



Q2 2022

Financial Results

Supplemental Slides

August 10, 2022

Forward-Looking Statements

Certain statements in this presentation release may constitute “forward-looking” statements and information, within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 that relate to our current expectations and views of future events. In some cases, these forward-looking statements can be identified by words or phrases such as “may,” “might,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “seek,” “believe,” “estimate,” “predict,” “potential,” “continue,” “contemplate,” “possible” or similar words. These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. In addition, these forward-looking statements, including statements regarding our revenue and adjusted EBITDA guidance for fiscal year 2022, reflect our current views with respect to future events and are not a guarantee of future performance. Actual outcomes may differ materially from the information contained in the forward-looking statements as a result of a number of factors, including, without limitation, the following: our limited operating history and ability to manage our growth; our history of net losses and anticipated increasing operating expenses; our ability to achieve profitability; our ability to maintain and enhance our brand; our ability to attract new merchants, retain existing merchants and increase the sales of our products to existing enterprises; our dependence on the continued use of credit cards and other payment methods that expose our merchant to the risk of payment fraud; changes in laws and regulations related to the use of credit cards, such as PSD2, which have and may continue to impact our GMV and to change or reduce the use cases for our products; our ability to successfully implement our business plan in light of macroeconomic conditions, such as economic downturn, changes in consumer behavior (including as a result of COVID-19 related restrictions and macroeconomic conditions, including the rising inflationary environment), global supply chain issues and other factors that may impact eCommerce volumes and that may impact the demand for our services or have a material adverse impact on our and our business partners’ financial condition and results of operations; our ability to continue to improve our machine learning models or if our machine learning models contain errors or are otherwise ineffective or do not operate properly; our ability to predict our future revenue given our lengthy sales cycles; seasonality; our ability to operate in a highly competitive industry; merchant concentration; our ability to achieve desired operating margins; our compliance with a wide variety of U.S. and international laws and regulations; our ability to develop enhancements to our products; our dependence on our executive officers and senior management, and our ability to attract new talent, particularly in Israel; our limited experience in determining the optimal pricing for our products; our ability to obtain additional financing on favorable terms or at all; our reliance on Amazon Web Services; our ability to detect errors, defects or disruptions in our platform; our ability to protect our merchants’ and their consumers’ personal or other data from a security breach and to comply with laws and regulations relating to consumer data privacy and data protection; our ability to expand into markets outside the United States; our ability to effectively expand our sales force to facilitate revenue growth; the concentration of our voting power as a result of our dual class structure; and other risk factors set forth in Item 3.D - “Risk Factors” in our Annual Report on Form 20-F, filed with the Securities and Exchange Commission on February 25, 2022, and other documents filed with or furnished to the SEC. These statements reflect management’s current expectations regarding future events and operating performance and speak only as of the date of this presentation. You should not put undue reliance on any forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by applicable law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.



Key Performance Indicators and Non-GAAP Metrics

This presentation contains key performance indicators including GMV as well as non-GAAP metrics, including Adjusted EBITDA.

We define GMV as the gross total dollar value of orders received by our merchants and reviewed through our eCommerce risk management platform during the period indicated, including orders that we did not approve. We define Adjusted EBITDA as net profit (loss) adjusted to remove the effects of the provision for income taxes, interest income, net, other income (expense), net, depreciation and amortization, share-based compensation expense, and payroll taxes related to share-based compensation.

Adjusted EBITDA is a non-GAAP metric that management and our board of directors use as a supplemental measure of our performance because it assists us in comparing our operating performance on a consistent basis, as it removes the impact of items that we believe do not directly reflect our core operations. We also use Adjusted EBITDA for planning purposes, including the preparation of our internal annual operating budget and financial projections, to evaluate the performance and effectiveness of our strategic initiatives and to evaluate our capacity to expand our business.

Adjusted EBITDA should not be considered in isolation, as an alternative to, or superior to net profit (loss) or other performance measures derived in accordance with GAAP. This metric is frequently used by analysts, investors and other interested parties to evaluate companies in our industry. By providing this non-GAAP metric together with a reconciliation to its most comparable U.S. GAAP measure, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives.

Use of non-GAAP metrics should not be construed as an inference that our future results will be unaffected by unusual or other items. Adjusted EBITDA has limitations as an analytical tool in that it does not reflect our tax payments and certain other cash costs that may recur in the future, including, among other things, cash requirements for costs to replace assets being depreciated and amortized. Management compensates for these limitations by relying on our GAAP results in addition to using Adjusted EBITDA and other non-GAAP metrics as supplemental measures of our performance. The non-GAAP metrics used herein are not necessarily comparable to similarly titled captions of other companies due to different methods of calculation.

See the appendix for reconciliations of these non-GAAP financial metrics to the most directly comparable GAAP measures.



Riskified Mission

To empower businesses to realize the full potential of eCommerce by making it safe, accessible and frictionless.



Increased sales approval rates by up to 20%¹



Reduced costs by up to 60%¹



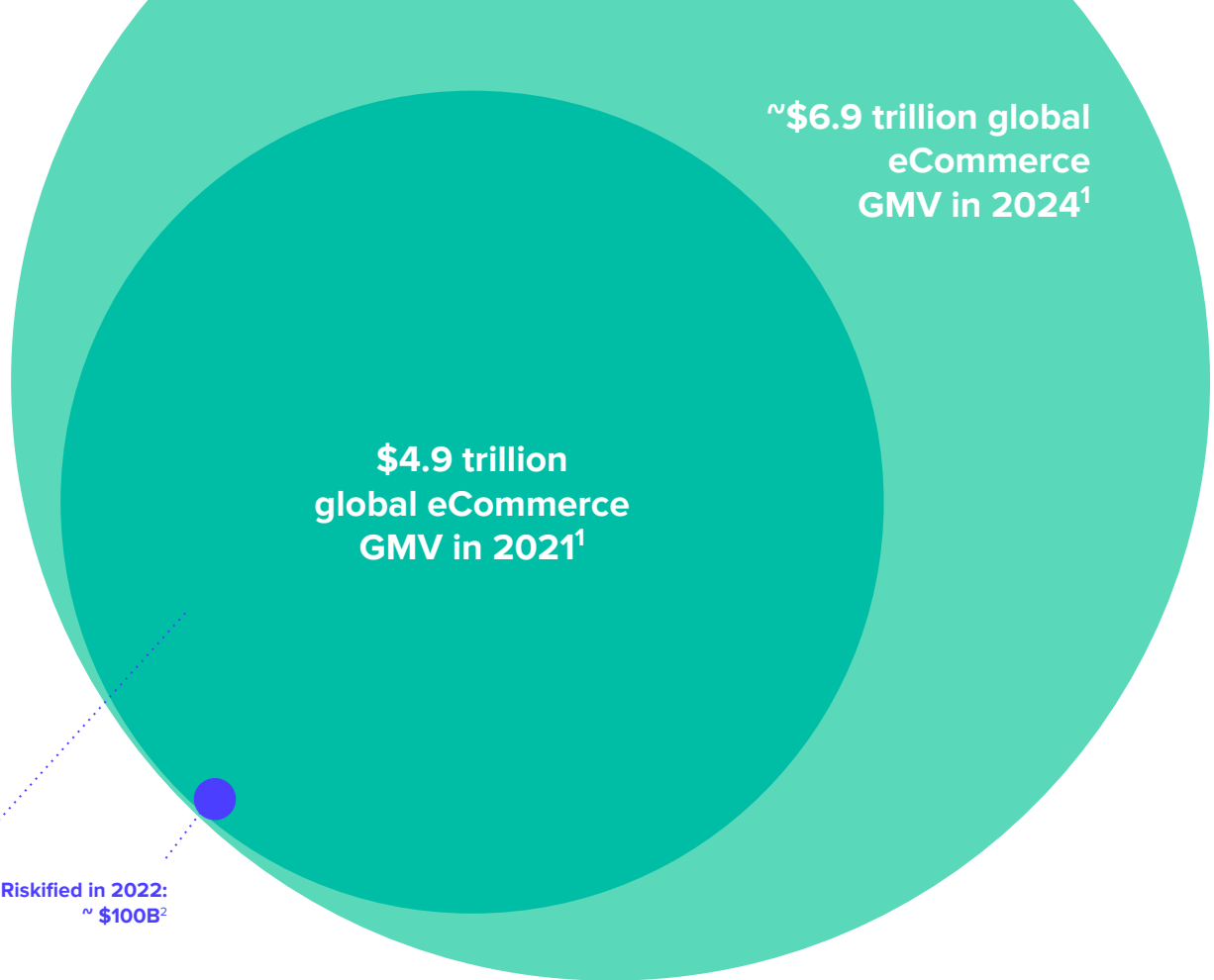
Eliminate significant customer friction, power omnichannel commerce and open new, global markets

¹ Based on billings of ten largest merchants in sample. Certain merchants in sample saw increases in sales approval rates and reductions in costs that exceed 20% and 60%, respectively. See slide 7.



We Operate in Massive Markets With Strong Tailwinds

Solving Problems That Touch All eCommerce Orders



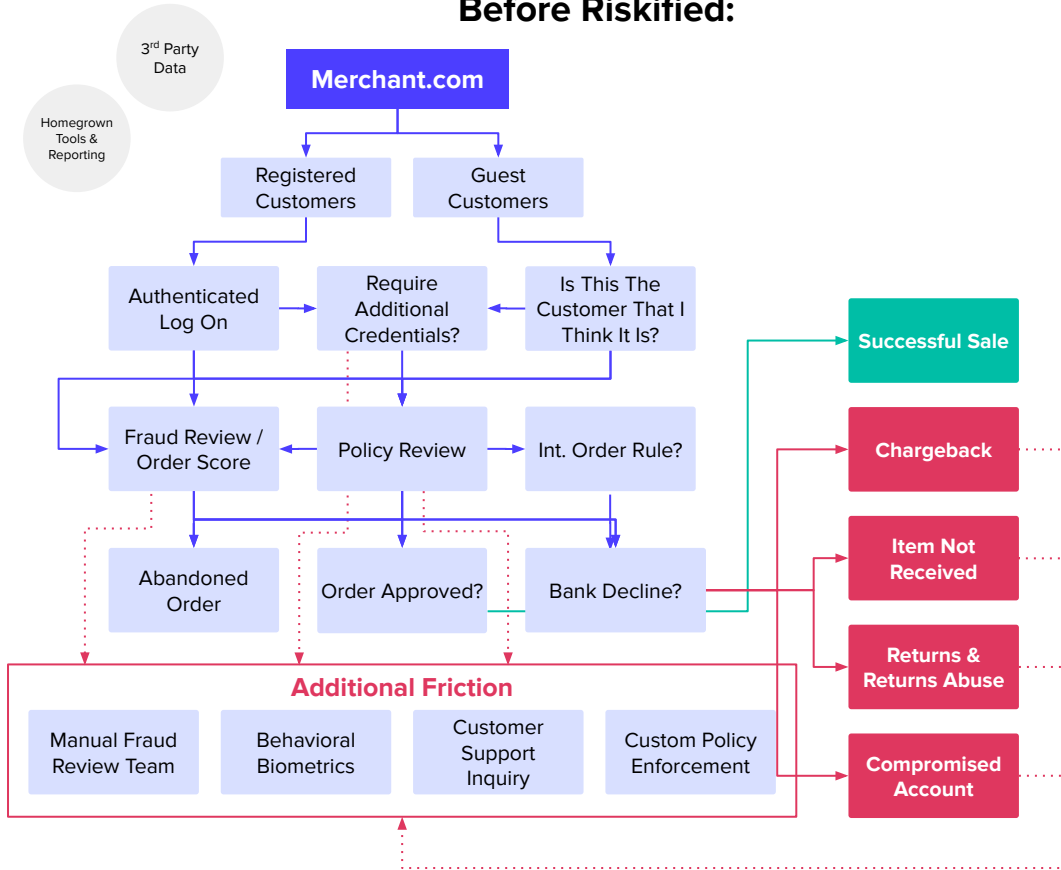
¹ Source: eMarketer June 2022

² GMV annualized based on the actual GMV reviewed by Riskified during the six months ending June, 30 2022



Riskified Enables Frictionless eCommerce

Before Riskified:



With Riskified:



Higher approval rates



Lower operating costs

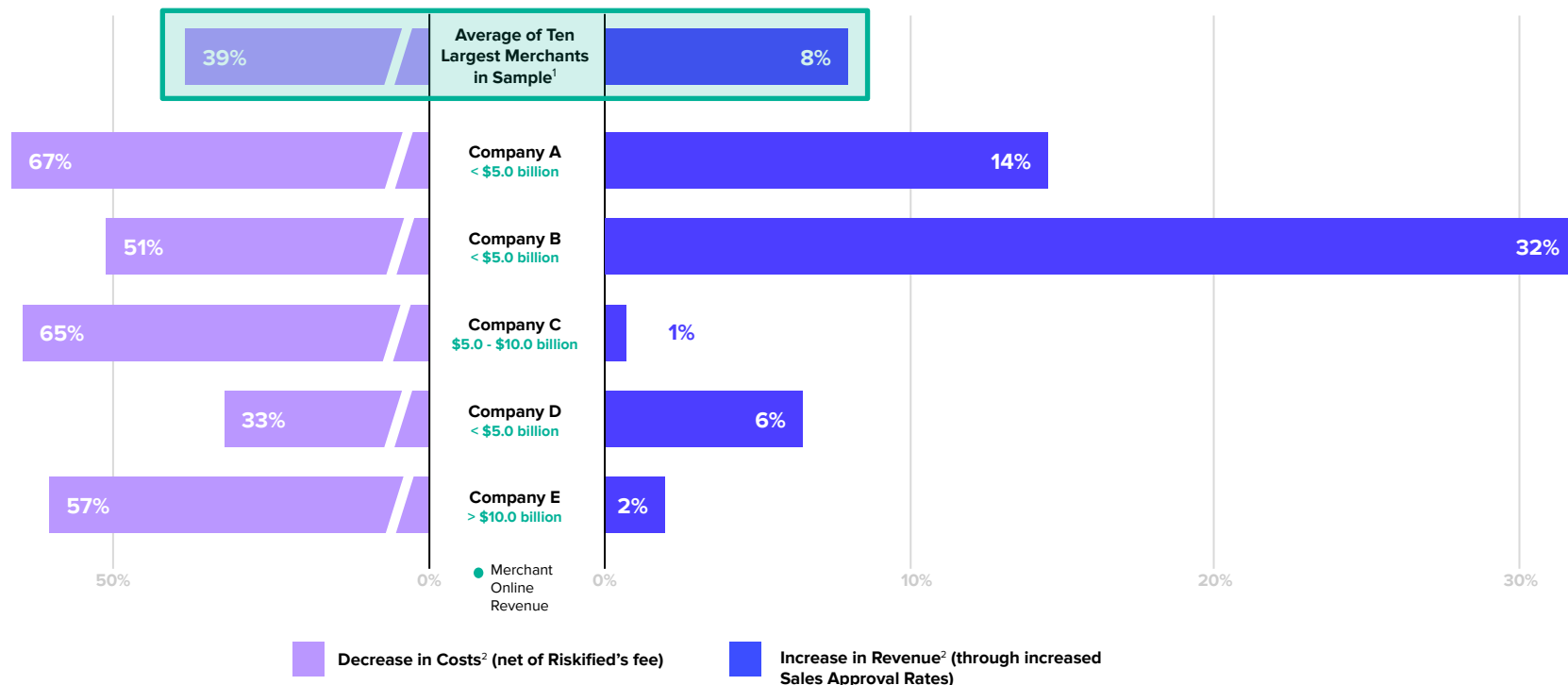


New market penetration



Better user experience

We Increase Merchants' Revenue & Decrease Costs



¹ Analysis performed using the ten largest merchants that provided pre-Riskified performance data to us. These merchants were ranked by Billings over the period from November 1, 2020 to January 31, 2021 and collectively represent approximately 35% of total Billings for the year ended December 31, 2020.

² The change in sales approval rate represents the difference in total dollar-based orders cleared and accepted by the merchant's fraud review process, expressed as a percentage of dollar-based order volume. Cost reductions reflect the merchant's decrease in dollar-based chargeback costs after accounting for Riskified's fee. There may be additional costs associated with fraud prevention for the pre-Riskified period.

Both calculations compare (a) the sampled merchants' average post-Riskified performance over (i) the latest 12-month period as of January 31, 2021, or (ii) where 12-months of data was not available, the most recent period available, or (iii) in one instance, the 12-month period after the merchant began submitting almost all of its online transactions to us for approval decisions using the Chargeback Guarantee, with (b) the sampled merchants' average pre-Riskified performance for the time period such merchants shared with us. "Pre-Riskified" approval rate and chargeback cost methodologies may vary by merchant.

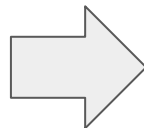


Outlook

Updating Financial Outlook for Full Year 2022

Current Guidance

Revenue	\$254M	-	\$257M
Adjusted EBITDA	(\$69M)	-	(\$66M)



Updated Guidance

Revenue	\$255M	-	\$258M
Adjusted EBITDA	(\$57M)	-	(\$54M)

FY'22 YTD GAAP and Non-GAAP weighted average shares of approximately 167M

Q2 2022 Business Highlights



Strengthened Leadership Team with Appointment of President of Worldwide Field Operations to Propel Growth: Riskified recently announced Ravi Kumaraswami's appointment as President of Worldwide Field Operations. Mr. Kumaraswami, a proven technology leader with more than 20 years of experience, will build upon existing momentum and spearhead the go-forward strategy and operations of Riskified's global sales, marketing and channel teams, by focusing on identifying new opportunities and partnerships to further accelerate our growth.



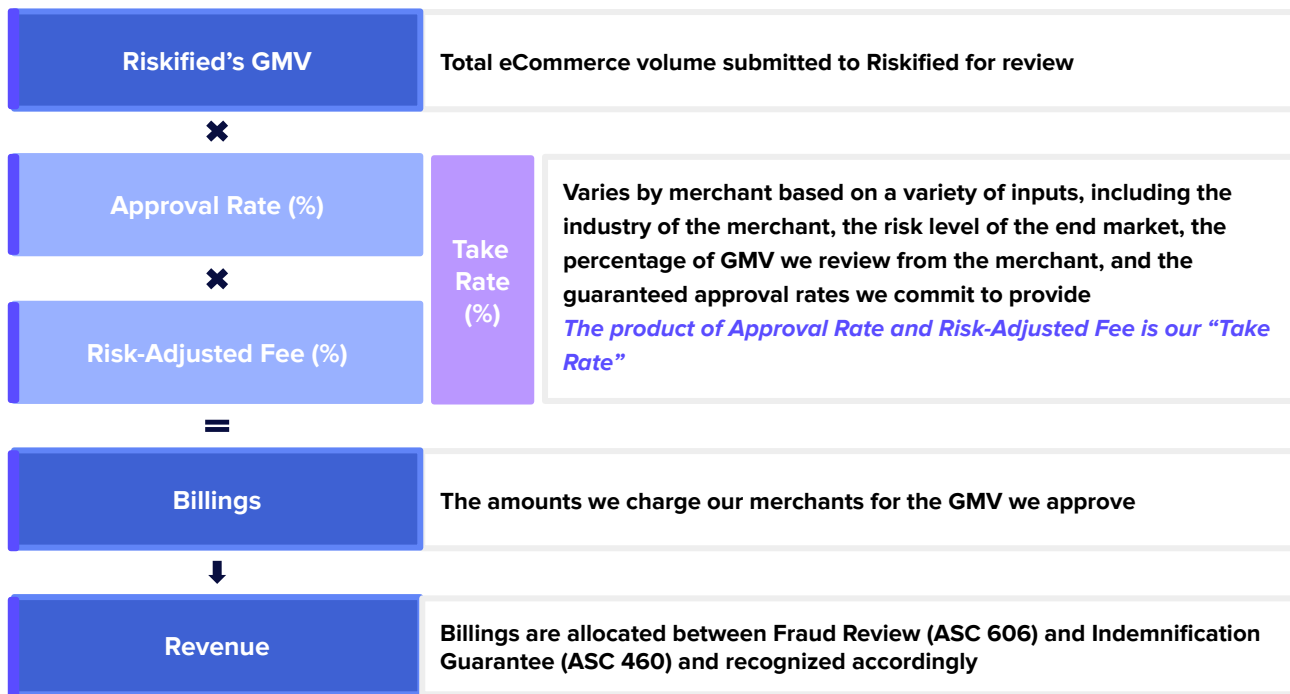
Further Diversified Business with the Addition of New Merchants: Riskified had a strong quarter of activity driven primarily by upsells within our existing customer base and new merchant additions. The Company's top ten new merchants represented five different industries across three separate geographies, which we believe demonstrates Riskified's ability to win new merchants across varied macroeconomic environments.



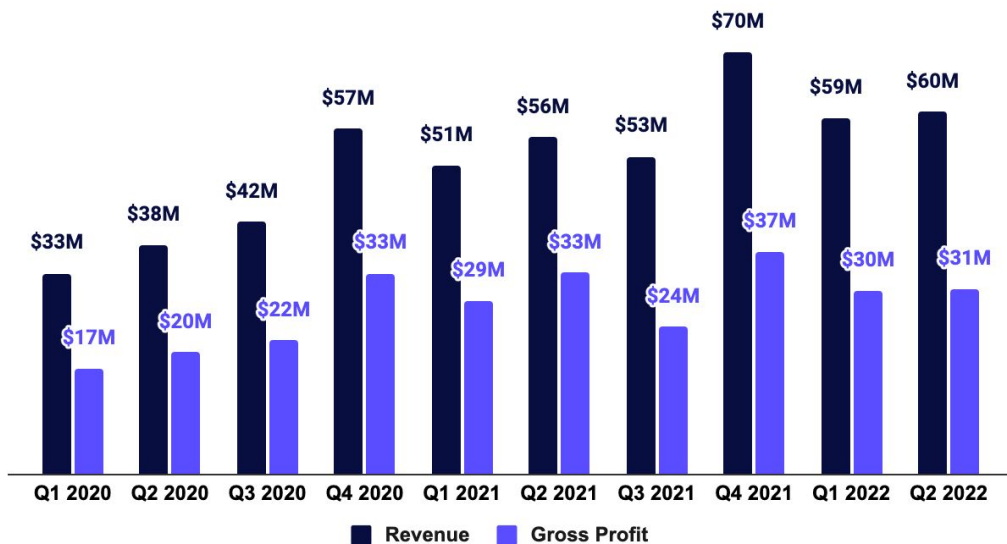
Momentum within Tickets & Travel Industry Group: Tickets and Travel demonstrated resilience to rebound from pre-pandemic levels and was one of the most meaningful areas of growth during the second quarter. We believe the Company remains well positioned to benefit from a resurgence in travel and a return to live events as a result of the ongoing re-opening trends.

Revenue Model Flow Recap

Transforming GMV into Revenue



Q2 2022 Financial Highlights



GMV

\$25.4B

Revenue

\$59.9M

Gross Profit

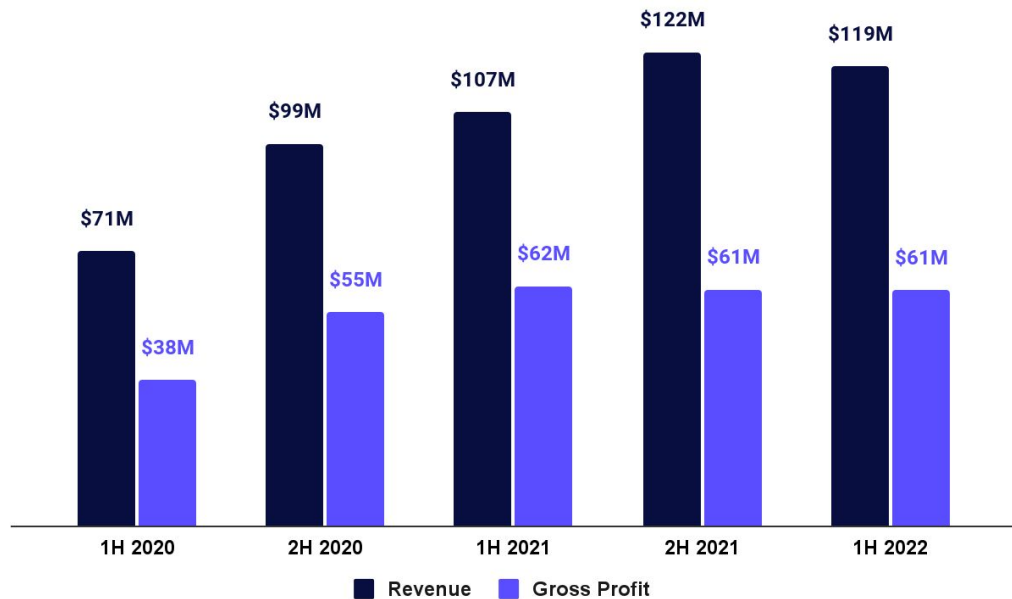
\$30.6M

Adjusted EBITDA

\$(13.6M)



1H 2022 Financial Highlights



GMV

\$48.1B

Revenue

\$118.8M

Gross Profit

\$61.0M

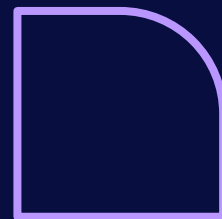
Adjusted EBITDA

\$(27.1M)





riskified



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Appendix

Q2 and 1H 2022 GAAP Financial Results

\$ in thousands	Q2'22	Q2'21	1H'22	1H'21
Revenue	59,932	55,692	118,777	106,775
Cost of revenue	29,326	22,390	57,803	44,845
Gross profit	30,606	33,302	60,974	61,930
Operating expenses:				
Research and development	17,947	12,439	36,060	24,133
Sales and marketing	22,892	14,812	46,021	27,484
General and administrative	22,554	7,701	44,506	15,312
Total operating expenses	63,393	34,952	126,587	66,929
Operating profit (loss)	(32,787)	(1,650)	(65,613)	(4,999)
Interest income (expense), net	1,319	35	1,993	69
Other income (expense), net	(44)	(18,565)	(76)	(58,287)
Profit (loss) before income taxes	(31,512)	(20,180)	(63,696)	(63,217)
Provision for income taxes	1,516	309	2,596	924
Net profit (loss)	(33,028)	(20,489)	(66,292)	(64,141)



Q2 and 1H 2022 Reconciliation of GAAP Net Profit (Loss) to Adjusted EBITDA

\$ in thousands	Q2'22	Q2'21	1H'22	1H'21
GAAP Net profit (loss)	(33,028)	(20,489)	(66,292)	(64,141)
Non GAAP expenses:				
Share-based compensation expense	18,136	2,577	36,523	5,126
Payroll taxes related to share-based compensation	77	0	90	0
Depreciation and amortization	949	628	1,928	1,132
Interest income, net	(1,319)	(35)	(1,993)	(69)
Other (income) expense, net	44	18,565	76	58,287
Provision for income taxes	1,516	309	2,596	924
Adjusted EBITDA	(13,625)	1,555	(27,072)	1,259

