UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission File Number 001-39050

OPORTUN FINANCIAL CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware	45-3361983
State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification No.
1825 South Grant Street, Suite 850 San Mateo, CA	94402
Address of Principal Executive Offices	Zip Code

(650) 810-8823
Registrant's Telephone Number, Including Area Code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value per share	OPRT	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☒
Non-accelerated filer ☐	Smaller reporting company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of registrant's common stock outstanding as of October 29, 2026 was 46,079,819.

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

Item 1.	Financial Statements (Unaudited)	3
	Condensed Consolidated Balance Sheets	3
	Condensed Consolidated Statements of Operations	4
	Condensed Consolidated Statements of Changes in Stockholders' Equity	5
	Condensed Consolidated Statements of Cash Flow	7
	Notes to the Condensed Consolidated Financial Statements	8
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	22
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	42
Item 4.	Controls and Procedures	42

PART II - OTHER INFORMATION

Item 1.	Legal Proceedings	43
Item 1A.	Risk Factors	43
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	71
Item 3.	Defaults Upon Senior Securities	71
Item 4.	Mine Safety Disclosures	71
Item 5.	Other Information	71
	GLOSSARY	72
Item 6.	Exhibits	74
Signature		75

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

OPORTUN FINANCIAL CORPORATION

Condensed Consolidated Balance Sheets (Unaudited)

(in thousands, except share and per share data)

	September 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	$ 181,174	$ 105,525
Restricted cash	77,182	93,409
Loans receivable at fair value	2,795,455	2,874,092
Capitalized software and other intangibles, net	64,200	71,698
Right of use assets - operating	10,663	9,441
Other assets	85,105	103,691
Total assets	$ 3,213,779	$ 3,257,856
Liabilities and stockholders' equity		
Liabilities		
Secured financing	$ 449,718	$ 199,384
Asset-backed notes at fair value	93,464	263,799
Asset-backed borrowings at amortized cost	2,039,004	2,192,649
Corporate financing	121,151	143,663
Lease liabilities	11,319	11,468
Other liabilities	65,684	56,811
Total liabilities	2,780,340	2,867,774
Stockholders' equity		
Common stock, $0.0001 par value - 1,000,000,000 shares authorized at September 30, 2026 and December 31, 2025; 46,351,842 shares issued and 46,079,819 shares outstanding at September 30, 2026; 44,709,065 shares issued and 44,437,042 shares outstanding at December 31, 2025	8	8
Common stock, additional paid-in capital	633,213	623,668
Accumulated deficit	(193,473)	(227,285)
Treasury stock at cost, 272,023 shares at September 30, 2026 and December 31, 2025	(6,309)	(6,309)
Total stockholders' equity	433,439	390,082
Total liabilities and stockholders' equity	$ 3,213,779	$ 3,257,856

See Notes to the Condensed Consolidated Financial Statements (Unaudited).

OPORTUN FINANCIAL CORPORATION

Condensed Consolidated Statements of Operations (Unaudited)

(in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Revenue				
Interest income	$ 231,436	$ 222,340	$ 666,375	$ 660,842
Non-interest income	14,841	16,348	41,894	48,096
Total revenue	246,277	238,688	708,269	708,938
Less:				
Interest expense	41,130	56,620	131,042	173,561
Net decrease in fair value	(78,582)	(77,018)	(250,139)	(219,947)
Net revenue	126,565	105,050	327,088	315,430
Operating expenses:				
Technology and facilities	32,150	35,380	98,583	108,466
Sales and marketing	21,127	16,502	54,669	54,461
Personnel	26,108	19,015	76,146	60,227
Outsourcing and professional fees	10,415	9,405	28,769	27,118
General, administrative and other	2,181	10,504	15,156	27,647
Total operating expenses	91,981	90,806	273,323	277,919
Income before taxes	34,584	14,244	53,765	37,511
Income tax expense	11,653	9,046	19,953	15,669
Net income	$ 22,931	$ 5,198	$ 33,812	$ 21,842
Net income attributable to common stockholders	$ 22,931	$ 5,198	$ 33,812	$ 21,842
Share data:				
Earnings per share:				
Basic	$ 0.47	$ 0.11	$ 0.70	$ 0.47
Diluted	$ 0.45	$ 0.11	$ 0.68	$ 0.46
Weighted average common shares outstanding:				
Basic	48,589,563	46,711,134	48,152,671	46,264,236
Diluted	50,984,296	48,310,110	49,630,590	47,751,476

See Notes to the Condensed Consolidated Financial Statements (Unaudited).

OPORTUN FINANCIAL CORPORATION

Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited)

(in thousands, except share data)

For the Nine Months Ended September 30, 2026

	Warrants		Common Stock					
	Shares	Additional Paid-in Capital	Shares	Par Value	Additional Paid-in Capital	Accumulated Deficit	Treasury Stock	Total Stockholders' Equity
Balance – January 1, 2026	2,682,788	$ 11,150	44,437,042	$ 8	$ 612,518	$ (227,285)	$ (6,309)	$ 390,082
Stock-based compensation expense	—	—	—	—	4,321	—	—	4,321
Vesting of restricted stock units, net of shares withheld	—	—	1,165,749	—	(465)	—	—	(465)
Net income	—	—	—	—	—	2,345	—	2,345
Balance – March 31, 2026	2,682,788	$ 11,150	45,602,791	$ 8	$ 616,374	$ (224,940)	$ (6,309)	$ 396,283
Stock-based compensation expense	—	—	—	—	3,110	—	—	3,110
Vesting of restricted stock units, net of shares withheld	—	—	252,829	—	(797)	—	—	(797)
Issuance of common stock upon exercise of warrants	(94,413)	(492)	94,413	—	493	—	—	1
Net income	—	—	—	—	—	8,536	—	8,536
Balance – June 30, 2026	2,588,375	$ 10,658	45,950,033	$ 8	$ 619,180	$ (216,404)	$ (6,309)	$ 407,133
Issuance of common stock upon exercise of stock options, net of shares withheld	—	—	3,714	—	21	—	—	21
Stock-based compensation expense	—	—	—	—	3,425	—	—	3,425
Vesting of restricted stock units, net of shares withheld	—	—	126,072	—	(71)	—	—	(71)
Issuance of common stock upon exercise of warrants	—	—	—	—	—	—	—	—
Net income	—	—	—	—	—	22,931	—	22,931
Balance – September 30, 2026	2,588,375	$ 10,658	46,079,819	$ 8	$ 622,555	$ (193,473)	$ (6,309)	$ 433,439

See Notes to the Condensed Consolidated Financial Statements (Unaudited).

OPORTUN FINANCIAL CORPORATION

Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited)

(in thousands, except share data)

For the Nine Months Ended September 30, 2025

	Warrants		Common Stock					
	Shares	Additional Paid-in Capital	Shares	Par Value	Additional Paid-in Capital	Accumulated Deficit	Treasury Stock	Total Stockholders' Equity
Balance – January 1, 2025	9,046,459	$ 33,825	36,111,856	$ 7	$ 578,817	$ (252,531)	$ (6,309)	$ 353,809
Stock-based compensation expense	—	—	—	—	3,034	—	—	3,034
Vesting of restricted stock units, net of shares withheld	—	—	1,389,309	—	(511)	—	—	(511)
Net income	—	—	—	—	—	9,767	—	9,767
Balance – March 31, 2025	9,046,459	$ 33,825	37,501,165	$ 7	$ 581,340	$ (242,764)	$ (6,309)	$ 366,099
Issuance of common stock upon exercise of stock options, net of shares withheld	—	—	8,104	—	46	—	—	46
Stock-based compensation expense	—	—	—	—	2,904	—	—	2,904
Vesting of restricted stock units, net of shares withheld	—	—	136,459	—	—	—	—	—
Issuance of common stock upon exercise of warrants	(6,363,671)	(22,675)	6,363,671	1	22,737	—	—	63
Net income	—	—	—	—	—	6,877	—	6,877
Balance – June 30, 2025	2,682,788	$ 11,150	44,009,399	$ 8	$ 607,027	$ (235,887)	$ (6,309)	$ 375,989
Issuance of common stock upon exercise of stock options, net of shares withheld	—	—	1,014	—	7	—	—	7
Stock-based compensation expense	—	—	—	—	2,664	—	—	2,664
Vesting of restricted stock units, net of shares withheld	—	—	81,532	—	(4)	—	—	(4)
Net income	—	—	—	—	—	5,198	—	5,198
Balance – September 30, 2025	2,682,788	$ 11,150	44,091,945	$ 8	$ 609,694	$ (230,689)	$ (6,309)	$ 383,854

See Notes to the Condensed Consolidated Financial Statements (Unaudited).

OPORTUN FINANCIAL CORPORATION

Condensed Consolidated Statements of Cash Flow (Unaudited)

(in thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net income	$ 33,812	$ 21,842
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	26,655	31,943
Fair value adjustment, net	250,139	219,947
Origination fees for loans receivable at fair value, net	(21,623)	(29,317)
Gain on loan sales	(4,174)	(4,447)
Stock-based compensation expense	10,349	8,027
Other, net	22,998	40,771
Originations of loans sold and held for sale	(88,198)	(110,333)
Proceeds from sale of loans	92,372	116,320
Changes in operating assets and liabilities	9,624	9,793
Net cash provided by operating activities	331,954	304,546
Cash flows from investing activities		
Originations and purchases of loans held for investment	(1,120,575)	(1,195,252)
Repayments of loan principal	971,458	1,033,404
Capitalization of system development costs	(18,511)	(18,128)
Other, net	(422)	(516)
Net cash used in investing activities	(168,050)	(180,492)
Cash flows from financing activities		
Borrowings under secured financing	312,965	801,049
Repayments of secured financing	(64,113)	(1,174,446)
Repayments of asset-backed notes at fair value	(173,537)	(743,711)
Borrowings under asset-backed borrowings at amortized cost	482,702	1,393,006
Repayments of asset-backed borrowings at amortized cost	(631,154)	(355,256)
Repayments of corporate financing	(30,000)	(33,759)
Payments of deferred financing costs	(34)	(1,207)
Net payments related to stock-based activities	(1,311)	(399)
Net cash used in financing activities	(104,482)	(114,723)
Net increase in cash and cash equivalents and restricted cash	59,422	9,331
Cash and cash equivalents and restricted cash, beginning of period	198,934	214,625
Cash and cash equivalents and restricted cash, end of period	$ 258,356	$ 223,956
Supplemental disclosure of cash flow information		
Cash and cash equivalents	$ 181,174	$ 104,611
Restricted cash	77,182	119,345
Total cash and cash equivalents and restricted cash	$ 258,356	$ 223,956
Cash paid for income taxes, net of refunds	$ 6,396	$ 1,781
Cash paid for interest	$ 133,163	$ 147,602
Cash paid for amounts included in the measurement of operating lease liabilities	$ 5,102	$ 8,400
Supplemental disclosures of non-cash investing and financing activities		
Right of use assets obtained in exchange for operating lease obligations	$ 4,272	$ 2,836
Non-cash investments in capitalized assets	$ 355	$ 575
Non-cash financing activities	$ 23,135	$ 46,910

See Notes to the Condensed Consolidated Financial Statements (Unaudited).

1. Organization and Description of Business

Oportun Financial Corporation (together with its subsidiaries unless the context indicates otherwise, "Oportun," or the "Company") is a mission driven financial services company that puts its members' financial goals within reach. With intelligent borrowing, savings, and budgeting capabilities, the Company empowers members with the confidence to build a better financial future. Oportun takes a holistic approach to serving its members and views as its purpose to responsibly meet their current capital needs, help improve their financial profiles, increase their financial awareness and put them on a path to a financially healthy life. Oportun offers access to a comprehensive suite of products, offered either directly or through partners, including unsecured and secured lending, and savings. The Company is headquartered in San Mateo, California.

2. Summary of Significant Accounting Policies

Basis of Presentation - The Company meets the Securities and Exchange Commission's ("SEC") definition of a "Smaller Reporting Company", and therefore qualifies for the SEC's reduced disclosure requirements for smaller reporting companies. The accompanying condensed and consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). These statements are unaudited and reflect all normal, recurring adjustments that are, in management's opinion, necessary for the fair presentation of results. The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and the related notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 27, 2026, as amended (the "Annual Report").

Use of Estimates - The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of income and expenses during the reporting period. These estimates are based on information available as of the date of the condensed consolidated financial statements; therefore, actual results could differ from those estimates and assumptions.

Accounting Policies - There have been no changes to the Company's significant accounting policies from those described in Part II, Item 8 - Financial Statements and Supplementary Data in the Annual Report, except for the new accounting pronouncements subsequently adopted as noted below.

Recently Adopted Accounting Standards

There have been no accounting standards adopted during the three months ended September 30, 2026.

Accounting Standards to be Adopted

Income Statement - In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40). This ASU requires disaggregated disclosure of income statement expenses for public business entities (PBEs). The ASU does not change the expense captions an entity presents on the face of the income statement; rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. The ASU is effective for all PBEs for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is evaluating the effect of the new guidance on its Condensed Consolidated Statement of Operations.

Internally Developed Software - In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. This ASU eliminates the prior "project stage" model and clarifies that capitalization begins when management authorizes and commits funding for a project and completion is probable; it also relocates website-development guidance into Subtopic 350-40 and requires entities to apply the PP&E disclosure requirements in ASC 360-10 to capitalized internal-use software. The ASU is effective for annual periods beginning after December 15, 2027, including interim periods within those annual periods; early adoption is permitted. Entities may adopt prospectively, retrospectively, or under a modified transition approach. The Company is evaluating the effect of this guidance on its accounting for and disclosures of internal-use software.

Interim Reporting - In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements. This ASU intends to improve the navigability of the guidance in ASC 270 and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides "interim financial statements and notes in accordance with GAAP." The ASU also addresses the form and content of such financial statements, adds lists to ASC 270 of the interim disclosures required by all other Codification topics, and establishes a principle under which an entity must "disclose events since the end of the last annual reporting period that have a material impact on the entity." As the Board stated in the proposed guidance and reiterates in the ASU, the amendments are not intended to "change the fundamental nature of interim reporting or expand or reduce current interim disclosure requirements." The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027; early adoption is permitted. Entities may adopt prospectively, or retrospectively to any or all prior periods presented in the financial statements. The Company is evaluating the effect of this guidance on its interim reporting.

Codification Improvements - In December 2025, the FASB issued ASU 2025-12 “Codification Improvements” to address suggestions received from stakeholders on the Accounting Standards Codification and to make other incremental improvements to U.S. GAAP. The update represents changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. The amendments make the Codification easier to understand and apply. The guidance is effective for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years; early adoption is permitted. The Company is evaluating the effect of this guidance on its results of operations, financial position and disclosures.

3. Earnings per Share

Basic and diluted earnings per share are calculated as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except share and per share data)	2026	2025	2026	2025
Net income	$ 22,931	$ 5,198	$ 33,812	$ 21,842
Net income attributable to common stockholders	$ 22,931	$ 5,198	$ 33,812	$ 21,842
Basic weighted-average common shares outstanding [1]	48,589,563	46,711,134	48,152,671	46,264,236
Weighted average effect of dilutive securities:				
Restricted stock units	2,394,733	1,598,976	1,477,919	1,487,240
Diluted weighted-average common shares outstanding	50,984,296	48,310,110	49,630,590	47,751,476
Earnings per share:				
Basic	$ 0.47	$ 0.11	$ 0.70	$ 0.47
Diluted	$ 0.45	$ 0.11	$ 0.68	$ 0.46

[1] The outstanding and exercisable warrants issued with an exercise price of $0.01 are included in the Basic weighted-average common shares outstanding. See Note 10, Stockholders' Equity for additional information.

The following common share equivalent securities have been excluded from the calculation of diluted weighted-average common shares outstanding because the effect is anti-dilutive for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Stock options	1,041,862	1,547,216	1,292,543	1,694,614
Restricted stock units	305,292	1,434,238	558,055	1,310,422
Total anti-dilutive common share equivalents	1,347,154	2,981,454	1,850,598	3,005,036

4. Variable Interest Entities

For all variable interest entities (“VIEs”) in which the Company is involved, it assesses whether it is the primary beneficiary of the VIE on an ongoing basis. In circumstances where the Company has both the power to direct the activities that most significantly impact the VIEs performance and the obligation to absorb losses or the right to receive the benefits of the VIE that could be significant, it would conclude that it is the primary beneficiary of the VIE, and it consolidates the VIE. In situations where the Company is not deemed to be the primary beneficiary of the VIE, it does not consolidate the VIE and only recognizes its interests in the VIE. See Note 8, *Borrowings* for additional information on the secured borrowing under the caption of asset-backed borrowings at amortized cost.

Consolidated VIEs

As part of the Company’s overall funding strategy, the Company transfers a pool of designated loans receivable to wholly owned special-purpose subsidiaries to collateralize certain asset-backed financing transactions. For these VIEs where the Company has determined that it is the primary beneficiary because it has the power to direct the activities that most significantly impact the VIEs’ economic performance and the obligation to absorb the losses or the right to receive benefits from the VIEs that could potentially be significant to the VIEs, the VIEs assets and related liabilities are consolidated with the results of the Company. Such power arises from the Company’s contractual right to service the loans receivable securing the VIEs’ asset-backed debt obligations. The Company has an obligation to absorb losses or the right to receive benefits that are potentially significant to the VIEs because it retains the residual interest of each asset-backed financing transaction in the form of an asset-backed certificate. Accordingly, the Company includes the VIEs’ assets, including the assets securing the financing transactions, and related liabilities in its condensed consolidated financial statements.

Each consolidated VIE issues a series of asset-backed securities that are supported by the cash flows arising from the loans receivable securing such debt. Cash inflows arising from such loans receivable are distributed monthly to the transaction’s lenders and related service providers in accordance with the transaction’s contractual priority of payments. The creditors of the VIEs above have no recourse to the general credit of the Company as the primary beneficiary of the VIEs and the liabilities of the VIEs can only be settled by the respective VIE’s assets. The Company

retains the most subordinated economic interest in each financing transaction through its ownership of the respective residual interest in each VIE. The Company has no obligation to repurchase loans receivable that initially satisfied the financing transaction's eligibility criteria but subsequently became delinquent or a defaulted loans receivable.

The following table represents the assets and liabilities of consolidated VIEs recorded on the Company's Condensed Consolidated Balance Sheets (Unaudited):

(in thousands)	September 30, 2026	December 31, 2025
Consolidated VIE assets		
Restricted cash	$ 67,252	$ 85,767
Loans Receivable at Fair Value	2,699,287	2,621,339
Total VIE assets	2,766,539	2,707,106
Consolidated VIE liabilities		
Secured financing [(1)]	453,686	204,833
Asset-backed notes at fair value	93,464	263,799
Asset-backed borrowings at amortized cost	1,936,930	1,947,937
Total VIE liabilities	$ 2,484,080	$ 2,416,569

[(1)] Amounts exclude deferred financing costs. See Note 8, *Borrowings* for additional information.

5. Loans Held for Sale and Loans Sold

Other Loan Sales - From time to time the Company has entered into agreements to sell certain populations of its personal loans, including non-performing loans originated as held for investment. Prior to the sale, the sold loans are accounted for under the fair value option. The loan sales qualify for sale accounting treatment and the Company derecognizes these loans from its Condensed Consolidated Balance Sheets (Unaudited) upon sale.

Whole Loan Sale Program - The Company enters into whole loan sale agreements with third parties in which the Company agrees to sell newly originated unsecured personal loans and secured personal loans. The originations of loans sold and held for sale during the three months ended September 30, 2026 was $36.5 million and the Company recorded a gain on sale of $1.4 million and servicing revenue of $1.5 million. The originations of loans sold and held for sale during the three months ended September 30, 2025 was $38.1 million and the Company recorded a gain on sale of $1.5 million and servicing revenue of $1.9 million.

The originations of loans sold and held for sale during the nine months ended September 30, 2026 was $88.2 million and the Company recorded a gain on sale of $4.2 million and servicing revenue of $4.7 million. The originations of loans sold and held for sale during the nine months ended September 30, 2025 was $110.3 million and the Company recorded a gain on sale of $4.4 million and servicing revenue of $5.4 million.

6. Capitalized Software and Other Intangibles

Capitalized software, net consists of the following:

(in thousands)	September 30, 2026	December 31, 2025
Capitalized software, net:		
System development costs	$ 215,122	$ 197,130
Acquired developed technology	48,500	48,500
Accumulated amortization	(210,737)	(188,933)
Total capitalized software, net	$ 52,885	$ 56,697

Capitalized software, net

Amortization of system development costs and acquired developed technology for the three months ended September 30, 2026 and 2025 was $7.3 million and $8.5 million, respectively. System development costs capitalized in the three months ended September 30, 2026 and 2025 were $5.9 million and $6.3 million, respectively.

Amortization of system development costs and acquired developed technology for the nine months ended September 30, 2026 and 2025 was $22.2 million and $26.8 million, respectively. System development costs capitalized in the nine months ended September 30, 2026 and 2025 were $18.8 million and $18.7 million, respectively.

Acquired developed technology was $48.5 million and is related to the acquisition of Hello Digit, Inc. on December 22, 2021.

Intangible Assets

The gross carrying amount and accumulated amortization, in total and by major intangible asset class are as follows:

(in thousands)	September 30, 2026	December 31, 2025
Intangible assets:		
Member relationships	$ 34,500	$ 34,500
Trademarks	5,626	5,626
Other	3,000	3,000
Accumulated amortization	(31,811)	(28,125)
Total intangible assets, net	$ 11,315	$ 15,001

Amortization of intangible assets was $1.2 million for each of the three months ended September 30, 2026 and 2025. Amortization of intangible assets was $3.7 million for each of the nine months ended September 30, 2026 and 2025.

Expected future amortization expense for intangible assets as of September 30, 2026 is as follows:

(in thousands)	Fiscal Years
2026 (remaining three months)	$ 1,243
2027	4,929
2028	4,780
Thereafter	—
Total [1]	$ 10,952

[1] Excludes indefinite lived intangible assets.

7. Other Assets

Other assets consist of the following:

(in thousands)	September 30, 2026	December 31, 2025
Fixed assets		
Total fixed assets	$ 41,504	$ 41,355
Accumulated depreciation	(39,773)	(39,282)
Total fixed assets, net	$ 1,731	$ 2,073
Other Assets		
Prepaid expenses	$ 9,852	$ 11,647
Deferred tax assets, net	52,412	68,111
Current tax assets	3,844	3,391
Receivable from banking partner	4,828	4,686
Derivative asset	—	(1,249)
Other	12,438	15,032
Total other assets	$ 85,105	$ 103,691

Fixed Assets

Depreciation and amortization expense related to fixed assets for the three months ended September 30, 2026 and 2025 was $0.2 million and $0.4 million, respectively, and for the nine months ended September 30, 2026 and 2025 was $0.8 million, and $1.5 million, respectively.

8. Borrowings

Secured Financing

The following table presents information regarding the Company's Secured Financing facilities:

Variable Interest Entity	Facility Amount	Maturity Date	September 30, 2026 Balance	December 31, 2025 Balance
(in thousands)				
Oportun PLW Trust	$ 367,741	September 1, 2028	$ 82,339	$ 73,078
Oportun PLW II Trust	337,100	August 1, 2028	165,357	68,916
Oportun PLW III Trust	187,500	April 1, 2028	65,179	35,051
Oportun PLW IV Trust	246,750	October 1, 2029	136,843	22,339
Oportun PLW V Trust	50,000	July 1, 2030	—	—
Total secured financing	$ 1,189,091		$ 449,718	$ 199,384

Weighted average interest rate of the Secured financing facilities is SOFR + 2.89% as of September 30, 2026

Asset-backed Notes at Fair Value

The following tables present information regarding asset-backed notes at fair value:

	September 30, 2026					
Variable Interest Entity[3]	Initial amount issued [1]	Initial collateral balance[2]	Current balance [1]	Current collateral balance [2]	Weighted average interest rate	Original revolving period
(in thousands)						
Asset-backed notes recorded at fair value:						
Oportun Issuance Trust (Series 2021-C)	$ 500,000	$ 512,762	$ 64,367	$ 78,846	2.48 %	3 years
Oportun Issuance Trust (Series 2021-B)	500,000	512,759	29,097	42,572	2.05 %	3 years
Total asset-backed notes recorded at fair value	$ 1,000,000	$ 1,025,521	$ 93,464	$ 121,418		

	December 31, 2025					
Variable Interest Entity[3]	Initial amount issued [1]	Initial collateral balance[2]	Current balance [1]	Current collateral balance [2]	Weighted average interest rate	Original revolving period
(in thousands)						
Asset-backed notes recorded at fair value:						
Oportun Issuance Trust (Series 2021-C)	$ 500,000	$ 512,762	$ 167,214	$ 184,737	2.48 %	3 years
Oportun Issuance Trust (Series 2021-B)	500,000	512,759	96,585	112,148	2.06 %	3 years
Total asset-backed notes recorded at fair value	$ 1,000,000	$ 1,025,521	$ 263,799	$ 296,885		

(1) The current balances are measured at fair value for asset-backed notes recorded at fair value.
(2) Includes the unpaid principal balance of loans receivable, the balance of required reserve funds, cash, cash equivalents and restricted cash pledged by the Company.
(3) Maturity dates for Asset-backed Notes at Fair Value are not reflected in the above tables as the related securitizations provide for variable monthly repayments that may result in repayment prior to the stated maturity dates.

Asset-backed Borrowings at Amortized Cost

The following table represents information regarding the Company's asset-backed notes and asset-backed borrowings at amortized cost:

	September 30, 2026					
Asset-backed borrowings at amortized cost[5]	**Initial amount [1]**	**Initial collateral balance[2]**	**Current balance[1]**	**Current collateral balance [2]**	**Weighted average interest rate[3]**	**Original revolving period**
(in thousands)						
Oportun Issuance Trust 2026-A	$ 484,990	$ 502,450	$ 482,893	$ 508,929	5.25 %	2 years
Oportun Issuance Trust 2025-D	441,225	452,206	439,126	457,978	5.69 %	2 years
Oportun Issuance Trust 2025-C	538,490	552,692	536,243	559,759	5.23 %	2 years
Oportun Issuance Trust 2025-B	439,250	450,802	437,596	456,602	5.57 %	2 years
Oportun Issuance Trust 2024-2	223,250	236,119	41,072	49,509	10.47 %	N/A
Other Asset Backed Borrowings [4]	N/A	N/A	102,074	91,365	N/A	N/A
Total asset-backed borrowings at amortized cost:	$ 2,127,205	$ 2,194,269	$ 2,039,004	$ 2,124,142		

	December 31, 2025					
Asset-backed borrowings at amortized cost[5]	**Initial amount [1]**	**Initial collateral balance[2]**	**Current balance[1]**	**Current collateral balance [2]**	**Weighted average interest rate[3]**	**Original revolving period**
(in thousands)						
Oportun Issuance Trust 2025-D	$ 441,225	$ 452,206	$ 438,410	$ 461,986	5.69 %	2 years
Oportun Issuance Trust 2025-C	538,490	552,692	535,394	559,689	5.23 %	2 years
Oportun Issuance Trust 2025-B	439,250	450,802	436,850	456,345	5.57 %	2 years
Oportun Issuance Trust 2025-A	425,107	439,775	422,580	445,314	6.15 %	1 year
Oportun Issuance Trust 2024-2	223,250	236,119	86,077	102,446	8.34 %	N/A
Oportun Issuance Trust 2024-1	199,500	211,002	28,626	33,842	12.07 %	N/A
Other Asset Backed Borrowings [4]	N/A	N/A	244,712	222,865	N/A	N/A
Total asset-backed borrowings at amortized cost:	$ 2,266,822	$ 2,342,596	$ 2,192,649	$ 2,282,487		

(1) Initial amount issued includes any notes retained by the Company as applicable. The current balances are measured at amortized cost.
(2) Includes the unpaid principal balance of loans receivable, the balance of required reserve funds, cash, cash equivalents and restricted cash pledged by the Company.
(3) Weighted average interest rate excludes notes retained by the Company. There were no notes retained by the Company as of September 30, 2026.
(4) Consists of forward flow whole loan sales that do not qualify as sales for accounting purposes.
(5) Maturity dates for asset-backed borrowings at amortized cost are not reflected in the above tables as the related securitizations provide for variable monthly repayments that may result in repayment prior to the stated maturity dates.

Corporate Financing

The following table presents information regarding the Company's Corporate financing:

Entity	**Original Balance**	**Maturity Date**	**Interest Rate**	**September 30, 2026 Balance [1]**	**December 31, 2025 Balance [1]**
(in thousands)					
Oportun Financial Corporation	235,000	November 14, 2028	15.00% per annum	121,151	143,663
Total Corporate Financing	$ 235,000			$ 121,151	$ 143,663

(1) Balances are measured at amortized cost. As of September 30, 2026 and December 31, 2025, the outstanding principal balance was $135.0 million and $165.0 million, respectively.

On October 23, 2024, the Company entered into a Credit Agreement with certain affiliates of Neuberger and McLaren Harbor LLC, pursuant to which the Company borrowed $235 million of senior secured term loans (the "Credit Agreement" and the "Term Loans"). The funding of the Term Loans (the "Term Loan Closing") was subject to certain closing conditions, including the repayment of the Acquisition Financing and the Company's then existing senior secured term loans under the credit agreement dated as of September 14, 2022, by and among the Company, Wilmington Trust, National Association, and the lenders party thereto, as amended ("Original Credit Agreement"), in addition to the completion of the sale of the Company's credit cards receivable portfolio, which occurred on November 12, 2024. The Term Loan Closing occurred on November 14, 2024, and the Original Credit Agreement was extinguished, paid in full, and the Acquisition Financing was terminated and the associated outstanding loan balance was repaid in full.

The Credit Agreement contains certain representations, warranties and covenants, as well as indemnification obligations, in respect of the Company and certain of its subsidiaries, subject to specified exceptions and qualifications contained in the Credit Agreement.

The obligations under the Credit Agreement are secured by the assets of the Company and certain of its subsidiaries guaranteeing the Term Loans, including pledges of the equity interests of certain subsidiaries that are directly or indirectly owned by the Company, subject to customary exceptions.

Under the Credit Agreement, the Company issued warrants, at an exercise price of $0.01 per share, to affiliates of Neuberger and McLaren Harbor LLC to purchase 4,853,006 shares of the Company's common stock. See Note 10, *Stockholders' Equity* for additional information on warrants issued by the Company.

Debt Covenants - As of September 30, 2026, and December 31, 2025, the Company was in compliance with all covenants and requirements of the Secured financing, Corporate financing facilities and asset-backed notes.

9. Other Liabilities

Other liabilities consist of the following:

(in thousands)	September 30, 2026	December 31, 2025
Accounts payable	$ 6,898	$ 6,273
Accrued compensation	32,174	23,174
Accrued expenses	7,827	7,054
Accrued interest	11,131	11,164
Amount due to whole loan buyer	994	1,400
Current tax liabilities	2,618	4,055
Other	4,042	3,691
Total other liabilities	$ 65,684	$ 56,811

10. Stockholders' Equity

Preferred Stock - The board of directors of the Company (the "Board") has the authority, without further action by the Company's stockholders, to issue up to 100,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by the Board. There were no shares of undesignated preferred stock issued or outstanding as of September 30, 2026 or December 31, 2025.

Common Stock - As of September 30, 2026 and December 31, 2025, the Company was authorized to issue 1,000,000,000 shares of common stock with a par value of $0.0001 per share. As of September 30, 2026, 46,351,842 and 46,079,819 shares were issued and outstanding, respectively, and 272,023 shares were held in treasury stock. As of December 31, 2025, 44,709,065 and 44,437,042 shares were issued and outstanding, respectively, and 272,023 shares were held in treasury stock.

Warrants - In 2023, pursuant to the Original Credit Agreement, the Company issued detachable warrants to the lenders to purchase an aggregate of 4,193,453 shares of the Company's common stock at an exercise price of $0.01 per share. On November 14, 2024, pursuant to the Credit Agreement, the Company issued additional detachable warrants to the lenders to purchase 4,853,006 shares of the Company's common stock at an exercise price of $0.01. In May 2025 and June 2026, 6,363,671 and 94,413 warrants were exercised, respectively, to purchase common stock. As of September 30, 2026 and December 31, 2025, the Company had outstanding and exercisable detachable warrants of 2,588,375, and 2,682,788, respectively.

11. Equity Compensation and Other Benefits

The Company's stock-based plans are described and informational disclosures are provided in the Notes to the Consolidated Financial Statements included in the Annual Report.

Stock-based Compensation - Total stock-based compensation expense included in the Condensed Consolidated Statements of Operations (Unaudited) is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
Technology and facilities	$ 785	$ 578	$ 2,437	$ 2,052
Sales and marketing	(13)	35	50	110
Personnel	2,495	1,875	7,862	5,865
Total stock-based compensation [1]	$ 3,267	$ 2,488	$ 10,349	$ 8,027

[1] Amounts shown are net of $0.2 million and $0.5 million of capitalized stock-based compensation for the three and nine months ended September 30, 2026, respectively, and net of $0.2 million and $0.6 million of capitalized stock-based compensation for the three and nine months ended September 30, 2025, respectively.

As of September 30, 2026 and December 31, 2025, the Company's total unrecognized compensation cost related to time-based and performance-based unvested restricted stock unit awards granted to employees was $22.7 million and $20.8 million, respectively, which will be recognized over a weighted average vesting period of approximately 1.9 years and 1.8 years, respectively.

12. Revenue

Interest Income - Total interest income included in the Condensed Consolidated Statements of Operations (Unaudited) is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
Interest income				
Interest on loans	$ 228,577	$ 219,427	$ 658,480	$ 652,772
Fees on loans	2,859	2,913	7,895	8,070
Total interest income	231,436	222,340	666,375	660,842

Non-interest Income - Total non-interest income included in the Condensed Consolidated Statements of Operations (Unaudited) is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
Non-interest income				
Servicing fees	$ 1,525	$ 3,683	$ 4,729	$ 10,825
Subscription revenue	5,234	4,929	14,950	14,815
Interest on member accounts	4,072	4,395	12,011	13,383
Gain on loan sales and other	4,010	3,341	10,204	9,073
Total non-interest income	$ 14,841	$ 16,348	$ 41,894	$ 48,096

13. Income Taxes

For the three and nine months ended September 30, 2026 and 2025, the Company calculates its year-to-date income tax expense by applying the estimated annual effective tax rate to the year-to-date income from operations before income taxes and adjusts the income tax expense for discrete tax items recorded in the period.

During the three and nine months ended September 30, 2026, the Company recorded income tax expense of $11.7 million and $20.0 million, respectively, related to continuing operations, representing an effective tax rate of 33.7% and 37.1%, respectively. Income tax expense for the three and nine months ended September 30, 2025 was $9.0 million and $15.7 million, representing an effective income tax rate of 63.5% and 41.8%, respectively.

Income tax expense for the three months ended September 30, 2026 increased by $2.6 million or 28.8%, compared to the corresponding period in 2025, primarily as a result of higher pretax income and stock-based compensation. Income tax expense for the nine months ended September 30, 2026, increased by $4.3 million or 27.3%, compared to the corresponding period in 2025, primarily as a result of higher pretax income, resolving a state tax settlement, and increasing the reserve for unrecognized tax benefits.

The Company's effective tax rates for the three and nine months ended September 30, 2026 and 2025 differ from the statutory tax rates primarily due to the impacts of resolving a state tax settlement, the reserve for unrecognized tax benefits, and stock-based compensation.

14. Fair Value of Financial Instruments

Financial Instruments at Fair Value

The table below compares the fair value of loans receivable and asset-backed notes to their contractual balances for the periods shown:

	September 30, 2026		December 31, 2025	
(in thousands)	Unpaid Principal Balance	Fair Value	Unpaid Principal Balance	Fair Value
Assets				
Loans Receivable at Fair Value	$ 2,713,689	$ 2,795,455	$ 2,779,608	$ 2,874,092
Liabilities				
Asset-backed notes at fair value	$ 94,754	$ 93,464	$ 268,291	$ 263,799

The Company calculates the fair value of the asset-backed notes using independent pricing services and broker price indications, which are based on quoted prices for identical or similar notes, which are Level 2 input measures.

For personal loans receivable, the Company developed an internal model to estimate the fair value of loans receivable held for investment. To generate future expected cash flows, the model combines receivable characteristics with assumptions about borrower behavior based on the Company's historical loan performance. These cash flows are then discounted using a required rate of return that management estimates would be used by a market participant. This model uses inputs that are inherently judgmental and reflect management's best estimates of the assumptions a market participant would use to calculate fair value. The following tables present quantitative information about the significant unobservable inputs used for the Company's Level 3 fair value measurements for Loans Receivable at Fair Value. The personal loans receivable balance at fair value as of September 30, 2026, consists of $2,514.4 million of unsecured personal loans receivable and $281.1 million of secured personal loans receivable.

	September 30, 2026			December 31, 2025		
Personal Loans Receivable	Minimum	Maximum	Weighted Average [2]	Minimum	Maximum	Weighted Average [2]
Remaining cumulative charge-offs [1]	8.72%	54.77%	12.01%	10.10%	50.58%	12.28%
Remaining cumulative prepayments [1]	20.07%	88.58%	23.81%	0.00%	38.29%	24.90%
Average life (years)	0.18	1.31	1.03	0.28	1.64	1.06
Discount rate	6.53%	6.53%	6.53%	6.26%	6.26%	6.26%

[1] Figure disclosed as a percentage of outstanding principal balance.

[2] Unobservable inputs were weighted by outstanding principal balance, which are grouped by risk (type of customer, original loan maturity terms).

Fair value adjustments related to financial instruments where the fair value option has been elected are recorded through earnings for the three and nine months ended September 30, 2026 and 2025. Certain unobservable inputs may (in isolation) have either a directionally consistent or opposite impact on the fair value of the financial instrument for a given change in that input. When multiple inputs are used within the valuation techniques for loans, a change in one input in a certain direction may be offset by an opposite change from another input.

The table below presents a reconciliation of Loans Receivable at Fair Value on a recurring basis using significant unobservable inputs:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
Balance – beginning of period	$ 2,736,750	$ 2,755,470	$ 2,874,092	$ 2,778,523
Principal disbursements	777,940	691,840	2,088,472	2,010,193
Principal and interest payments from members	(623,525)	(594,677)	(1,858,330)	(1,758,597)
Gross charge-offs	(89,249)	(99,594)	(296,062)	(298,536)
Net increase (decrease) in fair value	(6,461)	6,622	(12,717)	28,078
Balance – end of period	$ 2,795,455	$ 2,759,661	$ 2,795,455	$ 2,759,661

The Company had derivative instruments in connection with its bank partnership program with Pathward, N.A. ("Pathward") related to excess interest proceeds it expected to receive on loans retained by Pathward. Based on the agreement underlying the bank partnership program, for all loans originated and retained by Pathward, Pathward received a fixed interest rate. Under an amendment dated September 26, 2025 to the program agreement, the Company purchases 100% of Pathward originated loans and has purchased all loans previously owned by Pathward.

The Company recognized the derivative at fair value. The fair value was calculated using a discounted cash flow approach. The Company derived a base set of cash flows from historical data and management assumptions. From this base set of cash flows, the funds projected to be released to the Company according to the contractual terms outlined in the waterfall agreement were calculated on an aggregate basis and then discounted at a rate that was representative of equity yield. The derivative instrument as of December 31, 2025 was $(1.2) million; there was no outstanding derivative balance as of September 30, 2026.

Financial Instruments Disclosed But Not Carried at Fair Value

The following table presents the carrying value and estimated fair values of financial assets and liabilities disclosed but not carried at fair value and the level within the fair value hierarchy:

	September 30, 2026				
			Estimated fair value		
(in thousands)	Carrying value	Estimated fair value	Level 1	Level 2	Level 3
Assets					
Cash and cash equivalents	$ 181,174	$ 181,174	$ 181,174	$ —	$ —
Restricted cash	77,182	77,182	77,182	—	—
Liabilities					
Accounts payable	6,898	6,898	6,898	—	—
Secured financing (Note 8)	453,686	455,220	—	455,220	—
Asset-backed borrowings at amortized cost (Note 8)	2,036,449	2,018,846	—	1,927,480	91,366
Corporate financing (Note 8)	135,000	134,997	—	134,997	—

	December 31, 2025				
			Estimated fair value		
(in thousands)	Carrying value	Estimated fair value	Level 1	Level 2	Level 3
Assets					
Cash and cash equivalents	$ 105,525	$ 105,525	$ 105,525	$ —	$ —
Restricted cash	93,409	93,409	93,409	—	—
Liabilities					
Accounts payable	6,273	6,273	6,273	—	—
Secured financing (Note 8)	204,833	205,152	—	205,152	—
Asset-backed borrowings at amortized cost (Note 8)	2,181,902	2,184,392		1,961,525	222,867
Corporate financing (Note 8)	165,000	165,836	—	165,836	—

The Company uses the following methods and assumptions to estimate fair value:

- *Cash, cash equivalents, restricted cash and accounts payable* - The carrying values of certain of the Company's financial instruments, including cash and cash equivalents, restricted cash and accounts payable, approximate Level 1 fair values of these financial instruments due to their short-term nature.
- *Secured financing and corporate financing* - The fair values of the Secured financing and Corporate financing facilities have been calculated using discount rates equivalent to the weighted-average market yield of comparable debt securities, which is a Level 2 input measure.
- *Asset-backed borrowings at amortized cost* - The fair values of the asset-backed borrowings at amortized cost include both securitizations carried at amortized cost and secured borrowings. We obtain indicative pricing on comparable debt securities for securitizations carried at amortized cost, which is a Level 2 input measure. Fair values of secured borrowings included in the asset-backed borrowings at amortized cost have been calculated by discounting the contractual cash flows at the interest rate the Company estimates such arrangement would bear if executed in the current market, which is a Level 3 input measure.

There were no transfers in or out of Level 3 assets and liabilities for the three and nine months ended September 30, 2026 and 2025.

15. Leases, Commitments and Contingencies

Leases - The Company's leases are primarily for real property consisting of retail locations and office space and have remaining lease terms of less than 6 years.

The Company has elected the practical expedient to keep leases with terms of 12 months or less off the balance sheet as no recognition of a lease liability and a right-of-use asset is required. Operating lease expense is recognized on a straight-line basis over the lease term in "Technology and facilities" in the Condensed Consolidated Statements of Operations (Unaudited).

All of the Company's existing lease arrangements are classified as operating leases. At the inception of a contract, the Company determines if the contract is or contains a lease. At the commencement date of a lease, the Company recognizes a lease liability equal to the present value of the lease payments and a right-of-use asset representing the Company's right to use the underlying asset for the duration of the lease term. The Company's leases include options to extend or terminate the arrangement at the end of the original lease term. The Company generally does not include renewal or termination options in its assessment of the leases unless extension or termination for certain assets is deemed to be reasonably certain. Variable lease payments and short-term lease costs were deemed immaterial. The Company's leases do not provide an explicit rate. The Company uses its contractual borrowing rate to determine lease discount rates.

As of September 30, 2026, maturities of lease liabilities, excluding short-term leases and leases on a month-to-month basis, were as follows:

(in thousands)		**Operating Leases**
Lease expense		
2026 (remaining three months)	$	1,583
2027		4,808
2028		3,191
2029		1,851
2030		1,044
2031		486
Thereafter		—
Total lease payments		12,963
Imputed interest		(1,299)
Total leases	$	11,664
Sublease income		
2026 (remaining three months)	$	(177)
2027		(177)
2028		—
2029		—
2030 and thereafter		—
Total lease payments		(354)
Imputed interest		9
Total sublease income	$	(345)
Net lease liabilities	$	11,319
Weighted average remaining lease term		3.1 years
Weighted average discount rate		5.86 %

As of December 31, 2025, maturities of lease liabilities, excluding short-term leases and leases on a month-to-month basis, were as follows:

(in thousands)	Operating Leases
Lease expense	
2026	$ 6,683
2027	3,551
2028	1,977
2029	903
2030	382
Thereafter	48
Total lease payments	13,544
Imputed interest	(1,361)
Total leases	$ 12,183
Sublease income	
2026	(604)
2027	(153)
2028	—
2029	—
2030	—
Total lease payments	(757)
Imputed interest	42
Total sublease income	$ (715)
Net lease liabilities	$ 11,468
Weighted average remaining lease term	2.6 years
Weighted average discount rate	5.73 %

Rental expenses under operating leases for the three and nine months ended September 30, 2026, were $2.0 million, and $6.5 million, respectively, and for the three and nine months ended September 30, 2025, were $2.4 million, and $7.4 million, respectively.

Purchase Commitment - The Company has commitments to purchase information technology and communication services in the ordinary course of business, with various terms through 2029. These amounts are not reflective of the Company's entire anticipated purchases under the related agreements; rather, they are determined based on the non-cancelable amounts to which the Company is contractually obligated. The Company's purchase obligations are $8.5 million for the remainder of 2026, $12.7 million in 2027, $4.7 million in 2028, with no material obligations in or beyond 2029.

Bank Partnership Program and Servicing Agreement - The Company entered into a Program Management Agreement with Column National Association ("Column"), a national banking association, on June 30, 2026, establishing a new bank partnership lending program. Under the agreement, Column will originate certain unsecured personal loans for consumers in select states, and the Company will provide the platform and related services, including marketing, application processing, fraud-prevention, servicing and program-administration services, subject to Column's oversight and control and compliance with applicable law. The agreement permits the Company to purchase loans originated by Column, other than loans retained by Column, and includes certain exclusivity, compliance, oversight, audit, reporting, reserve, information-security, indemnification, termination and wind-down provisions. The agreement has an initial term of four years and renews automatically for successive one-year periods unless either party provides timely notice of non-renewal. As of September 30, 2026, the Company has a commitment to purchase an additional $2.9 million of program loans based on originations through September 30, 2026.

The Company entered into a bank partnership program with Pathward, on August 11, 2020, which was subsequently amended and restated effective August 11, 2025. Effective October 1, 2025, the Company began purchasing from Pathward 100% of all newly originated loans. The amendment also required the Company to acquire Pathward's existing retained loan portfolio, with an initial purchase of loans that are current or <30 days delinquent on October 3, 2025, totaling approximately $115.0 million of unpaid principal and accrued interest. The remaining portfolio was purchased on February 4, 2026. Lending under the partnership was launched in August 2021 and as of September 30, 2026, the Company has a commitment to purchase an additional $43.2 million of program loans based on originations through September 30, 2026.

Unfunded Loan Commitments - Unfunded loan commitments at September 30, 2026 and December 31, 2025 were insignificant.

Litigation

From time to time, the Company may bring or be subject to other legal proceedings and claims in the ordinary course of business, including legal proceedings with third parties asserting infringement of their intellectual property rights, consumer litigation, and regulatory proceedings. The Company is not presently a party to any other legal proceedings that, if determined adversely to the Company, would individually or taken together have a material adverse effect on its business, financial condition, cash flows or results of operations.

16. Related Party Transactions

On September 14, 2022, the Company entered into the Original Credit Agreement to borrow $150.0 million through a senior secured term loan. On March 10, 2023, the Company upsized and amended the Original Credit Agreement and borrowed an additional $75.0 million over four separate tranches from March 10, 2023 to June 30, 2023. In connection with the amendment of the Original Credit Agreement, the Company issued warrants to the lenders with each tranche to purchase a total of 4,193,453 shares of its common stock at an exercise price of $0.01 per share. On October 23, 2024, the Company entered into the Credit Agreement with certain affiliates of Neuberger and McLaren Harbor LLC, pursuant to which the Company borrowed $235 million through a senior secured term loan. Upon the closing of the Term Loan, the Company repaid all amounts due under the Original Credit Agreement in full. In connection with the Credit Agreement, the lenders retained the previously issued warrants and the Company issued the Neuberger affiliated lenders additional warrants to purchase a total of 2,426,503 shares of its common stock at an exercise price of $0.01 per share. Accordingly, Neuberger is deemed to be a beneficial owner of greater than ten percent of the Company's outstanding stock pursuant to generally accepted accounting principles. During the year ended December 31, 2025, 3,937,168 warrants were exercised by Neuberger to purchase common stock, and 94,413 warrants were exercised during the nine months ended September 30, 2026. As of September 30, 2026 and December 31, 2025, Neuberger held outstanding and exercisable detachable warrants of 2,588,375 and 2,682,788, respectively. On May 7, 2026 Mclaren Harbor LLC assigned their interests in the loan, and Neuberger assumed sole interest in the loan. See Note 8, *Borrowings* for additional information on the Corporate financing facility and Note 10, *Stockholders' Equity* for additional information on the warrants.

On June 16, 2023, the Company entered into a forward flow whole loan sale agreement with Neuberger to sell up to $300.0 million of its personal loan originations over the subsequent twelve months. On April 26, 2024, the agreement was amended to extend the term and revised the commitment amount to $370.9 million of personal loan originations. The Company has fulfilled its commitment under the agreement and will continue to service these loans. As part of this agreement, during the nine months ended September 30, 2026, and as of December 31, 2025, no loans were transferred.

In addition, on April 2, 2025, the Company entered into a loan and security agreement with Neuberger, and certain other lenders, which was amended on October 8, 2025. The amended PLW III facility has a two-year revolving period with a final maturity of April 1, 2028 and a borrowing capacity of $187.5 million. See Note 8, *Borrowings*, for additional information regarding our secured financings

The following table represents the interest income earned from our loans receivable portfolio and interest expense on our debt instruments recorded on the Company's Condensed Consolidated Statements of Operations (Unaudited) related to transactions with Neuberger.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
Interest income				
Secured borrowings	3,614	11,223	15,088	41,183
Total interest income	$ 3,614	$ 11,223	$ 15,088	$ 41,183
Interest expense				
Corporate financing	$ 6,323	$ 4,895	$ 17,809	$ 15,235
Secured borrowings	(1,391)	3,689	(4,742)	15,531
Secured financing	435	378	1,102	797
Total interest expense	$ 5,367	$ 8,962	$ 14,169	$ 31,563

As of September 30, 2026 and December 31, 2025, Loans Receivable at Fair Value underlying the Secured borrowing were $41.4 million and $103.5 million, respectively, and Loans Receivable at Fair Value underlying the Secured financing were $15.1 million and $8.1 million, respectively. The Company had asset-backed borrowings at amortized cost of $47.8 million, Corporate financing of $121.2 million, and Secured financing of $13.2 million due to Neuberger as of September 30, 2026 and $116.9 million, $71.8 million and $7.2 million, respectively, due as of December 31, 2025. The Company also had an insignificant amount of Interest and fee receivable, net and Other liabilities in its Condensed Consolidated Balance Sheets (Unaudited) as of September 30, 2026 and December 31, 2025, related to these transactions.

The Company believes that it has executed all the transactions described herein on terms no less favorable to it than it could have obtained from unaffiliated third parties.

17. Segment Reporting

Segments are defined as components of an enterprise for which discrete financial information is available and evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing performance.

The Company's Chief Executive Officer is considered to be the CODM. The Company has one reportable segment. The segment provides unsecured and secured borrowings, savings and budgeting products to its members. The Company derives revenue within North America and manages the business activities on a consolidated basis. Interest income is derived from the Company's lending products and includes loan interest and associated fees, while non-interest income is largely driven by the Company's savings product and includes subscription revenue, and interest on member accounts.

Net income is the primary measure of segment profit and loss reviewed by CODM to assess business performance and strategy on allocation of resources, such as new product development and management's compensation. The CODM also uses Net Income to review and approve the Company's operating budget and financial forecasts.

Net income is reported on the unaudited Condensed Consolidated Statement of Operations as consolidated net income. The measure of segment assets is presented on the unaudited Condensed Consolidated Balance Sheets as Total Assets.

18. Subsequent Events

None.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

An index to our management's discussion and analysis follows:

Topic	
Forward-Looking Statements	22
Overview	23
Key Financial and Operating Metrics	24
Historical Credit Performance	26
Results of Operations	28
Fair Value Estimate Methodology for Loans Receivable at Fair Value	34
Non-GAAP Financial Measures	34
Liquidity and Capital Resources	37
Critical Accounting Policies and Significant Judgments and Estimates	41
Recently Issued Accounting Pronouncements	41

You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and the related notes and other financial information included elsewhere in this report and the audited consolidated financial statements and the related notes and the discussion under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" for the fiscal year ended December 31, 2025 included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission, on February 27, 2026, as amended. Some of the information contained in this discussion and analysis, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Risk Factors" section of this report for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Forward-Looking Statements

This report contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business operations and financial performance and condition. Any statements contained herein that are not statements of historical facts are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "contemplate," "continue," "could," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "predict," "potential," "positioned," "seek," "should," "target," "will," "would," and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. These forward-looking statements include, but are not limited to, statements about:

- our future financial performance, including our expectations regarding our revenue, our operating expenses and our ability to achieve and maintain profitability;
- our ability to increase the volume of loans we make;
- our ability to manage loan non-performance, delinquencies and charge-off rates, and identify high-quality originations;
- our ability to effectively estimate the fair value of our loans receivable held for investment and our asset-backed notes;
- our expectations regarding the effect of and trends in fair value mark-to-market adjustments on our loan portfolio and asset-backed notes;
- our expectations and management of future growth, including expanding our markets served, member base and product and service offerings, and realizing the benefits and synergies from acquisitions;
- our ability to successfully adjust our proprietary credit risk models and products in response to changing macroeconomic conditions and fluctuations in the credit market;
- our ability to successfully manage our interest rate spread against our cost of capital;
- our expectations regarding the sufficiency of our cash to meet our operating and cash expenditures;
- our plans for and our ability to successfully maintain our diversified funding strategy, including warehouse facilities, loan sales and securitization transactions;
- our ability to obtain any additional financing, any advances on our secured financing facilities, or any refinancing of our debt;
- our expectations to manage our loan purchase obligations with our current partners;
- our ability to realize the expected benefits from reductions in workforce and other streamlining measures, including our estimate of the changes and expenditures;
- our expectations regarding our costs and seasonality;

- our ability to successfully build our brand and protect our reputation from negative publicity;
- our ability to increase the effectiveness of our marketing efforts;
- our ability to grow market share in existing markets or any new markets we may enter;
- our ability to continue to expand our demographic focus;
- our ability to maintain or expand our relationships with our current partners, including bank partners, and our plans to acquire additional partners using our Lending as a Service model;
- our ability to provide an attractive and comprehensive member experience, and further our position as a financial services company;
- our ability to maintain the terms on which we lend to our borrowers;
- our ability to manage fraud risk, including regulatory intervention and impacts on our brand reputation;
- our ability to develop our technology, including our digital platform, and to successfully implement, maintain, and adapt artificial intelligence and machine learning capabilities ("A.I.");
- our ability to effectively secure and maintain the confidentiality of the information provided and utilized across our systems;
- our ability to detect and protect our systems against unauthorized access, use or disclosure of sensitive information;
- our ability to successfully compete with companies that are currently in, or may in the future enter, the markets in which we operate;
- our ability to attract, integrate and retain qualified employees;
- our ability to manage impacts from, and uncertainties regarding, current and future actions that may be taken by activist stockholders;
- the effect of macroeconomic conditions on our business, including the impact of tariffs and other non-tariff trade barriers, immigration patterns and policies, fluctuating interest rates, and inflation;
- our ability to effectively manage and expand the capabilities of our contact centers, outsourcing relationships and other business operations abroad; and
- our ability to successfully adapt to complex and evolving regulatory environments, including those related to A.I., and managing potential exposure in connection with new and pending investigations, proceedings and other contingencies.

Forward-looking statements are based on our management's current expectations, estimates, forecasts, and projections about our business and the industry in which we operate and on our management's beliefs and assumptions. In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Quarterly Report on Form 10-Q, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate we have conducted exhaustive inquiry into, or review of, all potentially available relevant information. We anticipate that subsequent events and developments may cause our views to change. Forward-looking statements do not guarantee future performance or development and involve known and unknown risks, uncertainties, and other factors that are in some cases beyond our control. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under the heading "Risk Factors" and elsewhere in this report. We also operate in a rapidly changing environment and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements. As a result, any or all of our forward-looking statements in this report may turn out to be inaccurate. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material.

You should read this report with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect.

These forward-looking statements speak only as of the date of this report. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future. We qualify all of our forward-looking statements by these cautionary statements.

As used in this report, the terms "Oportun Financial Corporation," "Oportun," "Company," "we," "us," and "our" mean Oportun Financial Corporation and its subsidiaries unless the context indicates otherwise.

Overview

We are a mission-driven financial services company that puts our members' financial goals within reach. With intelligent borrowing, savings, and budgeting capabilities, we empower members with the confidence to build a better financial future. By intentionally designing our products to help solve the financial health challenges facing people in the U.S., we believe our business is well positioned for significant growth in the future. We take a holistic approach to serving our members and view it as our purpose to responsibly meet their current capital needs, help grow our members' financial profiles, increase their financial awareness and put them on a path to a financially healthy life. In our 20-year lending history, we have extended more than $23.3 billion in responsible credit through more than 8.4 million lending products.

We offer access to a suite of financial products, offered either directly or through partners, including unsecured and secured lending and savings. Our financial products allow us to meet our members where they are and assist them with their overall financial health, resulting in opportunities to

present multiple relevant products to our members. Our credit products include unsecured and secured personal loans. We also offer automated savings, through our Set & Save product. Consumers are able to become members and access our products through the Oportun Mobile App and the Oportun.com website, which are our primary channels for onboarding and serving members. As of September 30, 2026, our personal lending products are also available over the phone or through our 123 retail locations, and 460 of our Lending as a Service partner locations.

Lending Products

Personal Loans - Our personal loan is a simple-to-understand, affordable, unsecured, fully amortizing installment loan with fixed payments throughout the life of the loan. Our loans do not have prepayment penalties or balloon payments, and range in size from $300 to $10,000 with terms of 12 to 54 months. Generally, loan payments are structured on a bi-weekly or semi-monthly basis to coincide with our members' receipt of income. As part of our underwriting process, we only approve loans that meet our ability-to-pay criteria. We charge fixed interest rates on our loans, which vary based on the amount disbursed, applicable state law, and other factors. As of September 30, 2026, for all active loans in our portfolio and at time of disbursement, the weighted average term and APR at origination was 38 months and 35.5%, respectively. The average loan size for loans originated during the three months ended September 30, 2026 was $3,413. As of September 30, 2026, unsecured personal loans were originated in 41 states, including through our partnerships with Pathward, N.A. (“Pathward”) and Column National Association (“Column”).

Secured Personal Loans - We also offer a personal installment loan product secured by an automobile, which we refer to as secured personal loans. Our secured personal loans range in size from $2,525 to $18,500 with terms ranging from 24 to 64 months. The average loan size for secured personal loans we originated during the three months ended September 30, 2026 was $6,674. As of September 30, 2026, for all active loans in our portfolio and at time of disbursement, the weighted average term and APR at origination was 45 months and 33.1%, respectively. As part of our underwriting process, we evaluate the collateral value of the vehicle, verify income for all applicants and only approve loans that meet our ability-to-pay criteria. Our secured personal loans are currently offered in 8 states, through our partnership with Pathward and we are in the process of expanding into other states.

Set & Save

Savings – Our Set & Save product is designed to understand a member’s cash flows and save the right amount on a regular basis to effortlessly achieve savings goals. Members link their bank account with the platform and Set & Save utilizes machine learning to analyze a member’s transaction activity and build forecasts of the member’s future cash flows to make small, frequent savings decisions according to the member’s financial goals in a personalized manner. Since 2015, our savings product has helped members save more than $13.5 billion and helped our members save an average of more than $1,800 annually.

The funds in these savings accounts are owned by members of our products and are not the assets of the Company. Therefore, these funds are not included in the Condensed Consolidated Balance Sheets (Unaudited).

Lending as a Service

We leverage our proprietary credit scoring and underwriting model to partner with other consumer brands and expand our member base. For example, we have partnered with DolFinTech in certain of their locations where they provide us with information for potential members and we are able to offer loans through our existing channels by phone, online, or in our retail locations. In addition, we have entered into a collaboration with Western Union. As part of these programs, Oportun originates, underwrites, and services the loan. We believe we will be able to offer our Lending as a Service Lead Generation program to additional partners with a much faster lead-to-market time, expanding our membership base while offering a true Oportun service experience.

Capital Markets Funding

To fund our growth at a low and efficient cost, we have built a diversified and well-established capital markets funding program, which allows us to partially hedge our exposure to rising interest rates or credit spreads by locking in our interest expense. We have issued one-, two- and three-year fixed rate bonds which have provided us committed capital to fund future loan originations. Since 2015, we have participated in 28 sponsored or co-sponsored amortizing and revolving bond offerings in the asset-backed securities market, all of which include tranches that have been rated investment grade.

Additionally, we have entered into certain agreements with institutional investors to sell a portion of our loans as part of structured and whole loan agreements. Refer to *Liquidity and Capital Resources* in Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" for information regarding these transactions.

Key Financial and Operating Metrics

We monitor and evaluate the following key metrics in order to measure our current performance, develop and refine our growth strategies, and make strategic decisions.

The following table and related discussion set forth key financial and operating metrics for our operations as of and for the three and nine months ended September 30, 2026 and 2025.

(in thousands of dollars)	As of or for the Three Months Ended September 30,		As of or for the Nine Months Ended September 30,	
	2026	2025	2026	2025
Key Financial and Operating Metrics				
Aggregate Originations	$ 571,834	$ 511,775	$ 1,476,494	$ 1,461,931
Portfolio Yield	34.4 %	33.0 %	33.3 %	33.0 %
30+ Day Delinquency Rate	4.1 %	4.7 %	4.1 %	4.7 %
Annualized Net Charge-Off Rate	10.6 %	11.8 %	11.7 %	12.0 %
Other Metrics				
Managed Principal Balance at End of Period	$ 2,847,526	$ 2,941,762	$ 2,847,526	$ 2,941,762
Owned Principal Balance at End of Period	$ 2,677,338	$ 2,632,732	$ 2,677,338	$ 2,632,732
Average Daily Principal Balance	$ 2,668,964	$ 2,669,454	$ 2,677,639	$ 2,680,357

See "Glossary" at the end of Part II of this report for formulas and definitions of our key performance metrics.

Aggregate Originations

Aggregate Originations increased to $571.8 million for the three months ended September 30, 2026 from $511.8 million for the three months ended September 30, 2025, representing an 11.7% increase driven by an increase in both returning members and secured loans.

Aggregate Originations increased to $1,476.5 million for the nine months ended September 30, 2026 from $1,461.9 million for the nine months ended September 30, 2025, representing a 1.0% increase, driven by an increase in both returning members and secured loans.

Portfolio Yield

Portfolio yield increased to 34.4% for the three months ended September 30, 2026, from 33.0% for the three months ended September 30, 2025 and increased to 33.3% for the nine months ended September 30, 2026, from 33.0% for the nine months ended September 30, 2025. The increase in both periods was driven by an increase in origination fees from higher origination volume.

30+ Day Delinquency Rate

Our 30+ Day Delinquency Rate improved to 4.1% from 4.7% as of September 30, 2026 and 2025, respectively.

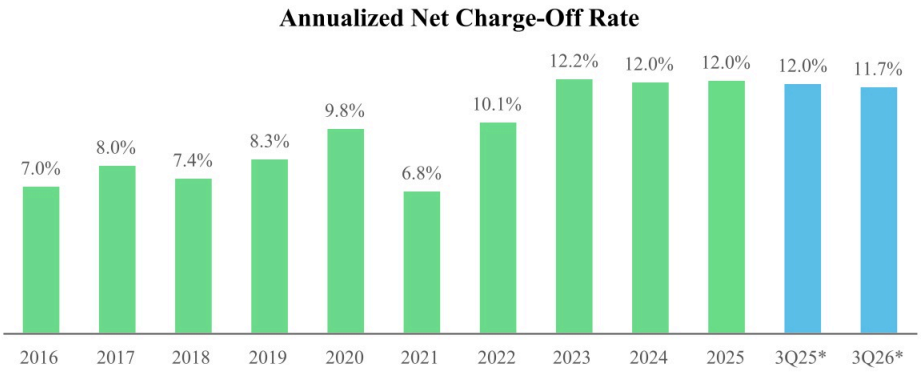
Annualized Net Charge-Off Rate

Annualized Net Charge-Off Rate decreased 121 basis points to 10.6% from 11.8% for the three months ended September 30, 2026 and 2025, respectively, and decreased 21 basis points to 11.7% from 12.0% for the nine months ended September 30, 2026 and 2025, respectively. The decreases in both periods were primarily attributable to continued diligence in underwriting, particularly among new members, the development and release of improved risk models, and continuous improvement of our collections strategies and operations. Strong originations from returning members, and high quality in-store and telephony channels, also contributed to improved credit loss performance.

Historical Credit Performance

Due to credit tightening in response to the COVID-19 pandemic and government stimulus payments, our Annualized Net Charge-off Rate was 6.8% in 2021, lower than our historical norms. Our Annualized Net Charge-off Rate increased to 10.1% in 2022 primarily due the impact of historically high inflation, the cessation of COVID-19 stimulus payments and a higher mix of first-time borrowers in 2021 and the first half of 2022. In response to this increase, in the second half of 2022 and continuing throughout 2023 and 2024, we tightened our credit underwriting standards and focused lending towards returning members to improve credit outcomes.

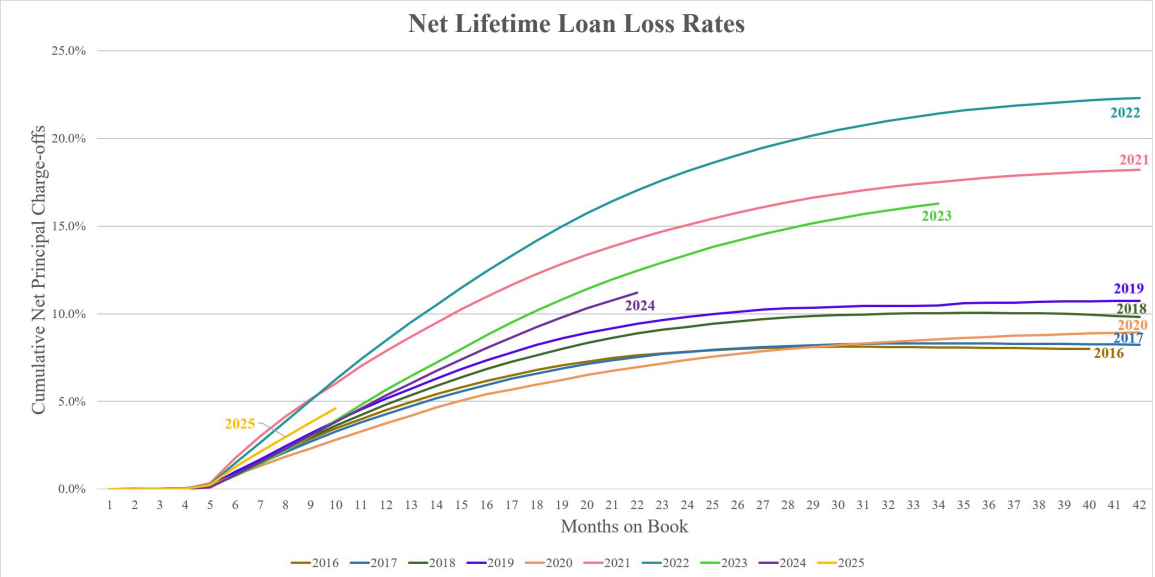
The Annualized Net Charge-Off Rate for the three months ended September 30, 2026 and 2025 was 10.6% and 11.8%, respectively; the decrease was primarily attributable to continued diligence in underwriting, particularly among new members, the development and release of improved risk models, and continuous improvement of our collections strategies and operations. Strong originations from returning members, and high quality in-store and telephony channels, also contributed to improved credit loss performance. On a dollar basis, for the three months ended September 30, 2026, Net Charge-offs decreased by $8.2 million, while our Average Daily Principal Balance remained relatively flat, when compared to the three months ended September 30, 2025. We evaluate our loan portfolio and charge a loan off at the earlier of when the loan is determined to be uncollectible or when loans are 120 days contractually past due.



**Numbers shown reflect year-to-date amounts for the nine months ended September 30, for the indicated fiscal year.*

In addition to monitoring our loss and delinquency performance on an owned portfolio basis, we also monitor the performance of our loans by the period in which the loan was disbursed, generally years or quarters, which we refer to as a vintage. We calculate net lifetime loan loss rate by vintage as a percentage of original principal balance. Net lifetime loan loss rates equal the net lifetime loan losses for a given year through September 30, 2026, divided by the total origination loan volume for that year.

The below chart and table show our net lifetime loan loss rate for each annual vintage of our personal loan product since 2015, excluding loans originated from July 2017 to August 2020 and beginning December 2023 under a loan program for borrowers who did not meet the qualifications for our core loan origination program; 100% of those loans were sold pursuant to a whole loan sale agreement.



	Year of Origination									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Dollar weighted average original term for vintage in months	24.2	26.3	29.0	30.0	32.0	33.3	37.8	39.2	35.6	33.7
Net lifetime loan losses as of September 30, 2026 as a percentage of original principal balance	8.0%	8.2%	9.8%	10.8%	9.0%	18.4%	22.5%*	16.3%*	11.2%*	4.6%*
Outstanding principal balance as of September 30, 2026 as a percentage of original amount disbursed	—%	—%	—%	—%	—%	0.2%	2.1%	11.5%	27.7%	65.1%

* Vintage is not yet fully mature from a loss perspective.

The following discussion summarizes the primary factors driving changes in cumulative net lifetime loan losses by annual vintage reflected in the table above.

- 2016, 2017 and 2018 vintages. Cumulative net lifetime loan losses increased, in part, due to delays in tax refunds in 2017 and 2019, the effects of natural disasters, including Hurricane Harvey, and the longer duration of the loans.
- 2018 and 2019 vintages. These vintages were adversely affected by the COVID-19 pandemic.
- 2021 vintage. Charge-offs have exceeded those of prior vintages, primarily due to a higher proportion of loan disbursements to new members.
- 2022 vintage. Charge-off trends from 2021 continued; we tightened credit, reduced loan size and loan term, and began reducing loan volumes to new and returning members.
- 2023 vintage. We implemented additional tightening measures and further shortened average term length, which contributed to stronger performance of the 2023 vintages relative to the 2022 vintages over comparable periods.

Seasonality

Our quarterly results of operations may not necessarily be indicative of the results for the full year or the results for any future periods. We experience significant seasonality in demand for our loans, which is generally lower in the first quarter. The seasonal slowdown is primarily attributable to high loan demand around the holidays in the fourth quarter and the general increase in our borrowers' available cash flow in the first quarter, including from cash received from tax refunds, temporarily reducing our borrowers' borrowing needs.

Results of Operations

The following tables and related discussion set forth our Condensed Consolidated Statements of Operations (Unaudited) for each of the three and nine months ended September 30, 2026 and 2025.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands of dollars)	2026	2025	2026	2025
Revenue				
Interest income	$ 231,436	$ 222,340	$ 666,375	$ 660,842
Non-interest income	14,841	16,348	41,894	48,096
Total revenue	246,277	238,688	708,269	708,938
Less:				
Interest expense	41,130	56,620	131,042	173,561
Total net decrease in fair value	(78,582)	(77,018)	(250,139)	(219,947)
Net revenue	126,565	105,050	327,088	315,430
Operating expenses:				
Technology and facilities	32,150	35,380	98,583	108,466
Sales and marketing	21,127	16,502	54,669	54,461
Personnel	26,108	19,015	76,146	60,227
Outsourcing and professional fees	10,415	9,405	28,769	27,118
General, administrative and other	2,181	10,504	15,156	27,647
Total operating expenses	91,981	90,806	273,323	277,919
Income before taxes	34,584	14,244	53,765	37,511
Income tax expense	11,653	9,046	19,953	15,669
Net income	$ 22,931	$ 5,198	$ 33,812	$ 21,842

Total revenue

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages)	2026	2025	$	%	2026	2025	$	%
Revenue								
Interest income	$ 231,436	$ 222,340	$ 9,096	4.1 %	$ 666,375	$ 660,842	$ 5,533	0.8 %
Non-interest income	14,841	16,348	(1,507)	(9.2)%	41,894	48,096	(6,202)	(12.9)%
Total revenue	$ 246,277	$ 238,688	$ 7,589	3.2 %	$ 708,269	$ 708,938	$ (669)	(0.1)%
Percentage of total revenue:								
Interest income	94.0 %	93.2 %			94.1 %	93.2 %		
Non-interest income	6.0 %	6.8 %			5.9 %	6.8 %		
Total revenue	100.0 %	100.0 %			100.0 %	100.0 %		

Interest Income. Total interest income increased by $9.1 million, or 4.1%, from $222.3 million for the three months ended September 30, 2025 to $231.4 million for the three months ended September 30, 2026 driven by an increase in origination fee income from a 12% increase in aggregate originations.

Total interest income increased by $5.5 million, or 0.8%, from $660.8 million for the nine months ended September 30, 2025 to $666.4 million for the nine months ended September 30, 2026 primarily due to an increase in origination fee income driven by increased origination volume and origination rates, partially offset by a decline in billed interest on loans.

Non-interest income. Total non-interest income decreased by $1.5 million, or 9.2%, from $16.3 million for the three months ended September 30, 2025 to $14.8 million for the three months ended September 30, 2026. This decrease is primarily due to a decrease in servicing fees related to our Pathward program.

Total non-interest income decreased by $6.2 million, or 12.9%, from $48.1 million for the nine months ended September 30, 2025 to $41.9 million for the nine months ended September 30, 2026. This decrease is primarily due to a $6.1 million decrease in servicing fees related to our Pathward program.

See Note 2, *Summary of Significant Accounting Policies*, and Note 12, *Revenue*, of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report for further discussion on our interest income, non-interest income and revenue.

Interest expense

(in thousands, except percentages)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Period-to-period Change $	Period-to-period Change %	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025	Period-to-period Change $	Period-to-period Change %
Interest expense	$ 41,130	$ 56,620	$ (15,490)	(27.4)%	$ 131,042	$ 173,561	$ (42,519)	(24.5)%
Percentage of total revenue	16.7 %	23.7 %			18.5 %	24.5 %		
Cost of Debt	6.1 %	8.1 %			6.5 %	8.3 %		

Interest expense decreased by $15.5 million, or 27.4%, from $56.6 million for the three months ended September 30, 2025 to $41.1 million for the three months ended September 30, 2026. Our interest expense decrease is primarily due to a 193 basis point decrease in our Cost of Debt driven by improvements from revised cash flow estimates in our asset-backed borrowings at amortized cost, reductions of higher-cost asset-backed borrowings at amortized cost, and continued paydowns of the Corporate financing. Our Average Daily Debt Balance decreased from $2.79 billion for the three months ended September 30, 2025 to $2.67 billion for the three months ended September 30, 2026, a decrease of 4.4%.

Interest expense decreased by $42.5 million, or 24.5%, from $173.6 million for the nine months ended September 30, 2025 to $131.0 million for the nine months ended September 30, 2026. The decrease was driven by a 179 basis point decrease in our Cost of Debt, and by a decline in our Average Daily Debt Balance. Our Average Daily Debt Balance decreased from $2.80 billion for the nine months ended September 30, 2025 to $2.70 billion for the nine months ended September 30, 2026, a decrease of 3.7%. The Cost of Debt has decreased primarily due to continued paydowns of the asset-backed borrowings at amortized cost.

See Note 8, *Borrowings,* in the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report for further information on our Interest expense and our Secured financing and asset-backed notes.

Total net decrease in fair value

Total net decrease in fair value reflects changes in fair value of loans receivable held for investment and asset-backed notes at fair value on an aggregate basis and is based on a number of factors, including benchmark interest rates, credit spreads, remaining cumulative charge-offs and borrower payment rates. Increases in the fair value of loans increase Net Revenue. Conversely, decreases in the fair value of loans decrease Net Revenue. Increases in the fair value of asset-backed notes decrease Net Revenue. Decreases in the fair value of asset-backed notes increase Net Revenue. As of December 31, 2025, we also had a derivative instrument related to our bank partnership program with Pathward. Changes in the fair value of the derivative instrument are reflected in the total fair value mark-to-market adjustment below.

(in thousands, except percentages)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Period-to-period Change $	Period-to-period Change %	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025	Period-to-period Change $	Period-to-period Change %
Fair value mark-to-market adjustment:								
Fair value mark-to-market adjustment on Loans Receivable at Fair Value	$ (6,461)	$ 6,622	$ (13,083)	*	$ (12,717)	$ 28,078	$ (40,795)	*
Fair value mark-to-market adjustment on asset-backed notes at fair value	(744)	(4,564)	3,820	*	(3,202)	(15,820)	12,618	*
Fair value mark-to-market adjustment on derivatives	—	(2,905)	2,905	*	1,248	(2,455)	3,703	*
Total fair value mark-to-market adjustment	(7,205)	(847)	(6,358)	*	(14,671)	9,803	(24,474)	*
Charge-offs, net of recoveries on Loans Receivable at Fair Value	(71,377)	(79,556)	8,179	*	(235,317)	(239,809)	4,492	*
Net settlements on derivative instruments	—	3,385	(3,385)	*	(151)	10,059	(10,210)	*
Total net decrease in fair value	$ (78,582)	$ (77,018)	$ (1,564)	*	$ (250,139)	$ (219,947)	$ (30,192)	*
Percentage of total revenue:								
Fair value mark-to-market adjustment	(2.9)%	(0.4)%			(2.1)%	1.4 %		
Charge-offs, net of recoveries on Loans Receivable at Fair Value	(29.0)%	(33.3)%			(33.2)%	(33.8)%		
Total net increase (decrease) in fair value	(31.9)%	(33.7)%			(35.3)%	(32.4)%		
Discount rate	6.53 %	6.25 %			6.53 %	6.25 %		
Remaining cumulative charge-offs	12.01 %	12.23 %			12.01 %	12.23 %		
Average life in years	1.03	1.07			1.03	1.07		

* Not meaningful

Net decrease in fair value for the three months ended September 30, 2026 was $78.6 million. This amount represents $71.4 million of charge-offs, net of recoveries on Loans Receivable at Fair Value and a total fair value mark-to-market decrease of $7.2 million. The total fair value mark-to-market adjustment consists of a $(6.5) million mark-to-market adjustment on Loans Receivable at Fair Value due to (a) an increase in the discount rate from 6.30% as of June 30, 2026 to 6.53% as of September 30, 2026, partially offset by (b) a decrease in remaining cumulative charge-offs from 12.22% as of June 30, 2026 to 12.01% as of September 30, 2026.

Net decrease in fair value for the three months ended September 30, 2025 was $77.0 million. This amount represents $79.6 million of charge-offs, net of recoveries on Loans Receivable at Fair Value and a total fair value mark-to-market decrease of $0.8 million; offset by a $3.4 million increase related to excess interest proceeds received on loans retained by Pathward. The total fair value mark-to-market adjustment includes of a $6.6 million mark-to-market increase on Loans Receivable at Fair Value due to (a) a decrease in the discount rate from 7.03% as of June 30, 2025 to 6.25%, partially offset by (b) an increase in remaining cumulative charge-offs from 11.96% as of June 30, 2025 to 12.23% as of September 30, 2025. The $4.6 million mark-to-market loss on asset-backed notes is due to lower medium-term interest rates and tighter credit spreads.

Net decrease in fair value for the nine months ended September 30, 2026 was $250.1 million. This amount represents a total fair value mark-to-market decrease of $14.7 million, and $235.3 million of charge-offs, net of recoveries on Loans Receivable at Fair Value. The total fair value mark-to-market adjustment includes of a $12.7 million mark-to-market decrease on Loans Receivable at Fair Value due to (a) an increase in discount rate from 6.26% as of December 31, 2025 to 6.53% as of September 30, 2026, partially offset by (b) a decrease in remaining cumulative charge-offs from 12.28% as of December 31, 2025 to 12.01% as of September 30, 2026. The $3.2 million mark-to-market loss on asset-backed notes is due to amortization of the principal balance and tighter credit spreads, partially offset by higher medium-term interest rates.

Net decrease in fair value for the nine months ended September 30, 2025 was $219.9 million. This amount represents a total fair value mark-to-market increase of $9.8 million, and $239.8 million of charge-offs, net of recoveries on Loans Receivable at Fair Value. The total fair value mark-to-market adjustment includes of a $28.1 million mark-to-market increase on Loans Receivable at Fair Value due to (a) a decrease in discount rate from 7.92% as of December 31, 2024 to 6.25% as of September 30, 2025, partially offset by (b) an increase in remaining cumulative charge-offs from 11.68% as of December 31, 2024 to 12.23% as of September 30, 2025, and (c) a decrease in average life from 1.11 as of December 31, 2024 to 1.07 years as of September 30, 2025. The $15.8 million mark-to-market loss on asset-backed notes is due to lower medium-term interest rates and tighter credit spreads.

Charge-offs, net of recoveries

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages)	2026	2025	$	%	2026	2025	$	%
Total charge-offs, net of recoveries	$ 71,377	$ 79,556	$ (8,179)	(10.3)%	$ 235,317	$ 239,809	$ (4,492)	(1.9)%
Average Daily Principal Balance	$ 2,668,964	$ 2,669,454	$ (490)	— %	$ 2,677,639	$ 2,680,357	$ (2,718)	(0.1)%
Annualized Net Charge-Off Rate	10.6 %	11.8 %			11.7 %	12.0 %		

Charge-Offs, net of recoveries decreased by $8.2 million for the three months ended September 30, 2026 and decreased by $4.5 million for the nine months ended September 30, 2026. The Annualized Net Charge-Off Rate decrease for the nine months ended September 30, 2026 was primarily attributable to continued diligence in underwriting, particularly among new members, the development and release of improved risk models, and continuous improvement of our collections strategies and operations. We employ collection strategies and tools to help members make ongoing payments against their loans, and consistent with our charge-off policy, we evaluate our loan portfolio and charge a loan off at the earlier of when the loan is determined to be uncollectible or when the loan is 120 days contractually past due.

Operating expenses

Operating expenses consist of technology and facilities, sales and marketing, personnel, outsourcing and professional fees, and general, administrative and other expenses. We anticipate operating expenses to be low single digit increase in 2026 as compared to 2025.

Technology and facilities

Technology and facilities expense is the largest segment of our operating expenses, representing the costs required to build and maintain our multi-channel platform, and consists of three components. The first component comprises costs associated with our technology, engineering, information security, cybersecurity, platform development, maintenance, and end user services, including fees for consulting, legal and other services as a result of our efforts to grow our business, as well as personnel expenses. The second component includes rent for retail and corporate locations, utilities, insurance, telephony costs, property taxes, equipment rental expenses, licenses and fees, and depreciation and amortization. Lastly, the third component includes all software licenses, subscriptions, and technology service costs to support our corporate operations, excluding sales and marketing.

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages)	2026	2025	$	%	2026	2025	$	%
Technology and facilities	$ 32,150	$ 35,380	$ (3,230)	(9.1)%	$ 98,583	$ 108,466	$ (9,883)	(9.1)%
Percentage of total revenue	13.1 %	14.8 %			13.9 %	15.3 %		

Technology and facilities expense decreased by $3.2 million, or 9.1%, from $35.4 million for the three months ended September 30, 2025 to $32.2 million for the three months ended September 30, 2026. The decrease is primarily due to $1.9 million in lower technology services and software costs and $1.4 million in lower amortization expense related to internally developed software.

Technology and facilities expense decreased by $9.9 million, or 9.1%, from $108.5 million for the nine months ended September 30, 2025 to $98.6 million for the nine months ended September 30, 2026. The decrease is primarily due to a $6.7 million decrease primarily driven by reduced amortization and increased capitalization of costs relating to internally developed software, $2.0 million decrease due to our strategy to lower contractor spending and $1.2 million decrease in lower spend on software; this was partially offset by a $1.5 million increase in wages and salaries.

Sales and marketing

Sales and marketing expenses consist of two components and represents the costs to acquire our members. The first component is comprised of the expense to acquire a member through various paid marketing channels including direct mail, digital marketing, and brand marketing. The second component is comprised of the costs associated with our telesales, lead generation and retail operations, including personnel expenses, but excluding costs associated with retail locations.

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages and CAC)	2026	2025	$	%	2026	2025	$	%
Sales and marketing	$ 21,127	$ 16,502	$ 4,625	28.0 %	$ 54,669	$ 54,461	$ 208	0.4 %
Percentage of total revenue	8.6 %	6.9 %			7.7 %	7.7 %		
Customer Acquisition Cost (“CAC”)	$ 131	$ 103	$ 28	27.2 %	$ 131	$ 118	$ 13	11.0 %

Sales and marketing expenses to acquire our members increased by $4.6 million, or 28.0%, from $16.5 million for the three months ended September 30, 2025 to $21.1 million for the three months ended September 30, 2026 driven by an increase in direct mail marketing volume. As a result of the increase in sales and marketing expense, CAC increased by 27.2%, from $103 for the three months ended September 30, 2025 to $131 for the three months ended September 30, 2026.

Sales and marketing expenses to acquire our members increased by $0.2 million, or 0.4%, from $54.5 million for the nine months ended September 30, 2025 to $54.7 million for the nine months ended September 30, 2026. During the nine months ended September 30, 2026, our CAC increased by 11.0% from $118 for the nine months ended September 30, 2025 to $131 for the nine months ended September 30, 2026 driven by the decrease in our number of loans originated.

Personnel

Personnel expense represents compensation and benefits that we provide to our employees, and include salaries, wages, bonuses, commissions, related employer taxes, medical and other benefits provided and stock-based compensation expense for all of our staff with the exception of our telesales, lead generation, and retail operations which are included in sales and marketing expenses, and technology which is included in technology and facilities.

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages)	2026	2025	$	%	2026	2025	$	%
Personnel	$ 26,108	$ 19,015	$ 7,093	37.3 %	$ 76,146	$ 60,227	$ 15,919	26.4 %
Percentage of total revenue	10.6 %	8.0 %			10.8 %	8.5 %		

Personnel expense increased by $7.1 million, or 37.3%, from $19.0 million for the three months ended September 30, 2025 to $26.1 million for the three months ended September 30, 2026, primarily due to increases in wages, salaries, bonus accruals and additional severance amounts.

Personnel expense increased by $15.9 million, or 26.4%, from $60.2 million for the nine months ended September 30, 2025 to $76.1 million for the nine months ended September 30, 2026, primarily due to executive transition costs and increased wages and salaries driven by increased headcount primarily in our Mexico operations, and bonus accruals.

Outsourcing and professional fees

Outsourcing and professional fees consist of costs for various third-party service providers and contact center operations, primarily for the sales, customer service, collections and store operation functions. Professional fees also include the cost of legal and audit services, credit reports, recruiting, cash transportation, collection services and fees and consultant expenses. Direct loan origination expenses related to application processing are expensed when incurred. In addition, outsourcing and professional fees include any financing expenses, including legal and underwriting fees, related to our asset-backed notes at fair value.

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages)	2026	2025	$	%	2026	2025	$	%
Outsourcing and professional fees	$ 10,415	$ 9,405	$ 1,010	10.7 %	$ 28,769	$ 27,118	$ 1,651	6.1 %
Percentage of total revenue	4.2 %	3.9 %			4.1 %	3.8 %		

Outsourcing and professional fees increased by $1.0 million, or 10.7%, from the three months ended September 30, 2025 to the three months ended September 30, 2026 primarily due to increased legal collections costs and other legal expenses.

Outsourcing and professional fees increased by $1.7 million, or 6.1%, from $27.1 million for the nine months ended September 30, 2025 to $28.8 million for the nine months ended September 30, 2026. The increase is due to increased legal collections costs.

General, administrative and other

General, administrative and other expense includes non-compensation expenses for employees, who are not a part of the technology and sales and marketing organization, which include travel, lodging, meal expenses, political and charitable contributions, office supplies, printing and shipping. Also included are franchise taxes, bank fees, foreign currency gains and losses, transaction gains and losses, litigation reserve, acquisition-related expenses, and shareholder activism.

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages)	2026	2025	$	%	2026	2025	$	%
General, administrative and other	$ 2,181	$ 10,504	$ (8,323)	(79.2)%	$ 15,156	$ 27,647	$ (12,491)	(45.2)%
Percentage of total revenue	0.9 %	4.4 %			2.1 %	3.9 %		

General, administrative and other expense decreased by $8.3 million, or 79.2%, from $10.5 million for the three months ended September 30, 2025 to $2.2 million for the three months ended September 30, 2026, primarily due to $5.6 million non-recurring interest and fees payment received in connection with the resolution of a Mexico value-added tax refund and $3.1 million reduction in shareholder activism-related expenses.

General, administrative and other expense decreased by $12.5 million, or 45.2%, from $27.6 million for the nine months ended September 30, 2025 to $15.2 million for the nine months ended September 30, 2026, primarily due to $5.6 million non-recurring interest and fees payment received in connection with the resolution of a Mexico value-added tax refund, $5.6 million reduction in shareholder activism-related expenses, and $1.9 million decrease in fees paid from loan purchases as part of our bank partnership program.

Income taxes

Income taxes consist of U.S. federal, state and foreign income taxes, if any. For the periods ended September 30, 2026 and 2025, we recognized tax expense attributable to U.S. federal, state and foreign income taxes.

	Three Months Ended September 30,		Period-to-period Change		Nine Months Ended September 30,		Period-to-period Change	
(in thousands, except percentages)	2026	2025	$	%	2026	2025	$	%
Income tax expense	$ 11,653	$ 9,046	$ 2,607	28.8 %	$ 19,953	$ 15,669	$ 4,284	27.3 %
Percentage of total revenue	4.7 %	3.8 %			2.8 %	2.2 %		
Effective tax rate	33.7 %	63.5 %			37.1 %	41.8 %		

Income tax expense increased by $2.6 million or 29%, from $9.0 million for the three months ended September 30, 2025 to $11.7 million for the three months ended September 30, 2026, primarily due to higher pre-tax income and stock-based compensation.

Income tax expense increased by $4.3 million or 27%, from $15.7 million for the nine months ended September 30, 2025 to $20.0 million for the nine months ended September 30, 2026, primarily due to higher pre-tax income, resolving a state tax settlement, and increasing the reserve for unrecognized tax benefits.

Valuation Allowance. As of September 30, 2026, we have $61.3 million of U.S. net deferred tax assets, of which $58.6 million is related to the tax-effected net operating losses, tax credits, and other carryforwards that can be used to offset future U.S. taxable income. Certain of these carryforwards will expire if they are not used within a specified timeframe. At this time, we consider it more likely than not that we will have sufficient U.S. taxable income in the future that will allow us to realize these net deferred tax assets. However, it is possible that some, or all, of these tax attributes could ultimately expire unused. Therefore, if we are unable to generate sufficient U.S. taxable income from our operations, a valuation allowance to reduce the U.S. net deferred tax assets may be required, which would materially increase income tax expense in the period in which the valuation allowance is recorded.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing its impact on our consolidated financial statements.

In December 2021, the Organization for Economic Co-operation and Development Inclusive Framework on Base Erosion Profit Shifting released Model Global Anti-Base Erosion rules ("Model Rules") under Pillar Two. The Model Rules set forth the "common approach" for a Global Minimum Tax at 15 percent for multinational enterprises with a turnover of more than 750 million euros. Rules under Pillar Two were effective from January 1, 2024. Pillar Two rules did not have a material impact on the Company's Condensed Consolidated Statements of Operations (Unaudited).

See Note 2, *Summary of Significant Accounting Policies*, and Note 13, *Income Taxes*, of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report for further discussion on our income taxes.

Fair Value Estimate Methodology for Loans Receivable at Fair Value

Summary

Fair value is an electable option under GAAP to account for any financial instruments, including loans receivable and debt. It differs from amortized cost accounting in that loans receivable and debt are recorded on the balance sheet at fair value rather than on a cost basis. Under the fair value option credit losses are recognized through income as they are incurred rather than through the establishment of an allowance and provision for losses. The fair value of instruments under this election is updated at the end of each reporting period, with changes since the prior reporting period reflected in the Condensed Consolidated Statements of Operations (Unaudited) as net increase (decrease) in fair value which impacts Net Revenue. Changes in interest rates, credit spreads, realized and projected credit losses and cash flow timing will lead to changes in fair value and therefore impact earnings. These changes in the fair value of the Loans Receivable at Fair Value may be partially offset by changes in the fair value of the asset-backed notes where the fair value option has been elected, depending upon the relative duration of the instruments.

Fair Value Estimate Methodology for Loans Receivable at Fair Value

We calculate the fair value of Loans Receivable at Fair Value using a model that projects and discounts expected cash flows. The fair value is a function of:

- Portfolio yield;
- Average life;
- Prepayments;
- Remaining cumulative charge-offs; and
- Discount rate.

Portfolio yield is the expected interest and fees collected from the loans as an annualized percentage of outstanding principal balance. Portfolio yield is based upon (a) the contractual interest rate, reduced by expected delinquencies and interest charge-offs and (b) late fees, net of late fee charge-offs based upon expected delinquencies. Origination fees are not included in portfolio yield for personal loans since they are recognized into income at origination.

Average life is the time-weighted average of expected principal payments divided by outstanding principal balance. The timing of principal payments is based upon the contractual amortization of loans, adjusted for the impact of prepayments, Good Customer Program refinances, and charge-offs.

For personal loans, prepayments are the expected remaining cumulative principal payments that will be repaid earlier than contractually required over the life of the loan, divided by the outstanding principal balance.

Remaining cumulative charge-offs is the expected net principal charge-offs over the remaining life of the loans, divided by the outstanding principal balance.

For personal loans, the discount rate is determined by using the Weighted Average Capital Cost, which was calculated using the Capital Asset Pricing Model method, also considering several components of financing, debt and equity.

	Three Months Ended September 30,		Nine Months Ended September 30,	
Components of Fair Value Mark-to-Market Adjustment (in thousands)	**2026**	**2025**	**2026**	**2025**
Fair value mark-to-market adjustment on Loans Receivable at Fair Value [1]	$ (6,461)	$ 6,622	$ (12,717)	$ 28,078
Fair value mark-to-market adjustment on asset-backed notes	(744)	(4,564)	(3,202)	(15,820)
Fair value mark-to-market adjustment on derivatives	—	(2,905)	1,248	$ (2,455)
Total fair value mark-to-market adjustment	$ (7,205)	$ (847)	$ (14,671)	$ 9,803

[1] The fair value mark-to-market adjustment on Loans Receivable at Fair Value excludes mark-to-market adjustments associated with loans sold. See the section titled *Net decrease in fair value* in the Results of Operations section for additional information regarding the fair value mark on loans sold.

Non-GAAP Financial Measures

We believe that the provision of non-GAAP financial measures in this report, including Adjusted EBITDA, Adjusted Net Income, Adjusted EPS, Adjusted Operating Expense, Adjusted Operating Expense Ratio, and Adjusted Return on Equity, can provide useful measures for period-to-period comparisons of our core business and useful information to investors and others in understanding and evaluating our operating results. However, non-GAAP financial measures are not calculated in accordance with United States generally accepted accounting principles, or GAAP, and should not be considered as an alternative to any measures of financial performance calculated and presented in accordance with GAAP. There are limitations related to the use of these non-GAAP financial measures versus their most directly comparable GAAP measures, which include the following:

- Other companies, including companies in our industry, may calculate these measures differently, which may reduce their usefulness as a comparative measure.
- These measures do not consider the potentially dilutive impact of stock-based compensation.
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements.
- Although the fair value mark-to-market adjustment is a non-cash adjustment, it does reflect our estimate of the price a third party would pay for our loans receivable held for investment or our asset-backed notes.
- Adjusted EBITDA does not reflect tax payments that may represent a reduction in cash available to us.

Reconciliations of non-GAAP to GAAP measures can be found below.

Adjusted EBITDA

We define Adjusted EBITDA as our net income, adjusted to eliminate the effect of certain items as described below. We believe that Adjusted EBITDA is an important measure because it allows management, investors and our Board to evaluate and compare operating results, including return on capital and operating efficiencies, from period to period, by making the adjustments described below. In addition, it provides a useful measure for period-to-period comparisons of our business, as it removes the effect of income taxes, certain non-cash items, variable charges and timing differences.

- We believe it is useful to exclude the impact of income tax expense, as reported, because historically it has included irregular income tax items that do not reflect ongoing business operations.
- We believe it is useful to exclude depreciation and amortization and stock-based compensation expense because they are non-cash charges.
- We believe it is useful to exclude the impact of interest expense associated with our corporate financing facilities, including the senior secured term loan, as we view this expense as related to our capital structure rather than our funding.
- We exclude the impact of certain non-recurring charges because we do not believe that these items reflect ongoing business operations. Other non-recurring charges include litigation reserve, impairment charges, workforce optimization expenses, shareholder activism costs, certain severance costs, debt amendment, extinguishment, and warrant amortization costs. We also exclude the non-recurring interest and fees payment received in September 2026 in connection with the resolution of a Mexico value-added tax refund.
- We also exclude fair value mark-to-market adjustments on the loans receivable portfolio and asset-backed notes carried at fair value because these adjustments do not impact cash.

The following table presents a reconciliation of net income to Adjusted EBITDA for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Adjusted EBITDA (in thousands)	**2026**	**2025**	**2026**	**2025**
Net income	$ 22,931	$ 5,198	$ 33,812	$ 21,842
Adjustments:				
Income tax expense	11,653	9,046	19,953	15,669
Interest on corporate financing	5,772	9,025	18,734	28,191
Depreciation and amortization	8,832	10,218	26,655	32,001
Stock-based compensation expense	2,865	2,488	8,387	8,027
Other non-recurring charges (receipts), net	(2,772)	4,409	12,198	10,027
Fair value mark-to-market adjustment	7,205	847	14,671	(9,803)
Adjusted EBITDA	$ 56,486	$ 41,231	$ 134,410	$ 105,954

Adjusted Net Income

We define Adjusted Net Income as net income adjusted to eliminate the effect of certain items as described below. We believe that Adjusted Net Income is an important measure of operating performance because it allows management, investors, and our Board to evaluate and compare our operating results, including return on capital and operating efficiencies, from period to period, excluding the after-tax impact of non-cash, stock-based compensation expense and certain non-recurring charges.

- We believe it is useful to exclude the impact of income tax expense (benefit), as reported, because historically it has included irregular income tax items that do not reflect ongoing business operations. We also include the impact of normalized income tax expense by applying a normalized statutory tax rate.

- We believe it is useful to exclude the impact of certain non-recurring charges because we do not believe that these items reflect our ongoing business operations. Other non-recurring charges include litigation reserve, impairment charges, workforce optimization expenses, shareholder activism costs, certain severance costs, debt amendment, extinguishment and warrant amortization costs. We also exclude the non-recurring interest and fees payment received in September 2026 in connection with the resolution of a Mexico value-added tax refund.
- We believe it is useful to exclude stock-based compensation expense because it is a non-cash charge.
- We also exclude the fair value mark-to-market adjustment on our asset-backed notes carried at fair value.

The following table presents a reconciliation of net income to Adjusted Net Income for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Adjusted Net Income (in thousands)	**2026**	**2025**	**2026**	**2025**
Net income	$ 22,931	$ 5,198	$ 33,812	$ 21,842
Adjustments:				
Income tax expense	11,653	9,046	19,953	15,669
Stock-based compensation expense	2,865	2,488	8,387	8,027
Other non-recurring charges (receipts), net	(2,772)	4,409	12,198	10,027
Mark-to-market adjustment on asset-backed notes	744	4,564	3,202	15,820
Adjusted income before taxes	35,421	25,705	77,552	71,385
Normalized income tax expense	9,564	6,940	20,939	19,274
Adjusted Net Income	$ 25,857	$ 18,765	$ 56,613	$ 52,111
Income tax rate	27.0 %	27.0 %	27.0 %	27.0 %

(1) Income tax rate for the three and nine months ended September 30, 2026 and 2025 is based on a normalized statutory rate.

Adjusted Earnings Per Share ("Adjusted EPS")

Adjusted Earnings Per Share is a non-GAAP financial measure that allows management, investors, and our Board to evaluate the operating results, operating trends, and profitability of the business in relation to diluted adjusted weighted-average shares outstanding.

The following table presents a reconciliation of Diluted EPS to Diluted Adjusted EPS for the three and nine months ended September 30, 2026 and 2025. For the reconciliation of net income to Adjusted Net Income, see the immediately preceding table "Adjusted Net Income."

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except share and per share data)	**2026**	**2025**	**2026**	**2025**
Diluted earnings per share	$ 0.45	$ 0.11	$ 0.68	$ 0.46
Adjusted EPS				
Adjusted Net Income	$ 25,857	$ 18,765	$ 56,613	$ 52,111
Basic weighted-average common shares outstanding	48,589,563	46,711,134	48,152,671	46,264,236
Weighted average effect of dilutive securities:				
Stock options	—	—	—	—
Restricted stock units	2,394,733	1,598,976	1,477,919	1,487,240
Diluted adjusted weighted-average common shares outstanding	50,984,296	48,310,110	49,630,590	47,751,476
Adjusted Earnings Per Share	$ 0.51	$ 0.39	$ 1.14	$ 1.09

Return on Equity and Adjusted Return on Equity

We define Adjusted Return on Equity as annualized Adjusted Net Income divided by average stockholders' equity. Average stockholders' equity is an average of the beginning and ending stockholders' equity balance for each period. We believe Adjusted Return on Equity is an important measure because it allows management, investors and our Board to evaluate the profitability of the business in relation to stockholders' equity and how efficiently we generate income from stockholders' equity.

The following table presents a reconciliation of Return on Equity to Adjusted Return on Equity as of and for the three and nine months ended September 30, 2026 and 2025. For the reconciliation of net income to Adjusted Net Income, see the immediately preceding table "Adjusted Net Income."

(in thousands)	As of or for the Three Months Ended September 30, 2026	As of or for the Three Months Ended September 30, 2025	As of or for the Nine Months Ended September 30, 2026	As of or for the Nine Months Ended September 30, 2025
Return on Equity	21.6 %	5.4 %	11.0 %	7.9 %
Adjusted Return on Equity				
Adjusted Net Income	$ 25,857	$ 18,765	$ 56,613	$ 52,111
Average stockholders' equity	$ 420,286	$ 379,922	$ 411,761	$ 368,832
Adjusted Return on Equity	24.4 %	19.6 %	18.4 %	18.9 %

Adjusted Operating Expense and Adjusted Operating Expense Ratio

We define Adjusted Operating Expense as total operating expenses adjusted to exclude stock-based compensation expense and certain non-recurring charges. Other non-recurring charges include litigation reserve, impairment charges, workforce optimization expenses, shareholder activism costs, certain severance costs, and debt amendment costs. We also exclude the non-recurring interest and fees payment received in September 2026 in connection with the resolution of a Mexico value-added tax refund. We define Adjusted Operating Expense Ratio as Adjusted Operating Expense divided by Average Daily Principal Balance. We believe Adjusted Operating Expense is an important measure because it allows management, investors and our Board to evaluate and compare its operating costs from period to period, excluding the impact of non-cash, stock-based compensation expense and certain non-recurring charges. We believe Adjusted Operating Expense Ratio is an important measure because they allow management, investors and our Board to evaluate how efficiently we are managing costs relative to revenue and Average Daily Principal Balance.

The following table presents a reconciliation of Operating Expense to Adjusted Operating Expense and Operating Expense Ratio to Adjusted Operating Expense Ratio for the three and nine months ended September 30, 2026 and 2025:

(in thousands)	As of or for the Three Months Ended September 30, 2026	As of or for the Three Months Ended September 30, 2025	As of or for the Nine Months Ended September 30, 2026	As of or for the Nine Months Ended September 30, 2025
Operating Expense Ratio	13.7 %	13.5 %	13.6 %	13.9 %
Adjusted Operating Expense Ratio				
Total operating expense	91,981	90,806	273,323	277,919
Stock-based compensation expense	(2,865)	(2,488)	(8,387)	(8,027)
Other non-recurring (charges) receipts, net	3,323	(3,643)	(3,131)	(7,749)
Total adjusted operating expenses	$ 92,439	$ 84,675	$ 261,805	$ 262,143
Average Daily Principal Balance	$ 2,668,964	$ 2,669,454	$ 2,677,639	$ 2,680,357
Adjusted Operating Expense Ratio	13.7 %	12.6 %	13.1 %	13.1 %

Liquidity and Capital Resources

To date, we fund the majority of our operating liquidity and operating needs through a combination of cash flows from operations, securitizations, secured borrowings, Corporate financing and structured and whole loan sales. We may utilize these or other sources in the future. Our material cash requirements relate to funding our lending activities, our debt service obligations, our operating expenses, and investments in the long-term growth of the Company.

We generally target liquidity levels to support at least twelve months of our expected net cash outflows, including new originations, without access to our Corporate financing facility or equity markets. Elevated and fluctuating interest rates, credit trends and other macroeconomic and geopolitical conditions could continue to have an impact on market volatility which could adversely impact our business, liquidity, and capital resources. Future decreases in cash flows from operations resulting from delinquencies, defaults, and losses would decrease the cash available for the capital uses described above. We may incur additional indebtedness or issue equity in order to meet our capital spending and liquidity requirements, as well as to fund growth opportunities that we may pursue.

The following table summarizes our total liquidity reserves:

(in thousands)	September 30, 2026		
	Total capacity	Amount borrowed/utilized	Remaining available capacity
Cash and cash equivalents	$ 181,174	N/A	$ 181,174
Restricted cash	77,182	N/A	77,182
Secured financing	1,189,091	453,686	735,405
Whole loan forward flow agreements	50,000	43,234	6,766
Total liquidity	$ 1,497,447	$ 496,920	$ 1,000,527

Cash and cash flows

The following table summarizes our cash and cash equivalents, restricted cash and cash flows for the periods indicated:

(in thousands)	Nine Months Ended September 30,	
	2026	2025
Cash, cash equivalents and restricted cash	$ 258,356	$ 223,956
Cash provided by (used in)		
Operating activities	331,954	304,546
Investing activities	(168,050)	(180,492)
Financing activities	(104,482)	(114,723)

Our cash is held for working capital purposes and originating loans. Our restricted cash principally represents collections held in our securitizations and is applied currently after month-end to pay principal, interest expense, and satisfy any amount due to whole loan buyers with any excess amounts returned to us.

Operating Activities

Our net cash provided by operating activities was $332.0 million and $304.5 million for the nine months ended September 30, 2026 and 2025, respectively. Cash flows from operating activities primarily include net income or losses adjusted for (i) non-cash items included in net income or loss, including depreciation and amortization expense, goodwill impairment charges, net fair value adjustments, net origination fees for loans at fair value, gain on loan sales, stock-based compensation expense and net deferred tax provision, (ii) originations of loans sold and held for sale, and proceeds from sale of loans and (iii) changes in the balances of operating assets and liabilities, which can vary significantly in the normal course of business due to the amount and timing of various payments. The $27.4 million increase in our net cash provided by operating activities is primarily driven by a $30.2 million increase in our fair value adjustment, net, $22.1 million increase from a decline in our originations, a $12.0 million increase in our net income, $7.7 million increase in our origination fees for Loans Receivable at Fair Value, net, and $2.7 million decrease from deferred tax assets, net. These were partially offset by $23.9 million decrease due to proceeds from the sale of loans, and $23.2 million decrease relating to amortization of our asset-Backed borrowings at amortized cost.

Investing Activities

Our net cash used in investing activities was $168.1 million for the nine months ended September 30, 2026 and net cash used in investing activities was $180.5 million for the nine months ended September 30, 2025. Our investing activities consist primarily of loan originations and loan repayments. We invest in purchases of property and equipment and incur system development costs. Purchases of property and equipment, and capitalization of system development costs may vary from period to period due to the timing of the expansion of our operations, the addition of employee headcount and the development cycles of our system development. The change in our net cash provided by investing activities is primarily due to $74.7 million less in originations and purchases of loans held for investment; partially offset by $61.9 million lower loan repayments.

Financing Activities

Our net cash used in financing activities was $104.5 million and $114.7 million for the nine months ended September 30, 2026 and 2025, respectively. For the nine months ended September 30, 2026, net cash used in financing activities was primarily driven by net repayments on our Asset-backed notes at fair value and asset-backed borrowings at amortized cost, and repayments on our Corporate financing; partially offset by net borrowings on our secured financing.

Sources of Funds

Debt and Available Credit

Asset-Backed Securitizations

As of September 30, 2026, we had $2.0 billion of outstanding asset-backed notes. Our securitizations utilize special purpose entities which are also VIEs that meet the requirements to be consolidated in our financial statements. For more information regarding our VIEs and asset-backed

securitizations, see Note 4, *Variable Interest Entities* and Note 8, *Borrowings*, respectively, of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report.

Our ability to utilize our asset-backed securitizations as described herein is subject to compliance with various requirements including eligibility criteria for the loan collateral and covenants and other requirements. As of September 30, 2026, we were in compliance with all covenants and requirements of all our asset-backed notes.

Secured Financings

As of September 30, 2026, we maintained five secured warehouse financing facilities with aggregate commitments of approximately $1,189.1 million and approximately $735.4 million of contractual undrawn capacity. The facilities have staggered revolving periods extending through 2029, and during the second quarter of 2026, we entered into the PLW V Facility, which has a final maturity in 2030. Borrowings under the facilities generally bear interest at floating rates based on Term SOFR and are secured by eligible personal loan receivables. Availability under the facilities is subject to borrowing-base limitations, collateral eligibility and concentration requirements, performance triggers, covenants and other customary conditions; accordingly, actual borrowing availability may be less than contractual undrawn capacity. See Note 8, Borrowings, for additional information regarding our secured financings.

Asset-Backed Borrowings at Amortized Cost

On February 9, 2026, we issued $485.0 million of Series 2026-A asset-backed notes secured by a pool of our unsecured and secured personal installment loans (the “2026-A Securitization”). The 2026-A Securitization included five classes of fixed rate notes. The notes were offered and sold in a private placement in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and were priced with a weighted average yield of 5.32% per annum and a weighted average coupon of 5.25% per annum.

On February 9, 2026, we redeemed series 2025-A asset-backed notes in the amount of $425.1 million. The asset-backed notes were carried at amortized cost, and the unamortized costs were recognized in the Condensed Consolidated Statements of Operations (Unaudited) as part of the interest expense.

On January 8, 2026, we redeemed series 2024-1 asset-backed notes in the amount of $28.7 million. The asset-backed notes were carried at amortized cost, and the unamortized costs were recognized in the Condensed Consolidated Statements of Operations (Unaudited) as part of the interest expense.

On October 17, 2025, we issued $441.2 million of Series 2025-D asset-backed notes secured by a pool of its unsecured and secured personal installment loans (the “2025-D Securitization”). The 2025-D Securitization included five classes of fixed rate notes. The notes were offered and sold in a private placement in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and were priced with a weighted average yield of 5.77% per annum and a weighted average coupon of 5.69% per annum.

On August 21, 2025, we issued $538.5 million of Series 2025-C asset-backed notes secured by a pool of unsecured and secured personal installment loans (the "2025-C Securitization"). The 2025-C Securitization included five classes of fixed rate notes. The notes were offered and sold in a private placement in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and were priced with a weighted average yield of 5.29% per annum and weighted average coupon of 5.23% per annum.

On June 5, 2025, we issued $439.3 million of Series 2025-B asset-backed notes secured by a pool of unsecured and secured personal installment loans (the "2025-B Securitization"). The 2025-B Securitization included five classes of fixed rate notes. The notes were offered and sold in a private placement in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and were priced with a weighted average yield of 5.67% per annum and weighted average coupon of 5.57% per annum.

On January 16, 2025, we issued $425.1 million of Series 2025-A asset-backed notes secured by a pool of our unsecured and secured personal installment loans (the "2025-A Securitization"). The 2025-A Securitization included five classes of fixed rate notes. The notes were offered and sold in a private placement in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and were priced with a weighted average yield of 6.95% per annum and weighted average coupon of 6.15% per annum.

On August 29, 2024, we issued $223.3 million of series 2024-2 asset-backed notes secured by a pool of our unsecured and secured personal installment loans (the "2024-2 Securitization"). The 2024-2 Securitization included four classes of fixed rate notes. The notes were offered and sold in a private placement in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and were priced with a weighted average yield of 8.22% per annum and weighted average coupon of 8.07% per annum.

On February 13, 2024, we issued $199.5 million of Series 2024-1 asset-backed notes secured by a pool of our unsecured and secured personal installment loans (the "2024-1 Securitization"). The 2024-1 Securitization included four classes of fixed rate notes. The notes were offered and sold in a private placement in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and were priced with a weighted average yield of 8.60% per annum and weighted average coupon of 8.43% per annum.

On October 19, 2023, we entered into a Receivables Loan and Security Agreement (the “Receivables Loan and Security Agreement”) 2023-A, pursuant to which the Company borrowed $197.4 million. Borrowings under the Receivables Loan and Security Agreement accrue interest at a weighted average interest rate equal to 10.05%. On November 10, 2025, we redeemed the 2023-A financing transaction. The financing was carried at amortized cost, and the unamortized costs were recognized in the Condensed Consolidated Statements of Operations (Unaudited) as part of the Interest Expense.

On August 3, 2023 and April 26, 2024, we entered into separate forward flow whole loan sale agreements with institutional investors to sell up to $400.0 million and $150.0 million of personal loan originations, respectively. No loans were transferred under either agreement during the nine months ended September 30, 2026, as our sale commitments had been previously satisfied, but we do continue to service any loans transferred. Although each arrangement is structured as a whole loan sale and we would continue to service any loans transferred, the transfers do not qualify as sales for accounting purposes. As a result, the related loan assets remain on our balance sheet and the cash proceeds are recorded as secured borrowings within asset-backed borrowings at amortized cost, with interest expense recognized over the term.

Corporate Financing

We previously entered into the Original Credit Agreement, as defined below, which provided for a senior secured term loan with an initial borrowing capacity of up to $150.0 million and was subsequently amended to increase total borrowing capacity by up to an additional $75.0 million and modify certain terms (including the interest rate structure and certain covenant and repayment provisions). On November 14, 2024, the Original Credit Agreement (as amended) was terminated and the outstanding term loan was repaid in full in connection with the Credit Agreement described below.

On October 23, 2024, we entered into a Credit Agreement with certain affiliates of Neuberger and McLaren Harbor LLC as lenders, and Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent, pursuant to which we borrowed $235 million through a senior secured term loan (the "Credit Agreement" and the "Term Loan"). The Term Loan bears interest at (a) a cash rate of 12.50% per annum plus (b) an amount payable in cash or in kind, at our option, equal to 2.50% and is scheduled to mature on November 14, 2028. On November 14, 2024, we repaid in full the Original Credit Agreement, as amended. On May 7, 2026 Mclaren Harbor LLC assigned their interests in the loan, and Neuberger assumed sole interest in the loan. Certain prepayments under the Credit Agreement are subject to a prepayment premium. The obligations under the Credit Agreement are secured by our assets and certain of subsidiaries guaranteeing the loan, including pledges of the equity interests of certain subsidiaries that are directly or indirectly owned by us, subject to customary exceptions. The Credit Agreement contains several financial covenants; these covenants are included together with other customary affirmative and negative covenants (including reporting requirements), representations and warranties and events of default.

Under the Credit Agreement, we were required to repay a combined $12.5 million and $27.5 million of the Term Loan, prior to July 31, 2025 and January 31, 2026, respectively. As of September 30, 2026, we have fully repaid the required $12.5 million and $27.5 million of principal. In addition, the Company made additional prepayments of $20 million, not subject to a prepayment premium, and $40 million subject to a prepayment premium. Voluntary prepayment of the Term Loans in excess of certain thresholds and with certain other exceptions as set forth in the Credit Agreement, will be subject to a prepayment premium. As of December 31, 2025, the Company had made a total of $30.0 million of voluntary prepayments of principal, along with a total of $0.5 million in prepayment premiums. During the second quarter of 2026, we made additional voluntary prepayments of $30.0 million, which were subject to prepayment penalties totaling $1.5 million.

As of September 30, 2026, we were in compliance with all covenants and requirements on our outstanding debt and available credit. For more information regarding our Secured financing and Corporate financing, see Note 8, *Borrowings* of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report.

Other loan sales

From time to time, we may enter into agreements to sell certain populations of our personal loans receivables, including non-performing loans originated as held for investment. For the nine months ended September 30, 2026, we did not sell any such loans. For further information of these sales, see Note 5, *Loans Held for Sale and Loans Sold* of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report.

Whole loan sales

In November 2022, we entered into a forward flow whole loan sale agreement with an institutional investor. Pursuant to this agreement, we have a commitment to sell a minimum of $2.0 million of our unsecured loan originations each month, with an option to sell up to $4.2 million each month, subject to certain eligibility criteria. The agreement is set to expire in December 2026, after being extended in December 2025.

In November 2023, we entered into a forward flow whole loan sale agreement with an institutional investor, under which we expect to sell approximately $100 million of our secured and unsecured personal loans in fiscal year 2026, subject to certain eligibility criteria. This agreement is scheduled to expire in November 2026.

The originations of loans sold and held for sale during the nine months ended September 30, 2026 were $88.2 million. For further information on the whole loan sale transactions, see Note 5, *Loans Held for Sale and Loans Sold* of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report.

Bank Partnership Program and Servicing Agreement

On June 30, 2026, through our subsidiary Oportun, Inc., we entered into a Program Management Agreement with Column National Association, a national banking association, establishing a new bank partnership lending program. Under the agreement, Column may originate certain unsecured personal loans for consumers in select states, and we will provide the platform and related services, including marketing, application processing, fraud-prevention, servicing and program-administration services, subject to Column's oversight and control and compliance with applicable law. The agreement permits us to purchase loans originated by Column, other than loans retained by Column, and includes certain exclusivity, compliance, oversight, audit, reporting, reserve, information-security, indemnification, termination and wind-down provisions. The agreement has an initial term of four years and renews automatically for successive one-year periods unless either party provides timely notice of non-renewal.

On August 11, 2020 we entered into a bank partnership program with Pathward, N.A., which was subsequently amended and restated, effective August 11, 2025. Under the program, we were obligated to purchase an increasing percentage of loans originated by Pathward, N.A. based on thresholds specified in the agreements. Per our September 26, 2025 agreement, we purchase 100% of Pathward originated loans and have purchased all loans previously owned by Pathward.

Contractual Obligations and Commitments

The material cash requirements for our contractual and other obligations primarily include those related our outstanding borrowings under our asset-backed notes, Secured financing, corporate and retail leases, and purchase commitments for technology used in the business. See Note 8, *Borrowings* and Note 15, *Leases, Commitments and Contingencies* of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report for more information.

Liquidity Risks

We believe that our existing cash balance, anticipated positive cash flows from operations and available borrowing capacity under our credit facilities will be sufficient to meet our anticipated cash operating expense and capital expenditure requirements through at least the next 12 months. We do not have any significant unused sources of liquid assets. If our available cash balances are insufficient to satisfy our liquidity requirements, we will seek additional debt or equity financing and we may have to take additional actions to decrease expenses, curtail the origination of loans, and our ability to continue to support our growth and to respond to challenges could be impacted. In a higher interest rate environment, our ability to issue additional equity or incur debt may be impaired and our borrowing costs may increase. If we raise additional funds through the issuance of additional debt, the agreements governing such debt could contain covenants that would restrict our operations and such debt would rank senior to shares of our common stock. The sale of equity may result in dilution to our stockholders and those securities may have rights senior to those of our common stock. We may require additional capital beyond our currently anticipated amounts and additional capital may not be available on reasonable terms, or at all.

Critical Accounting Policies and Significant Judgments and Estimates

Our Management's Discussion and Analysis of Financial Condition and Results of Operations is based on our condensed and consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. In accordance with GAAP, we base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

There have been no material changes in our critical accounting policies from those disclosed in our Annual Report on Form 10-K dated December 31, 2025, filed with the Securities and Exchange Commission on February 27, 2026, as amended ("2025 Form 10-K"), under the heading Management's Discussion and Analysis of Financial Condition and Results of Operations. For additional information about our critical accounting policies and estimates, see the disclosure included in our 2025 Form 10-K.

Recently Issued Accounting Pronouncements

See Note 2, *Summary of Significant Accounting Policies* of the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report for a discussion of recent accounting pronouncements and future application of accounting standards.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a "Smaller Reporting Company" as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation of the effectiveness of our disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q. This evaluation was conducted under the supervision of, and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer. Based on our evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were effective at the reasonable assurance level.

Inherent Limitations on Effectiveness of Controls

There are inherent limitations to the controls and effectiveness of any system of disclosure controls and procedures. These limitations include the possibility of human error, the circumvention or overriding of the controls and procedures and reasonable resource constraints. In addition, because we have designed our system of controls based on certain assumptions, which we believe are reasonable, about the likelihood of future events, our system of controls may not achieve its desired purpose under all possible future conditions. Accordingly, our disclosure controls and procedures provide reasonable assurance, but not absolute assurance, of achieving their objectives.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act) during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may bring or be subject to other legal proceedings and claims in the ordinary course of business, including legal proceedings with third parties asserting infringement of their intellectual property rights, consumer litigation, and regulatory proceedings. Other than as described in this report, we are not presently a party to any legal proceedings that, if determined adversely to us, we believe would individually or taken together have a material adverse effect on our business, financial condition, cash flows or results of operations.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. Any of the following risks could have an adverse effect on our business, financial condition, liquidity, results of operations and prospects. These risks could cause the trading price of our common stock to decline, which could cause you to lose all or part of your investment. You should carefully consider these risks, all of the other information in this report, including our condensed and consolidated financial statements, the notes thereto and the sections entitled "Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and general economic and business risks before making a decision to invest in our common stock. While we believe the risks described below include all material risks currently known by us, it is possible that these may not be the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations.

Summary of Risk Factors

See the following principal risks and other risks that may make an investment in our common stock speculative or risky:

Business, Financial and Operational Risks

- If we do not compete effectively in our target markets, our results of operations could be harmed.
- We may not be able to effectively manage the growth of our business.
- Our business may be adversely affected by disruptions in the credit markets and changes to interest rates on our borrowings.
- We currently rely on arrangements with two bank partners to originate a substantial portion of our loans. If our relationship with either bank partner terminates, or if either bank partner were to suspend, limit, or cease its operations or loan origination activities for any reason, and we are unable to replace the affected originations on a timely basis or at all, our business, results of operations and financial condition would be materially and adversely affected.
- Our results of operations and future prospects depend on our ability to retain existing members and attract new members.
- We have elected the fair value option and we use estimates in determining the fair value of our loans and our asset-backed notes. If our estimates prove incorrect, we may be required to write down the value of these assets or write up the value of these liabilities, which could adversely affect our results of operations.
- Our current level of interest rate spread may decline in the future. Any material reduction in our interest rate spread could adversely affect our results of operations.
- Our results of operations and financial condition and our borrowers' ability to make payments on their loans have been and may be adversely affected by economic conditions and other factors that we cannot control.
- Our risk management efforts may not be effective, which may expose us to market risks that harm our results of operations.
- We may change our corporate strategies or underwriting and servicing practices, which may adversely affect our business.
- We rely extensively on models in managing many aspects of our business. If our models contain errors or are otherwise ineffective, our business could be adversely affected.
- If we are unable to collect payments and service the loans we make to members, our net charge-off rates may exceed expected loss rates, and our business and results of operations may be harmed.
- Our quarterly results are likely to fluctuate significantly and may not fully reflect the underlying performance of our business.
- We are, and intend in the future to continue, developing our financial products and services, and our failure to accurately predict their demand or growth could have an adverse effect on our business.
- The success and growth of our business depends upon our ability to continuously innovate and develop our products and technologies.
- Stockholder activism could disrupt our business, cause us to incur significant expenses, hinder execution of our business strategy, and impact our stock price.
- Negative publicity or public perception of our company or our industry could adversely affect our reputation, business, and results of operations.
- Competition for our highly skilled employees is intense, and we may not be able to attract and retain the employees we need to support the growth of our business.
- Changes in our management team or the loss of key personnel could adversely affect our business.
- Our success and future growth depend on our branding and marketing efforts.
- Any acquisitions, strategic investments, entries into new businesses, joint ventures, divestitures, and other transactions could fail to achieve strategic objectives, disrupt our ongoing operations or result in operating difficulties, liabilities and expenses, harm our business, and negatively impact our results of operations.
- Fraudulent activity could negatively impact our business, brand and reputation and require us to continue to take steps to reduce fraud risk.
- Security breaches and incidents may harm our reputation, adversely affect our results of operations, and expose us to liability.
- Our use of and increasing reliance on A.I. technologies across our business operations may expose us to operational, legal, regulatory, cybersecurity and reputational risks.

- Any significant disruption in our computer systems and critical third-party vendors may impair the availability of our websites, applications, products or services, or otherwise harm our business.
- We are, and intend in the future to continue, expanding into new geographic regions, and our failure to comply with applicable laws or regulations, or accurately predict demand or growth, related to these geographic regions could have an adverse effect on our business.
- We are exposed to geographic concentration risk.
- Our proprietary credit risk models rely in part on the use of third-party data to assess and predict the creditworthiness of our members, and if we lose the ability to license or use such third-party data, or if such third-party data contain inaccuracies, it may harm our results of operations.
- A deterioration in the financial condition of counterparties, including financial institutions, could expose us to credit losses, limit access to liquidity or disrupt our business.
- Our vendor relationships subject us to a variety of risks, and the failure of third parties to comply with legal or regulatory requirements or to provide various services that are important to our operations could have an adverse effect on our business.
- Our mission to provide inclusive, affordable financial services that empower our members to build a better future may conflict with the short-term interests of our stockholders or may not provide the long-term benefits that we expect and may adversely impact our business operations, results of operations, and financial condition.
- If we cannot maintain our corporate culture as we grow, we could lose the innovation, collaboration and focus on the mission that contribute to our business.
- Our international operations involve inherent risks which could result in harm to our business.

Funding and Liquidity Risks
- We have incurred substantial debt and may issue debt securities or otherwise incur substantial debt in the future, which may adversely affect our financial condition and negatively impact our operations.
- A breach of early payment triggers or covenants or other terms of our agreements with lenders could result in an early amortization, default, and/or acceleration of the related funding facilities.
- Our securitizations and structured and whole loan sales may expose us to certain risks, and we can provide no assurance that we will be able to conduct such transactions in the future, which may require us to seek more costly financing.
- We may need to raise additional funds in the future, including through equity, debt, or convertible debt financings, to support business growth and those funds may not be available on acceptable terms, or at all.

Intellectual Property Risks
- It may be difficult and costly to protect our intellectual property rights, and we may not be able to ensure their protection.
- We have been, and may in the future be, sued by third parties for alleged infringement of their proprietary rights.
- Our credit risk models, A.I. capabilities, and internal systems rely on software that is highly technical, and if it contains undetected errors, our business could be adversely affected.
- Some aspects of our business processes include open source software, and any failure to comply with the terms of one or more of these open source licenses could negatively affect our business.

Industry and Regulatory Risks
- The financial services industry is highly regulated. Changes in regulations or in the way regulations are applied to our business could adversely affect our business.
- Litigation, regulatory actions and compliance issues could subject us to significant fines, penalties, judgments, remediation costs and/or requirements resulting in increased expenses and reputational harm.
- Internet-based and electronic signature-based loan origination processes may give rise to greater risks than paper-based processes.
- The CFPB has broad authority to regulate consumer financial services, creating uncertainty as to how the agency's actions or the actions of any other new agency could impact our business.
- The collection, storage, use, disclosure, and other processing of personal information is an area of increasing complexity and scrutiny.
- Our bank partnership products may lead to regulatory risk and may increase our regulatory burden.
- Anti-money laundering, anti-terrorism financing and economic sanctions laws could have adverse consequences for us.

We have marked with an asterisk (*) those risks described below that reflect substantive changes from the risks described under Part I, Item 1A "Risk Factors" included in our 2025 Form 10-K.

Business, Financial and Operational Risks

If we do not compete effectively in our target markets, our results of operations could be harmed.

The industries in which we compete are highly competitive, continuously changing, highly innovative, and increasingly subject to regulatory scrutiny and oversight. Our current and potential future competition primarily includes other consumer finance companies, financial technology companies, technology platforms, neobanks, challenger banks, and financial institutions, as well as other nonbank lenders serving consumers who do not have access to mainstream credit, including online marketplace lenders, point-of-sale lending, payday lenders, and auto title lenders and pawn shops focused on underserved borrowers. We may compete with others in the market who may in the future provide offerings similar to or competitive with ours, particularly companies who may provide lending, money management and other services through a platform similar to our platform.

Many of our current or potential competitors have significantly more access to low-cost capital as well as more financial, technical, marketing, and other resources than we do and may be able to devote greater resources to the development, promotion, sale and support of their platforms and

distribution channels. As such, many of our competitors can leverage their size, robust networks, financial wherewithal, brand awareness, pricing power and technological assets to compete with us. In addition, our potential competitors also include smaller, earlier-stage companies with more versatile technology platforms, increased operational efficiencies, and greater brand recognition than us. To the extent new entrants gain market share, the use of our products and services would decline. Our long-term success depends on our ability to compete effectively against existing and potential competitors that seek to provide banking and financial technology products and services. If we fail to compete effectively against these competitors, our revenues, results of operations, prospects for future growth and overall business will be materially and adversely affected.

We may not be able to effectively manage the growth of our business.

We are required to continuously develop and adapt our operations, systems, and infrastructure in response to the increasing sophistication of the consumer financial services market, evolving fraud and information security landscape, and regulatory developments relating to existing and planned business operations. Although we have experienced rapid growth in our business and operations in the past, many economic and other factors outside of our control, including general economic and market conditions, public health outbreaks, consumer and commercial credit availability, the imposition of tariffs and other non-tariff trade barriers, increased energy and commodity price volatility, inflation, fluctuating interest rates, unemployment, and consumer debt levels, may adversely affect our ability to sustain revenue growth consistent with recent history and we cannot assure you that our business will grow at our historical growth rates. In addition, in the past, the growth and expansion of our business has placed significant demands on our management, operational, risk management, technology, marketing, compliance and finance and accounting infrastructure, and resulted in increased expenses, and we may not be able to increase our revenue sufficiently to offset such higher expenses. Overall revenue growth depends on a number of factors, including our ability to increase the origination volume of our products and services, attract new members and retain existing members, build our brand, manage our remote-first workforce, all while managing our business systems, operations and expenses. If we are unable to accomplish these tasks, our future growth may be harmed.

In addition, we have previously engaged in a series of cost-saving measures in response to challenging macroeconomic and geopolitical conditions, including workforce reductions and other operational streamlining measures, and may engage in further cost-saving measures in the future. Projections of the effectiveness of any cost-saving measures or other benefits associated with such measures were based on then-current business operations and market dynamics, and could be materially impacted by various factors, including significant economic, competitive and other uncertainties. If we fail to achieve some or all of the expected benefits of these decisions, our future growth, operating results, cash flows, and financial condition may be adversely affected.

Our business may be adversely affected by disruptions in the credit markets and changes to interest rates on our borrowings.

We depend on securitization transactions, warehouse facilities and other forms of debt financing, as well as whole loan and structured loan sales, in order to finance the principal amount of most of the loans we make to our members. See more information about our outstanding debt in Note 8, *Borrowings* to the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report. However, there is no assurance that these sources of capital will continue to be available in the future on terms favorable to us or at all. The availability of debt financing and other sources of capital depends on numerous factors, many of which are outside of our control. Conditions in the credit markets may experience disruption or deterioration, including as a result of fluctuating interest rates, which could make it difficult for us to extend the maturity of or refinance our existing indebtedness or obtain new indebtedness with similar terms. The debt capital available to us in the future, if available at all, may bear a higher interest rate and may be available only on terms and conditions less favorable than those of our existing debt and such debt may need to be incurred in an elevated interest rate environment. Events of default or breaches of financial, performance or other covenants, as a result of the underperformance of certain pools of loans underpinning our securitizations or other debt facilities, could reduce or terminate our access to funding from institutional investors. Such events could also result in default rates at a higher interest rate and therefore increase our cost of capital. In addition, our ability to access future capital may be impaired because our interests in our financed pools of loans are "first loss" interests and so these interests will only be realized to the extent all amounts owed to investors or lenders and service providers under our securitizations and debt facilities are paid in full. In the event of a sudden or unexpected shortage or restriction on the availability of funds, we cannot be sure that we will be able to maintain the necessary levels of funding to retain current levels of originations without incurring higher funding costs, a reduction in the term of funding instruments or increasing the rate of whole loan sales, or be able to access funding at all. If we are unable to arrange financing on favorable terms, our business may be adversely affected and we may not be able to grow our business as planned and we may have to curtail new originations and reduce credit lines to cardholders.

We currently rely on arrangements with two bank partners to originate a substantial portion of our loans. If our relationship with either bank partner terminates, or if either bank partner were to suspend, limit, or cease its operations or loan origination activities for any reason, and we are unable to replace the affected originations on a timely basis or at all, our business, results of operations and financial condition would be materially and adversely affected.*

As of September 30, 2026, we relied on Pathward to originate a substantial portion of our loan originations, with the remaining loans being originated by Column or directly by us under our lending licenses in the United States. In the three months ended September 30, 2026 and 2025, Pathward originated approximately 95% and 99% of aggregate personal loan originations, respectively.

In August 2025, we entered into an amended and restated program agreement with Pathward, effective August 11, 2025, which replaced the prior agreement in its entirety and extended our partnership through August 2029. The agreement has an initial term of four years and will automatically renew for successive two-year periods unless either party provides at least 180 days' notice of its intent not to renew. On June 30, 2026, we entered into a program agreement with Column with an initial four-year term through June 30, 2030. The Column agreement will automatically renew for successive one-year periods unless either party provides at least 180 days' notice of its intent not to renew. Both agreements are subject to earlier termination under specified circumstances.

Our agreements with Pathward and Column provide termination rights in specified circumstances, including material breaches or materially inaccurate representations or warranties that remain uncured following applicable cure periods, bankruptcy or insolvency, certain governmental or regulatory orders or requirements, and certain changes of control, subject to the conditions in the applicable agreement. Our bank partners also have rights to terminate, suspend or limit their participation under specified circumstances involving legal or regulatory concerns or risks to their safety and soundness. Column may also terminate its agreement following a material adverse effect on us, subject to an applicable cure period, or a failure to fund required reserve accounts. Termination may require a transition or wind-down of the affected program and involve continuing loan purchase, servicing or other obligations and additional costs.

If either of our bank partnership arrangements were to be suspended or limited, including a reduction in the volume of loans that either bank partner chooses to originate, or if either bank partner ceased its operations or otherwise terminated its relationship with us, our business, financial condition and results of operations would be adversely affected. We may not be able to transition the affected originations to our other bank partner on a timely basis or at all. If we need to enter into alternative arrangements with a different bank to replace or supplement our existing arrangements, we may not be able to negotiate a comparable alternative arrangement in a timely manner or at all, and transitioning loan originations to a new bank may result in delays in the issuance of new loans. In addition, if we are unable to enter into an alternative arrangement with a different bank to fully replace or supplement the affected relationship, we would potentially need to obtain additional state licenses to enable us to originate loans directly in the states where the affected bank partner originates loans, as well as comply with other state and federal laws, which would be costly and time consuming, and there can be no assurances that any such licenses could be obtained in a timely manner or at all. For a further discussion of the risks and regulations applicable to our bank partnerships, see "Risk Factors—Our bank partnership products may lead to regulatory risk and may increase our regulatory burden, —We are, and intend in the future to continue, expanding into new geographic regions, and our failure to comply with applicable laws or regulations, or accurately predict demand or growth, related to these geographic regions could have an adverse effect on our business, —Security breaches and incidents may harm our reputation, adversely affect our results of operations, and expose us to liability."

Our results of operations and future prospects depend on our ability to retain existing members and attract new members.

We operate in a rapidly changing and highly competitive industry and our results of operations and future prospects depend on, among other things, continued growth of our member base, our ability to increase the activity of our members, including use of additional products or services we offer, and our ability to attract members in a cost-effective manner. Our member retention rates may decline or fluctuate due to various factors, including pricing changes (including as a result of fluctuating interest rates), our expansion into new products and markets or changes to or sunsetting of existing products, our members' ability to obtain alternative funding sources based on their credit history with us, and new members we acquire in the future may be less loyal than our current member base. If our member retention rates decline and we are not able to attract new members in numbers sufficient to grow our business, this may adversely affect our business, results of operations and future prospects.

In particular, it is important that we continue to ensure that our members with loans remain loyal to us and we continue to extend loans to members who have successfully repaid their previous loans. As of September 30, 2026 and 2025, members with repeat loans comprised 82% and 76%, respectively, of our Owned Principal Balance at End of Period. If our repeat loan rates decline, we may not realize consistent or improved operating results from our existing member base.

We have elected the fair value option and we use estimates in determining the fair value of our loans and our asset-backed notes. If our estimates prove incorrect, we may be required to write down the value of these assets or write up the value of these liabilities, which could adversely affect our results of operations.

Our ability to measure and report our financial position and results of operations is influenced by the need to estimate the impact or outcome of future events on the basis of information available at the time of the issuance of the financial statements. We use estimates, assumptions, and judgments when certain financial assets and liabilities are measured and reported at fair value. Fair values and the information used to record valuation adjustments for certain assets and liabilities are based on quoted market prices and/or other observable inputs provided by independent third-party sources, when available. During periods of market disruption, including periods of significantly rising or high interest rates, rapidly widening credit spreads or illiquidity, it may be difficult to value certain assets if trading becomes less frequent or market data becomes less observable. In such cases, certain asset valuations may require significant judgment, and may include inputs and assumptions that require greater estimation, including credit quality, liquidity, interest rates, and other relevant inputs. If actual results differ from our judgments, estimates or assumptions, then it may have a material adverse impact on our financial condition, results of operations or cash flows. Management has processes in place to monitor these judgments, estimates and assumptions, including review by our internal valuation committee, but these processes may not ensure that our judgments and assumptions are correct.

We use estimates and assumptions in determining the fair value of our loans receivable held for investment and asset-backed notes. Our Loans Receivable at Fair Value represented 87% of our total assets and our Asset-backed notes at Fair Value represented 3% of our total liabilities as of September 30, 2026. The fair value of our loans receivable held for investment are determined using Level 3 inputs and the fair value of our asset-backed notes are determined using Level 2 inputs. Changes to these inputs could significantly impact our fair value measurements. Valuations are highly dependent upon the reasonableness of our assumptions and the predictability of the relationships that drive the results of our valuation methodologies. In addition, a variety of factors such as changes in the interest rate environment and the credit markets, changes in average life, higher than anticipated delinquency and default levels or financial market illiquidity, may ultimately affect the fair values of our loans receivable and asset-backed notes. Material differences in these ultimate values from those determined based on management's estimates and assumptions may require us to adjust the value of certain assets and liabilities, including in a manner that is not comparable to others in our industry, which could adversely affect our results of operations.

Our current level of interest rate spread may decline in the future. Any material reduction in our interest rate spread could adversely affect our results of operations.

We earn over 90% of our revenue from interest payments on the loans we make to our members. Financial institutions and other funding sources provide us with the capital to fund a substantial portion of the principal amount of our loans to members and charge us interest on funds that we borrow. In the event that the spread between the interest rate at which we lend to our members and the rate at which we borrow from our lenders decreases, our Net Revenue will decrease. Interest rates continue to fluctuate, which may increase our interest expense and cost of funds and may result in lower operating margins. The interest rates we charge to our members and pay to our lenders could each be affected by a variety of factors, including our ability to access capital markets, the volume of loans we make to our members, product mix, competition and regulatory limitations.

Market interest rate changes have had, and may continue to have, an adverse effect on our business forecasts and expectations and are highly sensitive to many macroeconomic factors beyond our control, such as the imposition of tariffs and non-tariff trade barriers, inflation, recession, the state of the credit markets, global economic disruptions, unemployment and the fiscal and monetary policies of the federal government and its agencies. Factors outside our control, including interest rate changes and widening credit spreads, have required, and may continue to require us to make adjustments to the fair value of our loans receivable held for investment or our asset-backed notes, which may in turn adversely affect our results of operations or lead to volatility in our Net Revenue. For example, elevated interest rates decrease the fair value of our loans receivable held for investment, which decreases Net Revenue. Reductions in our interest rate spread have had and could continue to have an adverse effect on our business, results of operations, cash flows, and financial condition. We do not currently hedge our interest rate exposure associated with our debt financing or fair market valuation of our loans.

Our results of operations and financial condition and our borrowers' ability to make payments on their loans have been and may be adversely affected by economic conditions and other factors that we cannot control.

Key macroeconomic conditions historically have affected our business, results of operations and financial condition, and are likely to affect them in the future. Poor economic conditions reduce the demand and usage of our credit products and adversely affect the ability and willingness of members to pay amounts owed to us, increasing delinquencies, bankruptcies, and charge-offs and negatively impacting the fair value of our loans. They may also impact our ability to make accurate credit assessments or lending decisions. Many of these factors are outside our control and include: general economic conditions or outlook, unemployment levels, housing markets, immigration patterns and policies, including enforcement practices, gas prices, energy costs, tariffs and other non-tariff trade barriers, inflation, government shutdowns, delays in tax refunds, financial distress caused by recent or potential bank failures, volatility or disruption in the capital markets, changes in interest rates, and other macroeconomic circumstances as well as events such as natural disasters, acts of war, terrorism, public health outbreaks or adverse health developments, political instability, social unrest, and catastrophes. For example, the current U.S. administration has imposed significant new tariffs on imports from numerous trading partners; such tariffs and retaliatory measures by those trading partners have adversely impacted trade relations and created general market instability, and such effects may continue. If any of these factors negatively affect our members or if we are unable to mitigate the risks associated with them, our business, financial condition and results of operations could be adversely affected.

The U.S. has recently experienced historically high levels of inflation, which may increase our expenses and adversely impact our borrowers' ability to make payments on their loans. Increased interest rates have also had, and may continue to have, an adverse impact on the spending levels of consumers and their ability and willingness to borrow money. Higher interest rates often lead to higher payment obligations, which may reduce the ability of consumers to remain current on their obligations and, therefore, lead to increased delinquencies, defaults, consumer bankruptcies and charge-offs, and decreasing recoveries, all of which could have an adverse effect on our business. Further adverse changes in inflation and interest rates, including as a result of tariffs and other non-tariff trade barriers, could negatively impact consumer and business confidence, and adversely affect the economy as well as our business and results of operations. There can be no assurance that our forecasts of economic conditions, our assessments and monitoring of credit risk, and our efforts to mitigate credit risk through risk-based pricing, appropriate loan underwriting, management of loan delinquencies and charge-off rates are, or will be, sufficient to prevent an adverse impact to our business and financial results.

We recorded a net income of $25.2 million for the year ended December 31, 2025, primarily due to a net decrease in fair value and decreased operating expenses, and we recorded a net loss of $78.7 million for the year ended December 31, 2024, primarily due to a net decrease in fair value and increased cost of debt. We also experienced net losses prior to 2024.

We have in the past and may in the future take actions to streamline our operations, and such cost reduction efforts may adversely affect us in unforeseen ways, including interfering with our ability to achieve our business objectives; challenging our ability to effectively manage all aspects of our business operations; causing concerns from current and potential employees, vendors, partners and other third parties with whom we do business; and increasing the likelihood of turnover of other key employees, all of which may have an adverse impact on our business. Our plans may also change as we continue to refocus on reducing operating costs and streamlining operations. These actions may take more time than we currently estimate and we may not be able to achieve the cost-efficiencies sought.

Our members with credit products may be particularly negatively impacted by worsening economic conditions that place financial stress on these members resulting in loan defaults or charge-offs. Furthermore, many of our members have limited or no credit history and such borrowers have historically been, and may in the future be, disproportionately affected by adverse macroeconomic conditions. In addition, the imposition of tariffs and other non-tariff trade barriers, increased energy and commodity price volatility, inflation, fluctuating interest rates, unemployment, bankruptcy, major medical expenses, divorce, death, or other issues that affect our members have and could continue to affect our members' willingness or ability to make payments on their loans. Our business is currently heavily concentrated on consumer lending and, as a result, we are more susceptible to fluctuations and risks particular to U.S. consumer credit than a company with a more diversified lending portfolio. If our members default under a loan receivable held directly by us, we will experience loss of principal and anticipated interest payments. Our servicing costs may also increase without a corresponding increase in our interest on loans.

Decreases in consumer demand for automobiles and declining values of vehicles securing outstanding secured personal loans would weaken collateral coverage for secured personal loans and increase the amount of loss in the event of default. Significant increases in the inventory of used vehicles may also depress the prices at which repossessed vehicles may be sold or delay the timing of these sales. Consequently, if a vehicle securing a secured personal loan is repossessed while the used car auction market is depressed, the sale proceeds for such vehicle may be lower than expected, resulting in higher than expected losses.

Our risk management efforts may not be effective, which may expose us to market risks that harm our results of operations.

We could incur substantial losses and our business operations could be disrupted if we are unable to effectively identify, monitor, manage and mitigate financial risks, such as credit risk, interest rate risk, prepayment risk, liquidity risk, and other market-related risks, as well as regulatory and operational risks related to our business, assets, and liabilities. Our risk management policies, procedures and models may not be sufficient to identify all of the risks we are exposed to, mitigate the risks we have identified, or identify additional risks that arise in the future.

As our loan mix changes and as our product offerings evolve, our risk management strategies may not always adapt to such changes. Some of our methods of managing risk are based upon our use of observed historical market behavior and management's judgment. Other of our methods for managing risk depend on the evaluation of information regarding markets, members or other matters that are publicly available or otherwise accessible to us. While we employ a broad and diversified set of risk monitoring and risk mitigation techniques, those techniques and the judgments that accompany their application cannot anticipate every economic and financial outcome or the timing of such outcomes. If our risk management efforts are ineffective, we could suffer losses that could harm our business, financial condition, and results of operations.

We may change our corporate strategies or underwriting and servicing practices, which may adversely affect our business.

As our business grows and evolves, we have changed, and may in the future change, certain aspects of our corporate strategies or any of our underwriting guidelines without notice to our stockholders. Any changes in strategy or our underwriting or servicing practices could impact our business in any number of ways, including impacting our member mix, product and service offerings, risk profile of our loan portfolio, and operational and regulatory compliance requirements. We may also decide to modify our strategy with respect to whole loan sales, including increasing or decreasing the number of loans sold. We continue to evaluate our business strategies and underwriting and servicing practices and will continue to make changes to adapt to changing economic conditions, regulatory requirements and industry practices. Additionally, a change in our underwriting and servicing practices may reduce our credit spread and may increase our exposure to interest rate risk, default risk and liquidity risk.

We rely extensively on models in managing many aspects of our business. If our models contain errors or are otherwise ineffective, our business could be adversely affected.

Our ability to attract members and to build trust in our credit products is significantly dependent on our ability to effectively evaluate a member's creditworthiness and likelihood of default. In deciding whether to extend credit to prospective members, we rely heavily on our proprietary credit risk models, which are statistical models built using third-party alternative data, credit bureau data, application data and our credit experience gained through monitoring the performance of our members over time. These models are built using forms of A.I., such as machine learning; however, the credit models do not use generative A.I., and once approved and implemented, remain static. If our credit risk models fail to adequately predict the creditworthiness of our members or their ability to repay their loans due to programming or other errors, or if any portion of the information pertaining to the potential member is incorrect, incomplete or becomes stale (whether by fraud, negligence or otherwise), and our systems do not detect such errors, inaccuracies or incompleteness, or any of the other components of our credit decision process described herein fails, we may experience higher than forecasted loan losses. Also, if we are unable to access certain third-party data used in our credit risk models, or access to such data is limited through new regulation or otherwise, our ability to accurately evaluate potential members may be compromised and our ability to continue to improve our A.I. models may be adversely affected. Credit and other information that we receive from third parties about a member may also be inaccurate or may not accurately reflect the member's creditworthiness, which may adversely affect our loan pricing and approval process, resulting in mispriced loans, incorrect approvals or denials of loans. In addition, this information may not always be complete, up-to-date or properly evaluated. As a result, these methods may not predict future risk exposures, which could be significantly greater than the historical measures or available information indicate.

Our reliance on our credit risk models and other models in other aspects of our business, including valuation, pricing, collections management, marketing targeting models, fraud prevention, liquidity and capital planning, direct mail and telesales, and savings and investing algorithms may prove in practice to be less predictive than we expect for a variety of reasons, including as a result of errors in constructing, interpreting or using the models or the use of inaccurate assumptions (including failures to update assumptions appropriately in a timely manner). We rely on our credit risk models and other models to develop and manage our products and services. Our assumptions may be inaccurate, and our models may not be as predictive as expected for many reasons, in particular because they often involve matters that are inherently difficult to predict and beyond our control, such as macroeconomic conditions, credit market volatility, the interest rate environment, and human behavior, and they often involve complex interactions between a number of dependent and independent variables and factors. In particular, even if the general accuracy of our valuation models is validated, valuations are highly dependent upon the reasonableness of our assumptions and the predictability of the relationships that drive the results of the models. The errors or inaccuracies in our models may be material and could lead us to make wrong or sub-optimal decisions in managing our business.

Additionally, if we make errors in the development, validation or implementation of any of the models or tools we use to underwrite the loans that we then securitize or sell to investors, those investors may experience higher delinquencies and losses. We may also be subject to liability to those investors if we misrepresented the characteristics of the loans sold because of those errors. Moreover, future performance of our members' loans could differ from past experience because of macroeconomic factors, policy actions by regulators, lending by other institutions or reliability of data used in the underwriting process. To the extent that past experience has influenced the development of our underwriting procedures and proves

to be inconsistent with future events, delinquency rates and losses on loans could increase. Errors in our models or tools and an inability to effectively forecast loss rates could also inhibit our ability to sell loans to investors or draw down on borrowings under our warehouse and other debt facilities, which could limit new origination growth and harm our financial performance. Additionally, the use of A.I. is relatively new and the regulatory framework is evolving and remains uncertain. Any negative regulatory or public scrutiny based upon this could adversely affect our business and reputation.

If we are unable to collect payments and service the loans we make to members, our net charge-off rates may exceed expected loss rates, and our business and results of operations may be harmed.

Our unsecured personal loans, which comprise a significant portion of our overall portfolio, are not secured by any collateral, not guaranteed or insured by any third party and not backed by any governmental authority in any way. We are therefore limited in our ability to collect on these loans if a member is unwilling or unable to repay them for any reason.

We currently act as servicer with respect to the unsecured and secured consumer loans, by our bank partners, and for parties to whom we have sold our loans, including the loans that are sold as part of whole loan sales, contributed to asset-backed securitizations, and pledged in connection with warehouse credit facilities. Our ability to adequately service our loans is dependent on our ability to maintain appropriate staffing levels and sufficiently train new member services and collections staff, contact our members when they default, and leverage technologies to service and collect amounts owed with respect to loans. Additionally, our member services and collections staff are dependent upon maintaining adequate information technology, telephony, and internet connectivity such that they can complete their job functions. The majority of our contact center staff work remotely. If our contact center operations become constrained for any reason, the effectiveness of our collection activities may be reduced.

Our net charge-off rate depends on the collectability of our loans and if we experience an unexpected significant increase in the number of members who fail to repay their loans or an increase in the principal amount of the loans that are not repaid, our revenue and results of operations could be adversely affected. Furthermore, personal unsecured loans are generally dischargeable in bankruptcy. If we experience an unexpected, significant increase in the number of members who successfully discharge their debt in a bankruptcy action, our results of operations could be adversely affected.

We incorporate our estimate of lifetime loan losses in our measurement of fair value for our loans receivable held for investment. While this evaluation process uses historical and other objective information, the classification of loans and the forecasts and establishment of loan losses and fair value are also dependent on our subjective assessment based upon our experience and judgment. Our methodology for establishing our fair value is based on the guidance in Accounting Standards Codification, 820 and 825, and, in part, on our historic loss experience. If member behavior changes as a result of economic conditions and if we are unable to predict how economic conditions and other factors impacting collectability may affect our estimate of lifetime loan losses, the fair value may be reduced for our Loans Receivable at Fair Value, which will decrease Net Revenue. Our calculations of fair value are estimates, and if these estimates are inaccurate, our results of operations could be adversely affected. Neither state regulators nor federal regulators regulate our calculations of fair value, and unlike traditional banks, we are not subject to periodic review by bank regulatory agencies of our loss estimates or our calculations of fair value. In addition, because our debt financings include delinquency triggers as predictors of losses, increased delinquencies or losses may reduce or terminate our access to debt financing.

Our quarterly results are likely to fluctuate significantly and may not fully reflect the underlying performance of our business.

Our quarterly results of operations are likely to vary significantly in the future and period-to-period comparisons of our results of operations may not be meaningful, due to factors such as our election of the fair value option and the evolving and uncertain nature of current macroeconomic conditions. Accordingly, the results for any one quarter are not necessarily an accurate indication of future performance. Our quarterly financial results may fluctuate due to a variety of factors, some of which are outside of our control and, as a result, may not fully reflect the underlying performance of our business. Factors that may cause fluctuations in our quarterly financial results include:

- loan volumes, product and loan mix and the channels through which our loans are originated;
- the number and extent of prepayments of loans;
- the effectiveness of our direct marketing and other marketing channels;
- the effectiveness of our proprietary credit risk models;
- the timing and success of new products and origination channels;
- the amount and timing of operating expenses and capital expenditures, including those related to member acquisition, development of our products and services, and maintenance and expansion of our business, operations and infrastructure;
- net charge-off rates;
- adjustments to the fair value of assets and liabilities on our balance sheet;
- our involvement in litigation or regulatory enforcement efforts (or the threat thereof) or those that impact our industry generally;
- changes in laws and regulations that impact our business;
- our borrowing costs and access to the capital markets; and
- general economic, industry, and market conditions, including economic slowdowns, recessions, the imposition of tariffs and other non-tariff trade barriers, increased energy and commodity price volatility, fluctuating interest and inflation rates, and tightening of credit markets and recent or potential bank failures.

In addition, we experience significant seasonality in demand for our loans, which is generally lower in the first quarter. The seasonal slowdown is primarily attributable to high loan demand around the holidays in the fourth quarter and the general increase in our members' available cash flows in the first quarter, including cash received from tax refunds, which temporarily reduces their borrowing needs. While our growth has obscured this seasonality from our overall financial results, we expect our results of operations to continue to be affected by such seasonality in the future.

We are, and intend in the future to continue, developing our financial products and services, and our failure to accurately predict their demand or growth could have an adverse effect on our business.*

We are, and intend in the future to continue, developing our financial products and services. As a result, we may invest resources in developing new tools, features, services, products and other offerings. New initiatives are inherently risky, as each involves unproven business strategies and new financial products and services with which we have limited or no prior development or operating experience.

We can provide no assurance that we will be able to develop, commercially market, scale, and achieve acceptance of, or success with, our products and services. Our development efforts with respect to these initiatives could distract management from current operations and could divert capital and other resources from other growth initiatives important to our business. In addition, our investment of resources to develop products and services may either be insufficient, result in expenses that are excessive considering revenue originated from these products and services, or may not be able to attract new members or retain existing members. Failure to accurately predict demand or growth with respect to our products and services could adversely impact our business, and these products and services may not become profitable, and even if they are profitable, operating margins of some new products may not be as high as the margins we have experienced historically or we may not be able to achieve target margins.

We offer an optional payment protection product on certain loans originated by Pathward. We have limited experience administering this product and rely on third-party providers, including for reimbursement of amounts canceled following qualifying events. Failures by us or these providers in marketing, disclosures, servicing or claims administration, or a provider's failure to make required reimbursement payments, could result in financial losses, regulatory scrutiny, litigation or reputational harm.

We have previously invested resources to develop, launch and sustain our products and services and subsequently decided to discontinue certain of these products and services in order to strategically realign our resources. We may not be able to effectively discontinue a product or service and we may fail to realize all of the anticipated benefits of discontinuing any of our products or services, including the need to devote significant attention and resources to any discontinuation, which may disrupt our business or may not be achieved within the anticipated time frame, or at all. In addition, product or service introductions may not always be successful. For example, in 2023, we announced the sunsetting of our checking account product, the sunsetting of our partnership with Sezzle, and the discontinuation of our investing and retirement products, in order to strategically realign our resources to focus on other products, as well as to reduce our expenses and simplify our business. Further, on September 24, 2024, we signed a definitive agreement to sell our credit cards receivable portfolio, and we completed the sale of our credit cards receivable portfolio on November 12, 2024. Failure to achieve the anticipated benefits from the discontinuation or sale of these products could adversely affect our results of operations.

The success and growth of our business depends upon our ability to continuously innovate and develop our products and technologies.

The financial services industry is undergoing rapid technological changes, with frequent introductions of new technology-driven products and services. Developing and incorporating new technologies, including A.I., into our products and services may require significant investment, take considerable time, and ultimately may not be successful. The rapid evolution of A.I. may require us to allocate additional resources to help implement A.I. in order to minimize unintended or harmful impacts, and may also require us to make additional investments in the development of models or other systems, which may be costly. We have and will continue to develop and incorporate A.I. solutions and features into our models and our business, and these solutions and features may become more important to our operations, future growth or competitiveness over time. We may rely on A.I. solutions and features to help drive future growth and efficiency in our business, but there can be no assurance that we will realize the desired or anticipated benefits from A.I. in a timely or cost-effective manner. If we are not able to effectively implement technology-driven products and services as quickly as competitors or be successful in marketing these products and services to our members and strategic partners, demand for our products and services may decrease. Furthermore, our technology may become obsolete or uncompetitive, and there is no guarantee that we will be able to successfully develop, obtain or use new technologies to adapt our models and systems.

As with many disruptive innovations, new technologies present risks and challenges that could affect their adoption, and therefore our business. A.I. and related technologies are subject to public debate and heightened regulatory scrutiny. Any negative publicity or negative public perception of A.I. and related technologies could negatively impact demand for our products and services or hinder our ability to attract new members and strategic partners. The regulatory framework for A.I. and machine learning technologies is evolving and remains uncertain. Additionally, numerous U.S. states have proposed, and in certain cases enacted, legislation restricting the use of A.I. or imposing obligations in connection with its use, including by addressing forms of automated decision-making. For example, on September 23, 2025, the California Privacy Protection Agency's regulations under the CCPA, which address, among other matters, obligations for businesses that use automated decision-making for "significant decisions" about California consumers, were approved. These regulations became effective January 1, 2026, with phased compliance deadlines relating to automated decision-making commencing in 2027. In addition, the California Privacy Protection Agency has begun coordinating with state attorneys general to enhance enforcement and policy development around privacy and artificial intelligence, underscoring that A.I. governance remains a priority area of focus for both state and federal regulators. It is likely that new laws and regulations will be adopted, or existing laws and regulations may be interpreted in new ways, that would affect our business, products and services and the way in which we use A.I., including with respect to fair lending laws. Our success will depend on our ability to develop and incorporate new technologies and adapt to technological changes and evolving laws, regulations, and industry standards, and we may be required to implement substantial changes to our processes and procedures, and to incur substantial costs, to make these adaptations. If we are unable to do so in a timely or cost-effective manner, our business could be harmed.

Stockholder activism could disrupt our business, cause us to incur significant expenses, hinder execution of our business strategy, and impact our stock price.

We have been and may in the future be subject to stockholder activism, which can arise in a variety of predictable or unpredictable situations, and can result in substantial costs, disrupt our business and operations, and divert management's and our Board's attention and resources away from

our business. Additionally, stockholder activism could give rise to perceived uncertainties as to our long-term business, financial forecasts, future operations, and strategic planning, harm our reputation, adversely affect our relationships with our business partners, and make it more difficult to attract and retain qualified personnel. We may also be required to incur significant fees and other expenses related to activist matters, including for third-party advisors that would be retained by us to assist in navigating activist situations. Our stock price could fluctuate due to trading activity associated with various announcements, developments, and share purchases over the course of an activist campaign or otherwise be adversely affected by the events, risks, and uncertainties related to any such stockholder activism.

Negative publicity or public perception of our company or our industry could adversely affect our reputation, business, and results of operations.

Negative publicity about our industry or our company, including the terms of the consumer loans, effectiveness of our proprietary credit risk models, privacy and security practices, originations, marketing, servicing and collections, use of A.I., and other business practices or initiatives, litigation, regulatory compliance and the experience of members, even if inaccurate, could adversely affect our reputation and the confidence in our brands and business model or lead to changes in our business practices. Certain loans originated by Column and purchased by us bear APRs above 36%, which could subject us to increased scrutiny from consumer advocates, regulators and others and adversely affect our reputation and business. We regularly engage with media outlets and consumer advocates, taking their feedback into account as we assess and refine our business practices and policies; based on those interactions, we have made and may continue to make adjustments to better serve our members and stakeholders. Despite our responsiveness to the inquiries, certain media outlets and consumer advocates chose to and have continued to highlight the very past practices that we had already modified. The proliferation of social media may increase the likelihood that negative public opinion will impact our reputation and business. Our reputation is very important to attracting new members and retaining existing members. While we believe that we have a good reputation and that we provide members with a superior experience, there can be no assurance that we will continue to maintain a good relationship with members.

In addition, negative perception may result in our being subject to more restrictive laws and regulations and potential investigations, enforcement actions and lawsuits. If there are changes in the laws affecting any of our products, or our marketing and servicing, or if we become subject to such investigations, enforcement actions and lawsuits, our financial condition and results of operations would be adversely affected. Entry into new products, as well as into the banking business or new origination channels, such as bank partnerships, and other partnerships, could lead to negative publicity or draw additional scrutiny.

Harm to our reputation can also arise from many other sources, including employee or former employee misconduct, misconduct by outsourced service providers or other counterparties, failure by us or our partners to meet minimum standards of service and quality, and inadequate protection of member information and compliance failures and claims.

Competition for our highly skilled employees is intense, and we may not be able to attract and retain the employees we need to support the growth of our business.

Competition for highly skilled personnel, particularly engineering and data analytics personnel, is extremely intense across the country and is likely to continue to increase. We have experienced and expect to continue to face difficulty identifying and hiring qualified personnel in many areas. We may not be able to hire or retain such personnel at compensation levels consistent with our existing compensation and salary structure. Many of the companies with which we compete for experienced employees have greater resources than we have and may be able to offer more attractive terms of employment. For example, changes to U.S. immigration policies, particularly to H-1B and other visa programs, and restrictions on travel could restrain the flow of technical and professional talent into the U.S. and may inhibit our ability to hire qualified personnel. In particular, employee candidates, specifically in high-technology industries, often consider the value of any equity they may receive in connection with their employment, so significant volatility or a further decline in the price of our stock may adversely affect our recruitment strategies. Further, the reductions in force could negatively impact employee morale and make it more difficult to attract, retain and hire new talent. Our failure to attract and retain suitably qualified individuals could have an adverse effect on our ability to operate our business and achieve our corporate strategies.

In addition, we invest significant time and expense in training our employees, which increases their value to competitors who may seek to recruit them. If we fail to retain our employees, we could incur significant expenses in hiring and training their replacements and the quality of our services and our ability to serve our members could be adversely affected.

Changes in our management team or the loss of key personnel could adversely affect our business.*

We have experienced changes in several senior management positions during 2026, including, but not limited to, the appointment of a new Chief Executive Officer, Chief Financial Officer and Chief Risk Officer. Leadership transitions involve inherent risks, and our success depends in part on effectively integrating our new executives and maintaining continuity in our operations and execution of our business strategy. Our future success significantly depends on the continued service and performance of our key management personnel. Competition for these employees is intense and we may not be able to replace, attract and retain key personnel. We do not maintain key-man insurance for our senior management team. The loss of the service of our senior management team or key team members, and the process to replace any of them, or the inability to attract additional qualified personnel as needed, all of which would involve significant time and expense, could harm our business and impact our ability to recruit and retain personnel. Our key management personnel are at-will employees and, therefore, they could terminate their employment with us at any time. Competition for executive management is high, and it may take months to find a candidate that meets our requirements. Such recruiting efforts could divert the attention of our existing management team. Accordingly, the loss of one or more of our key management personnel could have an adverse effect on our business. If the management team, including our recently appointed executives and any future hires, fails to work together effectively and to execute our plans and strategies on a timely basis then our business and future growth prospects could be harmed.

These recent changes and any future changes in our executive management team, could disrupt our operations and impact our ability to attract, integrate, retain and motivate employees, and have an adverse effect on our business. In particular, such changes could adversely impact our internal control environment, divert employee and management attention from ongoing business activities and strategic objectives, negatively affect employee morale and retention, and damage company culture. There can be no assurance that any of our key personnel will remain with us, that the costs associated with retaining current key personnel and hiring new key personnel will be favorable or acceptable to us or that new key personnel will successfully perform their responsibilities and execute our business strategy.

Our success and future growth depend on our branding and marketing efforts.

If our marketing efforts are not successful or if we are unsuccessful in developing our brand marketing campaigns, our ability to attract and retain members, attract new strategic partners and grow our business may be negatively impacted. If any of our current marketing channels becomes less effective, if we are unable to continue to use any of these channels, if the cost of using these channels significantly increases or if we are not successful in generating new channels, we may not be able to attract new members in a cost-effective manner or increase the activity of our existing members. If we are unable to recover our marketing costs, including through increases in the size, value or overall number of credit products we originate, or through our savings product, it could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Any acquisitions, strategic investments, entries into new businesses, joint ventures, divestitures, and other transactions could fail to achieve strategic objectives, disrupt our ongoing operations or result in operating difficulties, liabilities and expenses, harm our business, and negatively impact our results of operations.

Our success will depend, in part, on our ability to grow our business. In some circumstances, we may determine to do so through the acquisition of complementary businesses and technologies rather than through internal development. The identification of suitable acquisition candidates can be difficult, time-consuming, and costly, and we may not be able to successfully complete identified acquisitions. We have previously acquired, and in the future, may acquire, complementary assets or businesses. Further, the full benefits of acquisitions, including anticipated growth opportunities, may not be realized as expected or may not be achieved within the anticipated time frame, or at all. The risks we face in connection with acquisitions include:

- diversion of management time and focus from operating our business to addressing acquisition integration challenges;
- utilization of our financial resources for acquisitions or investments that may fail to realize the anticipated benefits;
- inability of the acquired technologies, products or businesses to achieve expected levels of revenue, profitability, productivity or other benefits;
- coordination of technology, product development and sales and marketing functions and integration of administrative systems;
- transition of the acquired company's members to our systems;
- retention of employees from the acquired company;
- regulatory risks, including maintaining good standing with existing regulatory bodies or receiving any necessary approvals, as well as being subject to new regulators with oversight over an acquired business;
- acquisitions could result in dilutive issuances of equity securities or the incurrence of debt;
- cultural challenges associated with integrating employees from the acquired company into our organization;
- the need to implement or improve controls, procedures and policies at a business that prior to the acquisition may have lacked effective controls, procedures and policies;
- potential write-offs of loans or intangibles or other assets acquired in such transactions that may have an adverse effect on our results of operations in a given period;
- liability for activities of the acquired company before the acquisition, including patent and trademark infringement claims, violations of laws, commercial disputes, security weaknesses and incidents, tax liabilities and other known and unknown liabilities;
- assumption of contractual obligations that contain terms that are not beneficial to us, require us to license or waive intellectual property or increase our risk for liability; and
- litigation, claims or other liabilities in connection with the acquired company.

We have previously divested certain assets and product lines and we may continue to do so in the future. For example, on November 12, 2024, we completed the sale of our credit cards receivable portfolio. If we decide to sell assets or product lines, we may have difficulty obtaining terms acceptable to us in a timely manner, or at all. Additionally, we may experience difficulty separating out portions of, or entire, product lines, incur potential loss of revenue or experience negative impact on margins, or we may not achieve the desired strategic and financial benefits. Such potential transactions may also delay achievement of our strategic objectives, cause us to incur additional expenses, potentially disrupt customer or employee relationships, and expose us to unanticipated or ongoing obligations and liabilities, including as a result of our indemnification obligations. Further, during the pendency of a divestiture, we may be subject to risks related to a decline in the business, loss of employees, customers, or vendors and the risk that the transaction may not close, any of which would have a material adverse effect on the assets or product lines to be divested and the Company. If a divestiture is not completed for any reason, we may not be able to find another buyer on the same terms, and we may have incurred significant costs without the corresponding benefit.

Our failure to address these risks or other problems encountered in connection with our future acquisitions and investments could cause us to fail to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities and harm our business generally.

Fraudulent activity could negatively impact our business, brand and reputation and require us to continue to take steps to reduce fraud risk.

Third parties have, and we expect that they will likely continue to attempt to commit fraud by, among other things, fraudulently obtaining credit products or creating fictitious accounts using stolen identities or personal information and making transactions with stolen financial instruments. We are subject to the risk of fraudulent activity associated with customers and third parties handling customer information and we have been subject to fraudulent activity in the past. Third parties may also seek to engage in abusive schemes or fraud attacks that are often difficult to detect and may be deployed at a scale that would otherwise not be possible in physical transactions. Risks associated with each of these include theft of funds and other monetary loss, the effects of which could be compounded if not detected quickly. Fraudulent activity may not be detected until well after it occurs and the severity and potential impact may not be fully known for a substantial period of time after it has been discovered. Measures to detect and reduce the risk of fraud and abusive behavior are complex, require continuous monitoring and enhancements, and may not be effective in detecting and preventing fraud, particularly new and continually evolving forms of fraud or in connection with new or expanded product offerings. If these measures do not succeed, our business could be materially adversely impacted.

Despite our efforts, the possibility of fraudulent or other malicious activities and human error or malfeasance cannot be eliminated entirely and will evolve as new and emerging technology is deployed, including the increasing use of personal mobile and computing devices that are outside of our network and control environments. These mobile technologies may be more susceptible to the fraudulent activities of organized criminals, perpetrators of fraud, hackers, terrorists and others. Additionally, increasing our product and service offerings may introduce opportunities for fraudulent activity that we have not previously experienced. Numerous and evolving fraud schemes and misuse of our products and services could subject us to significant costs and liabilities, require us to change our business practices, cause us to incur significant remediation costs, lead to loss of member confidence in, or decreased use of, our products and services, damage our reputation and brands, divert the attention of management from the business, result in litigation (including class action litigation), and lead to increased regulatory scrutiny and possibly regulatory investigations and intervention, any of which could have a material adverse impact on our business.

Security breaches and incidents may harm our reputation, adversely affect our results of operations, and expose us to liability.*

We are increasingly dependent on information systems, services and infrastructure to operate our business. In the ordinary course of our business, we collect, process, transmit and store large amounts of sensitive information, including personal information, credit information and other sensitive data of our members and potential members. It is critical that we do so in a manner designed to maintain the confidentiality, integrity and availability of such sensitive information. Our reputation and ability to attract, retain and serve our members is dependent upon the reliable performance and security of our technology infrastructure and those of third parties that we utilize in our operations. These systems may be subject to damage or interruption from, among other things, earthquakes, adverse weather conditions, other natural disasters, terrorist attacks, rogue employees, power loss, telecommunications failures, technological errors or outages, and cybersecurity risks. Like other financial and technology services firms, we have been and continue to be the subject of actual or attempted unauthorized access, mishandling or misuse of information, computer viruses, ransomware or other malware, and cyber-attacks that could obtain or disclose confidential information, destroy data, disrupt or degrade service, threaten the integrity and availability of our systems, distributed denial of service attacks, social engineering, security breaches and incidents, and infiltration, exfiltration or other similar events. Our adoption of remote working arrangements for our corporate and many of our contact center employees may result in increased consumer or employee privacy, security, and fraud concerns arising from the increased electronic transfer and other online activity. For example, our employees are accessing our servers remotely through home or other networks to perform their job responsibilities and such security systems may be less secure than those used in our offices, which may subject us to increased security risks, including cybersecurity-related events, and expose us to risks of data or financial loss and associated disruptions to our business operations. Techniques used in cybersecurity attacks to obtain unauthorized access, disable or sabotage information technology systems change frequently, as data breaches and other cybersecurity events have become increasingly commonplace, including as a result of the intensification of state-sponsored cybersecurity attacks during periods of geopolitical conflict, such as the ongoing conflicts in Ukraine and escalation of hostilities in the Middle East. We have incorporated A.I. technologies into our platform and may continue to incorporate additional A.I. technologies into our platform in the future. Further, recent industry developments involving critical vulnerabilities in widely used software illustrate the potential for A.I. technologies to accelerate the discovery of previously unknown vulnerabilities and the development of methods to exploit them. These capabilities may lower the technical expertise and resources required to conduct cyber-attacks, increase their speed, scale and sophistication, and reduce the time available for us and our third-party providers and partners to identify affected systems and implement effective mitigations, including before patches or other remedies become available. These developments may increase the likelihood and potential impact of security breaches and incidents affecting the confidentiality, integrity or availability of our systems and sensitive information, disrupt our operations, and increase our prevention, detection and remediation costs.

While we regularly monitor data flow inside and outside the company, attackers have become very sophisticated in the way they conceal access to systems, and we may not be aware that we have been attacked or otherwise have suffered a security breach or incident. Any event that leads to unauthorized access, use, destruction, or disclosure of personal information or other sensitive information that we maintain, including our own proprietary business information and sensitive information such as personal information regarding our members or employees, could disrupt our business, harm our reputation, compel us to comply with applicable federal and/or state breach notification laws and foreign law equivalents, subject us to time consuming, distracting and expensive litigation, regulatory investigation and oversight, mandatory corrective action, require us to verify the correctness of data, or otherwise subject us to liability under laws, regulations and contractual obligations, including those that protect the privacy and security of personal information.

We also face indirect technology, cybersecurity and operational risks relating to the members and other third parties with whom we do business or upon whom we rely, or whose technology we use to facilitate or enable our business activities, including suppliers, vendors, payment processors, and parties who have access to confidential information due to our agreements with them. The use of bank partnerships could leave us exposed to additional information security risks arising from the interaction between our and any partners' information technology infrastructure, and the sharing between us of member information. We cannot guarantee that our systems and networks, or those of any third parties with whom we do business, have not been breached or that they do not contain exploitable defects or bugs that could result in a breach of or disruption to any of our systems and networks. Potential vulnerabilities can be exploited from inadvertent or intentional actions of our employees, contractors, third-party vendors, business partners, or by malicious third parties. In addition, any security compromise in our industry, whether actual or perceived, or information technology system disruptions, whether from attacks on our technology environment or from technical errors, computer malware, natural disasters, terrorism, war, geopolitical conflicts, or telecommunication or electrical failures, could interrupt our business or operations, harm our reputation, erode borrower confidence, negatively affect our ability to attract new members, or subject us to third-party lawsuits, regulatory fines or other action or liability, which could adversely affect our business and results of operations.

Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, we and our vendors may be unable to anticipate these techniques or to implement adequate preventative measures. Any failure or perceived failure by us, or the third parties with whom we do business, to comply with our privacy, confidentiality, or cybersecurity-related legal or other obligations to third parties, or any security breaches impacting us, our third-party providers or partners, or any security incidents or other events that result in the unauthorized access, release, destruction, or transfer of sensitive information, which could include personal information, may result in governmental investigations, enforcement actions, regulatory fines, litigation, or public statements against us by advocacy groups or others. In addition, a security breach or incident could cause third parties to lose trust in us or subject us to claims by third parties that we have breached our privacy- and confidentiality-related obligations. Any belief by members or others that a security breach or other incident has affected us, even if a security breach or other incident has not affected us or any of our third-party providers or partners, could have any or all of the foregoing impacts on us, including harm to our reputation. Even the perception of inadequate security may harm our reputation and negatively impact our ability to attract and retain members. Moreover, security incidents and other inappropriate access can be difficult to detect, and any delay in identifying them may lead to increased harm of the types described above. Due to the nature of security incidents, we cannot fully guarantee that our security measures intended to protect our systems and data will successfully prevent service interruptions or security incidents.

We incur significant costs to detect and prevent security breaches and other security-related incidents, and as we continuously explore cost-saving initiatives and technology reworks to enhance operational efficiency, the integration of new technologies, upgrades, or modifications undertaken for the purpose of cost-savings could create unforeseen challenges that may impact the robustness of our security infrastructure and result in significant legal and financial exposure and/or reputational harm. While these endeavors are aimed at improving various efficiencies of our business, they may inadvertently expose our security systems to vulnerabilities that could be exploited by malicious actors, leading to unauthorized access, data breaches or other security incidents. Any event that leads, or is believed to have led, to unauthorized access to, or use, loss, corruption, disclosure or other processing of our data could disrupt our business; harm our reputation; compel us to comply with applicable federal and/or state breach notification laws and foreign law equivalents; subject us to litigation, regulatory investigation and oversight, or mandatory corrective action; require us to verify the correctness of database contents; or otherwise subject us to liability under laws and contractual obligations, including those that protect the privacy and security of personal information. This could result in increased costs for us to address the incident and in an effort to prevent further breaches or incidents, and result in significant legal and financial exposure and/or reputational harm. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity.

We cannot ensure that any limitations of liability provisions in any agreements with third parties would be enforceable or adequate or would otherwise protect us from any liabilities or damages with respect to any particular cybersecurity claim. We maintain errors, omissions, and cyber liability insurance policies covering certain security and privacy damages. However, we cannot be certain that our coverage will continue to be available on economically reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have an adverse effect on our business and financial condition.

Our retail locations also process physical member loan documentation that contain confidential information about our members, including financial and personal information. We retain physical records in various storage locations outside of our retail locations. The loss or theft of, or other unauthorized access to or use of, member information and data from our retail locations or other storage locations could subject us to additional regulatory scrutiny, possible civil litigation and possible financial liability and losses.

Our use of and increasing reliance on A.I. technologies across our business operations may expose us to operational, legal, regulatory, cybersecurity and reputational risks.*

We use and increasingly rely on A.I. technologies, including generative and agentic artificial intelligence, across numerous business functions and daily operations. These uses include software development and production code, fraud detection and prevention, and other operational and administrative activities. Certain of these technologies process or may have access to confidential, proprietary or other sensitive information.

A.I.-generated outputs may be inaccurate, incomplete, biased, misleading or otherwise unreliable, including where such outputs appear plausible despite containing errors. Agentic A.I. technologies may take actions or execute workflows with limited human intervention, increasing the potential consequences of an erroneous or unintended output. If our employees, contractors, service providers or automated processes rely on A.I.-generated outputs without sufficient review, we could experience inaccurate or inconsistent member communications, failures to follow our policies or satisfy regulatory obligations, errors or vulnerabilities in software code, operational disruptions, erroneous business decisions or other adverse consequences.

Our use of A.I. technologies may result in the unauthorized disclosure, use or processing of personal, confidential or proprietary information; introduce cybersecurity vulnerabilities or malicious code into our systems; or expose us to claims relating to intellectual property, privacy, data protection, discrimination, consumer protection or other legal rights. Data or other information submitted to an A.I. technology may be retained or used by the provider or incorporated into training data in ways we do not anticipate or control. A.I.-generated materials, including software code, may incorporate, reproduce or be based on third-party content in a manner that infringes or misappropriates intellectual property rights, and the ownership and protectability of A.I.-generated materials remain uncertain.

We rely in part on third-party A.I. technologies and may have limited visibility into or control over how those technologies are developed, trained, tested, secured or operated. Third-party providers may use inaccurate, incomplete, biased or improperly obtained training data; modify their models, functionality, security practices, data-use practices or contractual terms; experience service interruptions or security incidents; or discontinue technologies on which we rely. These events could disrupt our operations, impair the quality or reliability of our products, services or business processes, or require us to incur substantial costs to modify or replace affected technologies and processes.

The legal and regulatory framework governing A.I. is rapidly evolving and remains uncertain. New laws, regulations, regulatory interpretations or industry standards may impose requirements relating to transparency, disclosures, testing, validation, documentation, impact assessments, data use, cybersecurity, human oversight or automated decision-making. These developments may increase our compliance costs, restrict or require changes to our use of A.I. technologies, or expose us to regulatory investigations, enforcement actions, litigation or liability.

Although we have implemented policies, controls and oversight processes designed to govern our use of A.I., these measures may not prevent errors, misuse, unauthorized use or other unintended consequences, particularly as the technologies and the ways in which they are used continue to evolve. We also may not realize the anticipated efficiencies, cost savings or other benefits from our use of A.I. technologies. Any failure to use, manage or govern A.I. technologies effectively, securely and responsibly could adversely affect our business, financial condition, results of operations and reputation.

Any significant disruption in our computer systems and critical third-party vendors may impair the availability of our websites, applications, products or services, or otherwise harm our business.

Our ability to deliver products and services, and otherwise operate our business and comply with applicable laws, depends on the efficient and uninterrupted operation of our computer systems and third-party data centers, as well as third-party providers. Our computer systems, including those provided by third-party providers and partners, may encounter service interruptions at any time due to system or software failure, natural disasters, severe weather conditions, health epidemics or pandemics, terrorist attacks, cyber-attacks, computer viruses, ransomware or other malware, physical or electronic break-ins, technical errors, insider threats, power outages or other events. Any of these occurrences may interrupt the availability, or reduce or adversely affect the functionality of our websites, applications, products or services, including our ability to service our loans, process loan applications, and provide digital financial services to our members. Our disaster recovery plan has not been tested under actual disaster conditions, and we may not have sufficient capacity to recover all data and services in the event of an outage. Additionally, our reliance on third-party providers may mean that we are not able to resolve operational problems internally or on a timely basis, as our operations will depend upon such third-party providers communicating appropriately and responding swiftly to their own service disruptions.

The implementation of technology changes and upgrades to maintain current and integrate new systems may cause service interruptions, transaction processing errors or system conversion delays and may cause us to fail to comply with applicable laws, all of which could have a material adverse effect on our business. We expect that new technologies and business processes applicable to the financial services industry will continue to emerge and that these new technologies and business processes may be better than those we currently use. There is no assurance that we will be able to successfully adopt new technology as critical systems and applications become obsolete and better ones become available. A failure to maintain and/or improve current technology and business processes, address capacity constraints, upgrade our systems and continually develop our technology and infrastructure, could disrupt our operations or cause our products and services to be less competitive.

In addition, the software that we have developed to use in our daily operations is highly complex and may contain undetected technical errors that could cause our computer systems to fail. For example, each loan that we make involves our proprietary automated underwriting process and depends on the efficient and uninterrupted operation of our computer systems. Any failure of our computer systems involving our automated underwriting process and any technical or other software errors pertaining to this automated underwriting process could compromise our ability to accurately evaluate potential members, which could result in significant claims and liability and negative publicity. Additionally, in the event of damage or interruption, our insurance policies may not adequately compensate us for any of our losses.

We are, and intend in the future to continue, expanding into new geographic regions, and our failure to comply with applicable laws or regulations, or accurately predict demand or growth, related to these geographic regions could have an adverse effect on our business.

We intend to continue expanding into new geographic regions, including through strategic partnerships or through our bank partnership programs. In addition, each of the new states where we do not currently operate may have different laws and regulations that apply to our products and services. As such, we expect to be subject to significant additional legal and regulatory requirements, including various federal and state consumer lending laws. We have limited experience in managing risks and the compliance requirements attendant to these additional legal and regulatory requirements in new geographies or related to strategic partnerships. The costs of compliance and any failure by us to comply with such regulatory requirements in new geographies could harm our business. If our partners decide to or are no longer able to provide their services, we could incur temporary disruptions in our loan transactions or we may be unable to do business in certain states or certain locations.

We are exposed to geographic concentration risk.

The geographic concentration of our loan originations may expose us to an increased risk of loss due to risks associated with certain regions. Certain regions of the U.S. from time to time will experience weaker economic conditions and higher unemployment and, consequently, will experience higher rates of delinquency and loss than on similar loans nationally. In addition, natural, man-made disasters or health epidemics or public health outbreaks in specific geographic regions may result in higher rates of delinquency and loss in those areas. A significant portion of our outstanding receivables originated in certain states, and within the states where we operate, originations are generally more concentrated in and around metropolitan areas and other population centers. Therefore, economic conditions, natural, man-made disasters, health epidemics or public health outbreaks, public policies that have the effect of drawing financial-services companies into contentious political or social issues, or other factors affecting these states or areas in particular could adversely impact the delinquency and default experience of the receivables and could adversely affect our business. Further, the concentration of our outstanding receivables in one or more states would have a disproportionate effect on us if governmental authorities in any of those states take action against us or take action affecting how we conduct our business.

As of September 30, 2026, 35.2%, 26.2%, 12.6%, 6.7% and 5.0% of our Owned Principal Balance at End of Period related to members from California, Texas, Florida, Illinois and New Jersey, respectively. If any of the events noted in these risk factors were to occur in or have a disproportionate impact in regions where we operate or plan to commence operations, it may negatively affect our business in many ways, including increased delinquencies and loan losses or a decrease in future originations.

Our proprietary credit risk models rely in part on the use of third-party data to assess and predict the creditworthiness of our members, and if we lose the ability to license or use such third-party data, or if such third-party data contain inaccuracies, it may harm our results of operations.

We rely on our proprietary credit risk models, which are statistical models built using third-party alternative data, credit bureau data, application data and our credit experience gained through monitoring the payment performance of our members over time. If we are unable to access certain third-party data used in our credit risk models, or our access to such data is limited through new regulation or otherwise, our ability to accurately evaluate potential members will be compromised, and we may be unable to effectively predict probable credit losses inherent in our loan portfolio, which would negatively impact our results of operations. Third-party data sources, including credit bureau data and other alternative data sources, are aggregated by our risk engine to be used in our credit risk models to score applicants, make credit decisions, and in our verification processes to confirm member-reported information. If the information that we receive from third parties about a member is inaccurate or does not accurately reflect the member's creditworthiness, this may cause us to provide loans to higher risk members than we intended through our underwriting process and/or inaccurately price the loans we make. In addition, this information may not always be complete, up-to-date or properly evaluated. For example, in some cases, information from third parties has a lag, such as credit reports that do not reflect delinquencies until the end of the month during which a borrower becomes 30 days delinquent, or where a customer may have lost his or her job in the course of applying or shortly after receiving a loan. In the case of many buy-now-pay-later products available on the market, such products are often not reported to or by the credit bureaus. Further, regulators may require banks and other lenders to not report certain negative performance data, such as medical debt, to the credit bureaus. As a result, credit bureau data may prove less reliable in predicting credit risk for borrowers.

We use numerous third-party data sources and multiple credit factors within our proprietary credit risk models, which helps mitigate, but does not eliminate, the risk of an inaccurate individual report. In addition, there are risks that the costs of our access to third-party data may increase or our terms with such third-party data providers could worsen. In recent years, well-publicized allegations involving the misuse or inappropriate sharing of personal information have led to expanded governmental scrutiny of practices relating to the safeguarding of personal information and the use or sharing of personal data by companies in the U.S. and other countries. That scrutiny has in some cases resulted in, and could in the future lead to, the adoption of stricter laws and regulations relating to the use and sharing of personal information. These types of laws and regulations could prohibit or significantly restrict our third-party data sources from sharing information, or could restrict our use of personal data when developing our proprietary credit risk models, or for fraud prevention purposes. These restrictions could also inhibit our development or marketing of certain products or services, or increase the costs of offering them to members or reduce the effectiveness of credit models at predicting credit outcomes or preventing fraud.

We follow procedures to verify a member's identity and address which are designed to minimize fraud. These procedures may include visual inspection of applicant identification documents to ensure authenticity, review of paystubs or bank statements for proof of income and employment, and review of analysis of information from credit bureaus, fraud detection databases and other alternative data sources for verification of identity, employment, income and other debt obligations. If any of the information that is considered in the loan review process is inaccurate, whether intentional or not, and such inaccuracy is not detected prior to loan funding, the loan may have a greater risk of default than expected. If any of our procedures are not followed, or if these procedures fail, fraud may occur. Additionally, there is a risk that following the date of the loan application, a member may have defaulted on, or become delinquent in the payment of, a pre-existing debt obligation, taken on additional debt, lost his or her job or other sources of income or experienced other adverse financial events. Fraudulent activity or significant increases in fraudulent activity could also lead to regulatory intervention, negatively impact our results of operations, brand and reputation and require us to take additional steps to reduce fraud risk, which could increase our costs.

A deterioration in the financial condition of counterparties, including financial institutions, could expose us to credit losses, limit access to liquidity or disrupt our business.

We have entered into, and may in the future enter into, financing and derivative transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, hedge funds, and other financial institutions. Furthermore, the operations of U.S. and global financial services institutions are interconnected, and a decline in the financial condition of one or more financial services institutions, or the perceived lack of creditworthiness of such financial institutions, may expose us to credit losses or defaults, limit access to liquidity or otherwise disrupt our business. As such, our financing and derivative transactions expose us to the risk of counterparty default, which can be exacerbated during periods of market illiquidity.

Our vendor relationships subject us to a variety of risks, and the failure of third parties to comply with legal or regulatory requirements or to provide various services that are important to our operations could have an adverse effect on our business.

We have vendors that, among other things, provide us with key services, including financial, technology and other services to support our loan origination, servicing and other activities. Our expansion into new channels, products or markets may introduce additional third-party service providers, strategic partners and other third parties on which we may become reliant. For example, in connection with the secured personal loan product, we work with third parties that provide information and/or services in connection with valuation, title management and title processing, repossessions, and remarketing. These types of third-party relationships are subject to increasingly demanding regulatory requirements and attention by our partner banks' federal bank regulators (the Federal Reserve Board, the Office of Comptroller of the Currency and the Federal Deposit Insurance Corporation) and our consumer financial services regulators, including state regulators, the CFPB, and requirements under the FTC's Safeguards Rule to impose and oversee contractual information security obligations on certain qualifying third parties, which could increase the scope of management involvement and decrease the benefit that we receive from using third-party vendors. We could be adversely impacted to the extent our vendors and partners fail to comply with the legal requirements applicable to the particular products or services being offered. Moreover, if our bank partners or their regulators conclude that we have not met the heightened standards for oversight of our third-party vendors, we could be subject to enforcement actions, civil monetary penalties, supervisory orders to cease and desist or other remedial actions. In addition, the prudential regulators have issued regulatory guidance focused on the need for financial institutions to perform increased due diligence and ongoing monitoring of relationships with third-party service providers. In 2024, following the bankruptcy of a fintech platform, regulators have expanded expectations for third-party oversight by banks engaged in bank partnership programs. If regulators conclude that our bank partners have not met the heightened standards for oversight of their third-party service providers, any resulting regulatory action could have an adverse effect on their ability to fulfill their contractual obligations to us which could adversely affect our business, financial condition and results of operations.

In some cases, third-party vendors are the sole source, or one of a limited number of sources, of the services they provide to us. Most of our vendor agreements are terminable on little or no notice, and if our current vendors were to stop or were unable to continue providing services to us on acceptable terms, we may be unable to procure alternatives from other vendors in a timely and efficient manner on acceptable terms or at all. If any third-party vendor fails to provide the services we require, due to factors outside our control, we could be subject to regulatory enforcement actions, suffer economic and reputational harm and incur significant costs to resolve any such disruptions in service. For a further discussion of the risks applicable to our bank partnerships, see "Risk Factors—We currently rely on arrangements with two bank partners to originate a substantial portion of our loans. If our relationship with either bank partner terminates, or if either bank partner were to suspend, limit, or cease its operations or loan origination activities for any reason, and we are unable to replace the affected originations on a timely basis or at all, our business, results of operations and financial condition would be materially and adversely affected."

Our mission to provide inclusive, affordable financial services that empower our members to build a better future may conflict with the short-term interests of our stockholders or may not provide the long-term benefits that we expect and may adversely impact our business operations, results of operations, and financial condition.

Our mission is to provide inclusive, affordable financial services that empower our members to build a better future. We have made and may continue to make decisions that we believe will benefit our members and therefore provide long-term benefits for our business, even if our decision negatively impacts our short-term results of operations. For example, we constrain the maximum rates we charge in order to further our goal of making our loans affordable for our target members. Our decisions may negatively impact our short-term financial results or not provide the long-term benefits that we expect and may adversely impact our business operations, results of operations, and financial condition.

If we cannot maintain our corporate culture as we grow, we could lose the innovation, collaboration and focus on the mission that contribute to our business.

We believe that a critical component of our success is our corporate culture and our deep commitment to our mission. We believe this mission-based culture fosters innovation, encourages teamwork and cultivates creativity. Our mission defines our business philosophy as well as the emphasis that we place on our members, our people and our culture and is consistently reinforced to and by our employees. As we continue to evolve our business, including from the integration of employees and businesses acquired in connection with previous or future acquisitions or from our cost-saving measures, we may find it difficult to maintain these valuable aspects of our corporate culture and our long-term mission. Operating as a remote-first company may make it difficult for us to preserve our corporate culture and could negatively impact workforce morale and productivity. Any failure to preserve our culture could negatively impact our future success, including our ability to attract and retain employees, encourage innovation and teamwork, and effectively focus on and pursue our mission and corporate objectives.

We are dependent on hiring an adequate number of hourly bilingual employees to run our business and are subject to government regulations concerning these and our other employees, including minimum wage laws.

Our workforce is comprised largely of bilingual employees who work on an hourly basis. In certain areas where we operate, there is significant competition for hourly bilingual employees and the lack of availability of an adequate number of hourly bilingual employees could adversely affect our operations. In addition, we are subject to applicable rules and regulations relating to our relationship with our employees, including minimum wage and break requirements, pay transparency, leave requirements, health benefits, unemployment and sales taxes, overtime and working conditions, and immigration status and policy changes for foreign work. We are from time to time subject to employment-related claims, including wage and hour claims. Further, legislated increases in the federal and state minimum wage, as well as increases in additional labor cost components, such as employee benefit costs, workers' compensation insurance rates, and compliance costs and fines, as well as the cost of any potential litigation in connection with these regulations, would increase our labor costs.

Misconduct by our employees could harm us by subjecting us to monetary loss, significant legal liability, regulatory scrutiny and reputational harm.

Our reputation is critical to maintaining and developing relationships with our existing and potential members and third parties with whom we do business. There is a risk that our employees could be accused of or engage in misconduct that adversely affects our business, including fraud, redirection, misappropriation of member funds, improper execution of loan transactions, embezzlement and theft, disclosure of personal and business information and the failure to follow protocol when interacting with members that could lead us to suffer direct losses from the activity as well as serious reputational harm. Employee misconduct could also lead to regulatory sanctions and prompt regulators to allege or to determine based upon such misconduct that we have not established adequate supervisory systems and procedures to inform employees of applicable rules or to detect and deter violations of such rules. Misconduct by our employees, or even unsubstantiated allegations of misconduct, could harm our reputation and our business.

Our international operations involve inherent risks which could result in harm to our business.

As of September 30, 2026, we had 1,538 employees in Mexico, including employees related to our two contact centers. These employees provide certain English/Spanish bilingual support related to member-facing contact center activities, administrative and technology support of the contact centers and back-office support services. In addition, we have a technology development center in India, where we had 201 employees as of September 30, 2026. We have also previously engaged vendors that utilized employees or contractors based outside of the U.S. These international activities are subject to inherent risks that are beyond our control, including:

- risks related to government regulation or required compliance with local laws;
- local licensing and reporting obligations;
- difficulties in developing, staffing and simultaneously managing a number of varying foreign operations as a result of distance, language and cultural differences;
- different, uncertain, overlapping or more stringent local laws and regulations;
- political and economic instability, tensions, security risks and changes in international diplomatic and trade relations;
- state or federal regulations that restrict offshoring of business operational functions or require offshore partners to obtain additional licenses, registrations or permits to perform services on our behalf;
- natural disasters, public health issues, epidemics or public health outbreaks, acts of war, and terrorism, and other events outside our control;
- compliance with applicable U.S. laws and foreign laws related to consumer protection, taxation, intellectual property, privacy, data security, corruption, money laundering, and export/trade control;
- misconduct by our outsourcing partners and their employees or even unsubstantiated allegations of misconduct;
- risks due to lack of direct involvement in hiring and retaining personnel; and
- potentially adverse tax developments and consequences.

Violations of the complex foreign and U.S. laws, rules and regulations that apply to our international operations and offshore activities of our service providers may result in reputational harm, heightened regulatory scrutiny, fines, criminal actions or sanctions against us, our officers, our directors or our employees, as well as restrictions on the conduct of our business.

If we discover a material weakness in our internal control over financial reporting that we are unable to remedy or otherwise fail to maintain effective internal control over financial reporting or disclosure controls and procedures, our ability to report our financial results on a timely and accurate basis and the market price of our common stock may be adversely affected.

We have developed our disclosure controls, internal control over financial reporting and other procedures to ensure information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. To maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended and anticipate we will continue to expend significant resources, including accounting-related costs and significant management oversight. Any failure to maintain the adequacy of our internal controls, or consequent inability to produce accurate financial statements on a timely basis, could increase our operating costs and could materially impair our ability to operate our business. Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business, including our cost-saving measures. If our internal controls are perceived as inadequate or we are unable to produce timely or accurate financial statements, investors may lose confidence in our operating results and our stock price could decline. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on Nasdaq.

Section 404 of the Sarbanes-Oxley Act requires our management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of our internal control over financial reporting. We are also required to have our independent registered public accounting firm attest to, and issue an opinion on, the effectiveness of our internal control over financial reporting. If we are unable to assert that our internal control over financial reporting is effective, or if, when required, our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control over financial reporting, we could lose investor confidence

in the accuracy and completeness of our financial reports, which could subject us to sanctions or investigations by the SEC or other regulatory authorities, adversely affect our ability to access the credit markets and sell additional equity and commit additional financial and management resources to remediate deficiencies.

Because we receive cash in our retail locations through member loan repayments, we may be subject to theft and cash shortages due to employee errors.

Since our business requires us to receive cash in each of our retail locations, we are subject to the risk of theft (including by or facilitated by employees) and cash shortages due to employee errors. We have experienced theft and attempted theft in the past. Although we have implemented various procedures and programs to reduce these risks, maintain insurance coverage for theft and provide security measures for our facilities, we cannot make assurances that theft and employee error will not occur.

Our business is subject to the risks of natural disasters, public health crises and other catastrophic events, and to interruption by man-made problems.

A significant natural disaster, such as an earthquake, fire, hurricanes, flood or other catastrophic event (many of which are becoming more acute and frequent as a result of climate change), or interruptions by strikes, crime, terrorism, social unrest, cyber-attacks, computer viruses, internal or external system failures, telecommunications failures, a failure of banking or other financial institutions, pandemics or other public health crises, power outages or disruptions, political instability, geopolitical unrest, war, or other large-scale conflicts or unpredictable occurrences, could have an adverse effect on our business, results of operations and financial condition. For example, a significant natural disaster in Northern California or any other location in which we have offices or facilities or employees working remotely, could adversely affect our business operations, financial condition and prospects, and our insurance coverage may be insufficient to compensate us for losses that may occur.

Our IT systems are backed up regularly to highly available, alternate data centers in a different region, and we have conducted disaster recovery testing of our mission critical systems. Despite any precautions we may take, however, the occurrence of a natural disaster or other unanticipated problems at our data centers could result in lengthy interruptions in our services. In addition, acts of war, terrorism, and other geopolitical unrest could cause disruptions in our business and lead to interruptions, delays or loss of critical data.

In addition, a large number of members make payments and apply for loans at our retail locations. If one or more of our retail locations becomes unavailable for any reason or other public health crisis, localized weather events, or natural or man-made disasters, our ability to conduct business and collect payments from members on a timely basis may be adversely affected, which could result in lower loan originations, higher delinquencies and increased losses. For example, during parts of the COVID-19 pandemic, we temporarily closed a few of our retail locations due to public health orders or other concerns, which we believe resulted in lower Aggregate Originations. While all of our retail locations are currently open, it is possible that we will have to temporarily close retail locations as necessary due to public health orders or other concerns relating to any public health crisis. The closure of retail locations could further adversely affect our loan originations, member experience, results of operations and financial condition.

The aforementioned risks may be further increased if our business continuity plans prove to be inadequate and there can be no assurance that both personnel and non-mission critical applications can be fully operational after a declared disaster within a defined recovery time. If our personnel, systems, or primary data center facilities are impacted, we may suffer interruptions and delays in our business operations. In addition, if these events impact our members or their ability to timely repay their loans, our business could be negatively affected.

In addition, the impacts of climate change on the global economy and our industry are rapidly evolving. We may be subject to increased regulations, reporting requirements, standards or expectations regarding the environmental impacts of our business. While we seek to mitigate our business risks associated with climate change, there are inherent climate-related risks wherever business is conducted. Any of our primary locations may be vulnerable to the adverse effects of climate change. For example, our Bay Area headquarters has experienced and may continue to experience, climate-related events and at an increasing frequency, including floods, drought, water scarcity, heat waves, wildfires and resultant air quality impacts and power shutoffs associated with the wildfires. Changing market dynamics, global policy developments and increasing frequency and impact of extreme weather events on critical infrastructure in the United States and elsewhere have the potential to disrupt our business, the business of our critical vendors, partners and members, and may cause us to experience higher attrition, losses and additional costs to maintain or resume operations. In addition, changes in current and emerging legal and regulatory requirements with respect to climate change (e.g., carbon pricing) and other aspects of environmental, social and governance reporting (e.g., disclosure requirements) have resulted in and may continue to result in fluctuations in compliance requirements on our business, which may increase our operating costs and disrupt our business.

We may not maintain sufficient business interruption or property insurance to compensate us for potentially significant losses, including potential harm to our business that may result from interruptions in our ability to provide our financial products and services.

Unfavorable outcomes in legal proceedings may harm our business and results of operations.

We have been, and may in the future become, subject to litigation, claims, investigations, legal and administrative cases and proceedings, whether civil or criminal, or lawsuits by governmental agencies or private parties. If the results of any pending or future legal proceedings are unfavorable to us or if we are unable to successfully defend against third-party lawsuits, we may be required to pay monetary damages or fulfill our indemnification obligations or we may be subject to fines, penalties, injunctions or other censure. Even if we adequately address the issues raised by an investigation or proceeding or successfully defend a third-party lawsuit or counterclaim, we may have to devote significant financial and management resources to address these issues.

Health epidemics or other outbreaks may adversely impact our business and results of operations.

Our business could be adversely impacted by the effects of health epidemics or other outbreaks. For example, the COVID-19 pandemic and health and safety measures taken by governments and private industry in response to the COVID-19 pandemic significantly impacted worldwide economic activity and consumer behavior and created economic uncertainty. Worker shortages, supply chain issues, inflationary pressures, vaccine and testing requirements, the emergence of new health epidemics or outbreaks, and the reinstatement and subsequent lifting of restrictions and health and safety related measures in response to the emergence of new health epidemics or outbreaks have occurred in the past and may occur in the future.

We are unable to predict the future path or impact of any global or regional health epidemics or other outbreaks. An extended period of disruption as a result of a health epidemic or public health outbreaks may negatively impact us, as well as our members, vendors, and partners.

Funding and Liquidity Risks

We have incurred substantial debt and may issue debt securities or otherwise incur substantial debt in the future, which may adversely affect our financial condition and negatively impact our operations.

We have a substantial amount of indebtedness, which requires significant interest payments. From time to time, we may seek to obtain additional capital. We depend on securitization transactions, warehouse facilities and other forms of debt financing, as well as whole loan and structured loan sales, in order to finance the growth of our business and the origination of most of the loans we make to our members. Our outstanding borrowings or any additional indebtedness we may incur, could require us to divert funds identified for other purposes for debt service and impair our liquidity position. If we cannot generate sufficient cash flow from operations to service our debt, we may need to adopt one or more alternatives to refinance our debt, dispose of assets or obtain necessary funds, including obtaining additional equity capital which could be on terms that may be onerous or highly dilutive.

We do not know whether we will be able to take any of these actions on a timely basis, on terms satisfactory to us or at all.

Our substantial level of indebtedness and the current constraints on our liquidity could have important consequences, including the following:

- we must use a substantial portion of our cash flow from operations to pay interest and principal on our debt, which reduces or will reduce funds available to us for other purposes such as working capital, capital expenditures, other general corporate purposes, execution of growth strategies, and potential acquisitions;
- our ability to refinance such indebtedness or to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired;
- default and foreclosure on our and our subsidiaries' assets if asset performance and our operating revenue are insufficient to repay debt obligations;
- mandatory repurchase obligations for any loans conveyed or sold into a debt financing or under a whole loan purchase facility if the representations and warranties we made with respect to those loans were not correct when made;
- acceleration of obligations to repay the indebtedness (or other outstanding indebtedness to the extent of cross default triggers), even if we make all principal and interest payments when due, if we breach any covenants that require the maintenance of certain financial ratios with respect to us or the loan portfolio securing our indebtedness or the maintenance of certain reserves or tangible net worth and do not obtain a waiver for such breach or renegotiate such covenant;
- inability to obtain necessary additional financing if the debt security contains covenants restricting our ability to obtain such financing while the debt security is outstanding;
- inability to obtain necessary additional financing if changes in the characteristics of our loans or our collection and other loan servicing activities change and cease to meet conditions precedent for continued or additional availability under our debt financings;
- limitations on our flexibility in planning for and reacting to changes in our business and in the industry in which we operate;
- place us at a disadvantage compared to our competitors that have less debt;
- defaults based on loan portfolio performance or default in our collection and loan servicing obligations could result in our being replaced by a third-party or back-up servicer and notification to our members to redirect payments;
- downgrades or revisions of agency ratings for our debt financing;
- monitoring, administration and reporting costs and expenses, including legal, accounting and other monitoring reporting costs and expenses, required under our debt financings; and
- we may be more vulnerable to economic downturn and adverse developments in our business, including potential economic recession, inflation, and other factors outside our control.

Our ability to meet our expenses, to remain in compliance with our covenants under our debt instruments and to make future principal and interest payments in respect of our debt depends on, among other factors, our operating performance, competitive developments and financial market

conditions, all of which are significantly affected by financial, business, economic and other factors. We are not able to control many of these factors. Given current industry and economic conditions, our cash flow may not be sufficient to allow us to pay principal and interest on our debt and meet our other obligations.

To the extent our relationship with lenders is negatively affected by disputes that may arise from time to time, it may be more difficult to seek covenant relief, if needed, or to raise additional funds in the future.

A breach of early payment triggers or covenants or other terms of our agreements with lenders could result in an early amortization, default, and/or acceleration of the related funding facilities.

The primary funding sources available to support the maintenance and growth of our business include, among others, asset-backed securitizations, revolving debt facilities (including the Secured financing), Corporate financing, and structured and whole loan sales. If we are unable to comply with various conditions precedent to availability under these facilities (including the eligibility of our loans), covenants and other specified requirements set forth in our agreements with our lenders, this could result in the early amortization, default and/or acceleration of our existing facilities. Such covenants and requirements include financial covenants, portfolio performance covenants and other events. The Corporate financing contains financial covenants requiring the maintenance of minimum liquidity and a maximum adjusted EBITDA-based corporate leverage covenant, together with other customary affirmative and negative covenants, and events of default. The obligations are secured by assets of the Company and its subsidiaries. Compliance with these covenants may limit our ability to take actions that might be to our advantage or to the advantage of our stockholders.

Our securitizations contain collateral performance threshold triggers related to the three-month average annualized gross charge-off or net charge-off rate which, if exceeded, would lead to early amortization. To support our collateral requirements under our financing agreements, we use a random selection process to take loans off our warehouse line to pledge to our securitizations. An inability to originate enough loans to meet the collateral requirements in our financing arrangements could result in the early amortization, default and/or acceleration of our existing facilities. Moreover, we currently act as servicer with respect to the unsecured consumer loans held by our subsidiaries. If we default in our servicing obligations or fail to meet certain financial covenants, an early amortization event or event of default could occur, and/or we could be replaced by our back-up servicer or another successor servicer. If the back-up servicer or successor servicer is not adequate, the collection and processing of repayments may be impaired.

During an early amortization period or if an event of default exists, principal and interest collections from the loans in our asset-backed facilities would be applied to repay principal under such facilities and principal collections would no longer be available on a revolving basis to fund purchases of newly originated loans. If an event of default exists under our revolving debt or loan sale facilities, the applicable lenders or purchasers' commitments to extend further credit or purchase additional loans under the related facility would terminate. If collections were insufficient to repay the amounts due under our securitizations and our revolving debt facilities, the applicable lenders, trustees and noteholders could seek remedies, including against the collateral pledged under such facilities. Any of these events would negatively impact our liquidity, including our ability to originate new loans, and require us to rely on alternative funding sources. If we were unable to arrange new or alternative methods of financing on favorable terms, we might have to curtail the origination of loans, and we may be replaced by our back-up servicer or another successor servicer.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants and maintain these financial ratios. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity for the debt under these agreements and to foreclose upon any collateral securing the debt. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations. In addition, the limitations imposed by financing agreements on our ability to incur additional debt and to take other actions might significantly impair our ability to obtain other financing. For more information on covenants, requirements and events, see Note 8, *Borrowings* to the Notes to the Condensed Consolidated Financial Statements (Unaudited) included elsewhere in this report.

Our securitizations and structured and whole loan sales may expose us to certain risks, and we can provide no assurance that we will be able to conduct such transactions in the future, which may require us to seek more costly financing.

We have securitized, and may in the future securitize, certain of our loans to generate cash to originate new loans or pay our outstanding indebtedness. In each such transaction, we sell and convey a pool of loans to a special purpose entity ("SPE"). Concurrently, each SPE issues notes or certificates pursuant to the terms of an indenture. The securities issued by the SPE are secured by the pool of loans owned by the SPE. In exchange for the sale of a portion of the pool of loans to the SPE, we receive cash, which are the proceeds from the sale of the securities. We also contribute a portion of the pool of loans in consideration for the equity interests in the SPE. Subject to certain conditions in the indenture governing the notes issued by the SPE (or the agreement governing the SPE's revolving loan), the SPE is permitted to purchase additional loans from us or distribute to us residual amounts received by it from the loan pool, which residual amounts are the cash amounts remaining after all amounts payable to service providers and the noteholders have been satisfied. We also have the ability to swap pools of loans with the SPE. Our equity interest in the SPE is a residual interest in that it entitles us as the equity owner of the SPE to residual cash flows, if any, from the loans and to any assets remaining in the SPE once the notes are satisfied and paid in full (or in the case of a revolving loan, paid in full and all commitments terminated). As a result of challenging credit and liquidity conditions, the value of the subordinated securities we retain in our securitizations might be reduced or, in some cases, eliminated.

The securitization market is subject to changing market conditions, and we may not be able to access this market when we would otherwise deem appropriate. For example, the securitization market has been volatile, driven by fluctuating rates, inflation, and recessionary concerns. Further, other matters, such as (i) accounting standards applicable to securitization transactions and (ii) capital and leverage requirements applicable to banks

and other regulated financial institutions holding asset-backed securities, could result in decreased investor demand for securities issued through our securitization transactions, or increased competition from other institutions that undertake securitization transactions. In addition, compliance with certain regulatory requirements may affect the type of securitizations that we are able to complete.

Asset-backed securities and the securitization markets were heavily affected by the Dodd-Frank Act and have also been a focus of increased regulation by the SEC. For example, the Dodd-Frank Act mandates the implementation of rules requiring securitizers or originators to retain an economic interest in a portion of the credit risk for any asset that they securitize or originate. Furthermore, sponsors are prohibited from diluting the required risk retention by dividing the economic interest among multiple parties or hedging or transferring the credit risk the sponsor is required to maintain. Rules relating to securitizations rated by nationally-recognized statistical rating agencies require that the findings of any third-party due diligence service providers be made publicly available at least five business days prior to the first sale of securities, which has led and will continue to lead us to incur additional costs in connection with each securitization. In addition, some of the regulations to be implemented under the Dodd-Frank Act relating to securitization have not yet been finalized. Any new rules or changes to the Dodd-Frank Act (or the current rules thereunder) could adversely affect our ability and our cost to access the asset-backed securities market.

If it is not possible or economical for us to securitize our loans in the future, we would need to seek alternative financing to support our operations and to meet our existing debt obligations, which may not be available on commercially reasonable terms, or at all. If the cost of such alternative financing were to be higher than our securitizations, we would likely reduce the fair value of our loans receivable held for investment, which would negatively impact our results of operations.

The gain on sale generated by any of our structured or whole loan sales and servicing fees earned on sold loans represents additional liquidity. Demand for our loans at the current premiums may be impacted by factors outside our control, including availability of loan pools, demand by investors for loan assets and attractiveness of returns offered by competing investment alternatives offered by other loan originators with more attractive characteristics than our loan pools and loan purchaser interest. If we are unable to sell additional loans or obtain other financing, our revenue and liquidity may be negatively impacted and we may not be able to grow our business as planned and we may have to further curtail our originations.

Our results of operations are affected by our ability to sell our loans for a premium over their net book value. Potential loan purchasers might reduce the premiums they are willing to pay, or even require a discount to principal balance, for the loans that they purchase during periods of economic slowdown or recession to compensate for any increased risks. A reduction in the sale price of the loans we sell under any future whole loan sale program would likely result in a reduction in the fair value of our Loans Receivable at Fair Value, which would negatively impact our results of operations. Any sustained decline in demand for our loans or increase in delinquencies, defaults or foreclosures may reduce the price we receive on future loan sales below our loan origination cost.

We may need to raise additional funds in the future, including through equity, debt, or convertible debt financings, to support business growth and those funds may not be available on acceptable terms, or at all.

We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges, including the need to develop new financial products and services, enhance our risk management model, improve our operating infrastructure, or acquire complementary businesses and technologies. Additionally, increases in our cost of funds and charge-offs may reduce our margins and require us to raise more capital to support our existing business and execute our corporate strategies. Accordingly, we may need to engage in equity, debt or convertible debt financings to secure additional funds. If we raise additional funds by issuing equity securities or securities convertible into equity securities, those securities may have rights, preferences or privileges senior to the rights of our common stock and our stockholders may experience dilution. Any large equity or equity-linked offering could also negatively impact our stock price. A number of factors, including market volatility or depressed valuations, trading prices in the equity markets, our financial condition and capital market conditions will impact our ability to obtain equity or debt financing.

Debt financing, if available, may have a high cost of funds and may involve covenants restricting our operations or our ability to incur additional debt. For example, our corporate lenders have previously and may in the future require warrants to boost their return, the issuance of which has been and may in the future be dilutive to our stockholders. Any debt or additional equity financing that we raise may contain terms that are not favorable to us or our stockholders and could also negatively impact our stock price. A number of factors, including market volatility or depressed valuations, trading prices in the equity markets, our financial condition and capital market conditions will impact our ability to obtain equity or debt financing. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could have an adverse effect on our business, results of operation and financial condition.

We maintain cash deposits in excess of federally insured limits. Adverse developments affecting financial institutions, including bank failures, could adversely affect our liquidity and financial performance.

We regularly maintain domestic cash deposits in Federal Deposit Insurance Corporation ("FDIC") insured banks that exceed the FDIC insurance limits. Bank failures, events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, or concerns or rumors about such events, may lead to liquidity constraints. For example, on March 10, 2023, Silicon Valley Bank failed and was taken into receivership by the FDIC. Similarly, on March 12, 2023, Signature Bank and Silvergate Capital Corp. were each swept into receivership and on May 1, 2023, First Republic Bank was taken into receivership. While we primarily maintain cash deposits in large money center banks and did not maintain deposits at Silicon Valley Bank, Signature Bank, Silvergate Capital Corp. or First Republic Bank, the failure of a bank, or other adverse conditions in the financial or credit markets impacting financial institutions at which we maintain balances, could adversely impact our liquidity and financial performance. There can be no assurance that our deposits in excess of the FDIC or other comparable insurance limits will be backstopped

by the U.S. treasury, or that any bank or financial institution with which we do business will be able to obtain needed liquidity from other banks, government institutions or by acquisition in the event of a failure or liquidity crisis.

Intellectual Property Risks

It may be difficult and costly to protect our intellectual property rights, and we may not be able to ensure their protection.

Our ability to offer our products and services to our members depends, in part, upon our proprietary technology. We may be unable to protect our proprietary technology effectively which would adversely affect our ability to compete with them. We rely on a combination of copyright, trade secret, trademark laws and other rights, as well as confidentiality procedures and contractual provisions to protect our proprietary technology, processes and other intellectual property and do not have patent protection. However, the steps we take to protect our intellectual property rights may be inadequate. For example, a third party may attempt to reverse engineer or otherwise obtain and use our proprietary technology without our consent. The pursuit of a claim against a third party for infringement of our intellectual property could be costly, and there can be no guarantee that any such efforts would be successful. Our failure to secure, protect and enforce our intellectual property rights could adversely affect our brand and business.

We have been, and may in the future be, sued by third parties for alleged infringement of their proprietary rights.

Our proprietary technology, including our credit risk models and A.I. algorithms, and their outputs, may infringe upon claims of third-party intellectual property, and we may face intellectual property challenges from such other parties. The expansion of our suite of financial products and services may create additional trademark risk. We may not be successful in defending against any such challenges or in obtaining licenses to avoid or resolve any intellectual property disputes. If we are unsuccessful, such claim or litigation could result in a requirement that we pay significant damages or licensing fees, which would negatively impact our financial performance. We may also be obligated to indemnify parties or pay substantial settlement costs, including royalty payments, and to modify applications or refund fees. Even if we were to prevail in such a dispute, any litigation regarding our intellectual property could be costly and time consuming, and may divert the attention of our management and key personnel from our business operations.

Moreover, it has become common in recent years for individuals and groups to purchase intellectual property assets for the sole purpose of making claims of infringement and attempting to extract settlements from companies such as ours. Even in instances where we believe that claims and allegations of intellectual property infringement against us are without merit, defending against such claims is time consuming and expensive and could result in the diversion of time and attention of our management and employees. In addition, although in some cases a third party may have agreed to indemnify us for such costs, such indemnifying party may refuse or be unable to uphold its contractual obligations. In other cases, our insurance may not cover potential claims of this type adequately or at all, and we may be required to pay monetary damages, which may be significant.

Our credit risk models, A.I. capabilities, and internal systems rely on software that is highly technical, and if it contains undetected errors, our business could be adversely affected.

Our credit risk models, A.I. capabilities, and internal systems rely on internally developed software that is highly technical and complex. In addition, our models, A.I. capabilities, and internal systems depend on the ability of such software to store, retrieve, process and manage immense amounts of data. The software on which we rely has contained, and may now or in the future contain, undetected errors, bugs or other defects. Some errors may only be discovered after the code has been released for external or internal use. Errors, bugs or other defects within the software on which we rely may result in a negative experience for our members, or compromise our ability to protect member data or our intellectual property. Specifically, any defect in our credit risk models could result in the approval of unacceptably risky loans. Such defects could also result in reputational harm, increased regulatory scrutiny, fines or penalties, loss of members, loss of revenue, adjustments to the fair value of our loans receivable held for investment or our asset-backed notes, challenges in raising capital, or liability for damages, any of which could adversely affect our business, financial condition and results of operations.

Some aspects of our business processes include open source software, and any failure to comply with the terms of one or more of these open source licenses could negatively affect our business.

We incorporate open source software into processes supporting our business. Such open source software may include software covered by licenses like the GNU General Public License and the Apache License. The terms of various open source licenses have not been interpreted by U.S. courts, and there is a risk that such licenses could be construed in a manner that limits our use of the software, inhibits certain aspects of our systems and negatively affects our business operations.

Some open source licenses contain requirements that we make source code available at no cost for modifications or derivative works we create based upon the type of open source software we use. We may face claims from third parties claiming ownership of, or demanding the release or license of, such modifications or derivative works (which could include our proprietary source code or credit risk models) or otherwise seeking to enforce the terms of the applicable open source license. If portions of our proprietary credit risk models are determined to be subject to an open source license, or if the license terms for the open source software that we incorporate change, we could be required to publicly release the affected portions of our source code, re-engineer all or a portion of our model or change our business activities, any of which could negatively affect our business and our intellectual property rights.

In addition to risks related to license requirements, the use of open source software can lead to greater risks than the use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of the software. Use of open source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to determine how to breach our website and systems that rely on open source software. Many of the risks associated with the use of open source software cannot be eliminated and could adversely affect our business.

Industry and Regulatory Risks

The financial services industry is highly regulated. Changes in regulations or in the way regulations are applied to our business could adversely affect our business.

We are subject to various federal, state and local regulatory regimes related to the financial services that we provide. The principal policy objectives of these regulatory regimes are to provide meaningful disclosures to consumers, to protect against unfair, deceptive and abusive acts or practices and to prevent discrimination. Laws and regulations, among other things, impose licensing and qualifications requirements; require various disclosures and consents; mandate or prohibit certain terms and conditions for various financial products; prohibit discrimination based on certain prohibited bases; prohibit unfair, deceptive or abusive acts or practices; require us to submit to examinations by federal and state regulatory regimes; and require us to maintain various policies, procedures and internal controls.

Federal and state agencies have broad enforcement powers over us, including powers to periodically examine and continuously monitor our operations and to investigate our business practices. These agencies have broad discretion to deem particular practices unfair, deceptive, abusive or otherwise not in accordance with the law. State attorneys general have a variety of legal mechanisms at their disposal to enforce state and federal consumer financial laws. For example, Section 1042 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") grants state attorneys general the ability to enforce the Dodd-Frank Act and regulations promulgated under the Dodd-Frank Act's authority and to secure remedies against entities within their jurisdiction. State attorneys general also have a variety of legal mechanisms at their disposal to enforce state and federal consumer financial laws and have enforcement authority under state law with respect to unfair or deceptive practices. Generally, under these statutes, state attorneys general may conduct investigations, bring actions, and recover civil penalties or obtain injunctive relief against entities engaging in unfair, deceptive, or fraudulent acts. Attorneys general may also coordinate among themselves or with other regulators to enter into coordinated actions or settlements. Finally, several consumer financial laws like the Truth in Lending Act and Fair Credit Reporting Act grant enforcement or litigation authority to state attorneys general.

Changes in laws or regulations, or the regulatory application or interpretation of the laws and regulations applicable to us, could adversely affect our ability to operate in the manner in which we currently conduct business, and may also make it more difficult or costly for us to originate additional loans, or for us to collect payments on our loans to members or otherwise operate our business by subjecting us, our service providers, or strategic partners, to additional licensing, registration and other regulatory requirements in the future.

Failure to comply with applicable laws and regulations could result in additional compliance requirements, limitations on our ability to collect or retain all or part of the principal of or interest on loans, fines or penalties, an inability to continue operations, modification in business practices, regulatory actions, loss of required licenses or registrations, potential impairment, voiding, or voidability of loans, rescission of contracts, civil and criminal liability and damage to our reputation. It could also result in a default or early amortization event under certain of our debt facilities and reduce or terminate availability of debt financing to us to fund originations. To the extent it is determined that any loan we make was not originated in accordance with all applicable laws as we are required to represent under our securitization and other debt facilities and in loan sales to investors, we could be obligated to repurchase for cash or swap for qualifying assets, any such loan determined not to have been originated in compliance with legal requirements. We may not have adequate liquidity and resources to make such cash repurchases or swap for qualifying assets.

Litigation, regulatory actions and compliance issues could subject us to significant fines, penalties, judgments, remediation costs and/or requirements resulting in increased expenses and reputational harm.

In the ordinary course of business, we have been named as a defendant in various legal actions, including class actions and other litigation. Generally, this litigation arises from the claims of violation of do-not-call, credit reporting, collection, and bankruptcy laws. We have in the past chosen to settle (and may in the future choose to settle) certain matters in order to avoid the time and expense of litigating them. Although none of the settlements have been material to our business, there is no assurance that, in the future, such settlements will not have a material adverse effect on our business. The complexity of the laws related to secured personal loans regarding vehicle titling, lien placement and repossession may enhance the risk of consumer litigation. Further, the origination of loans through bank partnerships may increase the risk of litigation or regulatory scrutiny including based on the "true lender" theory that seeks to recharacterize a lending transaction. State legislation requiring licensure and state restrictions including fee and rate limits on bank partner loans may also reduce profitability and/or increase regulatory and litigation risk. Additionally, platforms offering banking services and products through partners have also been challenged by federal and state regulators on a variety of claims.

Regulatory bodies may enact new laws or promulgate new regulations or view matters or interpret existing laws and regulations differently than in the past, or commence investigations or inquiries into our business practices. For example, in April 2022, the CFPB announced that it intended to examine non-bank financial companies that pose risks to consumers, and in November 2022, the Treasury Department issued a report encouraging the CFPB to increase its supervisory activity with respect to larger non-bank lenders. Since then, the CFPB has further modified its non-bank supervisory procedures (including in November 2022 and April 2024) and in September 2025 issued a final rule (effective October 27, 2025) that reinstates key pre-2022 procedural protections and signals a narrowing of the category of non-bank entities that may be designated for supervision. As a result, while the CFPB retains its supervisory authority over non-banks and could subject us to its supervisory process, the mechanics, scope and thresholds of that supervision are evolving, meaning regulatory scrutiny may move in either direction. If the CFPB decides to subject us to its

supervisory process, it could significantly increase the level of regulatory scrutiny of our business practices. The direction of CFPB policy and enforcement priorities may continue to shift under future administrations or leadership, creating ongoing uncertainty regarding the interpretation and enforcement of federal consumer protection laws. Accordingly, the CFPB could promulgate rules, adopt different interpretations, or bring enforcement actions that materially impact our business.

Our involvement in any such matter could cause harm to our reputation and divert management attention from the operation of our business, even if the matters are ultimately determined in our favor. If resolved against us, legal actions could result in excessive verdicts and judgments, injunctive relief, equitable relief, and other adverse consequences that may affect our financial condition and how we operate our business.

In addition, a number of participants in the consumer financial services industry have been the subject of putative class action lawsuits, state attorney general actions and other state regulatory actions, federal regulatory enforcement actions, including actions relating to alleged unfair, deceptive or abusive acts or practices, violations of state licensing and lending laws, including state usury laws, actions alleging violations of the Americans with Disabilities Act, discrimination on the basis of race, ethnicity, gender or other prohibited bases, and allegations of noncompliance with various state and federal laws and regulations relating to originating and servicing consumer finance loans and other consumer financial services and products. The current federal and state regulatory environment, increased regulatory compliance efforts, and enhanced regulatory enforcement have resulted in significant operational and compliance costs and may prevent us from providing certain products and services. There is no assurance that these regulatory matters or other factors will not, in the future, affect how we conduct our business or adversely affect our business. In particular, legal proceedings brought under state consumer protection statutes or under several of the various federal consumer financial services statutes subject to the jurisdiction of the CFPB may result in a separate fine for each violation of the statute, which, particularly in the case of class action lawsuits, could result in damages substantially in excess of the amounts we earned from the underlying activities.

Some of our consumer financing agreements include arbitration clauses. If our arbitration agreements were to become unenforceable for any reason, we could experience an increase to our consumer litigation costs and exposure to potentially damaging class action lawsuits.

In addition, from time to time, through our operational and compliance controls, we identify compliance issues that require us to make operational changes and, depending on the nature of the issue, result in financial remediation to impacted members. These self-identified issues and voluntary remediation payments could be significant, depending on the issue and the number of members impacted, and could generate litigation or regulatory investigations that subject us to additional risk.

Internet-based and electronic signature-based loan origination processes may give rise to greater risks than paper-based processes.

We use internet-based loan processes to obtain application information, distribute certain legally required notices to applicants and borrowers, and to obtain electronically signed loan documents in lieu of paper documents with wet borrower signatures obtained in person. These processes may entail greater risks than would paper-based loan origination processes, including risks regarding the sufficiency of notice for compliance with consumer protection laws, risks that borrowers may challenge the authenticity of their signature or of the loan documents, risks that a court of law may not enforce electronically signed loan documents and risks that, despite controls, unauthorized changes are made to the electronic loan documents or electronic signature records are lost, corrupted, or deleted. If any of those factors were to cause any loans, or any of the terms of the loans, to be unenforceable against the borrowers, or impair our ability to service our loans, the value of our loan assets would decrease significantly to us and to our whole loan purchasers, securitization investors and warehouse lenders. In addition to increased default rates and losses on our loans, this could lead to the loss of whole loan purchasers and securitization investors and trigger terminations and amortizations under our debt warehouse facilities, each of which would materially adversely impact our business.

The CFPB has broad authority to regulate consumer financial services, creating uncertainty as to how the agency's actions or the actions of any other new agency could impact our business.

The CFPB has broad authority to create and modify regulations under federal consumer financial protection laws and regulations, such as the Truth in Lending Act and Regulation Z, the Equal Credit Opportunity Act and Regulation B, the Fair Credit Reporting Act and Regulation V, the Electronic Funds Transfer Act and Regulation E, and to enforce compliance with those laws. The CFPB is charged with the examination and supervision of certain participants in the consumer financial services market, including short-term, small dollar lenders, and larger participants in other areas of financial services. While historically, we have not been subject to CFPB supervisory authority, it is possible that we may become subject to additional regulatory scrutiny and compliance costs going forward through supervision by the CFPB. The CFPB may also request, through examination or investigation, reports concerning our organization, business conduct, markets and activities and if the CFPB were to determine that we were engaging in activities that pose risks to consumers, it may conduct on-site examinations of our business on a periodic basis.

In addition, the CFPB maintains an online complaint system that allows consumers to log complaints with respect to various consumer finance products, including the credit products we offer. This system could inform future CFPB decisions with respect to its regulatory, enforcement or examination focus. The CFPB also may issue requests for public input in certain areas of concern that may lead to increased regulatory scrutiny on us, our products and consumer finance industry and impose restrictions on fees and charges, thereby impacting results of our business.

Hello Digit, Inc. ("Digit") received a CID from the CFPB in June 2020. The CID was disclosed and discussed during the acquisition process. The stated purpose of the CID was to determine whether Digit, in connection with offering its products or services, misrepresented the terms, conditions, or costs of the products or services in a manner that is unfair, deceptive, or abusive. While the Company believes that the business practices of the Company, including Digit, have been in full compliance with applicable laws, in the interest of resolving this matter, on August 11, 2022, Digit agreed to a consent order with the CFPB resolving such CID.

In addition, actions by regulatory bodies, including the CFPB, could result in requirements to alter or cease offering affected financial products and services, making them less attractive and restricting our ability to offer them. Regulatory bodies could also implement rules that restrict our effectiveness in servicing our financial products and services. Future regulatory actions against us or our competitors that discourage the use of our or their services or restrict our business activities could result in reputational harm and adversely affect our business. If the CFPB changes regulations that were adopted in the past by other regulators and transferred to the CFPB by the Dodd-Frank Act, or modifies through supervision or enforcement past regulatory guidance, or if the CFPB (or other regulators) interpret existing regulations in a different or stricter manner than they have been interpreted in the past by us, the industry or other regulators, our compliance costs and litigation exposure could increase materially. It is also possible that regulators could promulgate rules and bring enforcement actions that materially impact our business and the business of our lending partners.

The collection, storage, use, disclosure, and other processing of personal information is an area of increasing complexity and scrutiny.

We collect, store, use, disclose, and otherwise process a large volume of personal information about individuals (including members and employees). New laws and regulations concerning the processing of personal information continue to be vigorously debated and enacted at all levels of government across the United States and around the globe while existing laws, such as the Gramm-Leach-Bliley Act ("GLBA") are being amended or reinterpreted to account for the rapidly evolving data economy. The California Consumer Privacy Act ("CCPA"), as augmented and otherwise amended by the California Privacy Rights Act of 2020, imposes significant requirements on businesses processing consumer personal information, principally around enabling and honoring consumer choices related to such processing. Regulations under the CCPA have now been finalized addressing, among other matters, the use of automated decision-making technology ("ADMT") in "significant decisions," and a new Colorado law addressing ADMT is also scheduled to take effect January 1, 2027. The CCPA and other state comprehensive privacy laws enacted to date contain certain exemptions for personal information that is subject to the GLBA. In some cases, these laws also contain broader exemptions for entities, such as financial institutions, that are subject to the GLBA; however, these exemptions may not exempt us completely from these laws, and their scope and interpretation remain subject to uncertainty. Further, future laws may not include such exemptions. Violations of the CCPA can result in civil penalties assessed by the California Attorney General or the California Privacy Protection Agency and individual plaintiffs may pursue statutory damages in a private right of action for certain data breaches. Several U.S. states have already followed California's lead in enacting comprehensive privacy legislation and others are likely to do so in the future. These developments reflect the continued evolution of state privacy regulation and the potential for expanding obligations on businesses that use consumer data. At the federal level, regulators, including the CFPB and FTC, have adopted, or are considering adopting, laws and regulations concerning personal information and data privacy and security. The FTC, for example, released its updated Standards for Safeguarding Customer Information (Safeguards Rule), effective June 9, 2023, which raises the bar for covered financial institutions' information security programs through proscriptive requirements for accountability, oversight, risk assessments, encryption, and multi-factor authentication to protect all forms of customer information. Further, on October 22, 2024, the CFPB finalized the Section 1033 Rule on Personal Financial Data Rights, which requires certain financial institutions, and any party who controls or possesses information concerning a covered financial product or service, to provide financial data to consumers in a standardized electronic format through a consumer interface and limits collecting and maintaining data only as necessary to carry out transactions a consumer requests, prohibiting use of any information for targeted or behavioral advertising. The final rule has been challenged in the Eastern District Court of Kentucky. On July 29, 2025, the Eastern District of Kentucky issued an Order granting the stay of litigation requested by the CFPB while it works to promulgate a new rule-making process to revise the rule's scope, definitions and timing. Compliance deadlines are uncertain since the CFPB has been enjoined from enforcing the rule. The CFPB has submitted a Notice of Proposed Rulemaking ("NPRM") to the Office of Information and Regulatory Affairs, but the contents of the NPRM have not been made publicly available and the rule's ultimate substantive obligations could change materially. Because the substance and timing of the revised rule are uncertain at this time, it is possible it could adversely affect our business. The U.S. federal government also is contemplating federal privacy legislation. This patchwork of state and federal legislation and regulation may give rise to conflicts or differing views of personal privacy rights and of privacy, data protection, and security obligations to which we must adhere.

The rapidly evolving regulatory environment relating to privacy, data protection, and cybersecurity, along with increased scrutiny from consumers and their advocates and increased complexity in our organizational structure, demands careful attention to our own processing of personal information and processing by third parties acting on our behalf. For example, we've seen an increase in third-party arrangements, including, for example, with lead aggregators, bank partners, Lending as a Service partners and affiliate relationships. Our failure, or any failure by third parties with whom we do business, to comply with applicable laws or regulations or contractual obligations required by our business partners relating to privacy, data protection, or cybersecurity, and even a perceived failure, could damage our reputation, harm our ability to obtain market adoption, discourage existing and prospective members from using our products and services, require us to change our business practices, business partners or operational structure, or result in investigations, claims, or fines by governmental agencies and private plaintiffs, and other liabilities. Even in the absence of a challenge to our practices, we may incur substantial costs to implement new systems to comply with regulatory requirements, such as consumer requests concerning the processing of their personal information and to honor any choices that may be available to them by law.

Our bank partnership products may lead to regulatory risk and may increase our regulatory burden.

We currently have bank partnership programs with Pathward and Column banks to offer unsecured personal loans, secured personal loans, and provide deposit accounts, and other transaction services to our members. State and federal agencies have broad discretion in their interpretation of laws and their interpretation of requirements related to bank partnership programs and may elect to alter standards or the interpretation of the standards applicable to these programs. States are also introducing and passing legislation designed to examine these programs by defining who has the "predominant economic interest" in the loan transaction and prohibiting such entity from collecting interest and fees above state mandated caps. In addition, as a result of our bank partnerships, prudential bank regulators with supervisory authority over our partners have the ability to regulate aspects of our business. There has also been significant recent government enforcement action and litigation challenging the validity of such arrangements for lending products, including disputes seeking to recharacterize lending transactions on the basis that the non-bank party rather than the bank is the "true lender" or "de facto lender", and in case law challenging the "valid when made" doctrine, which holds that based on federal preemption, state interest rate limitations are not applicable in the context of certain bank-non-bank partnership arrangements.

The uncertainty of the federal and state regulatory environments around bank partnership programs means that our efforts to launch products and services through bank partners may not ultimately be successful, or may be challenged by legislation or regulatory action. If the legal structure underlying our relationship with our bank partners were to be successfully challenged, we may be found to be in violation of state licensing requirements and state laws regulating interest rates and fees. In the event of such a challenge or if our arrangements with our bank partners were to change or end for any reason, we would need to rely on an alternative bank relationship, find an alternative bank relationship, rely on existing state licenses, obtain new state licenses, pursue a national bank charter, and/or be subject to the interest rate limitations of certain states. In addition, adverse orders or regulatory enforcement actions against our bank partners, even if unrelated to our business, could impose restrictions on their ability to continue to extend credit or on current terms. Regulation by federal and state regulators may also subject us to increased compliance, legal and operational costs, and could subject our business model to scrutiny and otherwise increase our regulatory burden, or may adversely affect our ability to expand our business.

Anti-money laundering, anti-terrorism financing and economic sanctions laws could have adverse consequences for us.

We maintain a compliance program designed to enable us to comply with all applicable anti-money laundering and anti-terrorism financing laws and regulations, including the Bank Secrecy Act and the USA PATRIOT Act and U.S. economic sanctions laws administered by the Office of Foreign Assets Control. This program includes policies, procedures, processes and other internal controls designed to identify, monitor, manage and mitigate the risk of money laundering and terrorist financing and engaging in transactions involving sanctioned countries, persons, and entities. These controls include procedures and processes to detect and report suspicious transactions, perform member due diligence, respond to requests from law enforcement, and meet all recordkeeping and reporting requirements related to particular transactions involving currency or monetary instruments. Our failure to comply with anti-money laundering, economic and trade sanctions regulations, and similar laws could subject us to substantial civil and criminal penalties, or result in the loss or restriction of our state licenses, or liability under our contracts with third parties, which may significantly affect our ability to conduct some aspects of our business. Changes in this regulatory environment, including changing interpretations and the implementation of new or varying regulatory requirements, may significantly affect or change the manner in which we currently conduct some aspects of our business.

We may have to constrain our business activities to avoid being deemed an investment company under the Investment Company Act.

The Investment Company Act of 1940, as amended (the "Investment Company Act") contains substantive legal requirements that regulate the way "investment companies" are permitted to conduct their business activities. We believe we have conducted, and we intend to continue to conduct, our business in a manner that does not result in our company being characterized as an investment company, including by relying on certain exemptions from registration as an investment company. We rely on guidance published by the SEC staff or on our analyses of such guidance to determine our qualification under these and other exemptions. To the extent that the SEC staff publishes new or different guidance with respect to these matters, we may be required to adjust our business operations accordingly. If we are deemed to be an investment company, we may attempt to seek exemptive relief from the SEC, which could impose significant costs and delays on our business. We may not receive such relief on a timely basis, if at all, and such relief may require us to modify or curtail our operations. If we are deemed to be an investment company, we may also be required to institute burdensome compliance requirements and our activities may be restricted.

We are subject to governmental export and import controls that could subject us to liability, impair our ability to compete in international markets and adversely affect our business.

Although our business does not involve the commercial sale or distribution of hardware, software or technology, in the normal course of our business activities we may from time to time ship general commercial equipment outside the United States to our subsidiaries or affiliates for their internal use. In addition, we may export, transfer or provide access to software and technology to non-U.S. persons such as employees and contractors, as well as third-party vendors and consultants engaged to support our business activities. In all cases, the sharing of software and/or technology is solely for the internal use of the company or for the use by business partners to provide services to us, including software development. However, such shipments and transfers may be subject to U.S. and foreign regulations governing the export and import of goods, software and technology. If we fail to comply with these laws and regulations, we and certain of our employees could be subject to significant sanctions, fines, penalties and reputational harm. Further, any change in applicable export, import or economic sanctions regulations or related legislation, shift in approach to the enforcement or scope of existing regulations or change in the countries, persons or technologies targeted by these regulations could adversely affect our business.

General Risk Factors

You may be diluted by the future issuance of additional common stock in connection with our equity incentive plans, acquisitions, financings, investments or otherwise.

Our amended and restated certificate of incorporation authorizes us to issue shares of common stock authorized but unissued and rights relating to common stock for the consideration and on the terms and conditions established by our Board in its sole discretion, whether in connection with acquisitions or otherwise. We have authorized a total of 19,222,629 shares for issuance under our 2019 Equity Incentive Plan with 10,687,987 shares, net of vested and exercised shares, remaining available for issuance, 3,076,776 shares for issuance under our 2019 Employee Stock Purchase Plan, and 2,305,000 shares authorized for issuance under our Amended and Restated 2021 Inducement Equity Incentive Plan with 1,749,624 shares, net of vested and exercised shares, remaining for issuance, each subject to adjustment in certain events. Any common stock that we issue, including under our existing equity incentive plans or other equity incentive plans that we may adopt in the future, or in connection with any acquisitions, financings, investments or otherwise, could dilute your percentage ownership.

The issuance of shares of our common stock upon exercise of our outstanding warrants issued in connection with our Corporate Financing, would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.

As of September 30, 2026, warrants to purchase 2,588,375 shares of our common stock issued in connection with our Corporate financing, remain outstanding and exercisable. The exercise price of these warrants is $0.01 per share. To the extent such warrants are exercised, additional shares of common stock will be issued, which will result in dilution to holders of our common stock and increase the number of shares eligible for resale in the public market. The fact that such warrants may be exercised or sales of substantial numbers of such shares in the public market could adversely affect the market price of our common stock.

The price of our common stock may be volatile, and you could lose all or part of your investment.

The trading price of our common stock has been and may continue to be volatile and will depend on a number of factors, including those described in this "Risk Factors" section, many of which are beyond our control and may not be related to our operating performance. These fluctuations could cause you to lose all or part of your investment in our common stock, because you might be unable to sell your shares at or above the price you paid. Factors that could cause fluctuations in the trading price of our common stock include the following:

- failure to meet quarterly or annual guidance with regard to revenue, margins, earnings or other key financial or operational metrics;
- fluctuations in the trading volume of our share or the size of our public float;
- price and volume fluctuations in the overall stock market from time to time;
- changes in operating performance and market valuations of similar companies;
- failure of financial analysts to maintain coverage of us, changes in financial estimates by any analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- the public's reaction to our press releases, other public announcements, and filings with the SEC;
- speculation in the press or investment community;
- any major change in our management;
- sales of shares of our common stock by us or our stockholders;
- actual or anticipated fluctuations in our results of operations;
- actual or perceived security breaches or incidents impacting us or our third-party service providers;
- changes in prevailing interest rates;
- quarterly fluctuations in demand for our loans;
- actual or anticipated developments in our business or our competitors' businesses or the competitive landscape generally;
- developments or disputes concerning our intellectual property or other proprietary rights;
- litigation, government investigations and regulatory actions;
- passage of legislation or other regulatory developments that adversely affect us or our industry;
- general economic conditions, such as tariffs and other non-tariff trade barriers, fluctuating interest and inflation rates, recessions, tightening of credit markets and recent or potential bank failures;
- developments relating to any reductions in force or other streamlining measures; and
- other risks and uncertainties described in these risk factors.

If financial or industry analysts do not publish research or reports about our business, or if they issue an adverse or misleading opinion regarding our stock, our stock price and trading volume could decline.

The trading market for our common stock is influenced by the research and reports that industry or financial analysts publish about us or our business. We do not control these analysts or the content and opinions included in their reports. If any of the analysts who cover us issue an adverse or misleading opinion regarding our stock price, our stock price would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. In addition, analysts may establish and publish their own periodic projections for us. These projections may vary widely and may not accurately predict the results we actually achieve. Our share price may decline if our actual results do not match the projections of these research analysts.

The enactment of tax reform legislation and differences in interpretation of tax laws and regulations could adversely impact our financial position and results of operations.

We operate in multiple jurisdictions and are subject to tax laws and regulations of the U.S. federal, state and local and non-U.S. governments. U.S. federal, state and local and non-U.S. tax laws and regulations are complex and subject to varying interpretations. Legislation or other changes in U.S. federal, state and local and non-U.S. tax laws, including recently enacted U.S. federal tax legislation commonly referred to as the One Big Beautiful Bill Act (the "OBBB Act"), could increase our liability and adversely affect our after-tax profitability. We are currently evaluating the full impact of the OBBB Act on us. In addition, many countries and the Organisation for Economic Co-operation and Development (the "OECD") have reached an agreement to implement a 15% global minimum tax ("Pillar Two"). However, on January 5, 2026, the OECD announced a side-by-side elective safe harbor that would exempt electing U.S.-parented multinationals from certain provisions of Pillar Two for fiscal years beginning on or after January 1, 2026, but does not provide an exemption from "qualified domestic minimum top-up taxes", which have been implemented into the domestic laws in certain jurisdictions in which we operate. We will continue to monitor legislative and regulatory developments to assess the potential impacts that Pillar Two may have on our business, operating results and financial condition. Additionally, U.S. federal, state and local and non-U.S. tax authorities may interpret tax laws and regulations differently than we do and challenge tax positions that we have taken. This may result in differences in the treatment of revenues, deductions, credits and/or differences in the timing of these items. The differences in treatment may result in payment of additional taxes, interest or penalties that could have an adverse effect on our financial position and results of operations. Limitations may also apply under state law.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.

As of December 31, 2025, we had federal net operating loss carryforwards of $150.9 million, all of which carry forward indefinitely. Additionally, we had state net operating loss carryforwards of $136.8 million which are set to begin expiring in 2031. As of December 31, 2025, we had federal and California research and development tax credit carryforwards of $19.6 million and $8.4 million, respectively. The federal research and development tax credit carryforwards expire beginning in 2041, and the California research and development tax credits are not subject to expiration. Realization of these net operating loss and research and development tax credit carryforwards depends on future income, and there is a risk that some of our existing carryforwards could expire unused or may be unavailable to fully offset future income tax liabilities, which could adversely affect our results of operations. Other limitations may also apply under state law. For example, California legislation limits the use of state net operating loss carryforwards and tax credits for tax years beginning on or after January 1, 2024, and before January 1, 2027. As a result of this legislation or other unforeseen reasons, we may not be able to utilize some or all of our net operating loss carryforwards and tax credits, even if we attain profitability.

In addition, under Sections 382 and 383 of the Internal Revenue Code, if a corporation undergoes an "ownership change," generally defined as a greater than 50% change (by value) in ownership by "5 percent shareholders" over a rolling three-year period, the corporation's ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes, such as research and development credit carryforwards, to offset its post-change income or taxes may be limited. We may experience ownership changes in the future as a result of shifts in our stock ownership. As a result, if we earn net taxable income, our ability to use our pre-change net operating loss carryforwards and other pre-change attributes to offset U.S. federal taxable income may be subject to limitations, which could potentially result in increased future tax liability to us.

Our directors, officers, and principal stockholders have substantial control over our company, which could limit your ability to influence the outcome of key transactions, including a change of control.

Our directors, executive officers, and each of our 5% stockholders and their affiliates, in the aggregate, beneficially own a significant number of the outstanding shares of our common stock. As a result, these stockholders, if acting together, will be able to influence or control matters requiring approval by our stockholders, including the election of directors and the approval of mergers, acquisitions or other extraordinary transactions. They may also have interests that differ from yours, and they may vote in a way with which you disagree or which may be adverse to your interests. This concentration of ownership may have the effect of delaying, preventing or deterring a change of control of our company, could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our company and might ultimately affect the market price of our common stock.

The requirements of being a public company may strain our resources, divert management's attention and affect our ability to attract and retain qualified Board members.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Act, the listing standards of the Nasdaq Stock Market, and other applicable securities rules and regulations, including with regard to corporate governance practices and the establishment and maintenance of effective disclosure and financial controls. Compliance with these rules and regulations increases

our legal and financial compliance costs, makes some activities more difficult, time-consuming or costly and increases demand on our systems and resources.

In addition, changing laws, regulations and standards or interpretations thereof relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us.

Certain of our market opportunity estimates, growth forecasts, and key metrics could prove to be inaccurate, and any real or perceived inaccuracies may harm our reputation and negatively affect our business.

Market opportunity estimates, growth forecasts and key metrics, including those we have generated ourselves, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The estimates and forecasts relating to the size and expected growth of our market opportunity may prove to be inaccurate. It is impossible to offer every loan product, term or feature that every member wants, and our competitors may develop and offer products, terms or features that we do not offer. The variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of the individuals covered by our market opportunity estimates will generate any particular level of revenues. Even if the markets in which we compete meet our size estimates and growth forecasts, our business could fail to grow at expected rates, if at all, for a variety of reasons outside of our control. Furthermore, in order for us to successfully address this broader market opportunity, we will need to successfully expand into new geographic regions where we do not currently operate.

Our key metrics are calculated using internal company data and have not been validated by an independent third-party. We have in the past implemented, and may in the future implement, new methodologies for calculating these metrics which may result in the metrics from prior periods changing, decreasing or not being comparable to prior periods. As our business develops, we may revise or cease reporting metrics if we determine that such metrics are no longer appropriate measures of our performance. Our key metrics may also differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology. If investors or analysts do not perceive our metrics to be sufficient or accurate representations of our business, or if we discover material inaccuracies in our metrics, our stock price, reputation and prospects would be adversely affected.

Certain provisions in our charter documents and under Delaware law could limit attempts by our stockholders to replace or remove our Board, delay or prevent an acquisition of our company, and adversely affect the market price of our common stock.

Provisions in our amended and restated certificate of incorporation, and amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our Board. These provisions include the following:

- our Board has the right to elect directors to fill a vacancy created by the expansion of the Board or the resignation, death or removal of a director, which prevents stockholders from being able to fill Board vacancies;
- our stockholders may not act by written consent or call special stockholders' meetings;
- our amended and restated certificate of incorporation prohibits cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- stockholders must provide advance notice and additional disclosures in order to nominate individuals for election to the Board or to propose matters that can be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of our company; and
- our Board may issue, without stockholder approval, shares of undesignated preferred stock, which may make it possible for our Board to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire us.

As a Delaware corporation, we are also subject to certain Delaware anti-takeover provisions. Under Delaware law, a corporation may not engage in a business combination with any holder of 15% or more of its capital stock unless the holder has held the stock for three years or, among other things, the Board has approved the transaction. Such provisions could allow our Board to prevent or delay an acquisition of our company.

Certain of our executive officers may be entitled, pursuant to the terms of their employment arrangements, to accelerated vesting of their stock options following a change of control of our company under certain conditions. In addition to the arrangements currently in place with some of our executive officers, we may enter into similar arrangements in the future with other officers. Such arrangements could delay or discourage a potential acquisition.

Any provision of our amended and restated certificate of incorporation or amended and restated bylaws or Delaware law that has the effect of delaying or deterring a potential acquisition could limit the opportunity for our stockholders to receive a premium for their shares of our common stock in connection with such acquisition, and could also affect the price that some investors are willing to pay for our common stock.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware or the U.S. federal district courts will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (3) any action asserting a claim against us or any of our directors, officers or other employees arising pursuant to any provisions of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws, (4) any action to interpret, apply, enforce or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws, or (5) any action asserting a claim against us or any of our directors, officers or other employees that is governed by the internal affairs doctrine. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or the rules and regulations thereunder. Furthermore, Section 22 of the Securities Act, creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation further provides that U.S. federal district courts will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition, and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions.

These exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers and other employees. If a court were to find either exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving the dispute in other jurisdictions, all of which could seriously harm our business.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sale of Equity Securities

We had no unregistered sales of our securities in the reporting period not previously reported.

Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During the three months ended September 30, 2026, none of our directors or officers adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

GLOSSARY

Terms and abbreviations used in this report are defined below.

Term or Abbreviation	Definition
30+ Day Delinquency Rate	Unpaid principal balance for our owned loans that are 30 or more calendar days contractually past due as of the end of the period divided by Owned Principal Balance as of such date
Adjusted EBITDA	Adjusted EBITDA is a non-GAAP financial measure calculated as net income (loss), adjusted to eliminate the effect of the following items: income tax expense (benefit), stock-based compensation expense, depreciation and amortization, interest expense from corporate financing facilities, including the senior secured term loan and the residual financing facility, certain non-recurring charges, and fair value mark-to-market adjustments
Acquisition Financing	Asset-backed floating rate variable funding note and asset-backed residual certificate secured by certain residual cash flows of the Company's securitizations. The Acquisition Financing was used to fund the cash consideration for the Digit acquisition and was terminated on November 14, 2024.
Adjusted Earnings Per Share ("EPS")	Adjusted EPS is a non-GAAP financial measure calculated by dividing Adjusted Net Income by diluted adjusted weighted-average common shares outstanding
Adjusted Net Income	Adjusted Net Income is a non-GAAP financial measure calculated by adjusting our net income (loss) to exclude income tax expense (benefit), stock-based compensation expense, mark-to-market on asset-backed notes at fair value and certain non-recurring charges
Adjusted Operating Expense	Adjusted Operating Expense is a non-GAAP financial measure calculated by adjusting total operating expenses to exclude stock-based compensation expense and certain non-recurring charges
Adjusted Operating Expense Ratio	Adjusted Operating Expense Ratio is a non-GAAP financial measure calculated as Adjusted Operating Expense divided by Average Daily Principal Balance
Aggregate Originations	Aggregate amount disbursed to borrowers during a specified period, including amounts originated by us through our Lending as a Service partners or under our bank partnership programs. Aggregate Originations exclude any fees in connection with the origination of a loan
Annualized Net Charge-Off Rate	Annualized loan principal losses (net of recoveries) divided by the Average Daily Principal Balance of owned loans receivables for the period
APR	Annual Percentage Rate
Average Daily Debt Balance	Average of outstanding debt principal balance at the end of each calendar day during the period
Average Daily Principal Balance	Average of outstanding principal balance of owned loans at the end of each calendar day during the period
Board	Oportun’s Board of Directors
Corporate financing	Senior secured term loan secured by the assets of the Company and certain of its subsidiaries guaranteeing the term loan, including pledges of the equity interests of certain subsidiaries that are directly or indirectly owned by the Company funded pursuant to the Credit Agreement, dated as of September 14, 2022, by and among the Company, Wilmington Trust, National Association, and the lenders party thereto (as amended), which was terminated on November 14, 2024, and the Credit Agreement, dated as of October 23, 2024, by and among the Company, Wilmington Savings Fund Society, FSB, and the lenders party thereto.
Cost of Debt	Annualized interest expense divided by Average Daily Debt Balance
Customer Acquisition Cost (or "CAC")	Sales and marketing expenses, which include the costs associated with various paid marketing channels, including direct mail, digital marketing and brand marketing and the costs associated with our telesales and retail operations divided by number of loans originated to new and returning borrowers during a period
GAAP	Generally Accepted Accounting Principles
Leverage	Average Daily Debt Balance, excluding Corporate financing, divided by Average Daily Principal Balance
Loans Receivable at Fair Value	All loans receivable held for investment. Loans Receivable at Fair Value include loans receivable on our unsecured and secured personal loan products balances
Managed Principal Balance at End of Period	Total amount of outstanding principal balance for all loans receivables, including loans sold, which we continue to service, at the end of the period. Managed Principal Balance at End of Period also includes loans and accounts originated under a bank partnership program that we service
Net Revenue	Net Revenue is calculated by subtracting interest expense from total revenue and adding the net increase (decrease) in fair value
Operating Expense Ratio	Total operating expenses divided by Average Daily Principal Balance
Owned Principal Balance at End of Period	Total amount of outstanding principal balance for all loans receivables, excluding loans and receivables sold or loans retained by a bank partner, at the end of the period
Personal Loan Warehouse (or "PLW")	Revolving personal loan warehouse debt facilities, collateralized by unsecured personal loans and secured personal loans. Included as "Secured financing" on the Condensed Consolidated Balance Sheets (Unaudited).
Portfolio Yield	Annualized interest income as a percentage of Average Daily Principal Balance
Principal Balance	Original principal balance reduced by principal payments received and principal charge-offs to date for our personal loans. Purchases and cash advances, reduced by returns and principal payments received and principal charge-offs to date for our credit cards
Return on Equity	Annualized net income divided by average stockholders' equity for a period
Secured financing	Asset-backed revolving debt facilities, including the PLW facilities that are collateralized by unsecured personal loans and secured personal loans
Weighted Average Interest Rate	Annualized interest expense as a percentage of average debt

Item 6. Exhibits

Exhibit	Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.1*^	Program Management Agreement dated as of June 30, 2026 by and between Column National Association and Oportun, Inc.	10-Q	001-39050	10.9	8/5/2026	
10.2+	Oportun Financial Corporation Amended and Restated Executive Severance and Change in Control Policy	8-K	001-39050	10.1	8/25/2026	
10.3*+	Offer Letter with William Franklin, dated August 31, 2026	8-K	001-39050	10.1	9/11/2026	
31.1	Rule 13a-14(a)/15d-14(a) Certification of the Chief Executive Officer and Director of Oportun Financial Corporation					x
31.2	Rule 13a-14(a)/15d-14(a) Certification of the Chief Financial Officer of Oportun Financial Corporation					x
32.1**	Section 1350 Certifications					x
101	Interactive data files pursuant to Rule 405 of Regulation S-T:					
	(i) Condensed Consolidated Balance Sheets,					
	(ii) Condensed Consolidated Statements of Operations and Comprehensive Income,					
	(iii) Condensed Consolidated Statements of Changes in Stockholders' Equity,					
	(iv) Condensed Consolidated Statements of Cash Flows, and					
	(v) Notes to the Condensed Consolidated Financial Statements					
104	Cover Page Interactive Data File in Inline XBRL format (Included in Exhibit 101).					

* Certain portions of this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplementally to the SEC a copy of any omitted schedule or exhibit upon request by the SEC.

+ Management contract or compensatory plan.

^ Certain portions of this exhibit have been omitted pursuant to Item 601(b)(10) of Regulation S-K by means of marking such portions with asterisks because the registrant has determined that the information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

** The certifications attached as Exhibit 32.1 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of the Registrant under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.

Signature

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the date set forth below.

OPORTUN FINANCIAL CORPORATION
(Registrant)

Date: November 3, 2026

By: /s/ William Franklin
William Franklin
Chief Financial Officer
(Principal Financial Officer and duly authorized signatory of the Registrant)

Exhibit 31.1

CERTIFICATIONS

I, Douglas Bland, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oportun Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2026

/s/ Douglas Bland

Douglas Bland

Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, William Franklin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oportun Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2026

/s/ Bill Franklin
Bill Franklin
Chief Financial Officer
(Principal Financial Officer and duly authorized signatory of the Registrant)

Exhibit 32.1

CERTIFICATIONS

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Douglas Bland, Chief Executive Officer of Oportun Financial Corporation (the "Company"), and William Franklin, Principal Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the fiscal period ended September 30, 2026, to which this Certification is attached as Exhibit 32.1 (the "Quarterly Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 3, 2026

IN WITNESS WHEREOF, the undersigned have set their hands hereto as of the 3rd day of November 2026.

/s/ Douglas Bland
Douglas Bland

Chief Executive Officer and Director
(Principal Executive Officer)

/s/ William Franklin
William Franklin

Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Oportun Financial Corporation under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.