Q1 2025 Results

May 8th, 2025

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This presentation includes non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures. For example, other companies may calculate similarly-titled non-GAAP financial measures differently. Refer to the Appendix for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures.

Key Q1 Highlights and Themes

Q1 2025 Results

Results came in ahead of our expectations. All three of our reporting segments posted profit growth for the first time in several years. Growth continues to be driven by our B2B business, in particular our BaaS division as well as a strong performance by our tax processing business. Results benefited from moderation in the rate of decline in the Consumer Services segment and improved profitability in B2B and Consumer Services due to lower costs associated with risk management versus last year.

Non-GAAP Revenue[1] up 24%

Adjusted EBITDA[1] up 53%

Non-GAAP EPS[1] up 80%

Revenue momentum remains strong and actives posted another quarter of year over year growth

Revenue gains were primarily driven by the B2B segment with growth in the BaaS channel as we see growth from existing partners and benefit from new partner launches.

The Money Movement Services segment had one of its strongest quarters in several years. The tax processing division was up ~10% and Money Processing continues to see growth in 3rd party volumes, which are now ~70% of transactions.

Revenue declines in the Consumer Services segment continue to moderate, benefitting from the launch of PLS and improved customer metrics such as GDV and revenue per active in the retail channel.

Revenue growth and efficiency gains resulted in adjusted EBITDA growth of over 50% year over year

For the quarter, adjusted EBITDA margins were up 305bps versus prior year. All of the major reporting segments saw margin expansion and profit growth in the quarter.

The B2B segment benefitted from revenue growth and lower risk management expense in our pay card business. Money Movement benefitted from solid growth in the tax processing division. Margins in the Consumer segment were also up as risk management expenses were down notably from last year.

Corporate expenses were down due to some elevated expenses last year and ongoing efforts to streamline our operations.

New partnerships with Samsung and Crypto.com. Extended a significant retail relationship.

Crypto.com; We will support their Cash Account that will enable their customers to easily fund accounts using U.S. dollars either digitally or with cash at thousands of Green Dot Network cash access locations nationwide with a launch anticipated later this year.

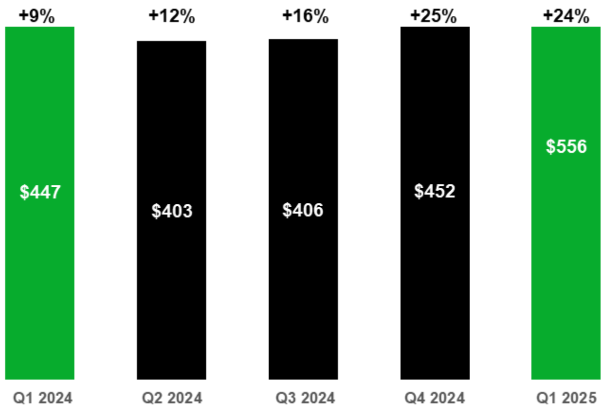
Samsung; Nearly 12 million U.S. users will have access to "Tap to transfer" a peer-to-peer tool enabling users to quickly transfer funds from Samsung Wallet to other digital wallets or contactless debit cards.

We extended a major retail relationship that will build upon a long history of collaboration across numerous products and services.

[1] Please see appendix at end of presentation for a reconciliation of GAAP to Non-GAAP Measures

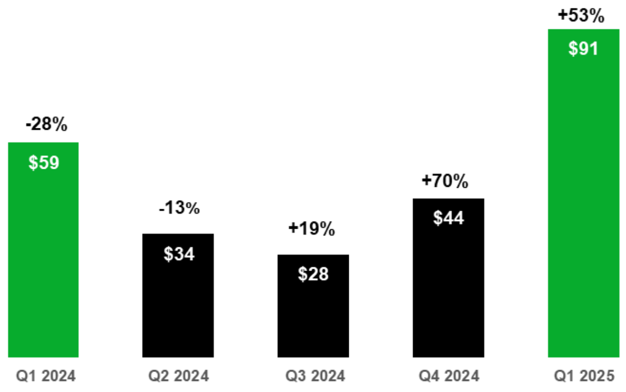
Consolidated Results

Non-GAAP Revenue[1]



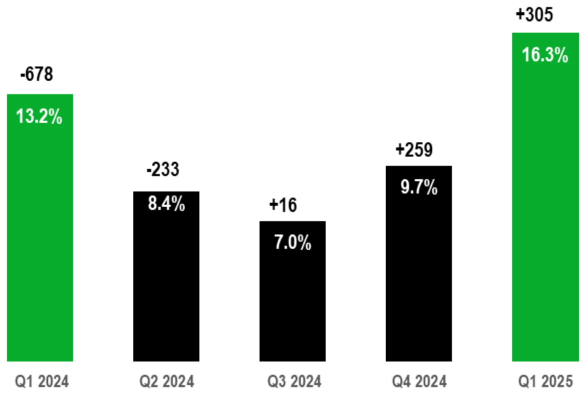
in millions, reflects change versus the prior year

Adjusted EBITDA[1]



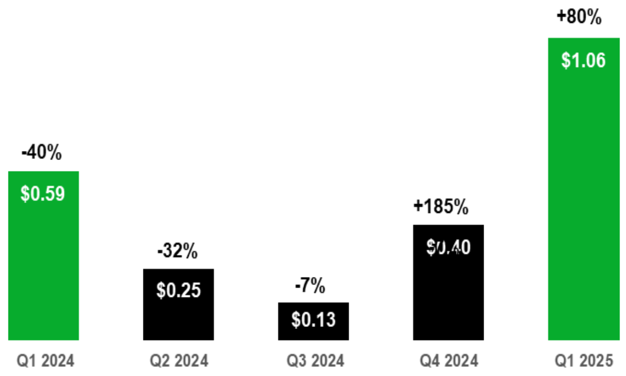
in millions, reflects change versus the prior year

Adjusted EBITDA Margin[1]



reflects change in basis points versus the prior year

Non-GAAP EPS[1]



reflects change versus the prior year

Non-GAAP Revenue[1] of $556.0M increased 24%

- Consumer Services of $95.3M was down 5%.
- B2B Services revenue of $342.0M was up 42%.
- Money Movement revenue of $110.2M was up 7%.

Adjusted EBITDA[1] of $90.6M was up 53%

- The adjusted EBITDA margin of 16.3% was up 305 bps as we drive scale with the improved revenue momentum in the quarter, including strong performance from the tax business. The company saw reduced costs associated with risk management operations.
- Consumer Services segment profit was up 1%.
- B2B Services segment profit was up 49%.
- Money Movement segment profit was up 17%.

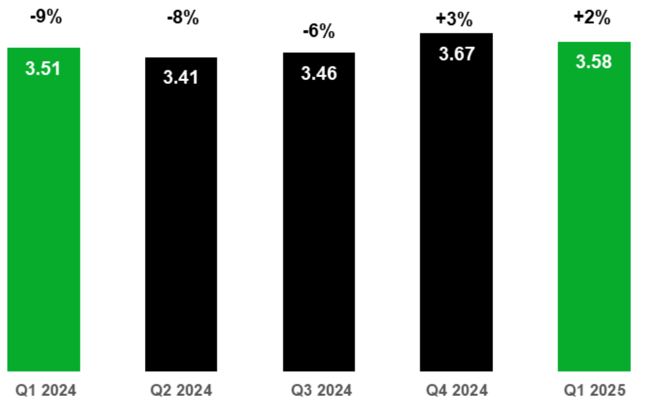
Non-GAAP EPS[1] of $1.06 increased 80%

- Non-GAAP EPS was up sharply from last year due to improved operating momentum but also due to favorable comparisons as EPS in the first quarter of 2024 were abnormally low due to elevated risk management expenses.

[1] Please see appendix at end of presentation for a reconciliation of GAAP to Non-GAAP Measures

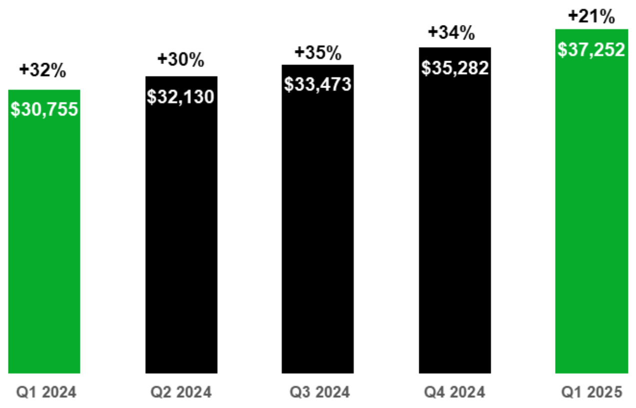
Consolidated Key Metrics

Active Accounts[1]



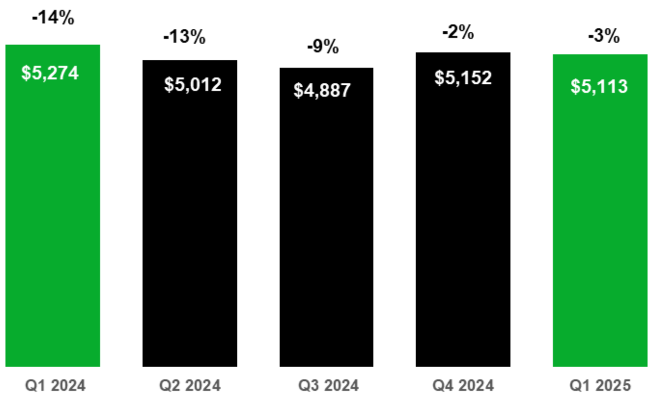
in millions, reflects change versus the prior year

Gross Dollar Volume (GDV)



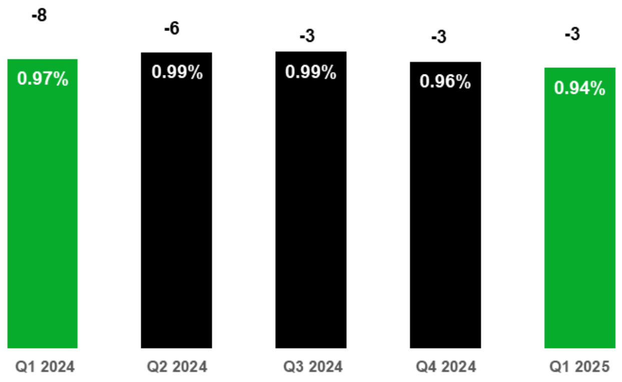
in millions, reflects change versus the prior year

Purchase Volume (PV)



in millions, reflects change versus the prior year

Net Interchange Rate[2]



reflects change in basis points versus the prior year

Active accounts[1] increased 2%

- Active accounts were up on a year over year basis, as growth in B2B Services active accounts of 13% more than offset an 7% decline in Consumer Services active accounts.
- Within Consumer Services, the Retail channel had a notable moderation in declines on a year-over year basis with declines of 7% as compared to declines that ranged from 13%-21% in 2024. The direct channel saw declines in actives as we moderated our marketing spend in recent quarters.
- Consumer Services direct deposit active accounts[1] were down 11% from the prior year and account for approximately 23% of total active accounts in the Consumer Services segment.
- B2B Services active accounts were up 13% due to growth of existing partners and new launches while rapid! Paycard actives remain under pressure.

Gross dollar volume up 21% over prior year

- Consumer Services down 6%.
- B2B Services up 26%.

Purchase volume declined 3%

- Consumer Services down 6%.
- B2B Services was up 3%.

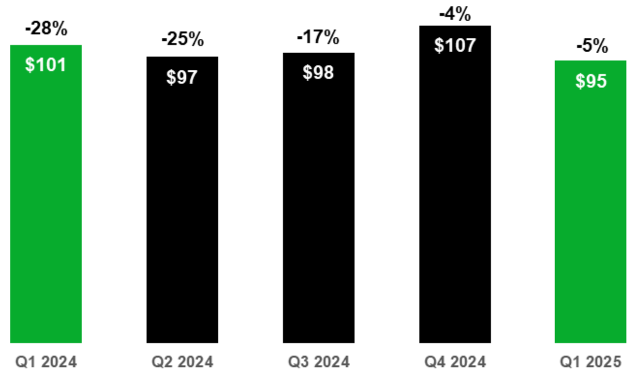
Net interchange rate[2] declined 3 bps

- Interchange rate down due to transaction mix and higher average transaction size.

[1] Represents the total number of accounts that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter
[2] Net Interchange Rate equals Interchange revenues divided by Purchase Volume

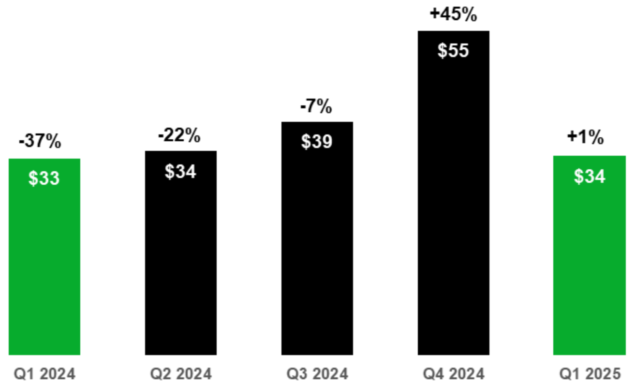
Consumer Services Segment

Segment Revenue



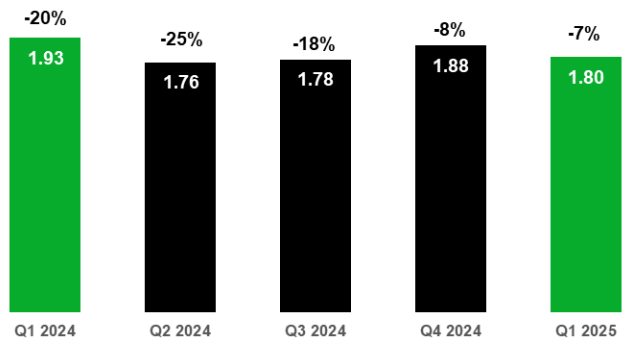
in millions, reflects change versus the prior year

Segment Profit



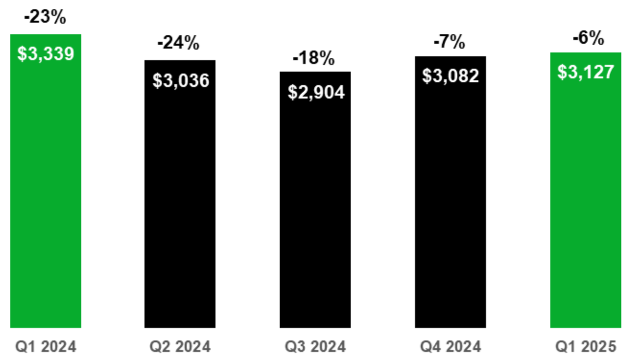
in millions, reflects change versus the prior year

Active Accounts[1]



in millions, reflects change versus the prior year

Purchase Volume (PV)



in millions, reflects change versus the prior year

Segment revenue declined 5%

- Declines continued to moderate relative to the performance of the last several years as secular headwinds in the Retail channel and reduced marketing spend in the Direct channel are partially offset by the impact of the recent launch of PLS.
- Revenue in the Retail channel declined 3% as we have lapped the impact of a client de-conversion while seeing the benefit of PLS. The Direct channel saw year-over-year revenue declines of 9% due to a reduction in marketing spend in recent quarters.
- Revenue per active account[1] was up 1% versus last year with retail revenue per active increasing 4% versus 1Q24.

Segment profit increased 1%

- Segment profit was up due to moderating revenue growth rates while we also saw notable improvement in operating expenses as risk management expenses declined versus last year.

Active accounts[1] declined 7%; Direct deposit active accounts declined 11%

- The rate of decline in active accounts moderated as the Retail channel continues to benefit from the launch of the PLS partnership and improved retention. Direct deposit accounts remained under pressure, but we saw moderating rates of decline in Retail.

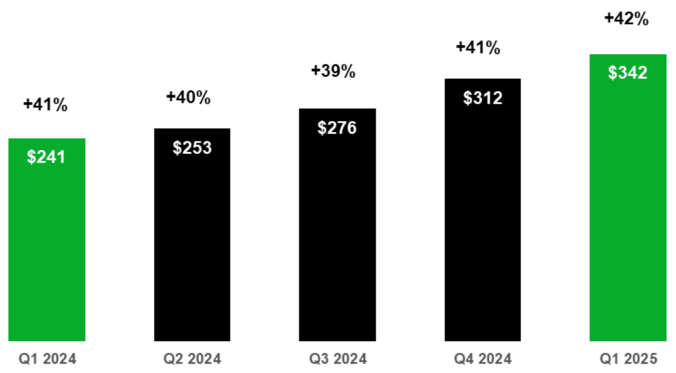
PV declined 6% and gross dollar volume (GDV) declined 6%

- GDV and PDV declines were driven by the reduction in active accounts though the decline in volumes was more moderate than the decrease in active accounts as the remaining customers base continues to have a more attractive and engaged financial profile.

[1] Represents the total number of accounts that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter

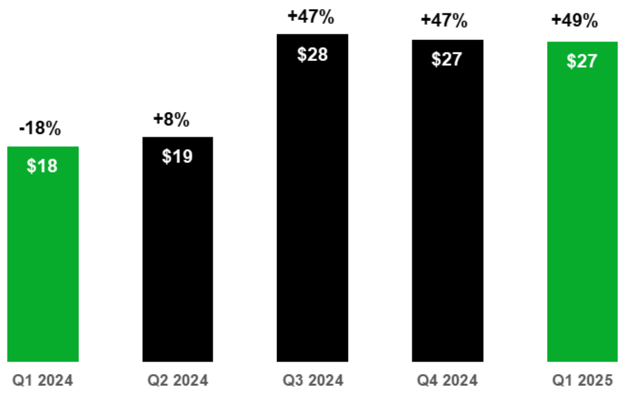
B2B Services Segment

Segment Revenue



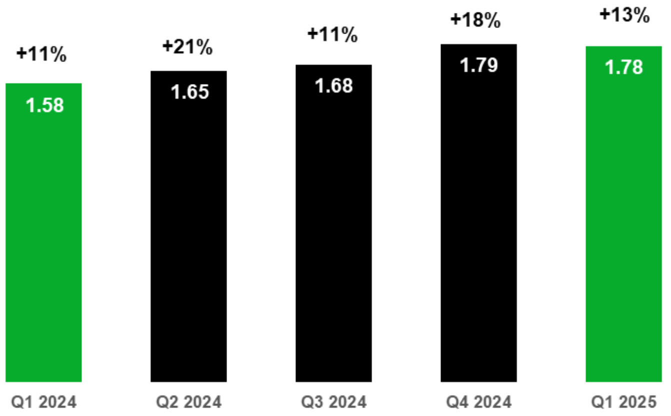
in millions, reflects change versus the prior year

Segment Profit



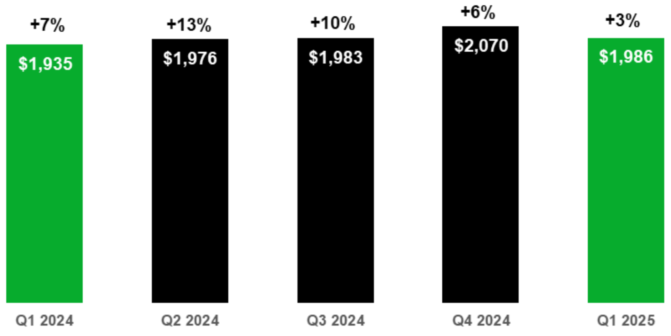
in millions, reflects change versus the prior year

Active Accounts[1]



in millions, reflects change versus the prior year

Purchase Volume (PV)



in millions, reflects change versus the prior year

Segment revenue increased 42%

- Though growth remains largely driven by a key BaaS partner, the rest of the BaaS division also saw growth driven by growth of existing partners and the launch of new partners.
- rapid! PayCard revenue declined during the quarter as the division lapped the positive impact of pricing strategies enacted in the fourth quarter of 2023 while grappling with a decline in actives stemming from pressures in the staffing industry.

Segment profit increased 49%

- Segment profit margin increased 36 bps
- Margins were up modestly as the division benefited from lower-than-normal costs associated with risk management expenses and stronger operational performance.

Active accounts[1] were up 13%

- The launch of new partners and growth of existing partners in the BaaS division continues to drive the growth in active accounts.

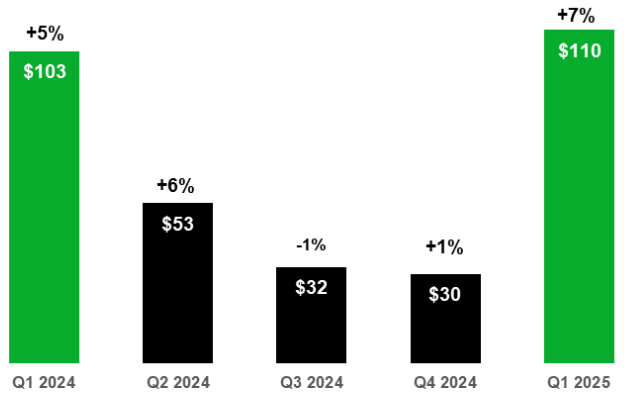
PV increased 3% and gross dollar volume (GDV) increased 26%

- Growth in PV is driven by growth from new partners and existing partners while growth in GDV was driven by several key BaaS partners that have programs that are more GDV-centric.

[1] Represents the total number of accounts that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter

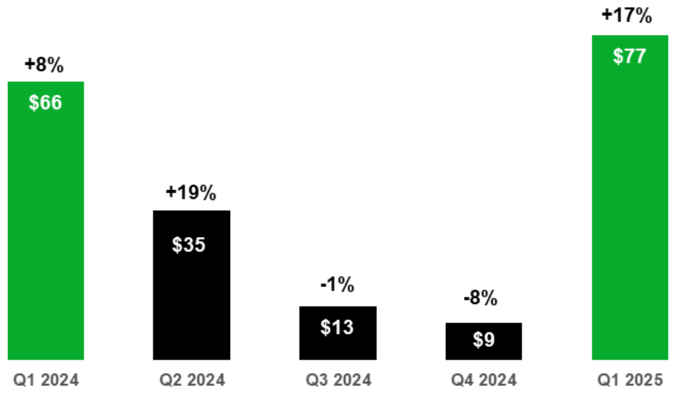
Money Movement Services Segment

Segment Revenue



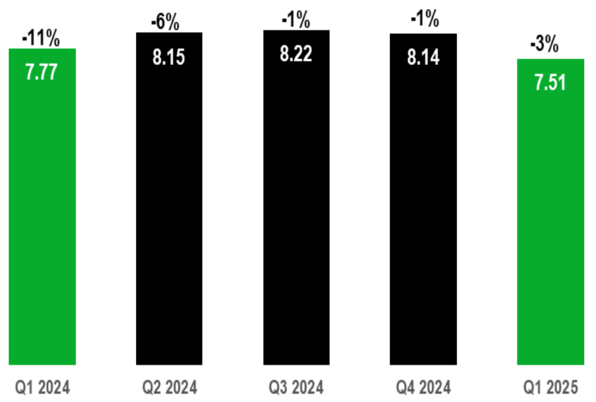
in millions, reflects change versus the prior year

Segment Profit



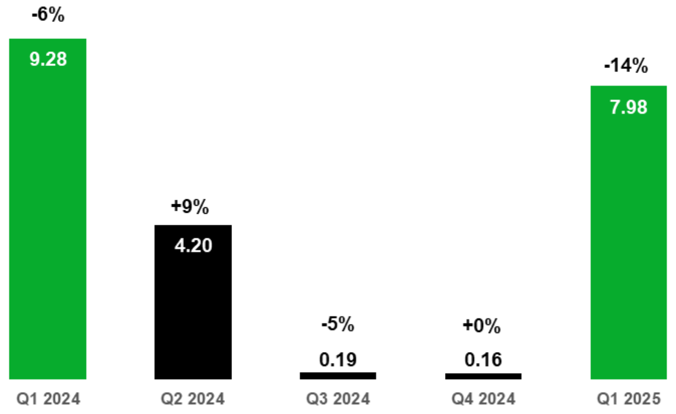
in millions, reflects change versus the prior year

Cash Transfers



in millions, reflects change versus the prior year

Tax Refunds Processed



in millions, reflects change versus the prior year

Segment revenue increased 7%

- Growth was impacted by a slight decline in Money Processing while the Tax Processing division saw revenue experience a solid increase during the seasonally strong tax season. Growth in Tax Processing was driven by favorable mix-shift in distribution channels that resulted in higher revenue per transaction and the expansion of our taxpayer advance programs. The Green Dot Network, a component of the Money Processing channel, continues to see year-over-year declines from lower Green Dot-issued active accounts, while 3rd party transactions continue to grow.

Segment profit increased 17%

- Segment profit was driven by the strength in tax processing and a favorably revenue mix while the Money Processing division continues to manage expenses while investing to return to revenue growth.

Revenue generating cash transfers were down 3%

- While the decline in actives remains a headwind for transactions, growth in 3rd party partner volumes offset much the headwind, resulting in continued moderation in year over year declines.
- 3rd party volumes were up 5% and now account for 71% of total transactions.

Tax refunds processed were down 14%

- Tax processing saw a decline in transactions with a favorable mix shift towards higher revenue per transaction channels, driving revenue growth in the quarter.

2025 Guidance and Outlook

Projected Non-GAAP Revenue[1] of $2.0B-$2.1B

Projected Adjusted EBITDA[1] of $150M-$160M

Projected Non-GAAP EPS[1] of $1.14-$1.28

2025 Considerations and Outlook

Full year adjusted EBITDA is expected to be $150M-$160M with the Consumer segment seeing declines and B2B and Money Movement seeing growth.

The Consumer segment is expected to benefit in the first half of the year from the launch of PLS and easier comps before facing headwinds from discrete items that occurred in 4Q24.

B2B and Money Movement are expected to show full year growth.

Non-GAAP Revenue[1] projections:

We expect full year revenue growth of 20% at the mid-point with stronger growth in the first half of the year.

Adjusted EBITDA[1] margin projections
Full year margins are expected to be down 200-225bp with positive performance in the first half of 2025.

Consumer Services Segment

Revenue growth is expected to be down in the high single digits with moderate declines in the first half of the year.

Launch of PLS and easier comparisons in the retail channel are expected to result in moderate declines in the first half of the year. Declines are expected to pick up as secular headwinds re-emerge and the segment faces a tough comparison in 4Q25 due to the recognition of some elevated, non-core revenue in 4Q24.

The direct channel is expected to see low double-digit declines consistently throughout the year while the company invests in platform modernization to re-accelerate growth.

Margins for the year are expected to be to be down 450-500bp due to revenue declines.

B2B Segment

Revenue growth for the full year is expected in low-to-mid 30% range. The first half of the year is expected to be stronger than the second half with growth rates moderating throughout the year but still remaining strong.

The BaaS division is expected to see growth in the upper 30% range driven by a key partner but also full year growth from the rest of the BaaS business. Paycard growth is expected to accelerate throughout the year with full year growth in the low-single digits.

For the year, margins are expected to be down slightly due to revenue mix in BaaS while rapid! Paycard is expected to see some modest improvement in margins.

Money Movement Segment

Full year revenue growth is expected to be in the low-single digits. Both the Money Processing and the Tax Processing business are expected to see revenue growth in the low single-digits.

Margins for the year are expected to be up approximately 150-200 basis points as margins in Money Processing are expected to be flat while Tax processing is expected to see some modest margin expansion.

Third party transactions in the Money Processing division are expected to largely offset the decline in transactions from Green Dot issued cards.

[1] Please see appendix at end of presentation for a reconciliation of GAAP to Non-GAAP Measures

Appendix

Segment Information

Reconciliation of Segment Revenues

	2024				2025
	Q1	Q2	Q3	Q4	Q1
Segment Revenue					
Consumer Services	$ 100.6	$ 96.6	$ 98.0	$ 107.2	$ 95.3
B2B Services	241.2	252.1	276.4	312.1	342.0
Money Movement Services	103.2	53.0	31.9	29.7	110.2
Corporate and Other	2.5	0.9	(0.3)	2.7	8.5
Total segment revenues	447.4	402.6	406.0	451.7	556.0
Embedded finance commission and processing expenses (8)	5.1	5.0	4.3	4.4	4.4
Other income (9)	(0.5)	(0.5)	(0.6)	(1.1)	(1.5)
Total operating revenues	$ 452.0	$ 407.1	$ 409.7	$ 455.0	$ 558.9

Green Dot's segment reporting is based on how its Chief Operating Decision Maker (“CODM”) manages its businesses, including resource allocation and performance assessment. Its CODM (who is the Chief Executive Officer) organizes and manages the businesses primarily on the basis of the channels in which its product and services are offered and uses net revenue and segment profit to assess profitability. Segment profit reflects each segment's net revenue less direct costs, such as sales and marketing expenses, processing expenses, transaction losses and fraud management, and customer support and related expenses. Green Dot’s operations are aggregated amongst three reportable segments: 1) Consumer Services, 2) Business to Business ("B2B") Services and 3) Money Movement Services.

The Corporate and Other segment primarily consists of net interest income, certain other investment income earned by Green Dot's bank, interest profit sharing arrangements with certain BaaS partners (a reduction of revenue), eliminations of inter-segment revenues and expenses, and unallocated corporate expenses, which include Green Dot's fixed expenses, such as salaries, wages and related benefits for its employees and certain third-party contractors, professional services fees, software licenses, telephone and communication costs, rent, utilities, and insurance that are not considered when Green Dot's CODM evaluates segment performance. Non-cash expenses such as stock-based compensation, depreciation and amortization of long-lived assets, impairment charges and other non-recurring expenses that are not considered by Green Dot's CODM when it is evaluating overall consolidated financial results are excluded from its unallocated corporate expenses. Green Dot does not evaluate performance or allocate resources based on segment asset data, and therefore such information is not presented.

Reconciliation of Segment Profits

	2024				2025
	Q1	Q2	Q3	Q4	Q1
Segment Profit					
Consumer Services	$ 33.3	$ 34.4	$ 39.4	$ 54.8	$ 33.6
B2B Services	18.3	19.1	27.7	27.3	27.2
Money Movement Services	65.8	35.3	12.7	8.7	76.8
Corporate and Other	(58.2)	(54.8)	(51.5)	(47.0)	(47.1)
Total segment profit*	59.2	34.0	28.3	43.8	90.6
Reconciliation to income (loss) before income taxes					
Depreciation and amortization of property, equipment and internal-use software	16.4	15.8	15.5	15.7	15.2
Stock based compensation and related employer taxes	8.7	7.5	8.2	5.9	3.4
Amortization of acquired intangible assets	5.7	5.4	5.2	5.0	5.2
Impairment charges	6.4	2.1	0.0	1.1	0.1
Legal settlement expenses	5.9	26.1	0.9	0.9	0.9
Other expense	5.6	0.7	1.4	0.9	5.0
Operating income (loss)	10.6	(23.7)	(2.9)	14.4	60.7
Interest expense, net	1.5	1.3	1.6	1.2	1.4
Other (expense), net	(1.8)	(4.5)	(3.7)	(5.3)	(25.7)
Income (loss) before income taxes	$ 7.3	$ (29.5)	$ (8.2)	$ 7.9	$ 33.7

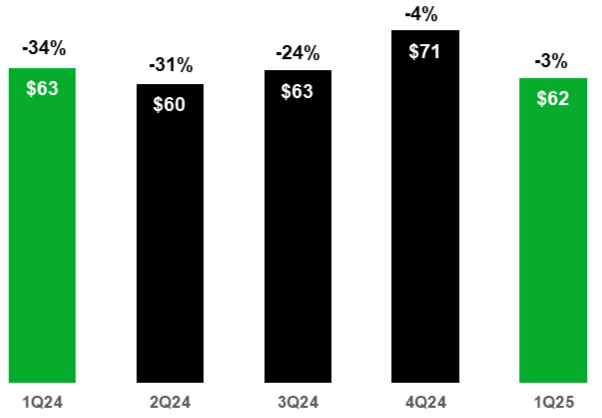
* Total segment profit is also referred to herein as adjusted EBITDA in its non-GAAP measures. Additional information about the Company's non-GAAP financial measures can be found under "About Non-GAAP Financial Measures."

Appendix

Division Information

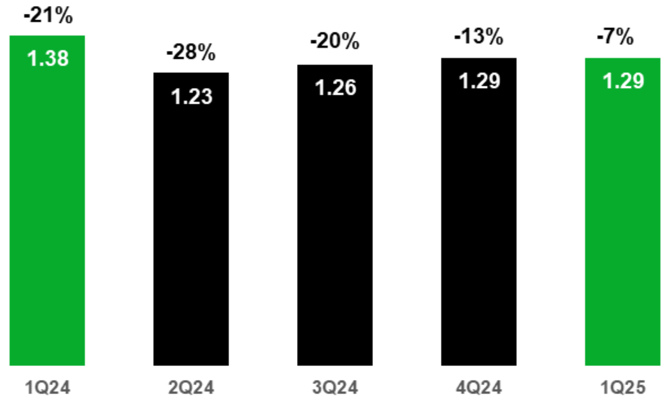
Retail division

Revenue



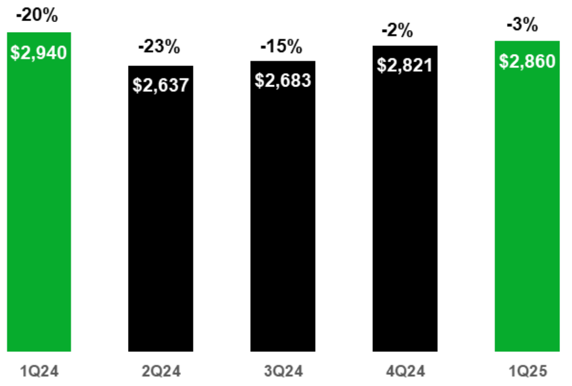
in millions, reflects change versus the prior year

Active Accounts[1]



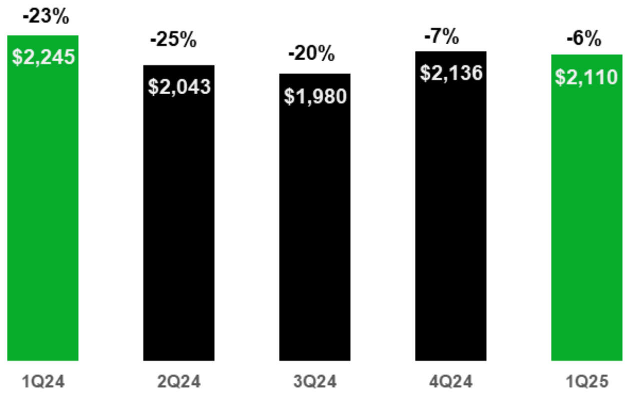
in millions, reflects change versus the prior year

Gross Dollar Volume (GDV)



in millions, reflects change versus the prior year

Purchase Volume (PV)



in millions, reflects change versus the prior year

Revenue declined 3%

- Revenue declines moderated as secular headwinds were partially offset by the positive impact of the PLS launch.
- Revenue per active[1] was up 4% due to increases in volume per actives as well as utilization of other features such as overdraft protection.
- The launch of PLS is off to a strong start and the expected launch of DolFinTech is expected to help to continue drive more moderate rates of the decline for the next several quarters.
- The company announced DolFintech as a new partner in the FSC channel, which will have modest impact in 2025 but is expected to be more impactful in 2026.

Active accounts[1] declined 7%

- Active accounts continue to decline due to secular changes in consumer behavior, increased competition from digital-first offerings and improved risk management processes that are forcing out higher-risk accounts. This was partially offset by the positive impact of the PLS launch as well as initiative intended to improve customer experience and retention.
- Actives saw incremental growth on sequential basis, the third consecutive quarter of growth.

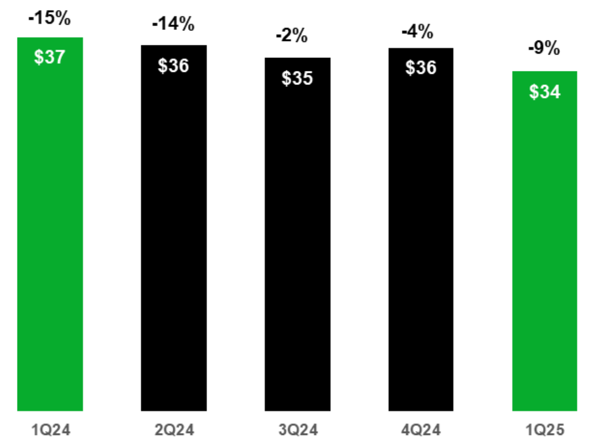
Gross dollar volume declined 3%; Purchase volume declined 6%

- Declines in volumes are generally tied to the decline in actives although average volume per account was up due to improvement in customer mix.

[1] Represents the total number of accounts that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter

Direct division

Revenue



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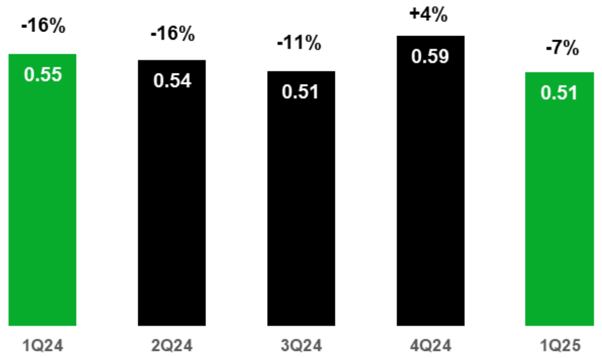
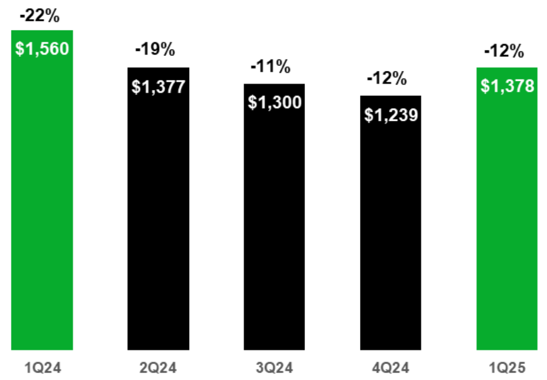


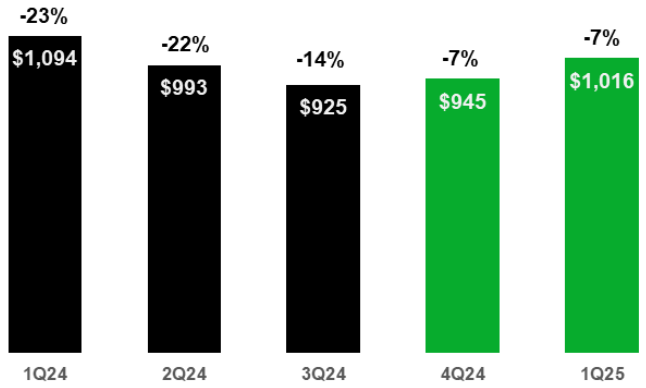
in millions, reflects change versus the prior year

Gross Dollar Volume (GDV)



in millions, reflects change versus the prior year

Purchase Volume (PV)



in millions, reflects change versus the prior year

Revenue declined 9%

- Declines continue due to a decline in actives that is driven in part to the continued decline in legacy products as result of the decision to focus solely on the GO2bank brand.

Active accounts[1] decreased 7%

- Actives declined due to a pullback in marketing spend over the last several quarters as we looked to manage expenses and optimize our cost of acquiring new customers.
- Over the course of 2025 we expect to invest in new feature functionality and user experience that should help improve customer acquisition and retention.

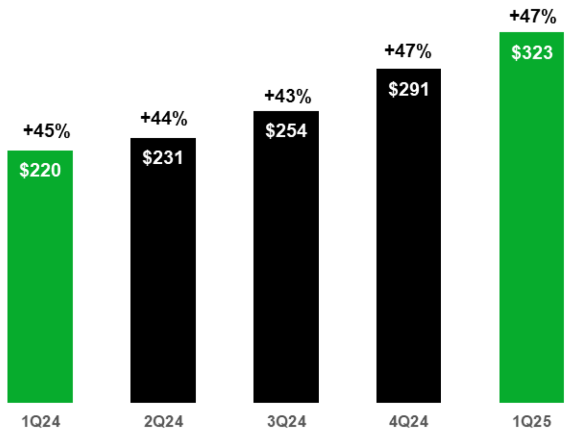
Gross dollar volume declined 12%; Purchase volume declined 7%

- Volume declines reflect the likely decline in active accounts. Older portfolios that were sunset had higher GDV and PV since they were more mature and had higher direct deposit attachment.
- The younger accounts, predominantly the GO2bank portfolio, have modestly lower GDV and PV per account on average but are expected to continue to see increases as the portfolio matures and direct deposit penetration increases.

[1] Represents the total number of accounts that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter

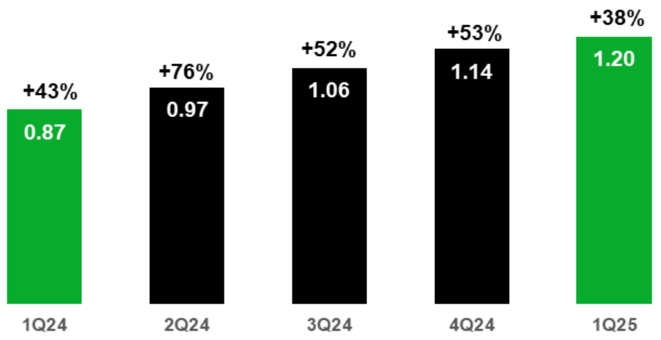
BaaS division

Revenue



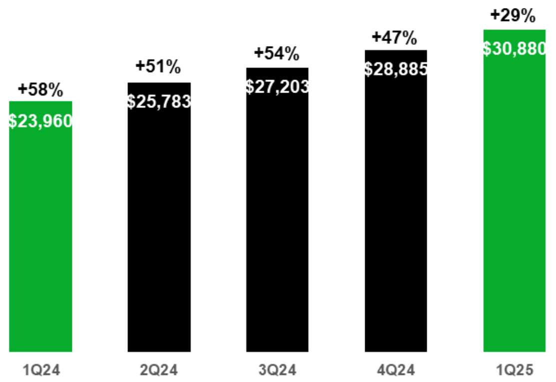
in millions, reflects change versus the prior year

Active Accounts[1]



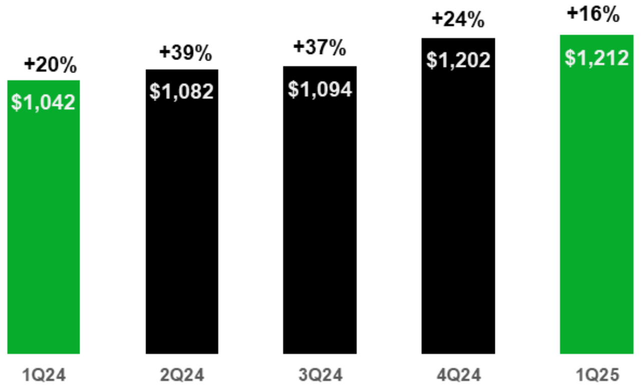
in millions, reflects change versus the prior year

Gross Dollar Volume (GDV)



in millions, reflects change versus the prior year

Purchase Volume (PV)



in millions, reflects change versus the prior year

Revenue increased 47%

- Revenue growth was primarily driven by a large strategic partner though the rest of the BaaS business also saw revenue growth in the quarter driven by new partner launches and the growth of existing partners and new products and services.

Active accounts[1] increased 38%

- Active accounts continued to increase due to the growth of new partners and existing partners.

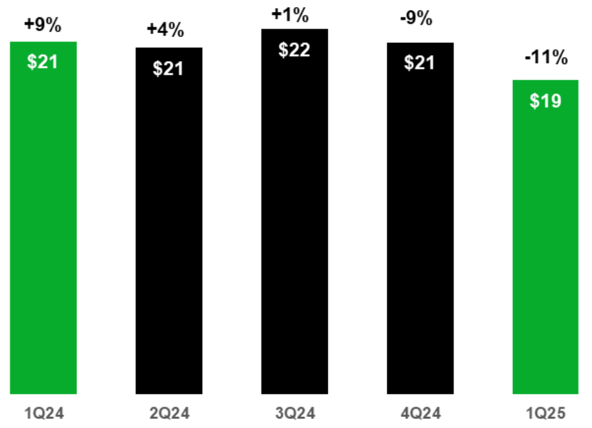
Gross dollar volume increased 29% and Purchase volume increased 16%

- Growth in gross dollar volume continues to be stronger than purchase volume due to a couple of partners that have products that are more GDV-centric in nature. Purchase volumes continued to show growth as we launched new partners and saw growth from existing partners as we work with them to growth their user base.

[1] Represents the total number of accounts that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter

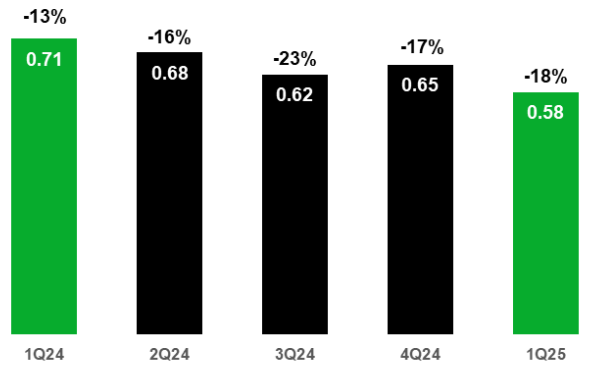
rapid! Paycard division

Revenue



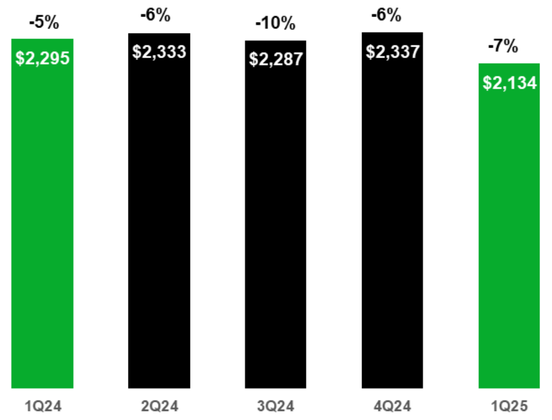
in millions, reflects change versus the prior year

Active Accounts[1]



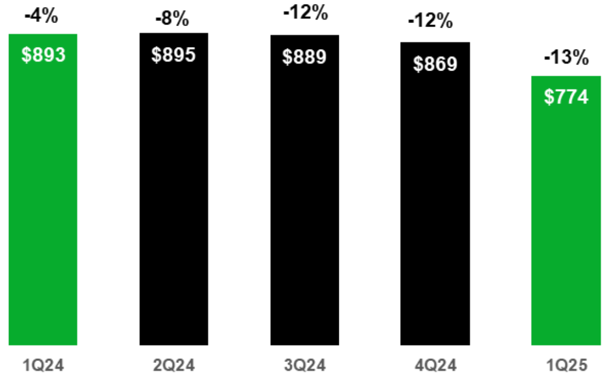
in millions, reflects change versus the prior year

Gross Dollar Volume (GDV)



in millions, reflects change versus the prior year

Purchase Volume (PV)



in millions, reflects change versus the prior year

Revenue declined 11%

- Revenue declines are driven by the continued decline in actives and reflecting the decrease in active accounts. Revenue declines were more moderate than the declines in actives and PV. Despite the decline in actives, revenue and volumes per active were up over last year, reflecting an improvement in user profile.

Active accounts[1] declined 18%

- The decline in active accounts is largely driven by pressure on the temporary staffing industry, one of the largest verticals. Despite those headwinds, other sales activity for the quarter was strong compared to last year and investments in earned wage access capabilities continue.
- Management has intensified its focus on Implementing programs and strategies to drive increased employer and employee engagement to enhance activations and improve retention.

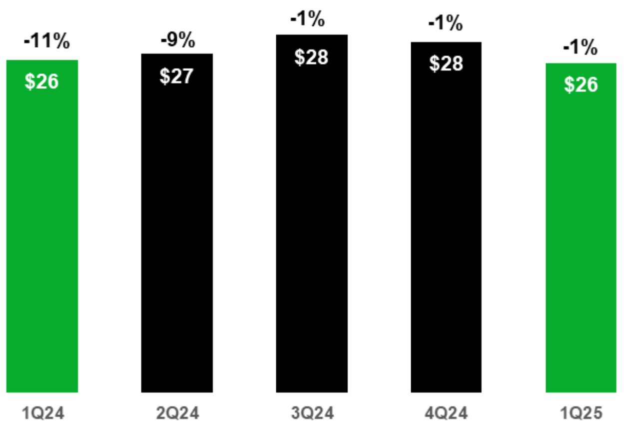
Gross dollar volume fell 7%; Purchase volume declined 13%

- Declines were less than the decline in active accounts due principally to employment mix and wage increases.

[1] Represents the total number of accounts that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter

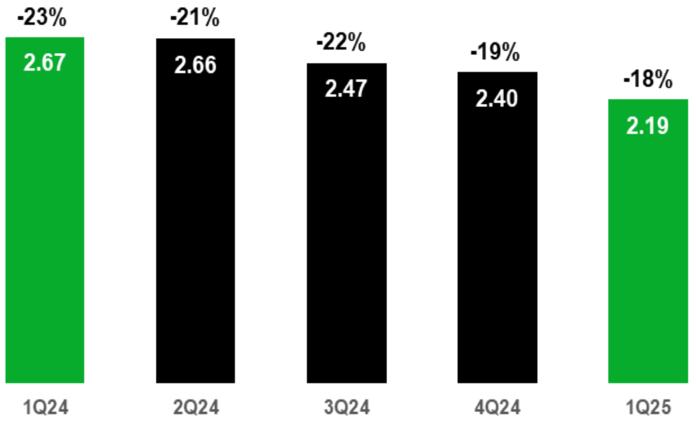
Money Processing division

Revenue



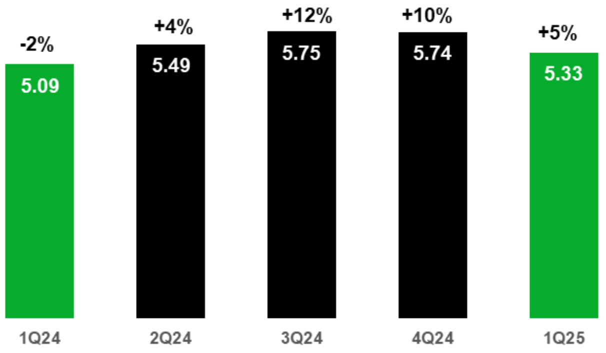
in millions, reflects change versus the prior year

Revenue Generating Transfers-GDOT Issued



in millions, reflects change versus the prior year

Cash Transfers to Third Party Accounts



in millions, reflects change versus the prior year

Revenue declined 1%

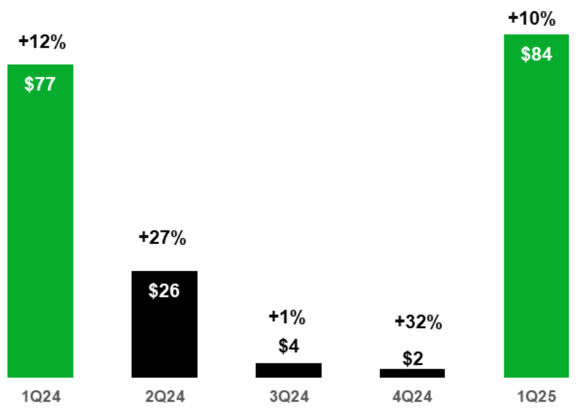
- Declines remain largely driven by the decline in transactions from Green Dot-issued active accounts in the Consumer Services segment.

Revenue generating cash transfers from GDOT-issued accounts declined 18%; Third Party volumes grew 5%

- Declines in cash transfers to Green Dot-issued accounts reflect the decline in Green Dot issued accounts in the Consumer Services segment, which excludes the growth of PLS issued accounts.
- Cash transfers to third party accounts were up 5% and now represent 71% of total cash transfers. A solid backlog of signed partners are expected to set the stage for continued acceleration in future transaction growth.

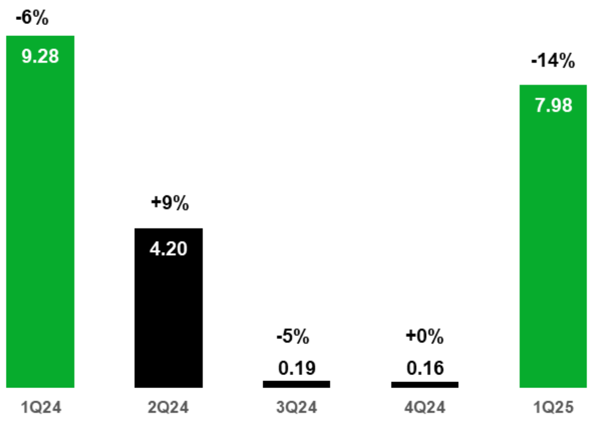
Tax Processing division

Revenue



in millions, reflects change versus the prior year

Tax Refunds Processed



in millions, reflects change versus the prior year

Revenue increased 10%

- The Tax Processing division had a strong first quarter, its seasonally strongest quarter due to a favorable shift in transaction mix to higher revenue transactions and expansion of its taxpayer advance products.

Refunds processed were down 14%

- Volumes were down with a favorable shift in transaction mix drove increases in revenue per transaction.

Appendix

Non-GAAP Financial Measures

About Non-GAAP Financial Measures

To supplement Green Dot's consolidated financial statements presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"), Green Dot uses measures of operating results that are adjusted for, among other things, non-operating net interest income and expense; other non-interest investment income earned by its bank; income tax benefit and expense; depreciation and amortization, including amortization of acquired intangibles; certain legal settlement gains and charges; stock-based compensation and related employer payroll taxes; changes in the fair value of contingent consideration; transaction costs from acquisitions or divestitures; amortization attributable to deferred financing costs, impairment charges; extraordinary severance expenses; earnings or losses from equity method investments; changes in the fair value of loans held for sale; commissions and certain processing-related costs associated with embedded finance products and services where Green Dot does not control customer acquisition; realized losses on available-for-sale investment securities; other charges and income not reflective of ongoing operating results; and income tax effects. This earnings release includes non-GAAP total operating revenues, adjusted EBITDA, non-GAAP net income, and non-GAAP diluted earnings per share. These non-GAAP financial measures are not calculated or presented in accordance with, and are not alternatives or substitutes for, financial measures prepared in accordance with GAAP, and should be read only in conjunction with Green Dot's financial measures prepared in accordance with GAAP. Green Dot's non-GAAP financial measures may be different from similarly-titled non-GAAP financial measures used by other companies. Green Dot believes that the presentation of non-GAAP financial measures provides useful information to management and investors regarding underlying trends in its consolidated financial condition and results of operations. Green Dot's management regularly uses these supplemental non-GAAP financial measures internally to understand, manage and evaluate Green Dot's business and make operating decisions. For additional information regarding Green Dot's use of non-GAAP financial measures and the items excluded by Green Dot from one or more of its historic and projected non-GAAP financial measures, investors are encouraged to review the reconciliations of Green Dot's historic and projected non-GAAP financial measures to the comparable GAAP financial measures, which are included herein, or can be found by clicking on “Financial Information” in the Investor Relations section of Green Dot's website at http://ir.greendot.com/.

Non-GAAP Financial Measures

Reconciliation of Total Operating Revenues to Non-GAAP Total Operating Revenues (1)	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
	(In millions)				
Total operating revenues	$ 452.0	$ 407.1	$ 409.7	$ 455.0	$ 558.9
Embedded finance commission and processing expenses (8)	(5.1)	(5.0)	(4.3)	(4.4)	(4.4)
Other income (9)	0.5	0.5	0.6	1.1	1.5
Non-GAAP total operating revenues	$ 447.4	$ 402.6	$ 406.0	$ 451.7	$ 556.0

Non-GAAP Financial Measures

Reconciliation of Net Income (Loss) to Non-GAAP Net Income (1)	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
	(In millions, except per share data)				
Net income (loss)	$ 4.8	$ (28.7)	$ (7.8)	$ 5.1	$ 25.8
Stock-based compensation and related employer payroll taxes (3)	8.7	7.5	8.2	5.9	3.4
Amortization of acquired intangible assets (4)	5.7	5.4	5.2	5.0	5.2
Transaction and related acquisition costs (4)	-	-	-	-	0.4
Amortization of deferred financing costs (5)	0.0	0.0	0.1	0.1	0.1
Impairment charges (5)	6.4	2.1	0.0	3.6	0.1
Extraordinary severance expenses (6)	5.0	0.4	0.6	-	3.0
Legal settlement expenses (gain) (5)	5.9	26.1	0.9	0.9	0.9
Losses in equity method investments (5)	2.7	4.8	4.5	3.8	2.8
Change in fair value of loans held for sale (2)(5)	(0.2)	(0.0)	(0.0)	(0.0)	0.0
Realized loss on available-for-sale investment securities (5)	-	-	-	-	24.5
Other (income) expense, net (5)	(0.1)	(0.0)	0.0	(0.1)	(0.1)
Income tax effect (7)	(7.4)	(4.3)	(4.7)	(2.1)	(7.8)
Non-GAAP net income	$ 31.4	$ 13.4	$ 7.0	$ 22.2	$ 58.4
Diluted earnings (loss) per share					
GAAP	$ 0.09	$ (0.54)	$ (0.15)	$ 0.09	$ 0.47
Non-GAAP	$ 0.59	$ 0.25	$ 0.13	$ 0.40	$ 1.06
Diluted weighted-average shares issued and outstanding					
GAAP	53.3	53.5	53.7	55.2	55.3
Non-GAAP	53.3	54.0	54.7	55.2	55.3

Non-GAAP Financial Measures

Reconciliation of Net Income (Loss) to Adjusted EBITDA (1)	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
			(In millions)		
Net income (loss)	$ 4.8	$ (28.7)	$ (7.8)	$ 5.1	$ 25.8
Interest expense, net (2)	1.5	1.3	1.6	1.2	1.4
Income tax (benefit) expense	2.5	(0.8)	(0.4)	2.8	7.9
Depreciation and amortization of property, equipment and internal-use software (2)	16.4	15.8	15.5	15.7	15.2
Stock-based compensation and related employer payroll taxes (2)(3)	8.7	7.5	8.2	5.9	3.4
Amortization of acquired intangible assets (2)(4)	5.7	5.4	5.2	5.0	5.2
Transaction and related acquisition costs (2)(4)	-	-	-	-	0.4
Impairment charges (2)(5)	6.4	2.1	0.0	3.6	0.1
Extraordinary severance expenses (2)(6)	5.0	0.4	0.6	-	3.0
Losses in equity method investments (2)(5)	2.7	4.8	4.5	3.8	2.8
Change in fair value of loans held for sale (2)(5)	(0.2)	(0.0)	(0.0)	(0.0)	0.0
Realized loss on available-for-sale investment securities (2)(5)	-	-	-		24.5
Legal settlement expenses (gain) (2)(5)	5.9	26.1	0.9	0.9	0.9
Other expense (income), net (2)(5)	(0.1)	(0.0)	0.0	(0.1)	(0.1)
Adjusted EBITDA	$ 59.2	$ 34.0	$ 28.3	$ 43.8	$ 90.6
Non-GAAP total operating revenues	$ 447.4	$ 402.6	$ 406.0	$ 451.7	$ 556.0
Adjusted EBITDA/Non-GAAP total operating revenues (adjusted EBITDA margin)	13.2%	8.4%	7.0%	9.7%	16.3%

Non-GAAP Financial Measures

Reconciliation of Forward Looking Guidance for Non-GAAP Financial Measures to Projected GAAP Total Operating Revenues	FY 2025	
	Range	
	Low	High
	(In millions)	
Total operating revenues	$ 2,016	$ 2,116
Adjustments (8)(9)	(16)	(16)
Non-GAAP total operating revenues	$ 2,000	$ 2,100

Reconciliation of Forward Looking Guidance for Non-GAAP Financial Measures to Projected GAAP Net Loss	FY 2025	
	Range	
	Low	High
	(In millions)	
Net loss	$ (53.6)	$ (46.4)
Adjustments (10)	203.6	206.4
Adjusted EBITDA	$ 150.0	$ 160.0
Non-GAAP total operating revenues	$ 2,100	$ 2,000
Adjusted EBITDA / Non-GAAP total operating revenues (Adjusted EBITDA margin)	7.1%	8.0%

Non-GAAP Financial Measures

Reconciliation of Forward Looking Guidance for Non-GAAP Financial Measures to Projected GAAP Net Loss and GAAP Diluted Weighted-Average Shares Issued and Outstanding	FY 2025			
	Range			
	Low		High	
	In millions, except per share data			
Net loss	$	(53.6)	$	(46.4)
Adjustments (10)		117.5		118.1
Non-GAAP net income	$	64.0	$	71.8
Diluted earnings (loss) per share				
GAAP	$	(0.96)	$	(0.83)
Non-GAAP	$	1.14	$	1.28
Diluted weighted-average shares issued and outstanding				
GAAP		56.0		56.0

Non-GAAP Financial Measures

1) To supplement Green Dot's consolidated financial statements presented in accordance with GAAP, Green Dot uses measures of operating results that are adjusted to exclude various, primarily non-cash, expenses and charges. These financial measures are not calculated or presented in accordance with GAAP and should not be considered as alternatives to or substitutes for operating revenues, operating income, net income or any other measure of financial performance calculated and presented in accordance with GAAP. These financial measures may not be comparable to similarly-titled measures of other organizations because other organizations may not calculate their measures in the same manner as Green Dot does. These financial measures are adjusted to eliminate the impact of items that Green Dot does not consider indicative of its core operating performance. You are encouraged to evaluate these adjustments and the reasons Green Dot considers them appropriate.

Green Dot believes that the non-GAAP financial measures it presents are useful to investors in evaluating Green Dot's operating performance for the following reasons:

- adjusted EBITDA is widely used by investors to measure a company's operating performance without regard to items, such as non-operating net interest income and expense, income tax benefit and expense, depreciation and amortization, stock-based compensation and related employer payroll taxes, changes in the fair value of contingent consideration, transaction costs, impairment charges, extraordinary severance expenses, certain legal settlement and related expenses, earnings or losses from equity method investments, changes in the fair value of loans held for sale, realized losses on available-for-sale investment securities, and other charges and income that can vary substantially from company to company depending upon their respective financing structures and accounting policies, the book values of their assets, their capital structures and the methods by which their assets were acquired;
- securities analysts use adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies; and
- Green Dot records stock-based compensation from period to period, and recorded stock-based compensation expenses and related employer payroll taxes, net of forfeitures, of approximately $3.4 million and $8.7 million for the three months ended March 31, 2025 and 2024, respectively. By comparing Green Dot's adjusted EBITDA, non-GAAP net income and non-GAAP diluted earnings per share in different historical periods, investors can evaluate Green Dot's operating results without the additional variations caused by stock-based compensation expense and related employer payroll taxes, which may not be comparable from period to period due to changes in the fair market value of Green Dot's Class A common stock (which is influenced by external factors like the volatility of the public markets and the financial performance of Green Dot's peers) and is not a key measure of Green Dot's operations.

Green Dot's management uses the non-GAAP financial measures:

- as measures of operating performance, because they exclude the impact of items not directly resulting from Green Dot's core operations;
- for planning purposes, including the preparation of Green Dot's annual operating budget;
- to allocate resources to enhance the financial performance of Green Dot's business;
- to evaluate the effectiveness of Green Dot's business strategies;
- to establish metrics for variable compensation; and
- in communications with Green Dot's board of directors concerning Green Dot's financial performance.

Non-GAAP Financial Measures

Green Dot understands that, although adjusted EBITDA and other non-GAAP financial measures are frequently used by investors and securities analysts in their evaluations of companies, these measures have limitations as an analytical tool, and you should not consider them in isolation or as substitutes for an analysis of Green Dot's results of operations as reported under GAAP. Some of these limitations are:

- that these measures do not reflect Green Dot's capital expenditures or future requirements for capital expenditures or other contractual commitments;
- that these measures do not reflect changes in, or cash requirements for, Green Dot's working capital needs;
- that these measures do not reflect non-operating interest expense or interest income;
- that these measures do not reflect cash requirements for income taxes;
- that, although depreciation and amortization are non-cash charges, the assets being depreciated or amortized will often have to be replaced in the future, and these measures do not reflect any cash requirements for these replacements; and
- that other companies in Green Dot's industry may calculate these measures differently than Green Dot does, limiting their usefulness as comparative measures.

2) Green Dot does not include any income tax impact of the associated non-GAAP adjustment to adjusted EBITDA, as the case may be, because each of these adjustments to the non-GAAP financial measure is provided before income tax expense.

3) This expense consists primarily of expenses for restricted stock units (including performance-based restricted stock units) and related employer payroll taxes. Stock-based compensation expense is not comparable from period to period due to changes in the fair market value of Green Dot's Class A common stock (which is influenced by external factors like the volatility of public markets and the financial performance of Green Dot's peers) and is not a key measure of Green Dot's operations. Green Dot excludes stock-based compensation expense from its non-GAAP financial measures primarily because it consists of non-cash expenses that Green Dot does not believe are reflective of ongoing operating results. Green Dot also believes that it is not useful to investors to understand the impact of stock-based compensation to its results of operations. Further, the related employer payroll taxes are dependent upon volatility in Green Dot's stock price, as well as the timing and size of option exercises and vesting of restricted stock units, over which Green Dot has limited to no control. This expense is included as a component of compensation and benefits expenses on Green Dot's consolidated statements of operations.

4) Green Dot excludes certain expenses that are the result of acquisition or divestiture activities, including a sale in connection with its evaluation of strategic alternatives. These acquisition-related adjustments include items such as transaction costs, the amortization of acquired intangible assets, changes in the fair value of contingent consideration, settlements of contingencies established at time of acquisition and other acquisition related charges, such as integration charges and professional and legal fees, which result in Green Dot recording expenses or fair value adjustments in its GAAP financial statements. Green Dot may also from time to time incur gains or losses from divestitures of a business or other sale activities, as well as professional and legal fees and other direct expenses associated with such transactions. Green Dot analyzes the performance of its operations without regard to these adjustments. In determining whether any acquisition-related adjustment is appropriate, Green Dot takes into consideration, among other things, how such adjustments would or would not aid in the understanding of the performance of its operations. These items are included as a component of other general and administrative expenses on Green Dot's consolidated statements of operations, as applicable for the periods presented.

Non-GAAP Financial Measures

5) Green Dot excludes certain income and expenses that are not reflective of ongoing operating results. It is difficult to estimate the amount or timing of these items in advance. Although these events are reflected in Green Dot's GAAP financial statements, Green Dot excludes them in its non-GAAP financial measures because Green Dot believes these items may limit the comparability of ongoing operations with prior and future periods. These adjustments include items such as amortization attributable to deferred financing costs, impairment charges related to long-lived assets, earnings or losses from equity method investments, legal settlements and related expenses, changes in the fair value of loans held for sale, realized losses on available-for-sale investment securities and other income and expenses, as applicable for the periods presented. In determining whether any such adjustment is appropriate, Green Dot takes into consideration, among other things, how such adjustments would or would not aid in the understanding of the performance of its operations. Each of these adjustments, except for amortization of deferred financing costs, earnings and losses from equity method investments, fair value changes on loans held for sale, and realized losses on available-for-sale investment securities, which are all included below operating income, are included within other general and administrative expenses on Green Dot's consolidated statements of operations.

6) During the three months ended March 31, 2025, Green Dot recorded $3.0 million related to extraordinary severance expenses, which were paid out in connection with reductions in force and other extraordinary involuntary terminations of employment. Although severance expenses may arise throughout the fiscal year, Green Dot believes the nature of these extraordinary costs are not indicative of its core operating performance. This expense is included as a component of compensation and benefits expenses on Green Dot's consolidated statements of operations.

7) Represents the tax effect for the related non-GAAP measure adjustments using Green Dot's year to date non-GAAP effective tax rate. It also excludes both the impact of excess tax benefits related to stock-based compensation and the IRC §162(m) limitation that applies to performance-based restricted stock units expense as of March 31, 2025.

8) Represents commissions and certain processing-related costs associated with embedded finance products and services where Green Dot does not control customer acquisition. This adjustment is netted against revenues when evaluating segment performance.

9) Represents other non-interest investment income earned by Green Dot Bank. This amount is included along with operating interest income in Green Dot's Corporate and Other segment since the yield earned on these investments are generated on a recurring basis and earned similarly to its investment securities available-for-sale.

10) These amounts represent estimated adjustments for items such as income taxes, depreciation and amortization, employee stock-based compensation and related employer taxes, transaction costs from acquisitions or divestitures, amortization attributable to deferred financing costs, impairment charges, extraordinary severance expenses, earnings and losses from equity method investments, changes in the fair value of loans held for sale, legal settlements and related expenses, realized losses on available-for-sale investment securities and other income and expenses. Employee stock-based compensation expense includes assumptions about the future fair value of the Company's Class A common stock (which is influenced by external factors like the volatility of public markets and the financial performance of the Company's peers).