

09 November 2023

ASX RELEASE

Company Announcements Platform

Third-Quarter 2023 Results

Sezzle Inc. (NASDAQ:SEZL, ASX:SZL) (**Sezzle** or **Company**) // Purpose-driven digital payment platform, Sezzle, is pleased to provide the market with an update on key financial metrics for the quarter ended 30 September 2023.¹

"We are delighted to report another quarter of strong results, marking 3Q23 as our fifth consecutive quarter of delivering profitability," stated Charlie Youakim, Sezzle Chairman and CEO. "Despite the higher interest rate environment, consumer demand for our product suite continues to stay strong. Our confidence heading into the holiday season is supported by the robustness of our unit economics and the new monthly high reached in UMS for October."

Third-Quarter 2023 Highlights

- Total Income for 3Q23 rose 34.3% YoY to US\$40.8 million (A\$63.5 million²). Total Income as a percentage of UMS increased 148 bps YoY to 8.7%.
- Sezzle recorded GAAP Net Income of US\$1.3 million in 3Q23, representing the Company's fifth consecutive quarter of delivering Net Income. The Net Income of US\$4.3 million in 3Q22 includes a US\$11.0 million reimbursement for merger-related costs. Excluding the reimbursement, Net Income increased by US\$8.0 million in 3Q23 compared to 3Q22.
- The Company posted Adjusted EBTDA and Adjusted EBITDA (non-GAAP financial measures) of US\$3.4 million and US\$7.6 million, respectively, for the quarter ended 30 September 2023.

¹ Results are unaudited preliminary financial results.

² A\$ to US\$ exchange rate of \$0.6428 as of 30 September 2023.



- As of 30 September 2023, Sezzle had US\$66.8 million of cash on hand (US\$1.7 million restricted) and US\$75.9 million drawn on its US\$100 million credit facility.
- Total Stockholders' Equity for 3Q23 stood at US\$18.0 million, an increase of 213.7% YoY and 10.4% QoQ.
- For the month of October, UMS grew 20.0% YoY to US\$176.5 million, representing a new monthly high
 in UMS for 2022 and 2023.
- The Company anticipates it will no longer provide monthly business updates.

3Q23 GAAP Operating Results

	For the three months ended				
(\$US in thousands)	3Q23	3Q22	YoY Difference		
Total Income	\$40,844	\$30,408	34.3%		
Operating Expenses	\$35,495	\$23,909	48.5%		
Operating Expenses as % of Total Income	86.9%	78.6%	8.3 ppt		
Operating Income	\$5,350	\$6,500	(17.7%)		
Operating Income as % of Total Income	13.1%	21.4%	(8.3 ppt)		
Operating Income as % of UMS	1.1%	1.5%	(0.4 ppt)		
Net Income	\$1,294	\$4,344	70.2%		
Net Income as % of Total Income	3.2%	14.3%	(11.1 ppt)		

3Q23 Non-GAAP Results¹

	For the three months ended				
(\$US in thousands)	3Q23	3Q22	YoY Difference		
Non-Transaction Related Operating Expenses	\$18,880	\$19,909	(5.2%)		
Non-Transaction Related Operating Expenses as % of Total Income	46.2%	65.5%	(19.2 ppt)		
Total Income Less Transaction Related Costs	\$20,087	\$13,533	48.4%		
Total Income Less Transaction Related Costs as % of Total Income	49.2%	44.5%	4.7 ppt		
Total Income Less Transaction Related Costs as % of UMS	4.3%	3.2%	1.1 ppt		
Adjusted EBITDA	\$7,551	(\$1,258)	700.3%		
Adjusted EBITDA Margin	18.5%	(4.1%)	22.6 ppt		

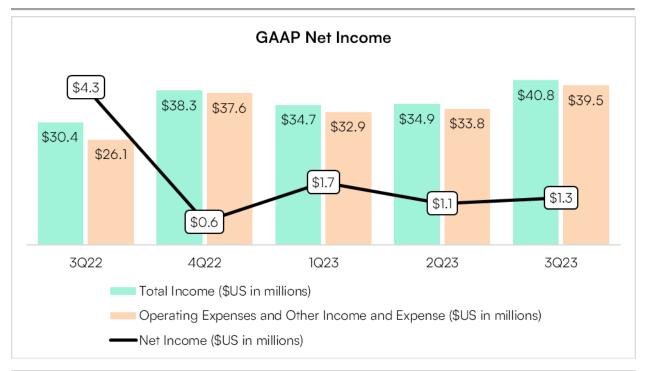
Quarterly Conference Call and Presentation

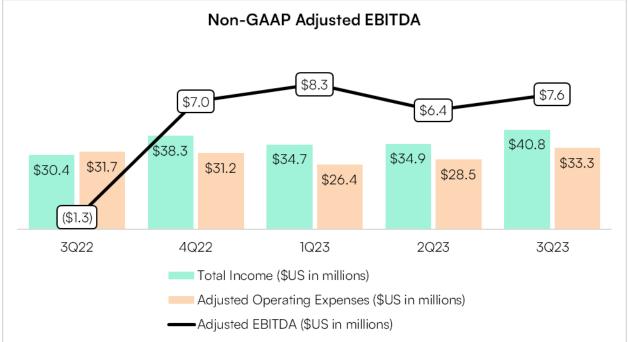
The Company will host its third quarter earnings conference call on 9 November 2023, at 9:30 AEST / 10:30 AEDT (6:30PM US EST November 8, 2023).

To register for the call, please navigate to: https://sl.c-conf.com/diamondpass/10034660-e8mdlq.html Upon registration, participants will receive the dial in number. In conjunction with the earnings call, the Company will release its presentation on the ASX before the call. Please navigate to the ASX website for the presentation that management will review on the call.

¹ For the reconciliations of GAAP measures to non-GAAP measures, see Appendix.









Appendix - Reconciliation of GAAP to Non-GAAP Measures

Reconciliation of Net Income to Adjusted EBTDA and Adjusted EBITDA

For the three months ended (in \$US thousands) September 30, 2023 June 30, 2023 March 31, 2023 December 31, 2022 September 30, 2022 Net income 1,294 1,140 1,725 634 \$ 4,344 Depreciation and amortization 218 206 201 198 207 Income tax expense 16 21 12 21 11 Equity and incentive-based compensation 1.984 2,437 2.645 2,103 2,619 Other income and expense, net (15) (1,079)(113) 200 (48)Merger-related costs 101 Reimbursement of merger-related costs (11,000) Write-off of unamortized debt issuance costs Loss on extinguishment of line of credit 814 Fair value adjustment on warrants (50)Adjusted EBTDA (3,450) \$ 3,408 2,473 \$ 4,889 3,919 Net interest expense 4.143 3,933 3,377 3.124 2.192 Adjusted EBITDA 7,043 (1,258)7,551 6,406 8,265

Reconciliation of Operating Expenses to Adjusted Operating Expenses

	For the three months ended											
(in \$US thousands)	Septem	ber 30, 2023		June 30, 2023	1	March 31, 2023	December 31, 2022	Sep	otember 30, 2022			
Operating expenses	\$	35,495	\$	31,174	\$	29,254	\$ 33,534	\$	23,909			
Depreciation and amortization		(218)		(206)		(201)	(198)		(207)			
Equity and incentive-based compensation		(1,984)		(2,437)		(2,645)	(2,103)		(2,619)			
Merger-related expenses		-		-		-	-		(101)			
Reimbursement of merger-related costs		-		-		-	-		11,000			
Write-off of unamortized debt issuance costs		-		-		-	-		(316)			
Adjusted operating expenses	\$	33,293	\$	28,531	\$	26,408	\$ 31,233	\$	31,666			

Reconciliation of Operating Income to Total Income Less Transaction Related Costs

	For the three months ended							
(in \$US thousands)	September	30, 2023	,	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	
Operating income	\$	5,349	\$	3,763	\$ 5,420	0 \$ 4,742	9 \$ 6,500	
Personnel		11,079		12,017	11,57	4 10,929	11,587	
Third-party technology and data		2,003		1,904	1,74	9 1,907	2,177	
Marketing, advertising, and tradeshows		3,615		3,314	3,19	9 3,569	3,857	
General and administrative		2,184		1,698	2,79	9 2,180	2,288	
Reimbursement of merger-related costs		-		-			(11,000)	
Net interest expense		(4,143)		(3,933)	(3,37	7) (3,124	.) (2,192)	
Write-off of unamortized debt issuance costs		-		-			316	
Total income less transaction related costs	\$	20,087	\$	18,762	\$ 21,36	4 \$ 20,204	\$ 13,533	

Reconciliation of Operating Expenses to Non-Transaction Related Operating Expenses

	For the three months ended									
(in \$US thousands)	Septer	mber 30, 2023	,	June 30, 2023		March 31, 2023	December 31, 2022	Sept	ember 30, 2022	
Operating expenses	\$	35,495	\$	31,174	\$	29,254	\$ 33,534	\$	23,909	
Transaction expense		(9,937)		(7,946)		(8,239)	(9,547)		(9,320)	
Provision for credit losses		(6,677)		(4,296)		(1,694)	(5,401)		(5,680)	
Reimbursement of merger-related costs		-		-		-	-		11,000	
Non-transaction related operating expenses	\$	18,880	\$	18,932	\$	19,321	\$ 18,586	\$	19,909	

Investors should be aware that generally accepted accounting principles prescribe when a company may reserve for particular risks, including litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when we establish reserves for one or more contingencies. Also, our



regular reserve reviews may result in adjustments of varying magnitude as additional information regarding claims activity becomes known. Reported results, therefore, may be volatile in certain accounting periods. This 3Q23 business update has been approved by the Company's Executive Chairman and CEO, Charlie Youakim, on behalf of the Sezzle Inc. Board.

Contact Information

Lee Brading, CFA

Investor Relations +1 651 240 6001 InvestorRelations@sezzle.com **Justin Clyne**

Company Secretary +61 407 123 143 jclyne@clynecorporate.com.au **Erin Foran**

Media Enquiries +1 651 403 2184 erin.foran@sezzle.com

About Sezzle Inc.

Sezzle is a fintech company on a mission to financially empower the next generation. Sezzle's payment platform increases the purchasing power for millions of consumers by offering interest-free installment plans at online stores and select in-store locations. Sezzle's transparent, inclusive, and seamless payment option allows consumers to take control over their spending, be more responsible, and gain access to financial freedom.

For more information visit sezzle.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting the financial condition of our business. Forward-looking statements include our expectations, whether stated or implied, regarding our financing plans and other future events.

Forward-looking statements generally can be identified by the use of words such as "anticipate," "expect," "plan," "could," "may," "will," "believe," "estimate," "forecast," "goal," "project," and other words of similar meaning. These forward-looking statements address various matters including statements regarding the timing or nature of future operating or financial performance or other events. Each forward-looking statement contained in this press release is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statement. Applicable risks and uncertainties include, among others: impact of the "buy-now, pay-later" ("BNPL") industry becoming subject to increased regulatory scrutiny; impact of operating in a highly competitive industry; a change in our intention to become



listed on the Nasdag Capital Market; impact of a reverse stock split on the value of our common stock; impact of macro-economic conditions on consumer spending; our ability to increase our merchant network, our base of consumers and underlying merchant sales (UMS); our ability to effectively manage growth, sustain our growth rate and maintain our market share; our ability to meet additional capital requirements; impact of exposure to consumer bad debts and insolvency of merchants; impact of the integration, support and prominent presentation of our platform by our merchants; impact of any data security breaches, cyberattacks, employee or other internal misconduct, malware, phishing or ransomware, physical security breaches, natural disasters, or similar disruptions; impact of key vendors or merchants failing to comply with legal or regulatory requirements or to provide various services that are important to our operations; impact of the loss of key partners and merchant relationships; impact of exchange rate fluctuations in the international markets in which we operate; our ability to protect our intellectual property rights; our ability to retain employees and recruit additional employees: impact of the costs of complying with various laws and regulations applicable to the BNPL industry in the United States and Canada; and our ability to achieve our public benefit purpose and maintain our B Corporation certification. The Company cautions investors not to place considerable reliance on the forward-looking statements contained in this press release. You are encouraged to read the Company's filings with the SEC, available at www.sec.gov, for a discussion of these and other risks and uncertainties. The forward-looking statements in this press release speak only as of the date of this document, and the Company undertakes no obligation to update or revise any of these statements. The Company's business is subject to substantial risks and uncertainties, including those referenced above. Investors, potential investors, and others should give careful consideration to these risks and uncertainties.

Non-GAAP Financial Measures

To supplement our operating results prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), we present the following non-GAAP financial measures: Total income less transaction related costs; non-transaction related operating expenses; adjusted earnings before taxes, depreciation, and amortization ("Adjusted EBTDA"); adjusted operating expenses; adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA"); and Adjusted EBITDA margin. Definitions of these non-GAAP financial measures and summaries of the reasons why management believes that the presentation of these non-GAAP financial measures provide useful information to the company and investors are as follows:

Total income less transaction related costs is defined as GAAP total income less transaction related costs. Transaction related costs is the sum of GAAP transaction expense, provision for credit losses, and net interest expense less non-recurring charges as detailed in the reconciliation table of GAAP operating income to non-GAAP total income less transaction related costs above. We believe that total income less transaction related costs is a useful financial measure to both management and investors for evaluating the economic value of orders processed on the Sezzle Platform;



- Non-transaction related operating expenses is defined as the sum of GAAP personnel; third-party technology and data; marketing, advertising, and tradeshows; and general and administrative operating expenses. We believe that non-transaction related operating expenses is a useful financial measure to both management and investors for evaluating our management of operating expenses not directly attributable to orders processed on the Sezzle Platform.
- Adjusted operating expenses is defined as operating expenses adjusted for certain non-cash and
 non-recurring charges including depreciation, amortization, equity and incentive—based
 compensation, and merger-related costs as detailed in the reconciliation table of GAAP operating
 expenses to non-GAAP adjusted operating expenses above. We believe that this financial measure
 is a useful measure for period-to-period comparison of our business by removing the effect of
 certain non-cash and non-recurring charges that may not directly correlate to the underlying
 performance of our business.
- Adjusted EBTDA is defined as GAAP net income, adjusted for certain non-cash and non-recurring
 charges including depreciation, amortization, equity and incentive—based compensation, and
 merger-related costs as detailed in the reconciliation table of GAAP net income to adjusted
 EBTDA. We believe that this financial measure is a useful measure for period-to-period
 comparison of our business by removing the effect of certain non-cash and non-recurring charges
 that may not directly correlate to the underlying performance of our business.
- Adjusted EBITDA is defined as GAAP net income, adjusted for certain non-cash and non-recurring
 charges including depreciation, amortization, equity and incentive—based compensation, and
 merger-related costs, as well as net interest expense as detailed in the reconciliation table of
 GAAP net income to adjusted EBITDA. We believe that this financial measure is a useful measure
 for period-to-period comparison of our business by removing the effect of certain non-cash and
 non-recurring charges, as well as funding costs, that may not directly correlate to the underlying
 performance of our business.
- Adjusted EBITDA margin is defined as Adjusted EBITDA divided by GAAP total income. We believe
 that this financial measure is a useful measure for period-to-period comparison of our business'
 unit economics by removing the effect of certain non-cash and non-recurring charges, as well as
 funding costs, that may not directly correlate to the underlying performance of our business.

Additionally, we have included these non-GAAP measures because they are key measures used by our management to evaluate our operating performance, guide future operating plans, and make strategic decisions, including those relating to operating expenses and the allocation of resources. Therefore, we believe these measures provide useful information to investors and other users of this press release to understand and evaluate our operating results in the same manner as our management and board of directors. However, non-GAAP financial measures have limitations, should be considered supplemental in nature, and are not meant as a substitute for the related financial information prepared in accordance with U.S. GAAP. These limitations include the following:



- Total income less transaction-related costs is not intended to be measures of operating profit or
 cash flow profitability as they exclude key operating expenses such as personnel, general and
 administrative, and third-party technology and data, which have been, and will continue to be for
 the foreseeable future, significant recurring GAAP expenses.
- Non-transaction related operating expenses exclude significant expenses, including transaction
 expense and provision for credit losses, which have been, and will continue to be for the
 foreseeable future, significant recurring GAAP expenses.
- Adjusted operating expenses, adjusted EBTDA, adjusted EBITDA, and adjusted EBITDA margin
 exclude certain recurring, non-cash charges such as depreciation, amortization, and equity and
 incentive—based compensation, which have been, and will continue to be for the foreseeable
 future, recurring GAAP expenses. Further, these non-GAAP financial measures exclude certain
 significant cash inflows and outflows, such as merger-related costs (which are comprised of legal
 fees in connection with our terminated proposed merger with Zip Co Limited) and reimbursements
 for such merger-related costs, which have a significant impact on our working capital and cash.
- Adjusted EBITDA excludes net interest expense, which has a significant impact on our GAAP net income, working capital, and cash.
- Long-lived assets being depreciated or amortized may need to be replaced in the future, and these non-GAAP financial measures do not reflect the capital expenditures needed for such replacements, or for any new capital expenditures or commitments.
- These non-GAAP financial measures do not reflect income taxes that may represent a reduction in cash available to us.
- Non-GAAP measures do not reflect changes in, or cash requirements for, our working capital needs.
- Other companies, including companies in our industry, may calculate the non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

Because of these limitations, you should not consider these non-GAAP financial measures in isolation or as substitutes for analysis of our financial results as reported under GAAP, and these non-GAAP financial measures should be considered alongside other financial performance measures, including net income and other financial results presented in accordance with GAAP. We encourage you to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.



Consolidated Balance Sheets

Consolidated Balance Streets	As of				
	Septe	ember 30, 2023	December 31, 2022		
	(unaudited)	(aı	ıdited)	
Assets					
Current Assets					
Cash and cash equivalents	\$	65,150,280	\$	68,279,539	
Restricted cash, current		1,580,418		1,223,119	
Notes receivable		111,146,024		103,581,855	
Allowance for credit losses		(8,597,942)		(10,223,451)	
Notes receivable, net		102,548,082		93,358,404	
Other receivables, net		2,055,649		2,532,710	
Prepaid expenses and other current assets		4,868,559		4,737,688	
Total current assets		176,202,988		170,131,460	
Non-Current Assets					
Internally developed intangible assets, net		1,791,784		1,322,836	
Property and equipment, net		166,264		281,605	
Operating right-of-use assets		1,028,165		86,715	
Restricted cash, non-current		82,000		20,000	
Other assets		632,158		733,922	
Total Assets	\$	179,903,359	\$	172,576,538	
Merchant accounts payable Operating lease liabilities, current Accrued liabilities Other payables Deferred revenue Total current liabilities Long Term Liabilities Long term debt Operating lease liabilities, non-current Line of credit, net of unamortized debt issuance costs of \$763,362 and \$1,222,525, respectively Warrant liabilities Other non-current liabilities	\$	68,182,563 52,117 7,832,651 5,300,675 2,070,231 83,438,237 250,000 998,316 75,136,638 590,563 1,515,550	\$	83,020,739 79,312 10,448,872 4,129,371 1,516,228 99,194,522 250,000 63,777,475 511,295	
Total Liabilities		161,929,304		163,733,292	
Commitments and Contingencies (see Note 7) Stockholders' Equity*					
Common stock, \$0.00001 par value; 750,000,000 shares authorized; 5,816,031 and 5,507,108 shares issued, respectively; 5,690,087 and 5,478,470 shares outstanding, respectively		2,085		2,083	
Additional paid-in capital		184,993,376		179,054,368	
Treasury stock, at cost: 125,944 and 28,638 shares, respectively		(5,718,668)		(4,072,752	
Accumulated other comprehensive loss		(843,560)		(643,974	
Accumulated other comprehensive loss Accumulated deficit		` ' '			
Total Stockholders' Equity		(160,459,178) 17,974,055		(165,496,479) 8,843,24 6	
LOTAL STOCKHOUGES FAULITY		17,974,055		0,843,240	



Consolidated Statements of Operations and Comprehensive Income (Loss) (unaudited)

	F	For the three months ended September 30,				For the nine months ended September 30,					
		2023		2022		2023		2022			
Total income	\$	40,844,201	\$	30,408,249	\$	110,455,297	\$	87,294,249			
Operating Expenses											
Personnel		11,079,174		11,586,551		34,670,235		40,288,070			
Transaction expense		9,936,804		9,319,823		26,121,338		31,229,450			
Third-party technology and data		2,002,515		2,177,376		5,655,321		6,282,651			
Marketing, advertising, and tradeshows		3,615,339		3,857,393		10,128,175		15,402,963			
General and administrative		2,184,076		2,287,595		6,679,915		14,231,719			
Provision for credit losses		6,676,548		5,679,953		12,667,346		24,036,357			
Reimbursement of merger-related costs		_		(11,000,000)		_		(11,000,000)			
Total operating expenses		35,494,456		23,908,691		95,922,330		120,471,210			
Operating Income (Loss)		5,349,745		6,499,558		14,532,967		(33,176,961)			
0.1 7 7											
Other Income (Expense)		(4.140.050		(2.101.005)		// 450 E51		(5.4 55 .4.54)			
Net interest expense		(4,143,258)	(2,191,995)		(11,453,751)	(5,477,164)			
Other income (expense), net		14,560		47,688		1,206,800		(25,315)			
Fair value adjustment on warrants		89,227		4.255.251		(79,268)	(20, 670, 440)			
Income (Loss) before taxes		1,310,274		4,355,251		4,206,748		(38,679,440)			
Income tax expense		15,874		10,827		48,024		48,626			
Net Income (Loss)		1,294,400		4,344,424		4,158,724		(38,728,066)			
Other Comprehensive Income (Loss)											
Foreign currency translation adjustment		(358,465)	(1,354,622)		(199,586)	(1,614,763)			
Total Comprehensive Income (Loss)	\$	935,935	\$	2,989,802	\$	3,959,138	\$	(40,342,829)			
Total Comprehensive Income (Loss)	<u> </u>	933,933	<u> </u>	2,767,002	φ	3,737,136		(40,342,629)			
Net income (loss) per share*:											
Basic	\$	0.23	\$	0.80	\$	0.75	\$	(7.13)			
Diluted	\$	0.23	\$	0.73	\$	0.74	\$	(7.13)			
Weighted-average shares outstanding*:											
Basic		5,667,430		5,464,484		5,576,233		5,433,775			
Diluted		5,729,665		5,977,786		5,651,221		5,433,775			



Consolidated Statements of Cash Flows (unaudited)

Poperating Activities	Consolidated Clarenterns of Castri lows (and addied)	For the nine months ended S	ended September 30,		
Net income (loss)	-	2023	2022		
Adjustments to reconcile net income (loss) to net cash (used for) provided from operating activities:	Operating Activities:				
Depreciation and amortization 624,608 649,346 Provision for credit losses 1,266,7346 2,4036,258 Provision for other credit losses 2,047,268 6,333,00 Eguity based compensation and restricted stock vested 5,912,015 8,204,80 Amortization of debt vissuance costs 344,68 20,72 Fair value adjustment on warmans 19,208 1,604 Impairment losses on long-lived assets 42,248 26,10 Loss on sale of fixed assets 1,764 1,765 Other receivables (29,191) 30,75 Ofter receivables (29,191) 30,75 Ofter receivables (1,590,05) 1,71,75 Ofter receivables (2,191) 30,75 Ofter receivables (2,191) 30,75 Ofter receivables (1,590,05) 1,71,715 Ofter receivables (2,191) 30,75 Ofter payables (1,162,48) 30,75 Ofter payables (1,104,20) 7,71,12 Interest of powerly and equipment (5,533) (1,24)	Net income (loss) \$	4,158,724 \$	(38,728,066		
Provision for credit losses 12,667,346 20,036 s 8,033,03 Potal Solar Provision for other credit losses 8,301,00 8,301,00 8,301,00 Regulty based compensation and restricted stock vested 5,912,015 8,201,00	Adjustments to reconcile net income (loss) to net cash (used for) provided from operating activities:				
Provision for other credit losses 2,007,268 8,333,03 Equity based compensation and restricted stock vested 5,912,015 8,204,80 Amortization of debt issuance costs 334,638 821,77 Fair value adjustment on warrants 79,268 20,11 Impairment losses on long-lived assets 17,644 20,11 Loss on sule of fixed assets 17,644 17,645 Changes in operating assets and liabilities (20,951,72) 17,155,166 Other receivables (31,91) (30,3 Merchant accounts payable (116,6248) 2,301,29 Other payables (116,6248) 331,06 Accrued labilities (10,671,60) 7,570,42 Operating leases 32,667 12,10 Operating leases (30,73) 7,501,40 Net Cash Used for Provided from Operating Activities (35,533) (12,4 Interesting Activities (35,533) (22,4 Purchase of property and equipment (35,533) (22,4 Net Cash Used for Investing Activities 28,900,00 9,000,00 Payments of beit i	Depreciation and amortization	624,608	649,343		
Equity based compensation and restricted stock vested 5912,015 \$2,04,88 Amortization of debt issuance costs 534,638 821,77 Fair value adjustment on warrants 42,248 26,10 Impairment losses on long-lived assets 42,248 26,10 Chases on sole of fixed assets 17,644 27,115,16 Chases in operating assets and liabilities: (20,945,172) 17,155,16 Other receivables (20,945,172) 17,155,16 Other receivables (23,191) (307,3 Peptadid expense and other assets (23,191) (307,3 Merchant accounts payable (1,166,248 23,10,29 Accrued liabilities (1,101,429) 1,750,46 Deferred revenue 554,05 70,11,20 Operating leases 29,667 12,10 Net Cash Used for Provided from Operating Activities (35,533) (12,4 Internally developed intangible asset additions (984,176) 70,74 Net Cash Used for Investing Activities (35,533) (12,4 Internally developed intangible asset additions (984,176) 70,86,5	Provision for credit losses	12,667,346	24,036,357		
Amortization of debt issuance costs 534,638 821,77 Fair value adjustmen on warrants 79,268	Provision for other credit losses	2,067,268	6,833,033		
Fair value adjustment on warrants 79,268 Impairment loses on long-lived assets 42,248 20,10 Loss on sale of fixed assets 17,644 20,10 Changes in operating assets and liabilities: 17,654 17,551,66 Other receivable (0,945,172) 17,155,166 Other receivables (23,191) (30,73 Perpend dexpenses and other assets (23,191) (30,73 Merchant accounts payable (14,869,007) (12,17,7 Other payables (1,101,420) 1,750,46 Deferred revenue 55,405 53,106 Operating leases 29,667 12,10 Operating leases 29,667 12,10 Net Cash Used for Provided from Operating Activities (35,353) (32,4 Internally developed intangible asset additions (984,176) 77,41 Net Cash Used for Investing Activities (1,037,09) 786,3 Financing Activities (1,037,09) 786,3 Payments of devisuance cost (75,475) 6,03 Payments to fine of credit (28,000,00) 9,973	Equity based compensation and restricted stock vested	5,912,015	8,204,894		
Impairment losses on long-lived assets 12,641 17,6	Amortization of debt issuance costs	534,638	821,770		
Chose on sale of fixed assets Chose Chos	Fair value adjustment on warrants	79,268	_		
Changes in operating assets and liabilities: Notes receivable	Impairment losses on long-lived assets	42,248	26,109		
Notes receivable (20,945,172) (31,516,164) Other receivables (15,90,055) (4,03,14) Perpeid expenses and other assets (23,14) (307,354) Merchant accounts payable (14,869,007) (21,713,144) Other payables 1,166,248 23,612,924 Accrued liabilities (10,11,420) 15,046,624 Operating leases 29,607 12,116 Operating leases (10,675,165) 70,711,22 Investing Activities (10,675,165) 70,711,22 Purchase of property and equipment (53,533) (12,46,165) Net Cash Used for Investing Activities (30,37,709) 706,63 Net Cash Used for Investing Activities (30,37,709) 70,60,63 Porceads from line of credit (28,900,000) 5,000,00 Payments of line of credit (18,000,000) (29,716,60) Payments of debt issuance costs (75,475) (30,33) Proceeds from line of credit (28,900,000) (29,716,60) Porceeds from stock option exercises (28,900,000) (29,716,60) Stock sub	Loss on sale of fixed assets	17,644	_		
Other receivables (1,59,055) (4,03,1) Prepaid expenses and other assets (23,11) (307,5) Merchant accounts payable (1,66,248) (23,11) Other payables (1,101,420) (1,704,64) Accrued liabilities (1,101,420) (1,704,64) Operating leases 29,67 (21,101,702) Operating leases 29,67 (21,101,702) Net Sets (Used for) Provided from Operating Activities (30,533) (12,44) Purchase of property and equipment (53,533) (7,44) Internally developed intangible asset additions (98,176) (79,41) Vet Cash Used for Investing Activities (1,807,000) (29,79) Proceeds from line of credit (80,000) (29,79) Payments of ine of credit (80,000) (29,79) Payments of credit (80,000) (29,79) Payments of credit (80,000) (29,79) Payments of credit (80,000) (29,79) Stock subscriptions collected related to stock option exercises 26,96 (9,73 Stock subscriptions collect	Changes in operating assets and liabilities:				
Prepaid expenses and other assets (23.191) (30.75 Morchant accounts payable (14.869,007) (12.171.75 Mother payables (14.869,007) (12.171.75 Mother payables (1,160,248) 23.61,29 Mother payables (1,101,420) 1,750.46 Mother payables (1,101,420) 1,750.46 Mother payables (1,101,420) 1,750.46 Mother payables 554.005 53.108 Mother payables 53.00 Mother payables 53.00 Mother payables 53.00 Mother payables 53.00 Mother payables 12,00 Mother payables	Notes receivable	(20,945,172)	17,155,162		
Merchant accounts payable (14,869,007) (12,171,77 Other payables 1,166,248 2,361,29 Accrued liabilities (1,101,420) 1,750,46 Deferred revenue 554,005 531,005 Operating leases 29,667 12,10 Net Cash (Used for) Provided from Operating Activities (10,675,166) 7,071,12 Investing Activities Purchase of property and equipment (53,533) (12,4 Internally developed intangible asset additions (884,176) 7,744 Net Cash Used for Investing Activities (884,176) 5,000,00 Financing Activities (89,000) 5,000,00 Payments to line of credit 28,900,00 5,000,00 Payments of debt issuance costs (75,475) 6,00 Payments of debt issuance costs (75,475) 6,00 Payments of common stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises 26,996 99,73 Repurchase of common stock (1,645,917) (34,92) Repurchase of common stock	Other receivables	(1,590,055)	(4,103,107		
Other payables 1,166,248 2,361,299 Accrued liabilities (1,101,420) 1,750,466 Deferred revenue 54,005 51,005 Operating leases (10,675,166) 7,071,12 Net Cash (Used for) Provided from Operating Activities (10,675,166) 7,071,12 Investing Activities: (53,533) (12,4 Purchase of property and equipment (53,533) (74,4 Net Cash Used for Investing Activities (84,176) 7074,12 Proceeds from line of credit 28,900,000 5,000,00 Payments to line of credit (18,000,000) 29,791,60 Payments of debt issuance costs (75,475) (60,80 Proceeds from stock option exercises 7 32,43 Repurchase of common stock (1,645,917) (349,2 Net Cash Provided From (Used for) Financing Activities 9,205,604 (2,477,2 Effect of exchange rate changes on cash (2,507,271) (18,492,5 Act Cash Provided From (Used for) Financing Activities 9,205,604 (2,477,5 Effect of exchange rate changes on cash (2,507,271) (1	Prepaid expenses and other assets	(23,191)	(307,559		
Accrued liabilities (1,101,420) 1,750,466 Deferred revenue 554,005 531,005 Operating leases 2,96,67 12,105 Net Cash (Used for) Provided from Operating Activities	Merchant accounts payable	(14,869,007)	(12,171,770		
Deferred revenue 554,005 531,005 Operating leases 29,667 12,10 Net Cash (Used for) Provided from Operating Activities (10,675,166) 7,071,12 Investing Activities: Purchase of property and equipment (53,533) (12,4 Internally developed intangible asset additions (984,176) (774,10 Net Cash Used for Investing Activities Timencing Activities Financing Activities: Proceeds from line of credit 28,900,000 5,000,00 Payments to line of credit (18,000,000) 29,791,6 Payments of bebt issuance costs (75,475) (60,8 Proceeds from line of credit (18,000,000) 29,791,6 Payments of bebt issuance costs (75,475) (60,8 Proceeds from stock option exercises 26,996 99,727 Stock subscriptions collected related to stock option exercises 26,996 99,727 Stock subscriptions collected related to stock option exercises 2,095,604 24,777,50 Effect of exchange rate changes on cash (202,689) (1632,1 Vertical Provided From (Used for) Financing Ac	Other payables	1,166,248	2,361,293		
Operating leases 29,667 12,10 Net Cash (Used for) Provided from Operating Activities (10,675,166) 7,071,12 Investing Activities Purchase of property and equipment (53,533) (12,4 Internally developed intangible asset additions (984,176) (774,1 Net Cash Used for Investing Activities (10,37,709) 786,55 Financing Activities 28,900,000 5,000,00 Payments to line of credit (18,000,000) (29,791,60 Payments of debt issuance costs (75,475) (60,80 Proceeds from stock option exercises 26,996 99,72 Stocks subscriptions collected related to stock option exercises 26,996 99,72 Stock subscriptions collected related to stock option exercises 26,996 99,72 Stock subscriptions collected related to stock option exercises 26,996 99,72 Stock subscriptions collected related to stock option exercises 26,996 99,72 Stock subscriptions collected related to stock option exercises 20,996 99,72 Stock subscriptions collected related to stock option exercises 20,295,604 99,72 99,72 </td <td>Accrued liabilities</td> <td>(1,101,420)</td> <td>1,750,462</td>	Accrued liabilities	(1,101,420)	1,750,462		
Net Cash (Used for) Provided from Operating Activities 10,675,166 7,071,12 Investing Activities: Purchase of property and equipment (53,533) (12,4 Internally developed intangible asset additions (984,176) (774,4 Net Cash Used for Investing Activities (1,037,70) 786,5 Financing Activities: Sepandon (18,000,00) 5,000,00 Payments of line of credit (18,000,00) 6,000,00 Payments of debt issuance costs (75,475) (60,8 Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises 1,65,917 (349,2 Net Cash Provided From (Used for) Financing Activities 2,05,644 (2,4777,5 Effect of exchange rate changes on cash (20,50,271) (18,492,9 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, end of period 6,522,68 7,880,16 Cash, cash equivalents, and restricted cash, end of period 6,522,68 7,880,16 Cash, cash equivalents, and restricted cash, end of period 6,522,68 7,880,1	Deferred revenue	554,005	531,092		
Investing Activities: Purchase of property and equipment (53,533) (12,4 Internally developed intangible asset additions (984,176) (784,1 Net Cash Used for Investing Activities (1,037,709) (786,5 Financing Activities: Separation of credit (28,900,000) 5,000,00 Payments to line of credit (18,000,000) (29,791,6 Payments of debt issuance costs (75,475) (606,800,000) Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises 26,996 99,73 Repurchase of common stock (1,645,917) (349,296) Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,366) Effect of exchange rate changes on cash (20,268) (1,632,177,176) Effect of exchange rate changes on cash (20,502,271) (18,492,197,176) Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period 6,812,698 8,765,506 Cash, cash equivalents, and restricted cash, end of period	Operating leases	29,667	12,107		
Purchase of property and equipment (53,53) (12,4) Internally developed intangible asset additions (984,17) (774,1) Net Cash Used for Investing Activities (1,037,70) 786,5 Financing Activities: Proceeds from line of credit 28,900,000 5,000,00 Payments to line of credit (18,000,000) 29,971,00 Payments of debt issuance costs (75,475) (60,80 Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises 1,645,917 (349,20) Repurchase of common stock (1,645,917) (349,20) Perfect of exchange rate changes on cash (20,268) (1,632,11) Effect of exchange rate changes on cash (20,268) (1,832,11) Vet decrease in cash, cash equivalents, and restricted cash, beginning of period 6,812,688 7,889,16 Cash, cash equivalents, and restricted cash, end of period 6,812,688 7,889,16 Cash, cash equivalents, and restricted cash, end of period 6,812,688 7,889,16 Cash, cash equivalents, and restricted cash, end of period 6,812,688 7,889,16	Net Cash (Used for) Provided from Operating Activities	(10,675,166)	7,071,120		
Purchase of property and equipment (53,53) (12,4) Internally developed intangible asset additions (984,17) (774,1) Net Cash Used for Investing Activities (1,037,70) 786,5 Financing Activities: Proceeds from line of credit 28,900,000 5,000,00 Payments to line of credit (18,000,000) 29,971,00 Payments of debt issuance costs (75,475) (60,80 Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises 1,645,917 (349,20) Repurchase of common stock (1,645,917) (349,20) Perfect of exchange rate changes on cash (20,268) (1,632,11) Effect of exchange rate changes on cash (20,268) (1,832,11) Vet decrease in cash, cash equivalents, and restricted cash, beginning of period 6,812,688 7,889,16 Cash, cash equivalents, and restricted cash, end of period 6,812,688 7,889,16 Cash, cash equivalents, and restricted cash, end of period 6,812,688 7,889,16 Cash, cash equivalents, and restricted cash, end of period 6,812,688 7,889,16					
Internally developed intangible asset additions (984,176) (74,41) Net Cash Used for Investing Activities (1,037,709) (786,52) Financing Activities: Proceeds from line of credit 28,900,000 5,000,000 Payments to line of credit (18,000,000) (29,791,60 Payments to debt issuance costs (75,475) (60,80 Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises - 324,37 Repurchase of common stock (1,645,917) (349,20) Net Cash Provided From (Used for) Financing Activities 9,205,604 24,777,5 Effect of exchange rate changes on cash (202,689) (1,632,1 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, end of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period 66,812,698 58,765,06 Noncash investing and financing activities: 1,059,263 58,765,06 Supplementary disclosures: 1,185,913 \$4,865,37	-				
Net Cash Used for Investing Activities (1,037,09) (786,50) Financing Activities: 28,900,000 5,000,00 Proceeds from line of credit (18,000,000) (29,791,60) Payments to line of credit (18,000,000) (29,791,60) Payments of debt issuance costs (75,475) (60,80) Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises (1,645,917) (349,20) Repurchase of common stock (1,645,917) (349,20) Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,50) Effect of exchange rate changes on cash (202,689) (1,632,10) Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,90) Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,160 Cash, cash equivalents, and restricted cash, end of period 66,812,698 58,765,060 Noncash investing and financing activities: 1,059,263 58,765,060 Supplementary disclosures: 1,1859,913 4,865,37			(12,404		
Financing Activities: Proceeds from line of credit 28,900,000 5,000,00 Payments to line of credit (18,000,000) (29,791,6 Payments of debt issuance costs (75,475) (60,8 Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises — 324,37 Repurchase of common stock (1,645,917) (349,2 Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,5 Effect of exchange rate changes on cash (202,689) (1,632,1 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period 66,812,698 \$8,765,06 Noncash investing and financing activities: 1,059,263 \$8,765,06 Supplementary disclosures: 1,059,263 \$8,765,06 Interest paid \$11,859,913 \$4,865,37	Internally developed intangible asset additions	(984,176)	(774,139		
Proceeds from line of credit 28,900,000 5,000,00 Payments to line of credit (18,000,000) (29,791,6 Payments of debt issuance costs (75,475) (60,8 Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises — 324,37 Repurchase of common stock (1,645,917) (349,2 Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,5 Effect of exchange rate changes on cash (202,689) (1,632,1 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period 69,522,658 78,890,16 Noncash investing and financing activities: 1,059,263 58,765,06 Supplementary disclosures: 1,059,263 4,865,37 Interest paid \$ 11,859,913 \$ 4,865,37	Net Cash Used for Investing Activities	(1,037,709)	(786,543		
Proceeds from line of credit 28,900,000 5,000,00 Payments to line of credit (18,000,000) (29,791,6 Payments of debt issuance costs (75,475) (60,8 Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises — 324,37 Repurchase of common stock (1,645,917) (349,2 Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,5 Effect of exchange rate changes on cash (202,689) (1,632,1 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period 69,522,658 78,890,16 Noncash investing and financing activities: 1,059,263 58,765,06 Supplementary disclosures: 1,059,263 4,865,37 Interest paid \$ 11,859,913 \$ 4,865,37	Financing Activities:				
Payments of debt issuance costs (75,475) (60,8 proceeds from stock option exercises 26,996 99,73 proceeds from stock option exercises 99,73 proceeds from stock option exercises — 324,37 proceeds from stock option exercises — 324,37 proceeds from stock option exercises — 324,37 proceeds from stock option exercises (1,645,917) (349,2 proceeds from stock option exercises (1,645,917) (349,2 proceeds from stock option exercises (202,689) (24,777,5 proceeds from stock option exercises (202,689) (24,777,5 proceeds from stock option exercises (202,689) (1,632,1 proceeds from stock option exercises (202,689)		28,900,000	5,000,000		
Payments of debt issuance costs (75,475) (60,8 proceeds from stock option exercises 26,996 99,73 proceeds from stock option exercises 99,73 proceeds from stock option exercises — 324,37 proceeds from stock option exercises — 324,37 proceeds from stock option exercises — 324,37 proceeds from stock option exercises (1,645,917) (349,2 proceeds from stock option exercises (1,645,917) (349,2 proceeds from stock option exercises (202,689) (24,777,5 proceeds from stock option exercises (202,689) (24,777,5 proceeds from stock option exercises (202,689) (1,632,1 proceeds from stock option exercises (202,689)	Payments to line of credit	(18,000,000)	(29,791,614		
Proceeds from stock option exercises 26,996 99,73 Stock subscriptions collected related to stock option exercises — 324,37 Repurchase of common stock (1,645,917) (349,2 Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,5 Effect of exchange rate changes on cash (202,689) (1,632,1 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period \$ 66,812,698 \$ 58,765,06 Noncash investing and financing activities: 1,059,263 Lease liabilities arising from obtaining right-of-use assets 1,059,263 Supplementary disclosures: 1,1,859,913 \$ 4,865,37		(75,475)	(60,853		
Stock subscriptions collected related to stock option exercises Repurchase of common stock (1,645,917) (349,2 Net Cash Provided From (Used for) Financing Activities P,205,604 (24,777,5 Effect of exchange rate changes on cash (202,689) (1,632,1 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, beginning of period (59,522,658) Noncash investing and financing activities: Lease liabilities arising from obtaining right-of-use assets Supplementary disclosures: Interest paid Interest paid	-		99,738		
Repurchase of common stock (1,645,917) (349,25) Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,50) Effect of exchange rate changes on cash (202,689) (1,632,10) Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,90) Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,160 Cash, cash equivalents, and restricted cash, end of period 66,812,698 58,765,060 Noncash investing and financing activities: 1,059,263 58,765,060 Supplementary disclosures: 1,059,263 4,865,37	·		324,378		
Net Cash Provided From (Used for) Financing Activities 9,205,604 (24,777,5) Effect of exchange rate changes on cash (202,689) (1,632,1) Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9) Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period \$ 66,812,698 \$ 58,765,06 Noncash investing and financing activities: Lease liabilities arising from obtaining right-of-use assets 1,059,263 Supplementary disclosures: Interest paid \$ 11,859,913 \$ 4,865,37	-	(1.645.917)	(349,203		
Effect of exchange rate changes on cash (202,689) (1,632,1 Net decrease in cash, cash equivalents, and restricted cash (2,507,271) (18,492,9 Cash, cash equivalents, and restricted cash, beginning of period 69,522,658 78,890,16 Cash, cash equivalents, and restricted cash, end of period \$ 66,812,698 \$ 58,765,06 Noncash investing and financing activities: Lease liabilities arising from obtaining right-of-use assets 1,059,263 Supplementary disclosures: Interest paid \$ 11,859,913 \$ 4,865,37			(24,777,554		
Net decrease in cash, cash equivalents, and restricted cash Cash, cash equivalents, and restricted cash, beginning of period Cash, cash equivalents, and restricted cash, end of period Sometimes and financing activities: Lease liabilities arising from obtaining right-of-use assets Supplementary disclosures: Interest paid Interes		.,,	()):-		
Cash, cash equivalents, and restricted cash, beginning of period \$69,522,658 78,890,160 Cash, cash equivalents, and restricted cash, end of period \$66,812,698 \$58,765,060 Noncash investing and financing activities: Lease liabilities arising from obtaining right-of-use assets 1,059,263 Supplementary disclosures: Interest paid \$11,859,913 \$4,865,37	Effect of exchange rate changes on cash	(202,689)	(1,632,131		
Cash, cash equivalents, and restricted cash, end of period \$ 66,812,698 \$ 58,765,066 Noncash investing and financing activities: Lease liabilities arising from obtaining right-of-use assets 1,059,263 Supplementary disclosures: Interest paid \$ 11,859,913 \$ 4,865,37	Net decrease in cash, cash equivalents, and restricted cash	(2,507,271)	(18,492,977		
Noncash investing and financing activities: Lease liabilities arising from obtaining right-of-use assets Supplementary disclosures: Interest paid \$ 11,859,913 \$ 4,865,37	Cash, cash equivalents, and restricted cash, beginning of period	69,522,658	78,890,168		
Lease liabilities arising from obtaining right-of-use assets Supplementary disclosures: Interest paid \$ 11,859,913 \$ 4,865,37	Cash, cash equivalents, and restricted cash, end of period \$	66,812,698 \$	58,765,060		
Lease liabilities arising from obtaining right-of-use assets Supplementary disclosures: Interest paid \$ 11,859,913 \$ 4,865,37	Noncash investing and financing activities:				
Interest paid \$ 11,859,913 \$ 4,865,37		1,059,263	_		
Interest paid \$ 11,859,913 \$ 4,865,37	Complement on Production				
		11.050.012	4.965.271		
Income taxes paid 72,600 24,29		72,600	4,865,371 24,298		