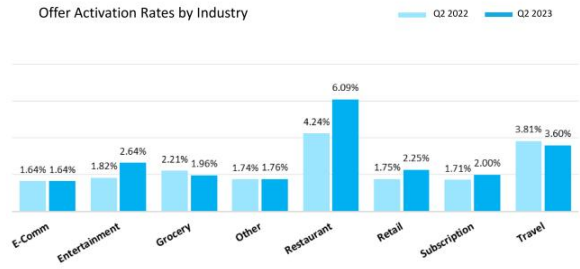
**Campaign spend ratios<sup>(2)</sup>** show Cardlytics currently targets a small proportion of total MAU spend.

- + 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.

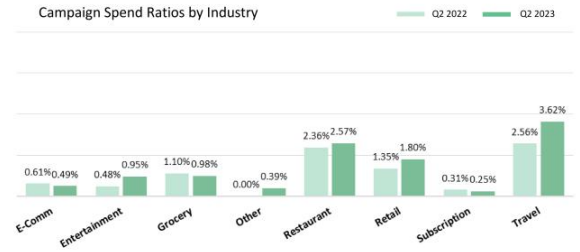


(1) Metrics include US users only.  
 (2) Please see appendix for definitions.

Offer Activation Rates by Industry



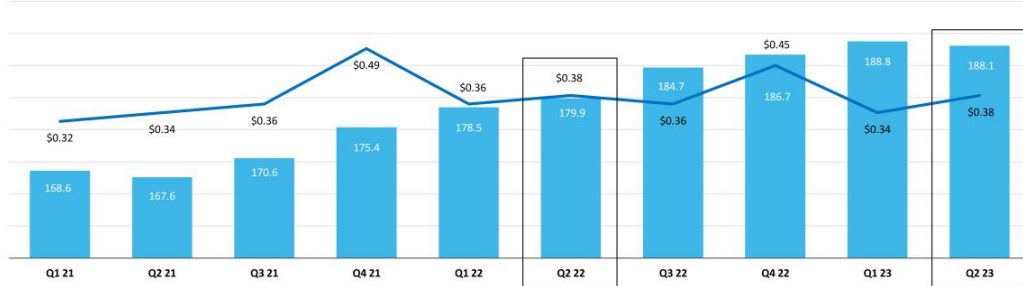
Campaign Spend Ratios by Industry



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

(MAUs in millions)

● MAUs<sup>(1)</sup> — ARPU<sup>(1)</sup>



(1) Please see appendix for definitions.

# 03

Appendix



## Q2 2023 results

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

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2023	2022	AMT	%	2023	2022	AMT	%
Revenue	\$76,701	\$75,405	\$1,296	1.7%	\$141,032	\$143,333	(\$2,301)	(1.6%)
Billings <sup>(1)</sup>	109,424	107,744	1,680	1.6%	205,050	205,969	(919)	(0.4%)
Gross Profit	30,516	26,963	3,553	13.2%	55,039	53,205	1,834	3.4%
Adjusted contribution <sup>(1)</sup>	37,531	35,125	2,406	6.8%	68,478	67,900	578	0.9%
Net loss attributable to common stockholders	(23,508)	(126,290)	102,782	(81.4%)	(9,900)	(93,252)	83,352	n/a
Net loss per share (EPS), diluted	(\$0.67)	(\$3.75)	\$3.08	(82.1%)	(\$0.29)	(\$2.77)	\$2.48	n/a
Adjusted EBITDA <sup>(1)</sup>	(\$4,073)	(\$15,785)	\$11,712	(74.2%)	(\$10,164)	(\$26,322)	\$16,158	n/a
Adjusted EBITDA margin <sup>(1)(2)</sup>	(5.3%)	(15.5%)	10.2%	(65.8%)	(7.2%)	(4.6%)	(2.6%)	n/a
Non-GAAP net loss <sup>(1)</sup>	(\$8,406)	(\$21,729)	\$13,323	(61.3%)	(\$1,175)	(\$35,938)	\$34,763	(96.7%)
Non-GAAP net loss per share <sup>(1)</sup>	(\$0.24)	(\$0.65)	\$0.41	(63.1%)	(\$0.03)	(\$1.07)	\$1.04	(97.2%)
Cardlytics MAUs (in millions)	188.1	179.9	8.2	4.6%	188.4	179.5	8.9	5.0%
Cardlytics ARPU	\$0.38	\$0.38	\$0.00	0.0%	\$0.74	\$0.72	\$0.02	2.78%

(1) Billings, adjusted contribution, adjusted EBITDA, 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.



## Guidance

(Amounts in millions)

	Q3 2023 Guidance
Billings <sup>(1)</sup>	\$111.0 - \$123.0
Revenue	\$75.0 - \$84.0
Adjusted Contribution <sup>(1)</sup>	\$39.0 - 45.0
Adjusted EBITDA <sup>(1)</sup>	(\$2.0) - \$2.0



(1) Billings, adjusted contribution and adjusted EBITDA 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 and a reconciliation of adjusted EBITDA to GAAP net loss 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.

## Reconciliation of GAAP revenue to billings

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2021	Jun 30, 2021	Sept 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023
<b>Cardlytics Platform</b>										
Revenue	\$53,230	\$56,763	\$62,075	\$86,686	\$63,983	\$69,270	\$67,285	\$76,647	\$59,030	\$70,726
Plus:										
Consumer Incentives	23,087	26,484	33,464	43,924	30,297	32,339	37,686	43,613	31,295	32,723
Billings	\$76,317	\$83,247	\$95,539	\$130,610	\$94,280	\$101,609	\$104,971	\$120,260	\$90,325	\$103,449
<b>Bridg Platform</b>										
Revenue	-	\$2,090	\$2,909	\$3,363	\$3,945	\$6,135	\$5,421	\$5,856	\$5,301	\$5,975
Plus:										
Consumer Incentives	-	-	-	-	-	-	-	-	-	-
Billings	-	\$2,090	\$2,909	\$3,363	\$3,945	\$6,135	\$5,421	\$5,856	\$5,301	\$5,975
<b>Consolidated</b>										
Revenue	\$53,230	\$58,853	\$64,984	\$90,049	\$67,928	\$75,405	\$72,706	\$82,503	\$64,331	\$76,701
Plus:										
Consumer Incentives	23,087	26,484	33,464	43,924	30,297	32,339	37,686	43,613	31,295	32,723
Billings	\$76,317	\$85,337	\$98,448	\$133,973	\$98,225	\$107,744	\$110,392	\$126,116	\$95,626	\$109,424



## Reconciliation of GAAP gross profit to adjusted contribution

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2021	Jun 30, 2021	Sept 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023
<b>Cardlytics Platform</b>										
Revenue	\$53,230	\$56,763	\$62,075	\$86,686	\$63,983	\$69,270	\$67,285	\$76,647	\$59,030	\$70,726
Minus:										
Partner Share and other third-party costs	29,771	29,890	33,929	47,274	35,027	39,403	37,399	42,375	33,175	39,086
Delivery costs	3,938	4,837	4,777	4,618	4,907	6,311	7,623	5,271	4,693	5,217
Gross Profit	\$19,521	\$22,036	\$23,369	\$34,794	\$24,049	\$23,556	\$22,263	\$29,001	\$21,162	\$26,423
Plus:										
Delivery costs	3,938	4,837	4,777	4,618	4,907	6,311	7,623	5,271	4,693	5,217
Deferred implementation costs	892	793	731	1,442	-	-	-	-	-	-
Adjusted contribution	\$24,341	\$27,603	\$28,877	\$40,854	\$28,956	\$29,867	\$29,886	\$34,272	\$25,855	\$31,640
<b>Bridg Platform</b>										
Revenue	-	\$2,090	\$2,909	\$3,363	\$3,945	\$6,135	\$5,421	\$5,856	\$5,301	\$5,975
Minus:										
Partner Share and other third-party costs	-	63	161	185	126	877	164	136	209	84
Delivery costs	-	911	1,613	1,809	1,626	1,851	1,502	1,312	1,731	1,788
Gross Profit	-	\$1,116	\$1,135	\$1,369	\$2,193	\$3,407	\$3,755	\$4,408	\$3,361	\$4,093
Plus:										
Delivery costs	-	911	1,613	1,809	1,626	1,851	1,502	1,312	1,731	1,788
Adjusted contribution	-	\$2,027	\$2,748	\$3,178	\$3,819	\$5,258	\$5,257	\$5,720	\$5,092	\$5,881
<b>Consolidated</b>										
Revenue	\$53,230	\$58,853	\$64,984	\$90,049	\$67,928	\$75,405	\$72,706	\$82,503	\$64,331	\$76,701
Minus:										
Partner Share and other third-party costs	29,771	29,953	34,090	47,459	35,153	40,280	37,563	42,511	33,384	39,170
Delivery costs	3,938	5,748	6,390	6,427	6,533	8,162	9,125	6,583	6,424	7,015
Gross Profit	\$19,521	\$23,152	\$24,504	\$36,163	\$26,242	\$26,963	\$26,018	\$33,409	\$24,523	\$30,516
Plus:										
Delivery costs	3,938	5,748	6,390	6,427	6,533	8,162	9,125	6,583	6,424	7,015
Deferred implementation costs	892	793	731	1,442	-	-	-	-	-	-
Adjusted contribution	\$24,341	\$29,630	\$31,625	\$44,032	\$32,775	\$35,125	\$35,143	\$39,992	\$30,947	\$37,531





## 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, 2021	Jun 30, 2021	Sept 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Mar 31, 2023	Jun 30, 2023
<b>Cardlytics Platform</b>											
Partner Share and other third-party costs	\$29,771	\$29,890	\$33,929	\$47,274	\$35,027	\$39,403	\$37,399	\$42,375	\$33,175	\$39,086	\$39,086
Minus:											
Deferred implementation costs	882	730	731	1,442	-	-	-	-	-	-	-
Adjusted Partner Share and other third-party costs	\$28,889	\$29,160	\$33,198	\$45,832	\$35,027	\$39,403	\$37,399	\$42,375	\$33,175	\$39,086	\$39,086
<b>Bridg Platform</b>											
Partner Share and other third-party costs	-	\$63	\$161	\$185	\$126	\$877	\$164	\$136	\$209	\$84	\$84
Minus:											
Deferred implementation costs	-	-	-	-	-	-	-	-	-	-	-
Adjusted Partner Share and other third-party costs	-	\$63	\$161	\$185	\$126	\$877	\$164	\$136	\$209	\$84	\$84
<b>Consolidated</b>											
Partner Share and other third-party costs	\$29,771	\$29,953	\$34,090	\$47,459	\$35,153	\$40,280	\$37,563	\$42,511	\$33,384	\$39,170	\$39,170
Minus:											
Deferred implementation costs	882	730	731	1,442	-	-	-	-	-	-	-
Adjusted Partner Share and other third-party costs	\$28,889	\$29,223	\$33,359	\$46,017	\$35,153	\$40,280	\$37,563	\$42,511	\$33,384	\$39,170	\$39,170



## Reconciliation of GAAP net (loss) income to adjusted EBITDA

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2021	Jun 30, 2021	Sept 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023
Net (loss) income	(\$24,895)	(\$47,306)	(\$44,529)	(\$11,834)	\$33,038	(\$126,290)	\$6,267	(\$378,279)	\$13,608	(\$23,508)
Plus:										
Income tax benefit	-	-	-	(7,864)	-	(1,446)	-	-	-	-
Interest expense, net	3,045	3,078	3,193	3,247	947	879	580	150	8	574
Depreciation and amortization expense	3,065	8,833	8,375	9,598	9,871	10,356	10,468	6,849	6,575	7,200
Stock-based compensation expense	7,248	13,337	16,830	12,849	13,585	12,842	5,767	12,492	7,968	11,739
Foreign currency (gain) loss	(319)	-	1,543	43	1,671	4,538	4,673	(4,506)	(1,389)	(1,389)
Deferred implementation costs	882	730	731	1,442	-	-	-	-	-	-
Acquisition and integration costs (benefit)	7,030	14,182	1,714	1,446	(4,599)	2,197	(1,867)	1,395	1,723	(9,947)
(Gain) loss in fair value of contingent consideration	-	1,480	6,261	(6,367)	(65,050)	(2,968)	(46,126)	(14,030)	(34,584)	11,258
Impairment of goodwill and intangible assets	-	-	-	-	-	83,149	-	370,139	-	-
Restructuring and reduction of force	-	-	713	-	-	958	7,530	(347)	-	-
Adjusted EBITDA	(\$3,944)	(\$5,666)	(\$5,169)	\$2,560	(\$10,537)	(\$15,785)	(\$12,708)	(\$6,137)	(\$6,091)	(\$4,073)



## Reconciliation of adjusted contribution to adjusted EBITDA

(Amounts in thousands)

	Three Months Ended									
	Mar 31, 2021	Jun 30, 2021	Sept 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023
<b>Cardlytics Platform</b>										
Adjusted Contribution	\$24,341	\$27,603	\$28,877	\$40,854	\$28,956	\$29,867	\$29,886	\$34,272	\$25,855	\$31,640
Minus:										
Delivery costs	3,938	4,837	4,777	4,618	4,907	6,311	7,623	5,271	4,693	5,217
Sales and marketing expense	13,202	16,665	15,469	17,435	16,384	20,508	16,529	14,484	11,547	12,834
Research and development expense	6,218	6,441	10,353	10,531	11,313	11,916	11,682	13,002	10,137	13,399
General and administration expense	12,175	16,454	19,039	15,708	19,391	21,332	19,558	19,070	13,330	15,117
Stock-based compensation expense	(7,248)	(13,179)	(15,627)	(11,169)	(12,382)	(13,844)	(5,302)	(12,309)	(8,103)	(10,605)
Restructuring and reduction of force	-	-	(713)	-	-	(958)	(7,530)	347	-	-
Adjusted EBITDA	(\$3,944)	(\$5,650)	(\$4,231)	\$3,731	(\$10,657)	(\$15,818)	(\$12,674)	(\$5,293)	(\$5,939)	(\$4,322)
<b>Bridg Platform</b>										
Adjusted Contribution	-	\$2,027	\$2,748	\$3,178	\$3,819	\$5,258	\$5,257	\$5,720	\$5,092	\$5,891
Minus:										
Delivery costs	-	911	1,613	1,809	1,626	1,851	1,502	1,312	1,731	1,798
Sales and marketing expense	-	398	1,354	1,564	1,264	1,075	1,765	2,341	2,401	2,371
Research and development expense	-	453	978	1,280	978	1,645	2,080	1,799	2,237	2,448
General and administration expense	-	434	1,034	1,376	1,034	(248)	414	995	(260)	1,159
Stock-based compensation expense	-	(158)	(1,203)	(1,681)	(1,203)	1,102	(465)	(183)	135	(1,134)
Restructuring and reduction of force	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	-	(\$11)	(\$98)	(\$1,370)	\$120	(\$167)	(\$94)	(\$544)	(\$152)	\$249
<b>Consolidated</b>										
Adjusted Contribution	\$24,341	\$29,630	\$31,625	\$44,032	\$32,775	\$35,125	\$35,143	\$39,992	\$30,947	\$37,531
Minus:										
Delivery costs	3,938	5,748	6,390	6,427	6,533	8,162	9,125	6,583	6,424	7,015
Sales and marketing expense	13,202	17,063	16,733	18,998	17,648	21,583	18,289	16,325	13,568	15,205
Research and development expense	6,218	6,334	11,441	11,811	12,291	13,561	13,782	14,801	11,564	14,847
General and administration expense	12,175	16,888	20,073	17,085	20,425	20,984	19,972	20,065	13,070	16,276
Stock-based compensation expense	(7,248)	(13,337)	(16,830)	(12,849)	(13,585)	(12,842)	(5,767)	(12,492)	(7,968)	(11,739)
Restructuring and reduction of force	-	-	(713)	-	-	(958)	(7,530)	347	-	-
Adjusted EBITDA	(\$3,944)	(\$5,666)	(\$5,169)	\$2,540	(\$10,537)	(\$15,785)	(\$12,708)	(\$6,137)	(\$6,091)	(\$4,073)



## Reconciliation of GAAP net income 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,	
	2023	2022	2023	2022
Net loss	(\$23,508)	(\$126,290)	(\$9,900)	(\$93,252)
Plus:				
Stock-based compensation expense	11,739	12,842	19,707	26,427
Foreign currency (gain) loss	(1,389)	4,538	(2,778)	6,208
Acquisition and integration (benefit) cost	(9,947)	2,197	8,224	(2,401)
Amortization of acquired intangibles	3,441	7,207	6,898	14,353
Loss (gain) in fair value of contingent consideration	11,258	(2,968)	(23,326)	(68,018)
Goodwill impairment	-	83,149	-	83,149
Restructuring and reduction of force	-	(958)	-	(958)
Income tax benefit	-	(1,446)	-	(1,446)
Non-GAAP net loss	(\$8,406)	(\$21,729)	(\$1,175)	(\$35,938)
Weighted-average number of shares of common stock used in computing non-GAAP net loss per share:				
Weighted-average common shares outstanding, diluted	34,880	33,635	34,214	33,688
Non-GAAP net loss per share attributable to common stockholders, diluted	(\$0.24)	(\$0.65)	(\$0.03)	(\$1.07)



## Reconciliation of forecasted GAAP revenue to billings

*(Amounts in millions)*

	Q3 2023 Guidance
Revenue	\$75.0 - \$84.0
Plus:	
Consumer Incentives	\$36.0 - \$39.0
Billings	\$111.0 - \$123.0



# 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 on our platform generates incremental amounts to support our sales and marketing, research and development, delivery costs, 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, delivery costs, 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) income before income taxes; interest expense, net; depreciation and amortization expense; stock-based compensation expense; foreign currency gain (loss); deferred implementation costs; restructuring and reduction of force; acquisition and integration cost (benefit); impairment of goodwill and intangible assets; and gain (loss) in fair value of contingent considerations.

**Cardlytics 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.

**Cardlytics MAUs:** We define MAUs as targetable customers or accounts that have logged in and visited online or mobile applications containing offers, opened an email containing an offer, 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 before stock-based compensation expense; foreign currency loss (gain); acquisition and integration (benefit) cost; amortization of acquired intangibles; and Loss (gain) in fair value of contingent considerations. 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.



# Industry and account definitions

Segment	Segment Constituents
Agency	Merchants on the Cardlytics platform in which we interact with an advertising agency that we believe holds significant influence over the decision-making process as it relates to the design and management of advertising campaigns
Entertainment	Amusement Parks, Cinema/Video, Concerts/Theater, Gaming, Golf, Miscellaneous Recreation Services, Museums/Parks, Radio, Sporting & Sporting Venues/Other, Ticket Providers
Grocery & Gas	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 & Entertainment	Airlines, Car Rental, Cruise Lines, Gas Stations, Hotels/Lodging, Other Travel, Parking Services, Personal Transportation, Tour Operators/Agencies, Travel Aggregators and Agencies







