

CARDLYTICS Q3 2022

# Earnings Presentation

November 1, 2022



# 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 the potential benefits of our acquisitions of Dosh, Bridg and Entertainment, becoming cash flow positive by the second half of 2023, earnings guidance for the fourth quarter of 2022, Bridg's future gross margin, the anticipated impact of our strategic initiatives to create shareholder value and 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 sustain our revenue and billings growth; risks related 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 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 merchant data 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 November 1, 2022. 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.

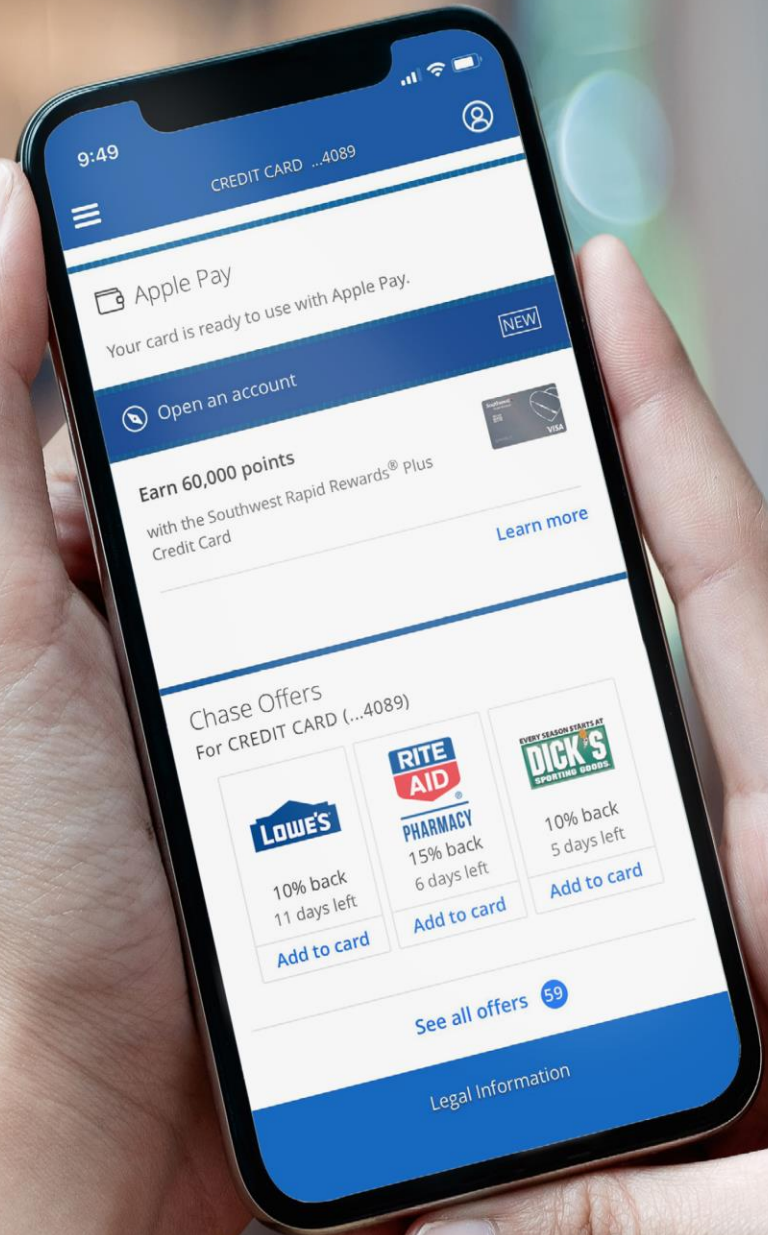


# 01

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



**184M+**  
Monthly Active Users<sup>(1)</sup>

**\$3.9T+**  
in Annual Spend<sup>(2)</sup>

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

(1) Monthly active users (“MAUs”) during the three months ended September 30, 2022. Please see appendix for definitions.

(2) Based on data from our partners during the nine months ended September 30, 2022.

(3) Based on aggregated data of our current partners from the June 2021 Nielson Report.

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

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## Ad Server and Ads Manager adoption

- + Connecting 100% of MAUs to new Ad Server by the end of 2023
- + Increasing adoption by agency, middle market and SMB clients

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## Next-gen customer experience

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

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## Product & category offers

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

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## 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 cash flow positive by the second half of 2023 with continued self-funding of growth initiatives
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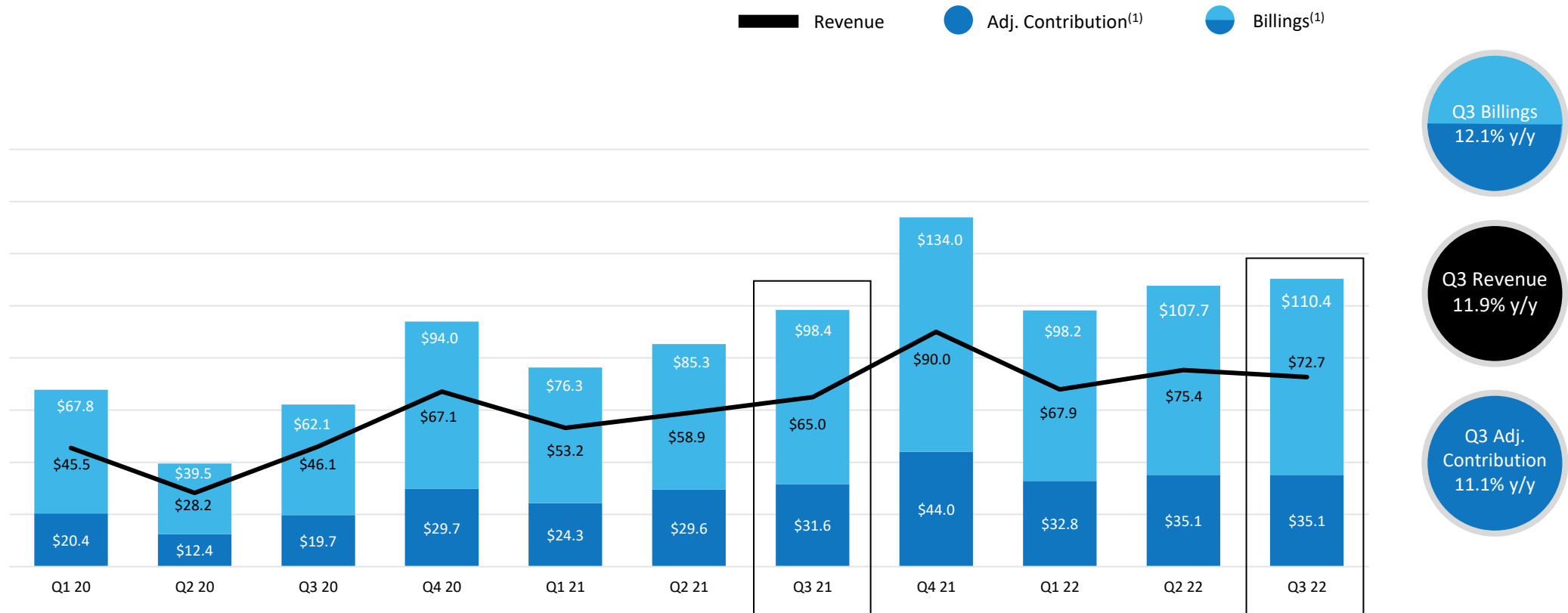


# 02

Financial information & operating metrics



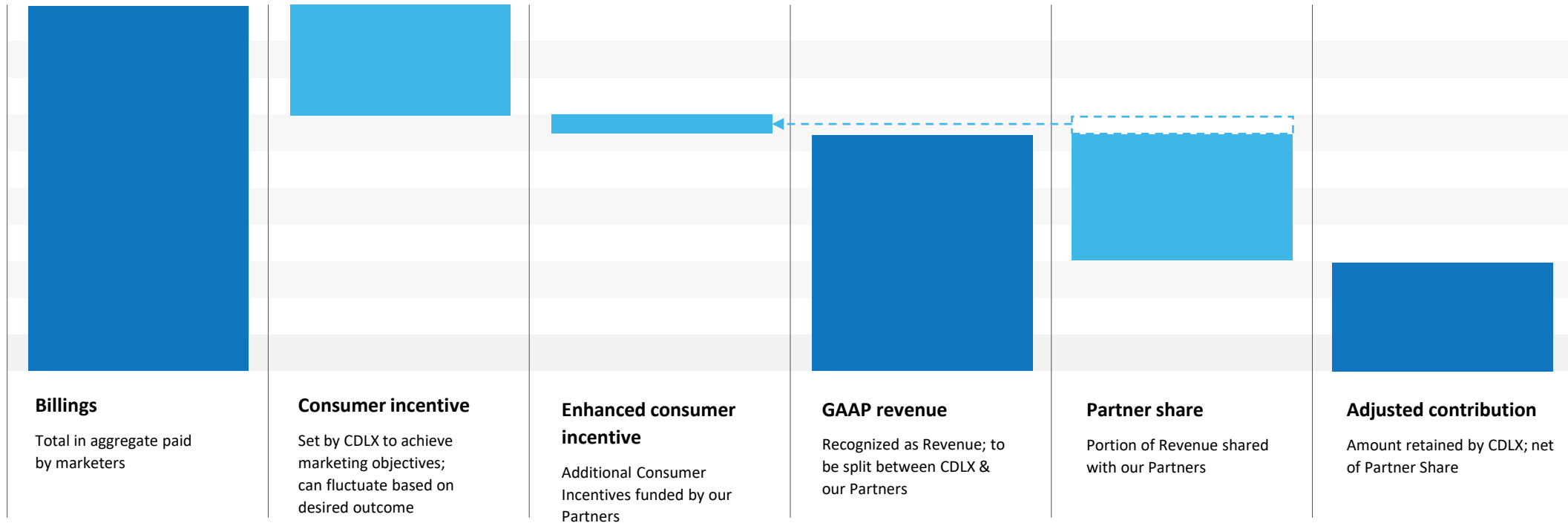
# Trended consolidated results



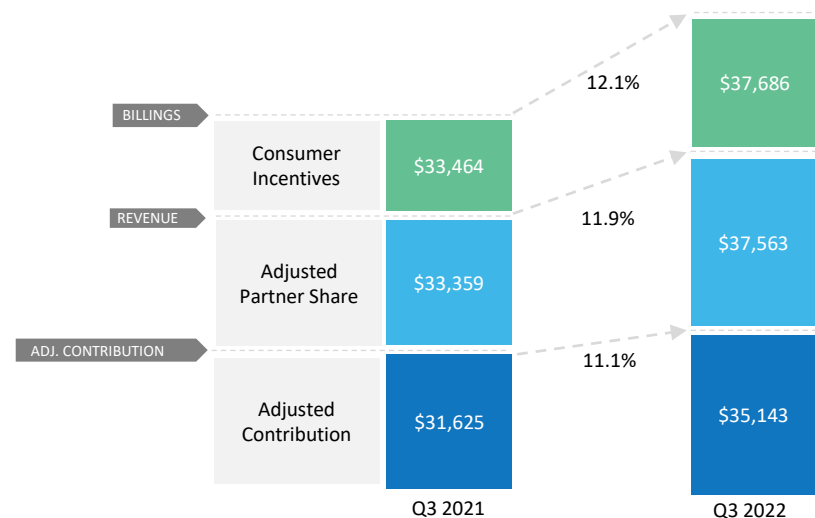
(1) Adjusted contribution and billings are non-GAAP measures. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are included in the appendix to this presentation, as well as the definitions of these non-GAAP measures.



# Billings and adjusted contribution best reflect performance



# Q3 2022 year-over-year consolidated results



(Amounts in thousands)

|   | Three Months Ended September 30 |            | Change    |          |
|---|---------------------------------|------------|-----------|----------|
|   | 2021                            | 2022       | \$        | %        |
| Billings <sup>(1)</sup>   | \$98,448                        | \$110,392  | \$11,944  | 12.1%    |
| Consumer Incentives   | 33,464                          | 37,686     | 4,222     | 12.6%    |
| Revenue   | \$64,984                        | \$72,706   | \$7,722   | 11.9%    |
| Adjusted Partner Share and other third-party costs <sup>(1)</sup> | 33,359                          | 37,563     | 4,204     | 12.6%    |
| Adjusted contribution <sup>(1)</sup>                              | \$31,625                        | \$35,143   | \$3,518   | 11.1%    |
| Delivery costs  | 6,390                           | 9,125      | 2,735     | 42.8%    |
| Deferred implementation costs                                     | 731                             | -          | (731)     | (100.0%) |
| Gross profit  | \$24,504                        | \$26,018   | \$1,514   | 6.2%     |
| Net (loss) income   | (\$44,529)                      | \$6,267    | \$50,796  | n/a      |
| Adjusted EBITDA <sup>(1)</sup>                                    | (\$5,169)                       | (\$12,708) | (\$7,539) | n/a      |



(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 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 September 30, |         |         | Three Months Ended September 30, |       |       |       |
|               | vs 2021                          | vs 2020 | vs 2019 | 2019                             | 2020  | 2021  | 2022  |
| Grocery & Gas | > (10%)                          | > 30%   | >53 %   | < 10%                            | > 10% | > 10% | < 10% |
| Restaurant    | < (15%)                          | > 20%   | < 10%   | < 30%                            | > 30% | < 30% | > 20% |
| Retail        | < 20%                            | > 120%  | < (30%) | > 30%                            | < 25% | < 30% | > 30% |
| T&E           | < 100%                           | < 125%  | < 20%   | > 15%                            | < 10% | > 5%  | > 10% |
| Other         | n/a                              | n/a     | < 365%  | > 0%                             | > 0%  | > 0%  | < 5%  |
| DTC           | > 10%                            | < 70%   | > 150%  | < 15%                            | < 25% | > 25% | < 25% |

- + Advertising spend from agency accounts grew > 85% during the third quarter of 2022 compared to the third quarter of 2021. Agency accounts represented > 10% of total advertising spend during the third quarter of 2022 compared to < 10% during the third quarter of 2021.



# 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.

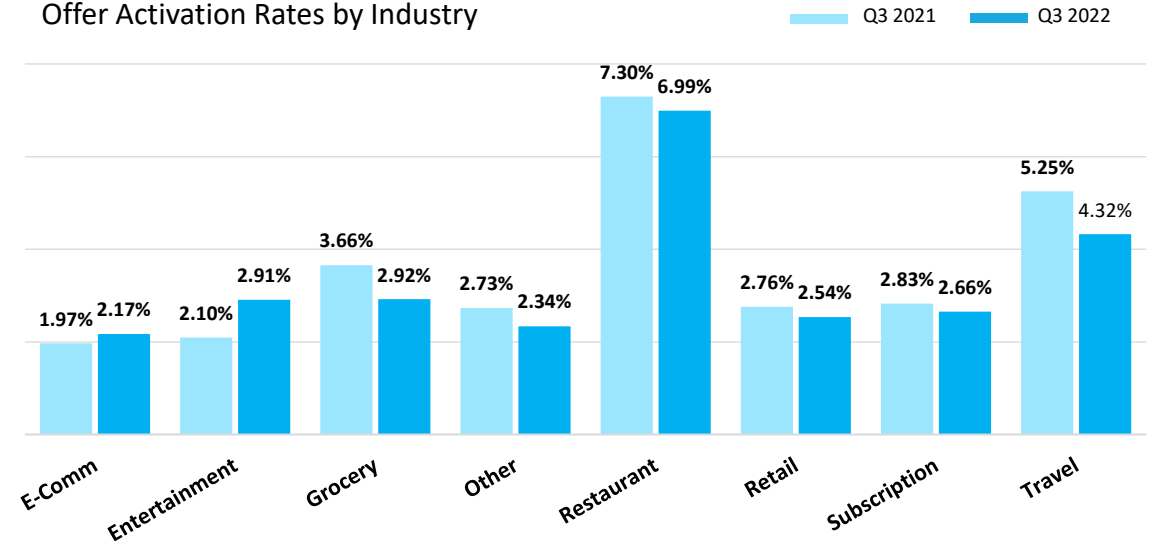
**Monthly log-in days<sup>(2)</sup>** show that MAUs logged in 10 days per month in Q3 2022 and Q3 2021.

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

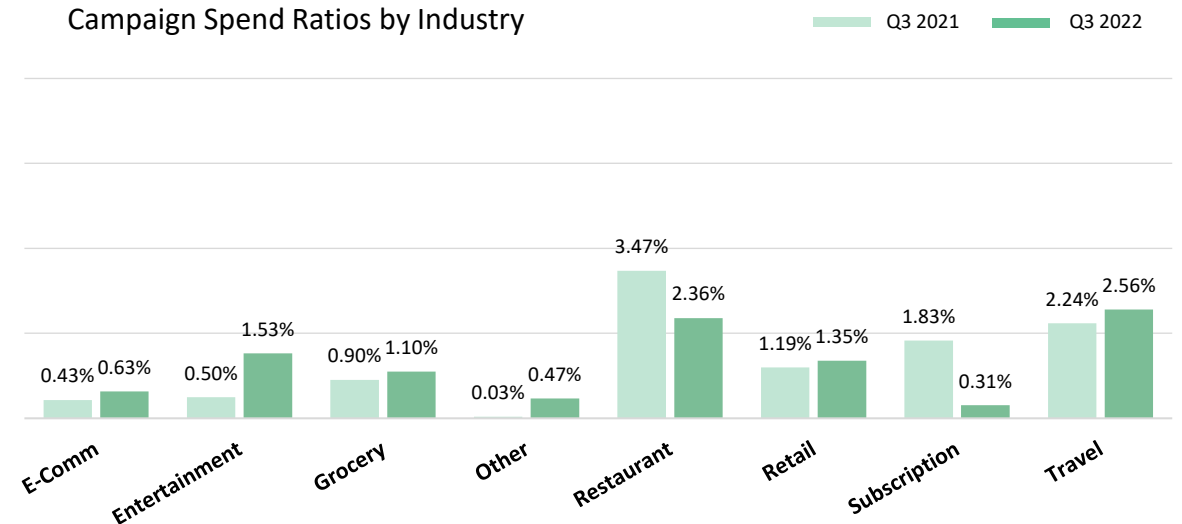
**Campaign spend ratios<sup>(2)</sup>** show Cardlytics currently targets a small proportion of total MAU spend.

- + 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.

Offer Activation Rates by Industry



Campaign Spend Ratios by Industry



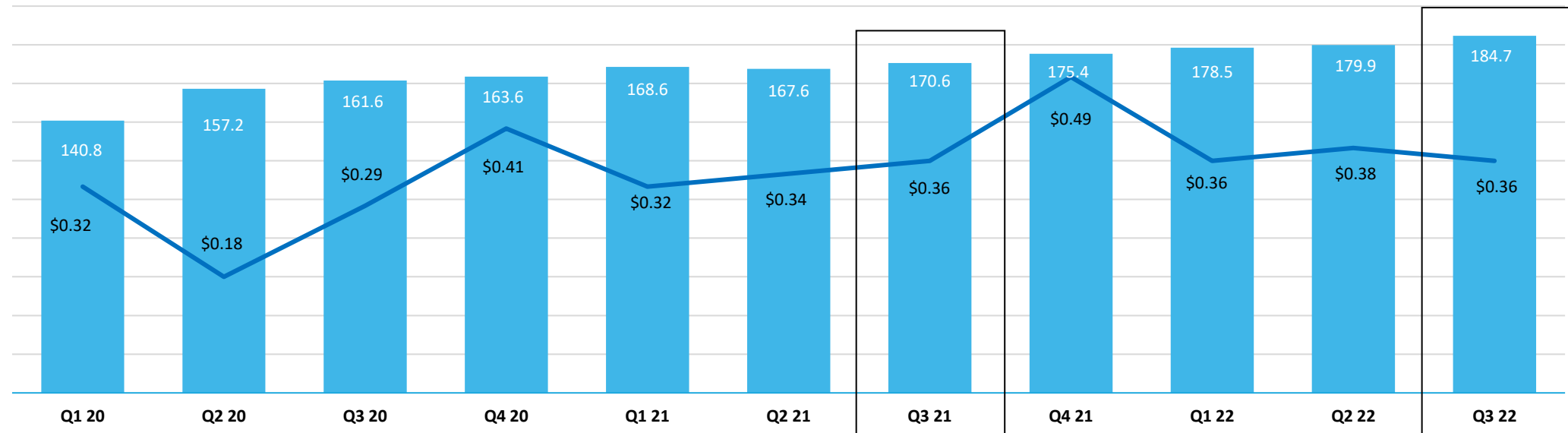
(1) Metrics include US users only

(2) Please see appendix for definitions.

# 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.

# Bridg Gross Margin

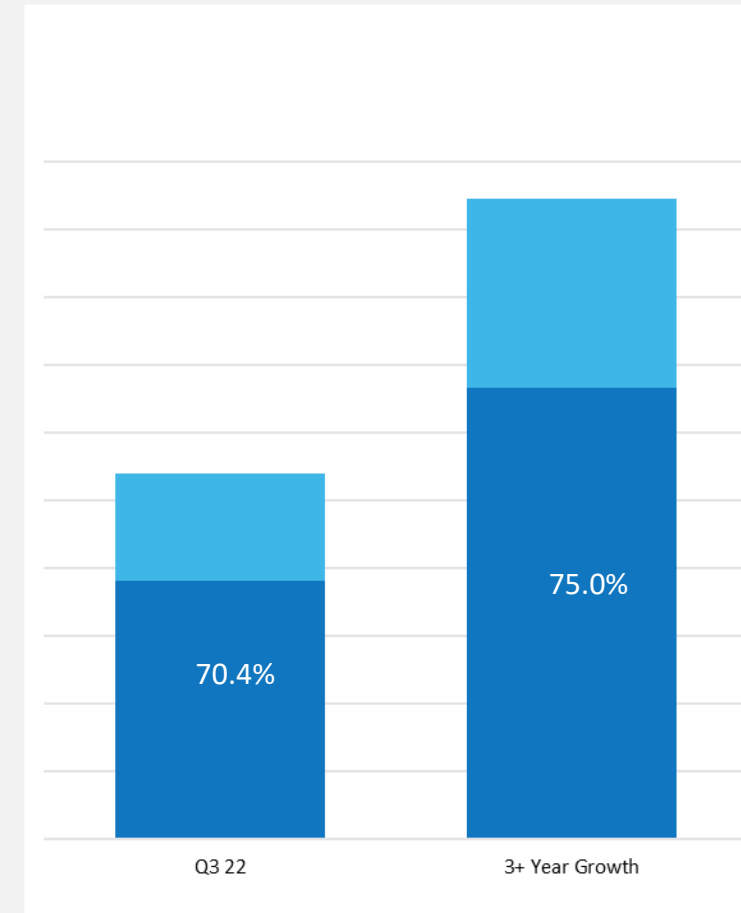
Margin improvement for company over time as more clients scale beyond proof of concept and data costs normalize

## Bridg incurs higher expenses during onboarding

- + Processing of several years' worth of historical data initially versus steady state processing of data on a daily basis
- + Implementation costs are also incurred upfront
  - + New data lake and data warehouse costs
  - + Data transfer costs
  - + Custom set-up costs

## Increases in revenue over time

- + Clients progress from proof of concept to full user of the platform
- + Tiered pricing results in gradual revenue increases



# 03

Appendix



# Q3 2022 results

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

|   | Three Months Ended<br>September 30, |            | Change    |       | Nine Months Ended<br>September 30, |            | Change     |         |
|---|-------------------------------------|------------|-----------|-------|------------------------------------|------------|------------|---------|
|   | 2022                                | 2021       | AMT       | %     | 2022                               | 2021       | AMT        | %       |
| Revenue   | \$72,706                            | \$64,984   | \$7,722   | 11.9% | \$216,039                          | \$177,067  | \$38,972   | 22.0%   |
| Billings <sup>(1)</sup>                               | 110,392                             | 98,448     | 11,944    | 12.1% | 316,361                            | 260,102    | 56,259     | 21.6%   |
| Gross Profit  | 26,018                              | 24,504     | 1,514     | 6.2%  | 79,223                             | 67,177     | 12,046     | 17.9%   |
| Adjusted contribution <sup>(1)</sup>                  | 35,143                              | 31,625     | 3,518     | 11.1% | 103,043                            | 85,596     | 17,447     | 20.4%   |
| Net income (loss) attributable to common stockholders | 6,267                               | (44,529)   | 50,796    | n/a   | (86,985)                           | (116,730)  | 29,745     | (25.5%) |
| Net income (loss) per share (EPS), diluted            | \$0.19                              | (\$1.35)   | \$1.54    | n/a   | (\$2.60)                           | (\$3.67)   | \$1.07     | (29.2%) |
| Adjusted EBITDA <sup>(1)</sup>                        | (\$12,708)                          | (\$5,169)  | (\$7,539) | n/a   | (\$39,030)                         | (\$14,779) | (\$24,251) | n/a     |
| Adjusted EBITDA margin <sup>(1)(2)</sup>              | (17.5%)                             | (8.0%)     | (9.8%)    | n/a   | (18.1%)                            | (8.3%)     | (9.7%)     | n/a     |
| Non-GAAP net loss <sup>(1)</sup>                      | (\$16,549)                          | (\$10,971) | (\$5,578) | n/a   | (\$50,571)                         | (\$33,702) | (\$16,869) | n/a     |
| Non-GAAP net loss per share <sup>(1)</sup>            | (\$0.50)                            | (\$0.33)   | (\$0.17)  | n/a   | (\$1.51)                           | (\$1.06)   | (\$0.45)   | n/a     |
| Cardlytics MAUs (in millions)                         | 184.7                               | 170.6      | 14.1      | 8.3%  | 181.2                              | 167.5      | 13.7       | 8.2%    |
| Cardlytics ARPU                                       | \$0.36                              | \$0.36     | \$0.00    | n/a   | \$1.11                             | \$1.03     | \$0.08     | 7.77%   |
| Bridg ARR   | \$22,115                            | \$12,734   | \$9,381   | 73.7% | \$22,115                           | \$12,734   | \$9,381    | 73.7%   |

(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)*

|                                      | Q4 2022 Guidance  |
|--------------------------------------|-------------------|
| Billings <sup>(1)</sup>              | \$120.0 - \$132.0 |
| Revenue                              | \$80.0 - \$90.0   |
| Adjusted Contribution <sup>(1)</sup> | \$38.0 - \$44.0   |

(1) 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.



# Reconciliation of GAAP revenue to billings

(Amounts in thousands)

|                            | Three Months Ended |                 |                  |                 |                 |                 |                  |                  |                 |                  |                  |
|----------------------------|--------------------|-----------------|------------------|-----------------|-----------------|-----------------|------------------|------------------|-----------------|------------------|------------------|
|                            | Mar 31,<br>2020    | Jun 30,<br>2020 | Sept 30,<br>2020 | Dec 31,<br>2020 | Mar 31,<br>2021 | Jun 30,<br>2021 | Sept 30,<br>2021 | Dec 31,<br>2021  | Mar 31,<br>2022 | Jun 30,<br>2022  | Sept 30,<br>2022 |
| <b>Cardlytics Platform</b> |                    |                 |                  |                 |                 |                 |                  |                  |                 |                  |                  |
| Revenue                    | \$45,509           | \$28,222        | \$46,079         | \$67,082        | \$53,230        | \$56,763        | \$62,075         | \$86,686         | \$63,983        | \$69,270         | \$67,285         |
| Plus:                      |                    |                 |                  |                 |                 |                 |                  |                  |                 |                  |                  |
| Consumer Incentives        | 22,267             | 11,299          | 16,014           | 26,883          | 23,087          | 26,484          | 33,464           | 43,924           | 30,297          | 32,339           | 37,686           |
| Billings                   | <u>\$67,776</u>    | <u>\$39,521</u> | <u>\$62,093</u>  | <u>\$93,965</u> | <u>\$76,317</u> | <u>\$83,247</u> | <u>\$95,539</u>  | <u>\$130,610</u> | <u>\$94,280</u> | <u>\$101,609</u> | <u>\$104,971</u> |
| <b>Bridg Platform</b>      |                    |                 |                  |                 |                 |                 |                  |                  |                 |                  |                  |
| Revenue                    | -                  | -               | -                | -               | -               | \$2,090         | \$2,909          | \$3,363          | \$3,945         | \$6,135          | \$5,421          |
| Plus:                      |                    |                 |                  |                 |                 |                 |                  |                  |                 |                  |                  |
| Consumer Incentives        | -                  | -               | -                | -               | -               | -               | -                | -                | -               | -                | -                |
| Billings                   | <u>-</u>           | <u>-</u>        | <u>-</u>         | <u>-</u>        | <u>-</u>        | <u>\$2,090</u>  | <u>\$2,909</u>   | <u>\$3,363</u>   | <u>\$3,945</u>  | <u>\$6,135</u>   | <u>\$5,421</u>   |
| <b>Consolidated</b>        |                    |                 |                  |                 |                 |                 |                  |                  |                 |                  |                  |
| Revenue                    | \$45,509           | \$28,222        | \$46,079         | \$67,082        | \$53,230        | \$58,853        | \$64,984         | \$90,049         | \$67,928        | \$75,405         | \$72,706         |
| Plus:                      |                    |                 |                  |                 |                 |                 |                  |                  |                 |                  |                  |
| Consumer Incentives        | 22,267             | 11,299          | 16,014           | 26,883          | 23,087          | 26,484          | 33,464           | 43,924           | 30,297          | 32,339           | 37,686           |
| Billings                   | <u>\$67,776</u>    | <u>\$39,521</u> | <u>\$62,093</u>  | <u>\$93,965</u> | <u>\$76,317</u> | <u>\$85,337</u> | <u>\$98,448</u>  | <u>\$133,973</u> | <u>\$98,225</u> | <u>\$107,744</u> | <u>\$110,392</u> |



# Reconciliation of GAAP gross profit to adjusted contribution

(Amounts in thousands)

|   | Three Months Ended |              |               |              |              |              |               |              |              |              |               |
|---|--------------------|--------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
|   | Mar 31, 2020       | Jun 30, 2020 | Sept 30, 2020 | Dec 31, 2020 | Mar 31, 2021 | Jun 30, 2021 | Sept 30, 2021 | Dec 31, 2021 | Mar 31, 2022 | Jun 30, 2022 | Sept 30, 2022 |
| <b>Cardlytics Platform</b>                |                    |              |               |              |              |              |               |              |              |              |               |
| Revenue                                   | \$45,509           | \$28,222     | \$46,079      | \$67,082     | \$53,230     | \$56,763     | \$62,075      | \$86,686     | \$63,986     | \$69,270     | \$67,285      |
| Minus:                                    |                    |              |               |              |              |              |               |              |              |              |               |
| Partner Share and other third-party costs | 26,138             | 16,811       | 27,971        | 38,388       | 29,771       | 29,890       | 33,929        | 47,274       | 35,027       | 39,403       | 37,399        |
| Delivery costs                            | 3,406              | 3,499        | 3,498         | 3,907        | 3,938        | 4,837        | 4,777         | 4,618        | 4,907        | 6,311        | 7,623         |
| Gross Profit                              | \$15,965           | \$7,912      | \$14,610      | \$24,787     | \$19,521     | \$22,036     | \$23,369      | \$34,794     | \$24,049     | \$23,556     | \$22,263      |
| Plus:                                     |                    |              |               |              |              |              |               |              |              |              |               |
| Delivery costs                            | 3,406              | 3,499        | 3,498         | 3,907        | 3,938        | 4,837        | 4,777         | 4,618        | 4,907        | 6,311        | 7,623         |
| Deferred implementation costs             | 1,008              | 991          | 1,641         | 958          | 882          | 730          | 731           | 1,442        | -            | -            | -             |
| Adjusted contribution                     | \$20,379           | \$12,402     | \$19,749      | \$29,652     | \$24,341     | \$27,603     | \$28,877      | \$40,854     | \$28,956     | \$29,867     | \$29,886      |
| <b>Bridg Platform</b>                     |                    |              |               |              |              |              |               |              |              |              |               |
| Revenue                                   | -                  | -            | -             | -            | -            | \$2,090      | \$2,909       | \$3,363      | \$3,945      | \$6,135      | \$5,421       |
| Minus:                                    |                    |              |               |              |              |              |               |              |              |              |               |
| Partner Share and other third-party costs | -                  | -            | -             | -            | -            | 63           | 161           | 185          | 126          | 877          | 164           |
| Delivery costs                            | -                  | -            | -             | -            | -            | 911          | 1,613         | 1,809        | 1,626        | 1,851        | 1,502         |
| Gross Profit                              | -                  | -            | -             | -            | -            | \$1,116      | \$1,135       | \$1,369      | \$2,193      | \$3,407      | \$3,755       |
| Plus:                                     |                    |              |               |              |              |              |               |              |              |              |               |
| Delivery costs                            | -                  | -            | -             | -            | -            | 911          | 1,613         | 1,809        | 1,626        | 1,851        | 1,502         |
| Adjusted contribution                     | -                  | -            | -             | -            | -            | \$2,027      | \$2,748       | \$3,178      | \$3,819      | \$5,258      | \$5,257       |
| <b>Consolidated</b>                       |                    |              |               |              |              |              |               |              |              |              |               |
| Revenue                                   | \$45,509           | \$28,222     | \$46,079      | \$67,082     | \$53,230     | \$58,853     | \$64,984      | \$90,049     | \$67,928     | \$75,405     | \$72,706      |
| Minus:                                    |                    |              |               |              |              |              |               |              |              |              |               |
| Partner Share and other third-party costs | 26,138             | 16,811       | 27,971        | 38,388       | 29,771       | 29,953       | 34,090        | 47,459       | 35,153       | 40,280       | 37,563        |
| Delivery costs                            | 3,406              | 3,499        | 3,498         | 3,907        | 3,938        | 5,748        | 6,390         | 6,427        | 6,533        | 8,162        | 9,125         |
| Gross Profit                              | \$15,965           | \$7,912      | \$14,610      | \$24,787     | \$19,521     | \$23,152     | \$24,504      | \$36,163     | \$26,242     | \$26,963     | \$26,018      |
| Plus:                                     |                    |              |               |              |              |              |               |              |              |              |               |
| Delivery costs                            | 3,406              | 3,499        | 3,498         | 3,907        | 3,938        | 5,748        | 6,390         | 6,427        | 6,533        | 8,162        | 9,125         |
| Deferred implementation costs             | 1,008              | 991          | 1,641         | 958          | 882          | 730          | 731           | 1,442        | -            | -            | -             |
| Adjusted contribution                     | \$20,379           | \$12,402     | \$19,749      | \$29,652     | \$24,341     | \$29,630     | \$31,625      | \$44,032     | \$32,775     | \$35,125     | \$35,143      |



## 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, 2020       | Jun 30, 2020    | Sept 30, 2020   | Dec 31, 2020    | Mar 31, 2021    | Jun 30, 2021    | Sept 30, 2021   | Dec 31, 2021    | Mar 31, 2022    | Jun 30, 2022    | Sept 30, 2022   |
| <b>Cardlytics Platform</b>                         |                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Partner Share and other third-party costs          | \$26,138           | \$16,811        | \$27,971        | \$38,388        | \$29,771        | \$29,890        | \$33,929        | \$47,274        | \$35,027        | \$39,403        | \$37,399        |
| Minus:   |                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Deferred implementation costs                      | 1,008              | 991             | 1,641           | 958             | 882             | 730             | 731             | 1,442           | -               | -               | -               |
| Adjusted Partner Share and other third-party costs | <u>\$25,130</u>    | <u>\$15,820</u> | <u>\$26,330</u> | <u>\$37,430</u> | <u>\$28,889</u> | <u>\$29,160</u> | <u>\$33,198</u> | <u>\$45,832</u> | <u>\$35,027</u> | <u>\$39,403</u> | <u>\$37,399</u> |
| <b>Bridg Platform</b>                              |                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Partner Share and other third-party costs          | -                  | -               | -               | -               | -               | \$63            | \$161           | \$185           | \$126           | \$877           | \$164           |
| Minus:   |                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Deferred implementation costs                      | -                  | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               |
| Adjusted Partner Share and other third-party costs | <u>-</u>           | <u>-</u>        | <u>-</u>        | <u>-</u>        | <u>-</u>        | <u>\$63</u>     | <u>\$161</u>    | <u>\$185</u>    | <u>\$126</u>    | <u>\$877</u>    | <u>\$164</u>    |
| <b>Consolidated</b>                                |                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Partner Share and other third-party costs          | \$26,138           | \$16,811        | \$27,971        | \$38,388        | \$29,771        | \$29,953        | \$34,090        | \$47,459        | \$35,153        | \$40,280        | \$37,563        |
| Minus:   |                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Deferred implementation costs                      | 1,008              | 991             | 1,641           | 958             | 882             | 730             | 731             | 1,442           | -               | -               | -               |
| Adjusted Partner Share and other third-party costs | <u>\$25,130</u>    | <u>\$15,820</u> | <u>\$26,330</u> | <u>\$37,430</u> | <u>\$28,889</u> | <u>\$29,223</u> | <u>\$33,359</u> | <u>\$46,017</u> | <u>\$35,153</u> | <u>\$40,280</u> | <u>\$37,563</u> |



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

(Amounts in thousands)

|  | Three Months Ended |                 |                  |                 |                 |                 |                  |                 |                 |                 |                  |
|--|--------------------|-----------------|------------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|------------------|
|  | Mar 31,<br>2020    | Jun 30,<br>2020 | Sept 30,<br>2020 | Dec 31,<br>2020 | Mar 31,<br>2021 | Jun 30,<br>2021 | Sept 30,<br>2021 | Dec 31,<br>2021 | Mar 31,<br>2022 | Jun 30,<br>2022 | Sept 30,<br>2022 |
| Net (loss) income                                | (\$13,531)         | (\$19,758)      | (\$15,356)       | (\$6,777)       | (\$24,895)      | (\$47,306)      | (\$44,529)       | (\$11,834)      | \$33,038        | (\$126,290)     | \$6,267          |
| Plus:  |                    |                 |                  |                 |                 |                 |                  |                 |                 |                 |                  |
| Income tax benefit                               | -                  | -               | -                | -               | -               | -               | -                | (7,864)         | -               | (1,446)         | -                |
| Interest expense (income), net                   | (284)              | 10              | 283              | 3,039           | 3,045           | 3,078           | 3,193            | 3,247           | 947             | 879             | 580              |
| Depreciation and amortization expense            | 2,331              | 1,545           | 1,933            | 2,017           | 3,065           | 8,833           | 8,375            | 9,598           | 9,871           | 10,356          | 10,468           |
| Stock-based compensation expense                 | 4,126              | 9,108           | 11,578           | 7,584           | 7,248           | 13,337          | 16,830           | 12,849          | 13,585          | 12,842          | 5,767            |
| Foreign currency (gain) loss                     | 1,886              | 8               | (1,066)          | (2,377)         | (319)           | -               | 1,543            | 43              | 1,671           | 4,538           | 4,673            |
| Deferred implementation costs                    | 1,008              | 991             | 1,641            | 958             | 882             | 730             | 731              | 1,442           | -               | -               | -                |
| Acquisition and integration costs (benefit)      | -                  | -               | -                | -               | 7,030           | 14,182          | 1,714            | 1,446           | (4,599)         | 2,197           | (1,867)          |
| Change in fair value of contingent consideration | -                  | -               | -                | -               | -               | 1,480           | 6,261            | (6,367)         | (65,050)        | (2,968)         | (46,126)         |
| Goodwill impairment                              | -                  | -               | -                | -               | -               | -               | -                | -               | -               | 83,149          | -                |
| Restructuring and reduction of force             | 482                | 403             | 391              | 47              | -               | -               | 713              | -               | -               | 958             | 7530             |
| Adjusted EBITDA                                  | (\$3,982)          | (\$7,693)       | (\$987)          | \$4,444         | (\$3,944)       | (\$5,666)       | (\$5,169)        | \$2,560         | (\$10,537)      | (\$15,785)      | (\$12,708)       |



# Reconciliation of adjusted contribution to adjusted EBITDA

(Amounts in thousands)

|                                      | Three Months Ended |              |               |              |              |              |               |              |              |              |               |
|--------------------------------------|--------------------|--------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
|                                      | Mar 31, 2020       | Jun 30, 2020 | Sept 30, 2020 | Dec 31, 2020 | Mar 31, 2021 | Jun 30, 2021 | Sept 30, 2021 | Dec 31, 2021 | Mar 31, 2022 | Jun 30, 2022 | Sept 30, 2022 |
| <b>Cardlytics Platform</b>           |                    |              |               |              |              |              |               |              |              |              |               |
| Adjusted Contribution                | \$20,379           | \$12,402     | \$19,749      | \$19,749     | \$24,341     | \$27,603     | \$28,877      | \$40,854     | \$28,956     | \$29,867     | \$29,886      |
| Minus:                               |                    |              |               |              |              |              |               |              |              |              |               |
| Delivery costs                       | 3,406              | 3,499        | 3,498         | 3,498        | 3,938        | 4,837        | 4,777         | 4,618        | 4,907        | 6,311        | 7,623         |
| Sales and marketing expense          | 10,968             | 10,405       | 11,431        | 11,431       | 13,202       | 16,665       | 15,469        | 17,435       | 15,908       | 20,908       | 16,529        |
| Research and development expense     | 3,851              | 3,966        | 4,627         | 4,627        | 6,218        | 8,481        | 10,163        | 10,531       | 10,960       | 11,936       | 11,682        |
| General and administration expense   | 10,744             | 11,734       | 12,757        | 12,757       | 12,175       | 16,454       | 19,039        | 15,708       | 19,209       | 21,232       | 19,558        |
| Stock-based compensation expense     | (4,126)            | (9,108)      | (11,578)      | (11,578)     | (7,248)      | (13,179)     | (15,627)      | (11,169)     | (11,935)     | (13,944)     | (5,302)       |
| Restructuring and reduction of force | (482)              | (403)        | (391)         | (391)        | -            | -            | (713)         | -            | -            | (958)        | (7,530)       |
| Adjusted EBITDA                      | (\$3,982)          | (\$7,691)    | (\$595)       | (\$595)      | (\$3,944)    | (\$5,656)    | (\$4,231)     | \$3,730      | (\$10,093)   | (\$15,618)   | (\$12,674)    |
| <b>Bridg Platform</b>                |                    |              |               |              |              |              |               |              |              |              |               |
| Adjusted Contribution                | -                  | -            | -             | -            | -            | \$2,027      | \$2,748       | \$3,178      | \$3,819      | \$5,258      | \$5,257       |
| Minus:                               |                    |              |               |              |              |              |               |              |              |              |               |
| Delivery costs                       | -                  | -            | -             | -            | -            | 911          | 1,613         | 1,809        | 1,626        | 1,851        | 1,502         |
| Sales and marketing expense          | -                  | -            | -             | -            | -            | 398          | 1,264         | 1,564        | 1,740        | 1,075        | 1,760         |
| Research and development expense     | -                  | -            | -             | -            | -            | 453          | 978           | 1,280        | 1,331        | 1,645        | 2,080         |
| General and administration expense   | -                  | -            | -             | -            | -            | 434          | 1,034         | 1,376        | 1,216        | (248)        | 414           |
| Stock-based compensation expense     | -                  | -            | -             | -            | -            | (158)        | (1,203)       | (1,681)      | (1,650)      | 1,102        | (465)         |
| Restructuring and reduction of force | -                  | -            | -             | -            | -            | -            | -             | -            | -            | -            | -             |
| Adjusted EBITDA                      | -                  | -            | -             | -            | -            | (\$11)       | (\$938)       | (\$1,170)    | (\$444)      | (\$167)      | (\$34)        |
| <b>Consolidated</b>                  |                    |              |               |              |              |              |               |              |              |              |               |
| Adjusted Contribution                | \$20,379           | \$12,402     | \$19,749      | \$19,749     | \$24,341     | \$29,630     | \$31,625      | \$44,032     | \$32,775     | \$35,125     | \$35,143      |
| Minus:                               |                    |              |               |              |              |              |               |              |              |              |               |
| Delivery costs                       | 3,406              | 3,499        | 3,498         | 3,498        | 3,938        | 5,748        | 6,390         | 6,427        | 6,533        | 8,162        | 9,125         |
| Sales and marketing expense          | 10,968             | 10,405       | 11,431        | 11,431       | 13,202       | 17,063       | 16,733        | 18,998       | 17,648       | 21,983       | 18,289        |
| Research and development expense     | 3,851              | 3,966        | 4,627         | 4,627        | 6,218        | 8,934        | 11,141        | 11,811       | 12,291       | 13,581       | 13,762        |
| General and administration expense   | 10,744             | 11,734       | 12,757        | 12,757       | 12,175       | 16,888       | 20,073        | 17,085       | 20,425       | 20,984       | 19,972        |
| Stock-based compensation expense     | (4,126)            | (9,108)      | (11,578)      | (11,578)     | (7,248)      | (13,337)     | (16,830)      | (12,849)     | (13,585)     | (12,842)     | (5,767)       |
| Restructuring and reduction of force | (482)              | (403)        | (391)         | (391)        | -            | -            | (713)         | -            | -            | (958)        | (7,530)       |
| Adjusted EBITDA                      | (\$3,982)          | (\$7,691)    | (\$595)       | (\$595)      | (\$3,944)    | (\$5,666)    | (\$5,169)     | \$2,560      | (\$10,537)   | (\$15,785)   | (\$12,708)    |



## Reconciliation of GAAP net income (loss) to non-GAAP net loss and non-GAAP net loss per share

(Amounts in thousands, except per share amounts)

|  | Three Months Ended<br>September 30, |            | Nine Months Ended<br>September 30, |             |
|--|-------------------------------------|------------|------------------------------------|-------------|
|  | 2022                                | 2021       | 2022                               | 2021        |
| Net income (loss)  | \$6,267                             | (\$44,529) | (\$86,985)                         | (\$116,730) |
| Plus:  |                                     |            |                                    |             |
| Stock-based compensation expense   | 5,767                               | 16,830     | 32,194                             | 37,415      |
| Foreign currency loss (gain)   | 4,673                               | 1,543      | 10,882                             | 1,224       |
| Acquisition and integration (benefit) costs  | (1,867)                             | 1,714      | (4,269)                            | 22,926      |
| Amortization of acquired intangibles   | 7,207                               | 6,497      | 21,560                             | 13,009      |
| Change in fair value of contingent consideration   | (46,126)                            | 6,261      | (114,144)                          | 7,741       |
| Goodwill impairment  | -                                   | -          | 83,149                             | -           |
| Restructuring and reduction of force   | 7,530                               | 713        | 8,488                              | 713         |
| Income tax benefit   | -                                   | -          | (1,446)                            | -           |
| Non-GAAP net loss  | (\$16,549)                          | (\$10,971) | (\$50,571)                         | (\$33,702)  |
| Weighted-average number of shares of common stock used in computing non-GAAP net loss per share: |                                     |            |                                    |             |
| Weighted-average common shares outstanding, diluted  | 33,269                              | 33,101     | 33,455                             | 31,802      |
| Non-GAAP net loss per share attributable to common stockholders, diluted                         | (\$0.50)                            | (\$0.33)   | (\$1.51)                           | (\$1.06)    |



# Reconciliation of forecasted GAAP revenue to billings

*(Amounts in millions)*

|                     | Q4 2022 Guidance  |
|---------------------|-------------------|
| Revenue             | \$80.0 - \$90.0   |
| Plus:               |                   |
| Consumer Incentives | \$40.0 - \$42.0   |
| Billings            | \$120.0 - \$132.0 |





# 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 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 (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 costs (benefit); and change in fair value of contingent considerations.

**Bridg 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.

**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 (gain) loss; acquisition and integration (benefit) costs; amortization of acquired intangibles; change in fair value of contingent considerations; and restructuring and reduction of force. 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 Accounts | 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   |
| 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  |
| Exclusions      | Antique/Pawn, Charitable and Social Service Organizations, Courier/Freight/Storage, Gambling, Government, Lifestyle/ Social, Medical Services, Other Educational, Schools   |
| 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   |



