



NEWS RELEASE

OppFi Reports Fourth Quarter and Full-Year 2021 Financial Results

3/10/2022

Net income for the fourth quarter of \$17 million and \$90 million for full-year 2021

Adjusted Net Income of \$66 million for full-year 2021, up 19% year over year

Basic and Diluted EPS of \$0.84 for the fourth quarter of 2021 and \$1.93 for full-year 2021

Adjusted Basic and Diluted EPS of \$0.13 for the fourth quarter of 2021 and \$0.78 for full-year 2021

Revenue up 4% and Adjusted Revenue up 11% year over year for the fourth quarter of 2021 and 20% and 9%, respectively, for full-year 2021

Net Originations increased 25% year over year for the fourth quarter of 2021 to a record \$187 million and 23% for full-year 2021 to a record \$595 million

Ending Receivables for the fourth quarter of 2021 up 22% year over year and 15% sequentially

CHICAGO--(BUSINESS WIRE)-- OppFi Inc. (NYSE: OPFI) ("**OppFi**" and "the Company"), a leading financial technology platform that powers banks to help the everyday consumer gain access to credit, today reported financial results for the fourth quarter and full-year ended December 31, 2021.

"I am excited and proud to return as CEO of the company that I founded 10 years ago," said Todd Schwartz, Executive Chairman and Chief Executive Officer of OppFi. "I remain as passionate about our mission for financial

inclusion as I did in 2012, and I look forward to leading this dynamic enterprise in our next phase of growth.”

“We ended 2021 achieving record origination volume for the second consecutive quarter, with \$187 million in originations representing 25% year over year growth for the fourth quarter, and record annual originations of \$595 million, representing 23% year over year growth,” commented Schwartz. “For the full-year 2021, we achieved record earnings and the high-end of our guidance ranges for adjusted net income and ending receivables, despite normalizing industry credit trends during the fourth quarter. As a result, we believe that we are positioned for continued strong growth in 2022, especially given our industry leading customer service as exemplified by our net promoter score (NPS) of 85.

“In 2022, we plan to further leverage demand for our strong, profitable core installment loan business to expand market share while reducing credit risk,” continued Schwartz. “We have already introduced our next-generation credit and continuous process improvement models, which are designed to enable us to target more prospective customers while achieving our target return hurdles, and we expect to fully launch market-based offers for the OppLoans product. In addition, we continue to build our proprietary technology platform and artificial intelligence systems to expand underwriting automation, which more than doubled in 2021.”

“I am confident in our future and the opportunities ahead,” concluded Schwartz. “To this end, we recently announced our \$20 million corporate share repurchase authorization that we intend to utilize, when we believe OppFi’s share price is disconnected from the long term value and potential of the Company. In addition, my family and I are, and have been, strong believers in the long-term potential of OppFi and are prepared to further invest and support the stock when we see such a disconnect in the market.”

Financial Summary

The following tables present a summary of OppFi’s results for the three and twelve months ended December 31, 2021 and 2020.

(in thousands, except share and per share data) Unaudited	Three Months Ended December 31,		Variance %
	2021	2020	
Total revenue	\$ 95,958	\$ 92,321	3.9%
Adjusted revenue ¹	\$ 95,958	\$ 86,797	10.6%
Net income	\$ 17,032	\$ 16,158	5.4%
Adjusted net income ¹	\$ 11,378	\$ 21,123	(46.1%)
Adjusted EBITDA ¹	\$ 20,442	\$ 34,702	(41.1%)
Basic and diluted EPS	\$ 0.84	\$ —	—
Adjusted basic and diluted EPS ¹	\$ 0.13	\$ —	—

(in thousands, except share and per share data) Unaudited	Year Ended December 31,		Variance
	2021	2020	%
Total revenue	\$ 350,568	\$ 291,014	20.5%
Adjusted revenue ¹	\$ 350,568	\$ 322,954	8.6%
Net income	\$ 89,795	\$ 77,516	15.8%
Adjusted net income ¹	\$ 65,819	\$ 55,205	19.2%
Adjusted EBITDA ¹	\$ 116,863	\$ 101,150	15.5%
Basic and diluted EPS	\$ 1.93	\$ —	—
Adjusted basic and diluted EPS ¹	\$ 0.78	\$ —	—

Fourth Quarter & Full-Year 2021 Key Performance Metrics

The following tables represent key fourth quarter and full-year metrics.

(in thousands, except marketing cost per loan information) Unaudited	As of and for the Three Months Ended		
	December 31, 2021	September 30, 2021	December 31, 2020
Total Net Originations(a)	\$ 186,685	\$ 164,546	\$ 149,870
Ending Receivables(b)	\$ 337,529	\$ 293,279	\$ 275,670
% of Originations by Bank Partners	94%	93%	67%
Net Charge-Offs as % of Average Receivables(c)	53%	36%	31%
Auto-Approval Rate(d)	60%	58%	26%
Marketing Cost per Funded Loan(e)	\$ 89	\$ 89	\$ 65
Marketing Cost per New Funded Loan(f)	\$ 260	\$ 255	\$ 212

(in thousands, except marketing cost per loan information) Unaudited	As of and for the Year Ended December 31,	
	2021	2020
Total Net Originations(a)	\$ 595,079	\$ 483,350
Ending Receivables(b)	\$ 337,529	\$ 275,670
% of Originations by Bank Partners	91%	65%
Net Charge-Offs as % of Average Receivables(c)	38%	36%
Auto-Approval Rate(d)	60%	26%
Marketing Cost per Funded Loan(e)	\$ 78	\$ 62
Marketing Cost per New Funded Loan(f)	\$ 254	\$ 211

(a) Total net originations include both originations by bank partners on the OppFi platform, as well as direct originations by OppFi.

(b) Receivables are defined as unpaid principal balances of both on- and off-balance sheet loans.

(c) Annualized net charge-offs as a percentage of average receivables (defined as unpaid principal of both on- and off-balance sheet loans) represents total charge offs from the period less recoveries as a percent of average receivables. Finance receivables are charged off at the earlier of the time when accounts reach 90 days past due on a recency basis, when OppFi receives notification of a customer bankruptcy or is otherwise deemed uncollectible.

(d) Auto-Approval Rate is calculated by taking the number of approved loans that are not decided by a loan advocate or underwriter (auto-approval) divided by the total number of loans approved.

(e) Marketing Cost per Funded Loan represents marketing cost per funded loan for new and refinanced loans. This metric is the amount of direct marketing costs incurred during a period divided by the number of loans originated during that same period.

(f) Marketing Cost per New Funded Loan represents marketing cost for new loans. This metric is the amount of direct marketing costs incurred during a period divided by the number of new loans originated during that same period.

Financial Capacity and Capital Resources

As of December 31, 2021, OppFi had \$62 million in total cash and an additional \$158 million of unused debt

capacity under its financing facilities for future availability, representing a 38% overall undrawn capacity. Including total financing commitments of \$411 million and total cash, the Company had approximately \$473 million in funding capacity as of December 31, 2021. In addition, the Company's net debt to equity ratio was well below two times.

Full Year 2022 Guidance

OppFi is introducing its full year 2022 financial guidance. For the full year 2022, the Company currently expects:

- Total revenue and ending receivables growth of 20% to 25% year over year
- Net revenue margin (defined as gross revenues less change in fair value divided by total revenue) between 60% and 65%
- Adjusted operating expenses (defined as total expenses excluding interest expenses, add backs and one-time items), as percentage of total revenue between 43% and 47%
- Adjusted EBITDA margin between 20% to 25%
- Adjusted net income margin between 8% and 12%

"Our full year 2022 guidance is based on our key assumption that the credit cycle is renormalizing after being temporarily supported by lower demand reflecting the influx of cash from government stimulus programs," said Shiven Shah, Chief Financial Officer of OppFi. "We are currently executing efficiency and process automation initiatives, the full annualized benefit of which we expect will be realized next year. In addition, we believe that in a 2022 steady-state environment with credit normalization and realization of our efficiency initiatives, we would achieve adjusted net income at least in-line with our 2021 results, assuming conservative origination growth."

"We expect adjusted net income to ramp up throughout 2022, as we realize the benefits of our tighter underwriting parameters and savings from operating efficiency initiatives that are underway currently," continued Shah.

"Adjusted net income will be impacted by elevated charge-offs in the first half of the year related to late 2021 vintages, especially in the first quarter. As those loans run-off, we expect lower net charge offs, beginning in the second quarter of 2022, driven by higher growth in lower-risk customer segments. Consequently, we expect the first quarter will be our weakest this year, with profitability muted as we anticipate adjusted net income margin to be approximately break-even."

Share Repurchase Program

On January 6, 2022, OppFi announced that its Board of Directors authorized a share repurchase program that permits the Company to purchase up to an aggregate of \$20 million of its Class A common stock. The authorization will expire in December 2023. The repurchase program is designed to provide the Company with an effective

means to support stockholders, when it believes the Company's stock price does not reflect the long term value of the Company.

Conference Call

Management will host a webcast and conference call on Thursday, March 10, 2022 at 5:00 pm ET to discuss the Company's financial results for the fourth quarter and full-year ended December 31, 2021. The conference call will be made available in the **Investor Relations** page of the Company's website. To listen to a live broadcast, go to the site at least 15 minutes prior to the scheduled start time in order to register.

The conference call can also be accessed by the following dial-in information:

- Conference ID: 13726901
- Domestic: 1-877-705-6003
- International: 1-201-493-6725

A replay of the call will also be available on the Company's website approximately two hours after the live call through March 24, 2022. To access the replay, dial 1-844-512-2921 (Domestic) or 1-412-317-6671 (International). The replay pin number is 13726901.

Fourth Quarter Results of Operations

The following tables present OppFi's consolidated results of operations for the three and twelve months ended December 31, 2021 and 2020. The consolidated results of operations reflect the transition on January 1, 2021, to the fair value ("FV") accounting method for certain receivables from the incurred loss impairment methodology. The below tables represent unaudited income statements that compare year over year performance as well as a pro forma basis for the application of the FV methodology.

GAAP Income Statements

(in thousands, except share and per share data)	Three Months Ended December 31,		Change %
	2021	2020	
Interest and loan related income, gross(a)	\$ 95,448	\$ 86,514	10.3%
Other income	510	283	80.2%
Interest, loan related, and other Income	\$ 95,958	\$ 86,797	10.6%
Amortization of loan origination costs	—	5,524	(100.0)%
Total revenue	\$ 95,958	\$ 92,321	3.9%
Total provision	(748)	(28,032)	(97.3)%
Change in fair value of finance receivables	(33,326)	—	—
Net revenue	\$ 61,884	\$ 64,289	(3.7)%

Expenses		58,510	48,131	21.6%
Income from operations	\$	3,374	\$ 16,158	(79.1)%
Gain on forgiveness of Paycheck Protection Program loan		—	—	—
Change in fair value of warrant liability		13,266	—	—
Income before income taxes	\$	16,640	\$ 16,158	3.0%
Income tax benefit		392	—	—
Net income	\$	17,032	\$ 16,158	5.4%
Less: net income attributable to noncontrolling interest		5,603	—	—
Net income attributable to OppFi Inc.	\$	11,429	—	—
Earnings per share attributable to OppFi Inc.(b):				
Earnings per common share:				
Basic	\$	0.84	\$ —	—
Diluted	\$	0.84	\$ —	—
Weighted average common shares outstanding:				
Basic		13,545,261	—	—
Diluted		13,580,979	—	—

(a) Loan Related Income primarily consists of non-sufficient funds fees, which are immaterial and were discontinued during Q1 2021. Interest income related to finance receivables accounted for under the fair value option is included in "Interest and loan related income, gross" in the consolidated statements of operations.

(b) Prior to the Reverse Recapitalization, all net income was attributable to the noncontrolling interest. For the periods prior to July 20, 2021, earnings per share was not calculated, as net income prior to the Business Combination was attributable entirely to OppFi-LLC.

(in thousands, except share and per share data)

	Year Ended December 31,		Change %
	2021	2020	
Interest and loan related income, gross (a)	\$ 349,029	\$ 322,165	8.3%
Other income	1,539	789	95.0%
Interest, loan related, and other Income	\$ 350,568	\$ 322,954	8.6%
Amortization of loan origination costs	—	(31,940)	(100.0)%
Total revenue	\$ 350,568	\$ 291,014	20.5%
Total provision	(929)	(90,787)	(99.0)%
Change in fair value of finance receivables	(85,960)	—	—
Net revenue	\$ 263,679	\$ 200,227	31.7%
Expenses	206,422	122,711	68.2%
Income from operations	\$ 57,257	\$ 77,516	(26.1)%
Gain on forgiveness of Paycheck Protection Program loan	6,444	—	—
Change in fair value of warrant liability	26,405	—	—
Income before income taxes	\$ 90,106	\$ 77,516	16. 2%
Provision for income taxes	(311)	—	—
Net income	\$ 89,795	\$ 77,516	15.8%
Less: net income attributable to noncontrolling interest	64,241	—	—
Net income attributable to OppFi Inc.	\$ 25,554	—	—
Earnings per share attributable to OppFi Inc. (b):			
Earnings per common share:			
Basic	\$ 1.93	\$ —	—
Diluted	\$ 1.93	\$ —	—
Weighted average common shares outstanding:			
Basic	13,218,119	—	—
Diluted	13,227,049	—	—

(a) Loan Related Income primarily consists of non-sufficient funds fees, which are immaterial and were discontinued during Q1 2021. Interest income related to finance receivables accounted for under the fair value option is included in "Interest and loan related income, gross" in the consolidated statements of operations.

(b) Prior to the Reverse Recapitalization, all net income was attributable to the noncontrolling interest. For the periods prior to July 20, 2021, earnings per share was not calculated, as net income prior to the Business Combination was attributable entirely to OppFi-LLC.

Fair Value Pro Forma Income Statements (a)

(in thousands, except share and per share data) Unaudited	Three Months Ended		Change %
	2021	2020	
Interest, loan related, and other income	\$ 95,958	\$ 86,797	10.6%
Total provision	(748)	—	—
Fair value adjustment (b)	(33,326)	(16,559)	101.3%
Net revenue	\$ 61,884	\$ 70,238	(11.9)%
Expenses			
Sales and marketing	17,508	12,484	40.2%
Customer operations	10,225	10,150	0.7%
Technology, products, and analytics	7,774	5,491	41.6%
General, administrative, and other	16,153	11,509	40.4%
Total expenses before interest expense	\$ 51,660	\$ 39,634	30.3%
Interest expense (c)	6,850	4,647	47.4%
Income from operations	\$ 3,374	\$ 25,957	(87.0)%
Gain on forgiveness of Paycheck Protection Program loan	—	—	—
Change in fair value of warrant liability	13,266	—	—
Income before income taxes	\$ 16,640	\$ 25,957	(35.9)%
Income tax benefit	392	—	—
Net income	\$ 17,032	\$ 25,957	(34.4)%
Less: net income attributable to noncontrolling interest	5,603	—	—
Net income attributable to OppFi Inc.	\$ 11,429	—	—
Earnings per share attributable to OppFi Inc. (b):			
Earnings per common share:			
Basic	\$ 0.84	\$ —	—
Diluted	\$ 0.84	\$ —	—
Weighted average common shares outstanding:			
Basic	13,545,261	—	—
Diluted	13,580,979	—	—

(a) The pro forma fair value accounting adjustments are due to OppFi's transition from an incurred credit loss application to a fair value application acceptable under US GAAP. Historically, under the incurred credit loss application, OppFi has reserved for life losses due to the short duration of receivables. These financial measures are not prepared in accordance with accounting principles generally accepted in the United States and may be different from non-GAAP financial measures used by other companies.

(b) Fair value adjustment of \$33 million includes net charge-offs of \$41 million and a fair market value adjustment of \$8 million driven by higher receivables and a higher fair market value mark.

(c) Includes debt amortization costs.

(d) Prior to the Reverse Recapitalization, all net income was attributable to the noncontrolling interest. For the periods prior to July 20, 2021, earnings per share was not calculated, as net income prior to the Business Combination was attributable entirely to OppFi-LLC.

(in thousands, except share and per share data) Unaudited	Year Ended		Change %
	2021	2020	
Interest, loan related, and other income	\$ 350,568	\$ 322,954	8.6%
Total provision	(929)	—	—
Fair value adjustment (a)	(85,960)	(104,028)	(17.4)%
Net revenue	\$ 263,679	\$ 218,926	20.4%
Expenses			
Sales and marketing	52,622	37,843	39.1%
Customer operations	40,260	38,179	5.5%
Technology, products, and analytics	27,442	19,745	39.0%
General, administrative, and other	61,842	32,708	89.1%
Total expenses before interest expense	\$ 182,166	\$ 128,475	41.8%
Interest expense (b)	24,256	21,228	14.3%
Income from operations	\$ 57,257	\$ 69,223	(17.3)%
Gain on forgiveness of Paycheck Protection Program loan	6,444	—	—
Change in fair value of warrant liability	26,405	—	—
Income before income taxes	\$ 90,106	\$ 69,223	30.2%
Provision for income taxes	(311)	—	—

Net income	\$	89,795	\$	69,223	29.7%
Less: net income attributable to noncontrolling interest		64,241			
Net income attributable to OppFi Inc.	\$	25,554			
Earnings per share attributable to OppFi Inc. (b):					
Earnings per common share:					
Basic	\$	1.93	\$	—	
Diluted	\$	1.93	\$	—	
Weighted average common shares outstanding:					
Basic		13,218,119		—	
Diluted		13,227,049		—	

(a) Fair value adjustment of \$86 million includes net charge-offs of \$103 million and a fair market value Adjustment of \$17 million driven by higher receivables and a higher fair market value mark.

(b) Includes debt amortization costs.

(c) Prior to the Reverse Recapitalization, all net income was attributable to the noncontrolling interest. For the periods prior to July 20, 2021, earnings per share was not calculated, as net income prior to the Business Combination was attributable entirely to OppFi-LLC.

Condensed Balance Sheets

Comparison December 31, 2021 and 2020

The following table presents OppFi's condensed balance sheet for December 31, 2021 and 2020:

(in thousands) Unaudited	December 31, 2021		December 31, 2020	
Assets				
Cash and restricted cash	\$	62,362	\$	45,657
Finance receivables at fair value		383,890		-
Finance receivables at amortized cost, net		4,220		222,243
Other Assets		51,634		17,943
Total assets	\$	502,106	\$	285,843
Liabilities and stockholders'/members' equity				
Other liabilities	\$	58,967	\$	28,406
Total debt		274,021		158,105
Warrant liabilities		11,240		-
Total liabilities		344,228		186,511
Total stockholders'/members' equity		157,878		99,332
Total liabilities and stockholders'/members' equity	\$	502,106	\$	285,843

Total cash and restricted cash increased by \$16.7 million as of December 31, 2021, driven by free cash flow from operations as well as increased borrowings under OppFi's refinanced corporate credit facility and higher utilization of senior debt to finance receivables growth, transaction expenses, and tax distributions. Finance receivables in 2021 increased due to origination growth driving higher unpaid principal balances as well as the election of the fair value option in 2021. Other assets grew by \$33.7 million driven by the addition of a deferred tax asset of \$25.6 million related to the business combination, as well as \$5.1 million largely consisting of prepaid expenses and \$4.1 million of property, equipment and capitalized technology costs, partially offset by a reduction of \$1.1 million of debt issuance costs.

Other liabilities increased by \$30.6 million driven by a tax receivable agreement liability in connection with the

business combination with a balance of \$23.3 million as of December 31, 2021. Total debt increased by \$115.9 million driven by an increase in utilization of leverage facilities of \$97.5 million and a \$24.8 million net impact of the corporate credit facility refinancing, partially offset by \$6.4 million of loan forgiveness of the PPP loan.

Total equity increased by \$58.5 million driven by net income for the year of \$89.8 million and the impact of the adoption of the fair value method of accounting of \$69.4 million, partially offset by net distributions of \$50.8 million and transaction related adjustments to equity of \$49.9 million.

As of December 31, 2021, OppFi had 84.5 million shares of common stock outstanding, excluding 25.5 million shares of common stock associated with earnouts. Adjusted earnings per share for the fourth quarter was \$0.13 and for the full-year of 2021 was \$0.78. Earnings per share (and adjusted earnings per share) for the three and twelve months ended December 31, 2021 excludes 15.3 million warrants outstanding with exercise prices at \$11.50 and \$15.00 per share as well as 5.2 million in grants under OppFi's equity incentive plan, as these securities are anti-dilutive.

About OppFi

OppFi (NYSE: OPFI) is a leading financial technology platform that powers banks to help the everyday consumer gain access to credit. Through its unwavering commitment to customer service, OppFi helps consumers who are turned away by mainstream options build better financial health. The Company has been an Inc. 5000 company for six straight years, a three-time Deloitte's Technology Fast 500™, and the seventh fastest-growing company in Chicagoland in 2021 by Crain's Chicago Business. The Company was listed on the Forbes America 2021 list of America's Best Startup Employers and Built In's 2022 Best Places to Work in Chicago. OppFi maintains an A+ rating from the Better Business Bureau (BBB) and maintains a 4.8/5 star rating with more than 19,000 online customer reviews, making it one of the top customer-rated financial platforms online. For more information, please visit oppfi.com.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. OppFi's actual results may differ from its expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "possible," "continue," and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements include, without limitation, OppFi's

expectations for its full year 2022 net revenue, receivables growth, net revenue margin, Adjusted Operating Expenses, Adjusted EBITDA and Adjusted Net Income, OppFi's expectations with respect to the future performance of OppFi's platform, OppFi's expectations for its growth, and including growth of loan automation, and profitability and OppFi's new products and their performance. These forward-looking statements are based on OppFi's current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside OppFi's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: the impact of COVID-19 on OppFi's business; the impact of stimulus or other government programs; whether OppFi will be successful in obtaining declaratory relief against the Commissioner of the Department of Financial Protection and Innovation for the State of California; whether OppFi will be subject to AB 539; whether OppFi's bank partners will continue to lend in California and whether OppFi's financing sources will continue to finance the purchase of participation rights in loans originated by OppFi's bank partners in California; the risk that the business combination disrupts current plans and operations; the ability to recognize the anticipated benefits of the business combination, which may be affected by, among other things, competition, the ability of OppFi to grow and manage growth profitably and retain its key employees; risks related to new products; concentration risk; costs related to the business combination; changes in applicable laws or regulations; the possibility that OppFi may be adversely affected by other economic, business, and/or competitive factors; risks related to management transitions; and other risks and uncertainties indicated from time to time in OppFi's filings with the United States Securities and Exchange Commission, in particular, contained in the section or sections captioned "Risk Factors." OppFi cautions that the foregoing list of factors is not exclusive, and readers should not place undue reliance upon any forward-looking statements, which speak only as of the date made. OppFi does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Non-GAAP Financial Measures

This press release includes certain non-GAAP financial measures that are unaudited and do not conform to GAAP, such as Fair Value Pro Forma information, Adjusted Revenue, Adjusted Basic and Diluted EPS, Adjusted Net Income (and margin thereof), Adjusted EBITDA (and margin thereof) and Adjusted Operating Expenses. Adjusted Revenue is defined as Total Revenue adjusted to include amortization of loan origination costs for periods prior to the adoption of the fair value option. Adjusted Net Income is defined as Net Income, pro forma for fair value accounting for finance receivables adoption, plus (1) recruiting fees, severance and relocation, (2) amortization of debt transaction costs and (3) other addbacks and one-time expenses following the closing of the business combination, including one-time implementation fees, stock compensation expenses, IPO readiness costs and management fees, adjusted for taxes assuming a tax rate of 25% for the year ended December 31, 2020 and a 21.61% tax rate after,

reflecting the U.S. federal statutory rate of 21% and a blended statutory rate for state income taxes, in order to allow for a comparison with other publicly traded companies. Adjusted EBITDA is defined as Adjusted Net Income, pro forma for fair value accounting for finance receivables adoption, plus (1) a tax rate of 25% for the year ended December 31, 2020 and a 21.61% tax rate after, reflecting the U.S. federal statutory rate of 21% and a blended statutory rate for state income taxes, in order to allow for a comparison with other publicly traded companies., (2) depreciation and amortization, (3) interest expense and (4) business (non-income) taxes. Adjusted Basic and Diluted EPS is defined as adjusted net income divided by adjusted shares outstanding, which represent shares of both classes of common stock outstanding as of December 31, 2021, excluding 25,500,000 shares related to earnout obligations and including the impact of unvested restricted stock units. The pro forma fair value accounting adjustments are due to OppFi's transition from an incurred credit loss application to a fair value application acceptable under US GAAP. Historically, under the incurred credit loss application, OppFi has reserved for life losses due to the short duration of receivables. Adjusted Operating Expenses is defined as total expenses excluding interest expenses, add backs and one-time items, and is presented as a percentage of Total Revenue. These financial measures are not prepared in accordance with accounting principles generally accepted in the United States and may be different from non-GAAP financial measures used by other companies. OppFi believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. These non-GAAP measures with comparable names should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with GAAP. A reconciliation for OppFi's non-GAAP financial measures to the most directly comparable GAAP financial measures is in the table below.

The Non-GAAP financial measures of Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Expense as a percentage of revenue for the full year 2022 are provided in this press release only on a non-GAAP basis because a reconciliation to the most comparable GAAP financial measures, Net Revenue, Net Income, and Total Expenses, is not available without unreasonable effort. OppFi believes that such items and, accordingly, the other items of the reconciliation, would require an unreasonable effort to predict with reasonable certainty the amount or timing of non-GAAP adjustments used to calculate these Non-GAAP financial measures. OppFi believes that any such forecast would result in a broad range of projected values that would not be meaningful to investors.

Reconciliation of Non-GAAP Financial Measures

Adjusted EBITDA

(in thousands, except share and per share data) Unaudited

Three Months Ended December 31,	Change
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	2021	2020	%
Net income	\$ 17,032	\$ 16,158	5.4%
Income tax benefit	(392)	—	—
FV adjustments	—	9,799	(100.0)%
Debt issuance cost amortization	574	494	16.2%
Other addback and one-time expenses (a)	(5,530)	1,713	(422.8)%
Adjusted EBT1	\$ 11,684	\$ 28,164	(58.5)%
Less: pro forma taxes (b)	(306)	(7,041)	(95.7)%
Adjusted net income ¹	\$ 11,378	\$ 21,123	(46.1)%
Pro forma taxes (b)	306	7,041	(95.7)%
Depreciation and amortization	2,992	1,958	52.8%
Interest expense	6,275	4,153	51.1%
Business (non-income) taxes	(510)	427	(219.4)%
Loss on disposition of equipment	1	—	—
Adjusted EBITDA ¹	\$ 20,442	\$ 34,702	(41.1)%
Non-GAAP earnings per share:			
Basic	\$ 0.13	\$ —	
Diluted	\$ 0.13	\$ —	
Weighted average adjusted shares outstanding:			
Basic	84,466,077	—	
Diluted	84,501,795	—	

(a) Other addback and one-time expense of (\$5.5 million) includes a (\$13.3 million) addback due to change in fair value of warrant liability and a \$7.7 million impact to the G&A line item in expenses comprised of: \$1.8 million in profit interest and stock compensation and \$5.9 million other one-time expenses.

(b) Assumes a tax rate of 25% for the year ended December 31, 2020 and a 21.61% tax rate after, reflecting the U.S. federal statutory rate of 21% and a blended statutory rate for state income taxes, in order to allow for a comparison with other publicly traded companies.

(c) Prior to the Reverse Recapitalization, all net income was attributable to the noncontrolling interest. For the periods prior to July 20, 2021, earnings per share was not calculated, as net income prior to the Business Combination was attributable entirely to OppFi-LLC.

(in thousands, except share and per share data) Unaudited	Year Ended December 31,		Change
	2021	2020	%
Net income	\$ 89,795	\$ 77,516	15.8%
Provision for income taxes	311	—	—
FV adjustments	—	(8,293)	(100.0)%
Debt issuance cost amortization	2,310	1,945	18.8%
Other addback and one-time expenses (a)	(8,452)	2,439	(446.5)%
Adjusted EBT1	\$ 83,964	\$ 73,607	14.1%
Less: pro forma taxes (b)	(18,145)	(18,402)	(1.4)%
Adjusted net income ¹	\$ 65,819	\$ 55,205	19.2%
Pro forma taxes (b)	18,145	18,402	(1.4)%
Depreciation and amortization	10,282	6,732	52.7%
Interest expense	21,946	19,284	13.8%
Business (non-income) taxes	665	1,527	(56.5)%
Loss on disposition of equipment	6	—	—
Adjusted EBITDA ¹	\$ 116,863	\$ 101,150	15.5%
Non-GAAP earnings per share:			
Basic	\$ 0.78	\$ —	
Diluted	\$ 0.78	\$ —	
Weighted average adjusted shares outstanding:			
Basic	84,465,109	—	
Diluted	84,474,039	—	

(a) Other addback and one-time expense of (\$8.5 million) included a (\$26.4 million) addback due to the change in fair value of the warrant liabilities, a (\$6.4 million) addback due to the gain on forgiveness of PPP Loan, and a \$24.4 million impact to the G&A line item in expenses comprised of: \$6.6 million in one-time expenses related to the Business Combination, \$3.0 million in profit interest and stock compensation, \$4.2 million in the change in fair value of warrant units outstanding prior to Business Combination, and \$10.6 million in other one-time expenses.

(b) Assumes a tax rate of 25% for the year ended December 31, 2020 and a 21.61% tax rate after, reflecting the U.S. federal statutory rate of 21% and a blended statutory rate for state income taxes, in order to allow for a comparison with other publicly traded companies.

(c) Prior to the Reverse Recapitalization, all net income was attributable to the noncontrolling interest. For the periods prior to July 20, 2021, earnings per share was not calculated, as net income prior to the Business Combination was attributable entirely to OppFi-LLC.

Adjusted Revenue

(in thousands) Unaudited	Three Months Ended December 31,		Variance %
	2021	2020	
Total revenue	\$ 95,958	\$ 92,321	3.9%
Amortization of loan origination costs	-	(5,524)	--
Adjusted revenue ¹	\$ 95,958	\$ 86,797	10.6%

(in thousands) Unaudited	Year Ended December 31,		Variance %
	2021	2020	
Total revenue	\$ 350,568	\$ 291,014	20.5%
Amortization of loan origination costs	-	31,940	--
Adjusted revenue ¹	\$ 350,568	\$ 322,954	8.6%

Adjusted Shares as Reflected in Adjusted Basic and Diluted Earnings Per Share

Unaudited	Three Months Ended December 31,	
	2021	2020
Weighted average Class A common stock outstanding	13,545,261	--
Weighted average Class V voting stock outstanding	96,420,816	--
Elimination of earnouts at period end	(25,500,000)	--
Weighted average adjusted basic shares	84,466,077	--
Dilutive impact of unvested restricted stock units	35,718	--
Weighted average adjusted diluted shares	84,501,795	--

Unaudited	Year Ended December 31,	
	2021	2020
Weighted average Class A common stock outstanding	13,218,119	--
Weighted average Class V voting stock outstanding	96,746,990	--
Elimination of earnouts at period end	(25,500,000)	--
Weighted average adjusted basic shares	84,465,109	--
Dilutive impact of unvested restricted stock units	8,930	--
Weighted average adjusted diluted shares	84,474,039	--

Adjusted Basic and Diluted EPS

Unaudited	Three Months Ended December 31,	
	2021	2020
Adjusted net income (thousands) ¹	\$ 11,378	\$ 21,123
Weighted average adjusted basic shares	84,466,077	--
Adjusted basic EPS:	\$ 0.13	\$ --

Unaudited	Three Months Ended December 31,	
	2021	2020
Adjusted net income (thousands) ¹	\$ 11,378	\$ 21,123
Weighted average adjusted diluted shares	84,501,795	—
Adjusted diluted EPS:	\$ 0.13	\$ —

Unaudited	Year Ended December 31,	
	2021	2020
Adjusted net income (in thousands) ¹	\$ 65,819	\$ 55,205
Weighted average adjusted basic shares	84,465,109	—
Adjusted basic EPS:	\$ 0.78	\$ —

Unaudited	Year Ended December 31,	
	2021	2020
Adjusted net income (in thousands) ¹	\$ 65,819	\$ 55,205
Weighted average adjusted diluted shares	84,474,039	—
Adjusted diluted EPS:	\$ 0.78	\$ —

Fair Value Pro Forma

(in thousands) Unaudited	Three Months Ended December 31, 2020		
	As Reported	FV Adjustments	FV Pro Forma
Total revenue	\$ 92,321	\$ (5,524)	\$ 86,797
Total provision	(28,032)	28,032	-
Fair value adjustment (a)	-	(16,559)	(16,559)
Net revenue	\$ 64,289	\$ 5,949	\$ 70,238
Expenses			
Sales and marketing	5,149	7,335	12,484
Customer operations	21,335	(11,185)	10,150
Technology, products, and analytics	5,491	-	5,491
General, administrative, and other	11,509	-	11,509
Total expenses before interest expense	\$ 43,484	\$ (3,850)	\$ 39,634
Interest expense (b)	4,647	-	4,647
Income from operations	\$ 16,158	\$ 9,799	\$ 25,957

(a) FV Adjustment of \$17 million includes net charge-offs of \$20 million and FMV Adjustment of \$3 million driven by higher receivables and FMV mark.
(b) Includes debt amortization costs.

(in thousands) Unaudited	Year Ended December 31, 2020		
	As Reported	FV Adjustments	FV Pro Forma
Total revenue	\$ 291,014	\$ 31,940	\$ 322,954

Total provision	(90,787)		90,787	-
Fair value adjustment (a)	-		(104,028)	(104,028)
Net revenue	\$ 200,227	\$	18,699	\$ 218,926
Expenses				
Sales and marketing	15,333		22,510	37,843
Customer operations	33,697		4,482	38,179
Technology, products, and analytics	19,745		-	19,745
General, administrative, and other	32,708		-	32,708
Total expenses before interest expense	\$ 101,483	\$	26,992	\$ 128,475
Interest expense (b)	21,228		-	21,228
Income from operations	\$ 77,516	\$	(8,293)	\$ 69,223

(a) FV Adjustment of \$104 million includes net charge-offs of \$90 million and FMV Adjustment of \$14 million driven by lower receivables and lower FMV mark as a result of the COVID-19 pandemic.

(b) Includes debt amortization costs.

[1] Non-GAAP Financial Measures: Adjusted Net Income, Adjusted Revenue and Adjusted EBITDA are financial measures that have not been prepared in accordance with Generally Accepted Accounting Principles ("GAAP"). See the "Note Regarding Non-GAAP Financial Measures" below for a detailed description and reconciliation of such Non-GAAP financial measures to their most directly comparable GAAP financial measures.

[2] Receivables defined as unpaid principal of both on- and off-balance sheet loans.

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