



Robinhood Markets, Inc.

Earnings Presentation First Quarter 2023

May 10, 2023

Disclaimers

This Presentation Relates to Robinhood’s Broader Earnings Announcement Disclosures

This presentation accompanies the first quarter of 2023 earnings announcement webcast of Robinhood Markets, Inc. (including its consolidated subsidiaries, “we,” “Robinhood,” or the “Company”) and should be read together with Robinhood’s earnings announcement press release and Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (the “Q1 2023 10-Q”). Hyperlinks to our Q1 2023 Form 10-Q, webcast, and press release can be found together with these slides on Robinhood’s investor relations website at investors.robinhood.com.

Key Performance Metrics

This presentation includes key performance metrics that our management uses to help evaluate our business, identify trends affecting our business, formulate business plans, and make strategic decisions. Our key performance metrics include Net Cumulative Funded Accounts, Monthly Active Users (“MAU”), Assets Under Custody (“AUC”), Net Deposits, and Average Revenue Per User (“ARPU”). Definitions of performance metrics can be found in the appendix to this presentation (the “Appendix”).

Non-GAAP Financial Measures and Where to Find Reconciliations to GAAP

This presentation includes financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Our non-GAAP financial measures include adjusted earnings before interest, taxes, depreciation, and amortization (“Adjusted EBITDA”), Adjusted EBITDA Margin, operating expenses prior to share-based compensation, operating expenses prior to share-based compensation, restructuring charges, and Q4 2022 Processing Error (as defined in the Appendix), and Net loss prior to the 2021 Founders Award Cancellation Charge, and EPS prior to the 2021 Founders Award Cancellation. Definitions, explanations, and reconciliations to the most comparable GAAP financial measures can be found in the Appendix.

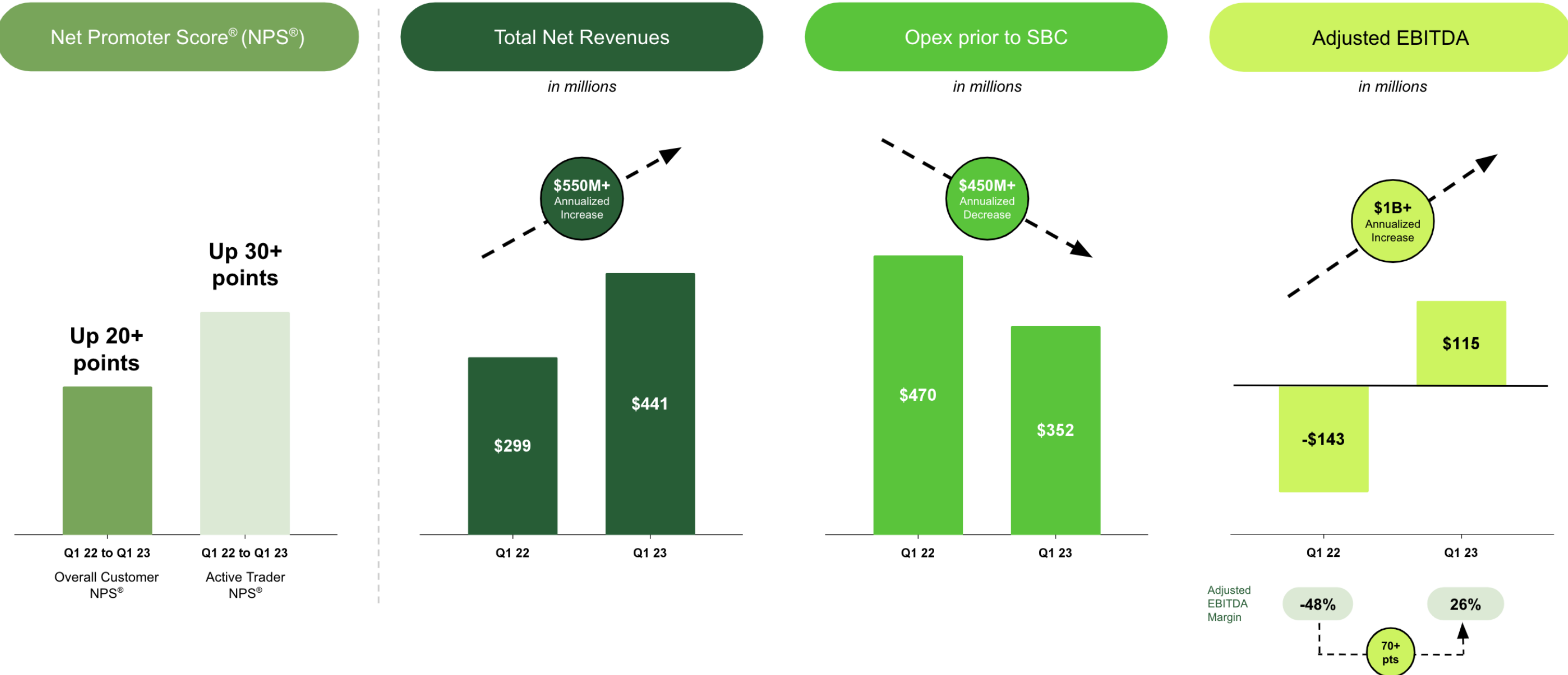
Cautionary Note Regarding Forward-Looking Statements

This presentation and the related webcast contain forward-looking statements regarding our expected financial performance and our strategic and operational plans, including (among others) statements regarding our plans to continue aggressively delivering products in 2023, while innovating and scaling recent launches; our plans to continue to broaden our offerings to include areas such as retirement, advisory, payments, and international and to expand our addressable market; our plans to execute our 2023 Roadmap by deepening relationships with existing customers, innovating for our active traders, and launching new growth opportunities; our belief that Retirement has a ton of growth potential; expectation that we will expand FDIC insurance from \$1.5 million to \$2 million next month; our plans to continue investing in the Robinhood Gold value proposition and to enrich the existing offering and add new capabilities; our plans to further deepen customer relationships by taking our first steps in Advisory; our goal to provide a personalized advisory experience, much like what high net worth individuals have traditionally received from human advisors, but at a much lower price point by using technology and our belief that we can help a lot of people who want to access advice, but who have been deterred by the traditional one percent annual fee; our plans to improve our equities user experience, including to launch 24 Hour Market and become the first U.S. retail brokerage to enable customers to trade individual stocks 24 hours a day, five days a week, starting with 40 well-known stocks and ETFs (and our plans to expand from there); our plans to add more selection for Active Traders, including our hope to launch futures trading by the end of this year; our belief that launching new growth opportunities that use our infrastructure and capabilities in new ways to enter different market segments will enable us to broaden the scope and geographical reach of our products, and add customers and increase our revenues over time; our belief that Robinhood Connect makes us well positioned to win market share compared to early entrants in Web3; that we are on track for our ambitious goal to launch brokerage operations in the UK by the end of the year; our commitment to becoming profitable on a GAAP basis; that a one-time charge from our founders canceling their 2021 equity awards will reduce our SBC by up to \$50 million starting in Q2; our belief that resilient customer net deposits position us really well for continued asset growth as markets rise over time; our anticipation that Q2 2023 Net Interest Revenues will be up around \$15 million from Q1 2023 and the related assumptions our expectation that there will be a sequential increase of about \$30 million in Other Revenues in Q2 2023, and that Q3 2023 revenues will return to a similar level to Q1 2023; our continued expectation that full-year 2023 opex prior to SBC will be in the range of \$1.42 to \$1.48 billion with Q2 being at the top end of the range on a quarterly basis; our plans to continue to work on efficiency, including third party vendors and closely managing incremental costs; our expectation that fully-year 2023 SBC will be in the range of \$925 million to \$1.005 billion; our plans to keep lowering SBC as a percentage of revenues over time; that we like our strong balance sheet position that gives us flexibility to run and invest in our business, while staying flexible to evaluate opportunities for M&A; and that we remain interested in purchasing most or all of the 55 million Robinhood shares that were acquired by Emergent Fidelity Technologies last summer as well as other statements about our Q1 2023 and FY 2023 financial outlook. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “believe,” “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “estimate,” “predict,” “potential” or “continue” or the negative of these words or similar expressions that concern our expectations, strategy, plans or intentions. Our forward-looking statements are subject to a number of known and unknown risks, uncertainties, assumptions, and other factors that may cause our actual future results, performance, or achievements to differ materially from any future results expressed or implied in this presentation and the related webcast. Reported results should not be considered an indication of future performance. Factors that contribute to the uncertain nature of our forward-looking statements include, among others: our limited operating experience at our current scale; the difficulty of managing our business effectively, including the size of our workforce, and the risk of continued declining or negative growth; the fluctuations in our financial results and key metrics from quarter to quarter; our reliance on transaction-based revenue, including payment for order flow (“PFOF”), and the risk of new regulation or bans on PFOF and similar practices; our exposure to fluctuations in interest rates and rapidly changing interest rate environments; the difficulty of raising additional capital (to provide liquidity needs and support business growth and objectives) on reasonable terms, if at all; the need to maintain capital levels required by regulators and self-regulatory organizations; the risk that we might mishandle the cash, securities, and cryptocurrencies we hold on behalf of customers, and our exposure to liability for processing, operational, or technical errors in clearing functions; the impact of negative publicity on our brand and reputation; the risk that changes in business, economic, or political conditions that impact the global financial markets, or a systemic market event, might harm our business; our dependence on key employees and a skilled workforce; the difficulty of complying with an extensive, complex, and changing regulatory environment and the need to adjust our business model in response to new or modified laws and regulations; the possibility of adverse developments in pending litigation and regulatory investigations; the effects of competition; our need to innovate and invest in new products and services in order to attract and retain customers and deepen their engagement with us in order to maintain growth; our reliance on third parties to perform some key functions and the risk that processing, operational or technological failures could impair the availability or stability of our platform; the risk of cybersecurity incidents, theft, data breaches, and other online attacks; the difficulty of processing customer data in compliance with privacy laws; our need as a regulated financial services company to develop and maintain effective compliance and risk management infrastructures; the volatility of cryptocurrency prices and trading volumes; the risk that our platform could be exploited to facilitate illegal payments; and the risk that substantial future sales of Class A common shares in the public market, or the perception that they may occur, could cause the price of our stock to fall. Because some of these risks and uncertainties cannot be predicted or quantified and some are beyond our control, you should not rely on our forward-looking statements as predictions of future events. More information about potential risks and uncertainties that could affect our business and financial results can be found in Part II, Item 1A of our Q1 2023 10-Q, as well as in our other filings with the Securities and Exchange Commission (“SEC”), all of which are available on the SEC’s web site at www.sec.gov. Moreover, we operate in a very competitive and rapidly changing environment; new risks and uncertainties may emerge from time to time, and it is not possible for us to predict all risks nor identify all uncertainties. The events and circumstances reflected in our forward-looking statements might not be achieved and actual results could differ materially from those projected in the forward-looking statements. Except as otherwise noted, all forward-looking statements in this presentation are made as of the date of this presentation and the related webcast, May 10, 2023, and are based on information and estimates available to us at this time. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. Except as required by law, Robinhood assumes no obligation to update any of the statements in this presentation and the related webcast whether as a result of any new information, future events, changed circumstances, or otherwise. You should view this presentation and the related webcast with the understanding that our actual future results, performance, events, and circumstances might be materially different from what we expect.

Trademarks

“Robinhood” and the Robinhood feather logo are registered trademarks of Robinhood Markets, Inc. All other names are trademarks and/or registered trademarks of their respective owners.

What a difference a year makes...Net Promoter Score® up 20+ points and annualized Adjusted EBITDA up \$1+ billion over the past year



Q1 2023 Results Highlights

Operational results

Net Cumulative Funded Accounts
23.1M
+120k accounts q/q

Monthly Active Users
11.8M
+0.4M MAUs q/q

Assets Under Custody
\$78B
+26% q/q

Net Deposits
\$4.4B
*29% annualized growth rate**

Financial results

Total Net Revenues
\$441M
+16% q/q

Adj. EBITDA
\$115M
+40% q/q

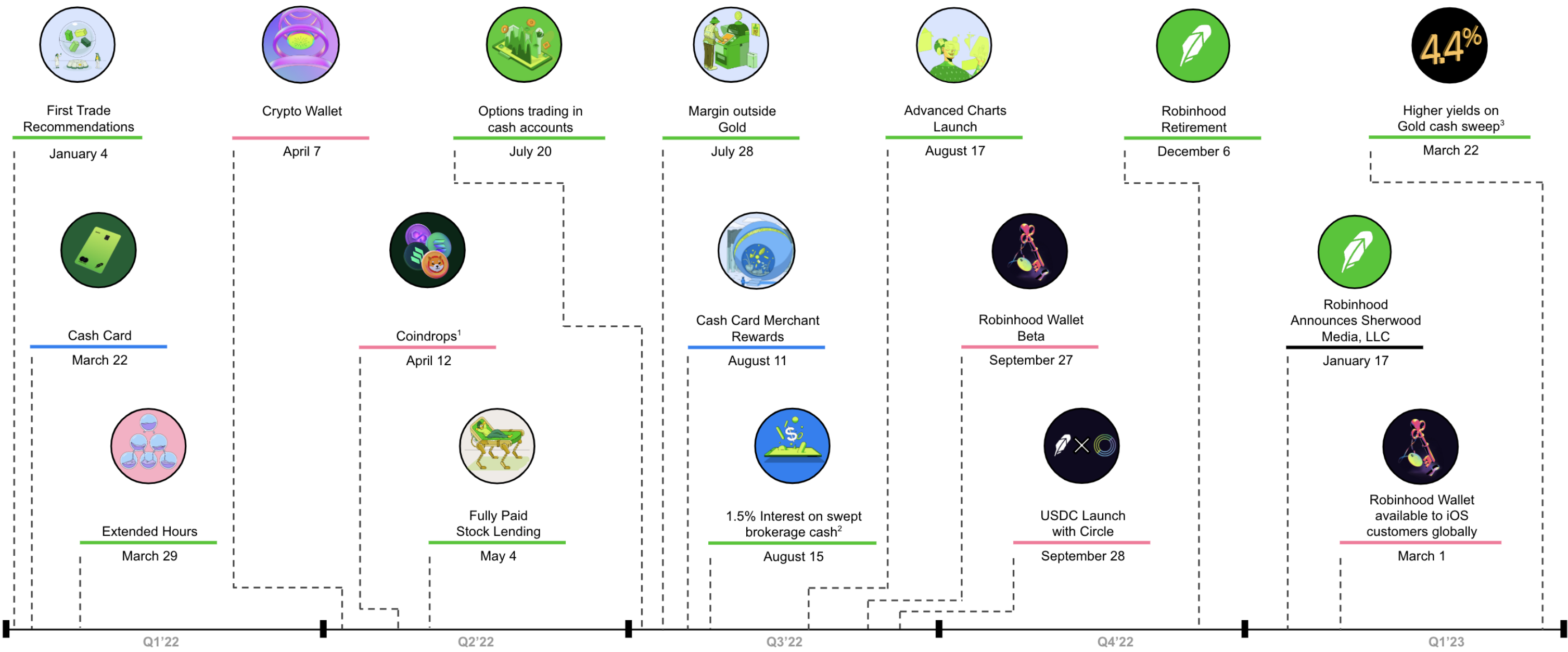
GAAP Net Loss**
-\$511M
-\$345M q/q

Earnings per Share**
-\$0.57
-\$0.38 q/q

K = Thousands, M = Millions, B = Billions
*Relative to prior period assets under custody

**Includes \$485M, or -\$0.54, impact on net loss and EPS, respectively, from the 2021 Founders Award Cancellation in February 2023. See page 33 for additional detail.

We are continuing to deliver on our aggressive roadmap



We plan to continue aggressively delivering products in 2023, while innovating and scaling recent launches

2023 Roadmap

Deeper Relationships

- Retirement
- Gold
- Advisory

Active Traders

- Stock Screeners
- 24 Hour Market
- Futures

New Growth Opportunities

- Robinhood Connect
- Robinhood Wallet
- UK Expansion

Continued innovation and scaling of recent product launches

Examples as of Q1 2023

Fully Paid Securities Lending

~\$45M

Annualized Q1 Revenue*

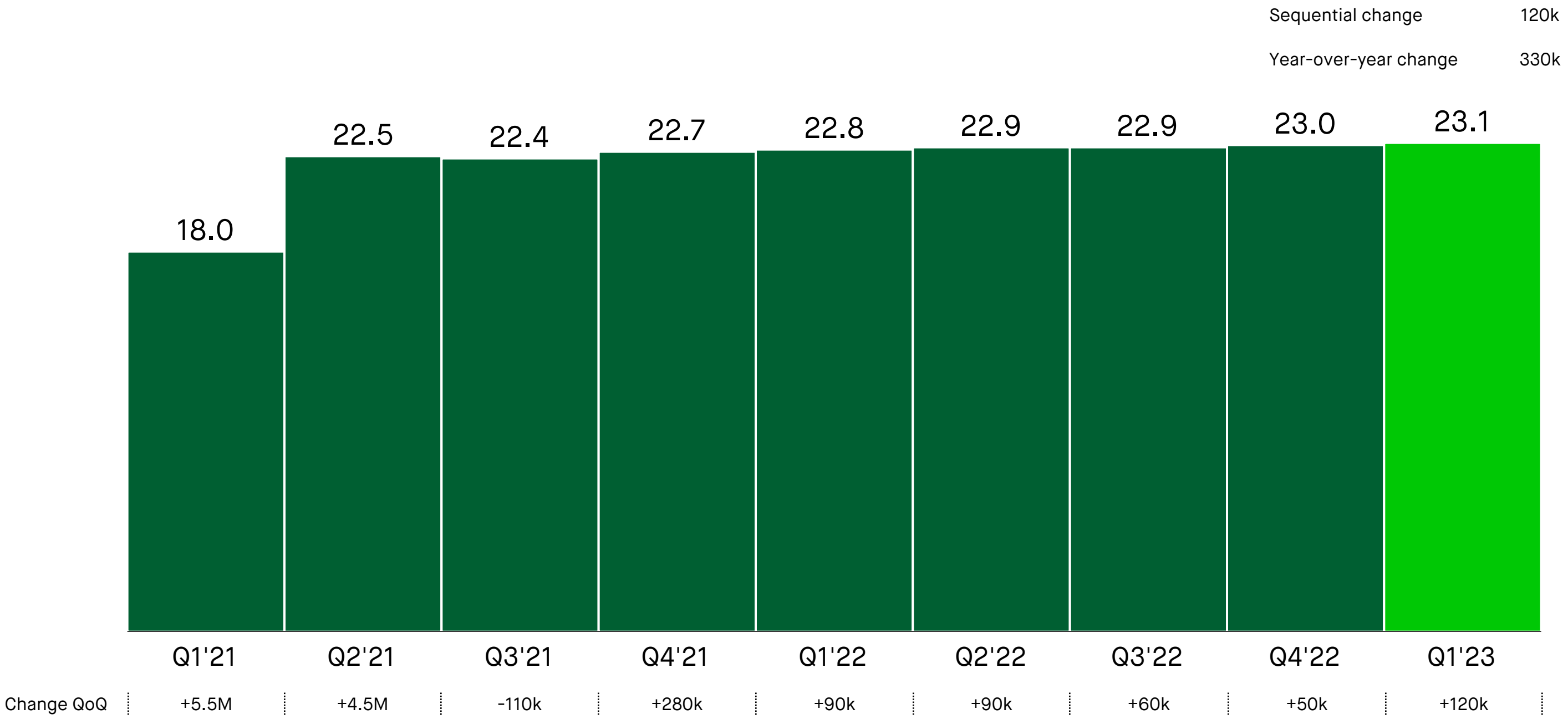
Instant Withdrawals

~\$30M

Annualized Q1 Revenue*

Net Cumulative Funded Accounts (NCFA)* increased by ~120 thousand to 23.1 million in Q1

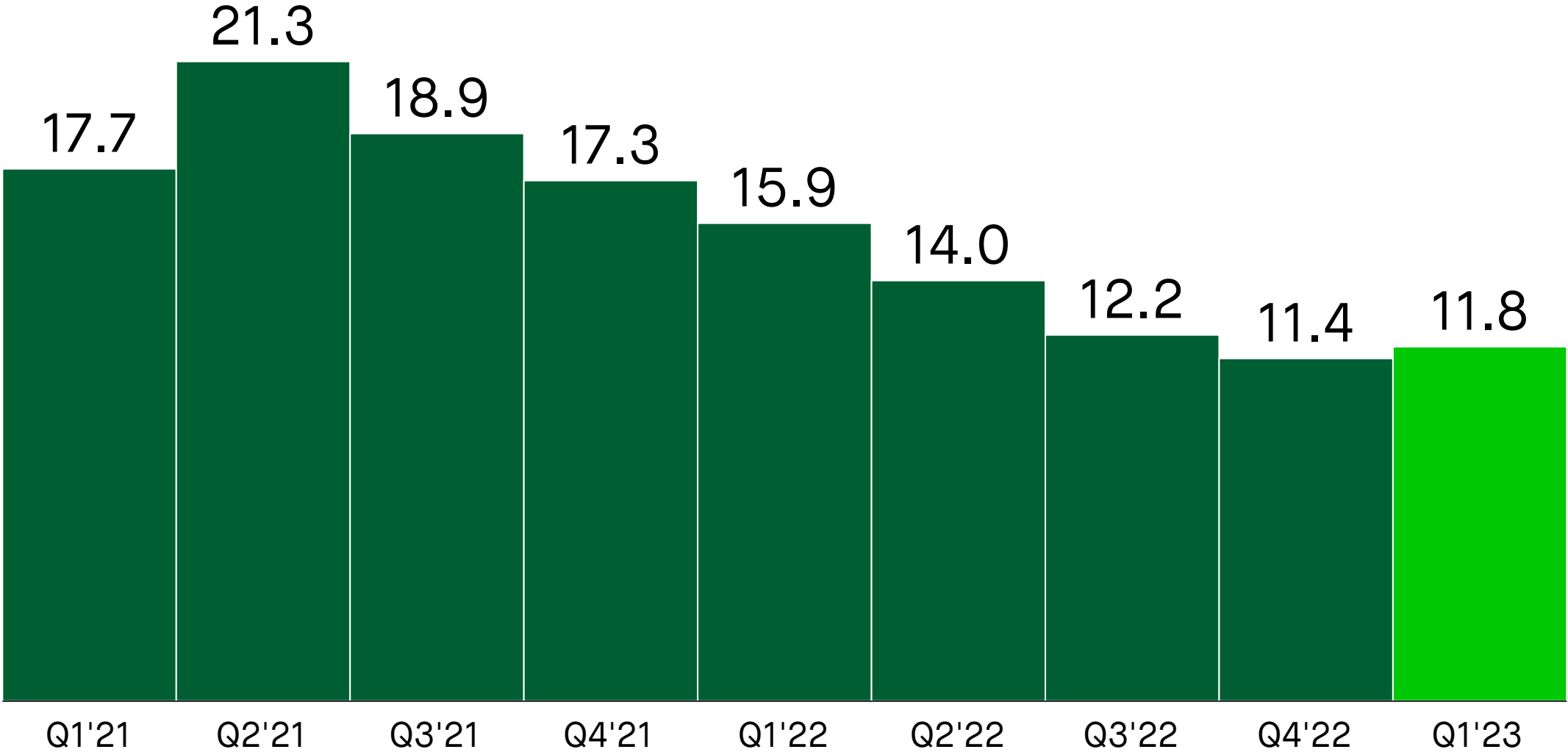
in millions



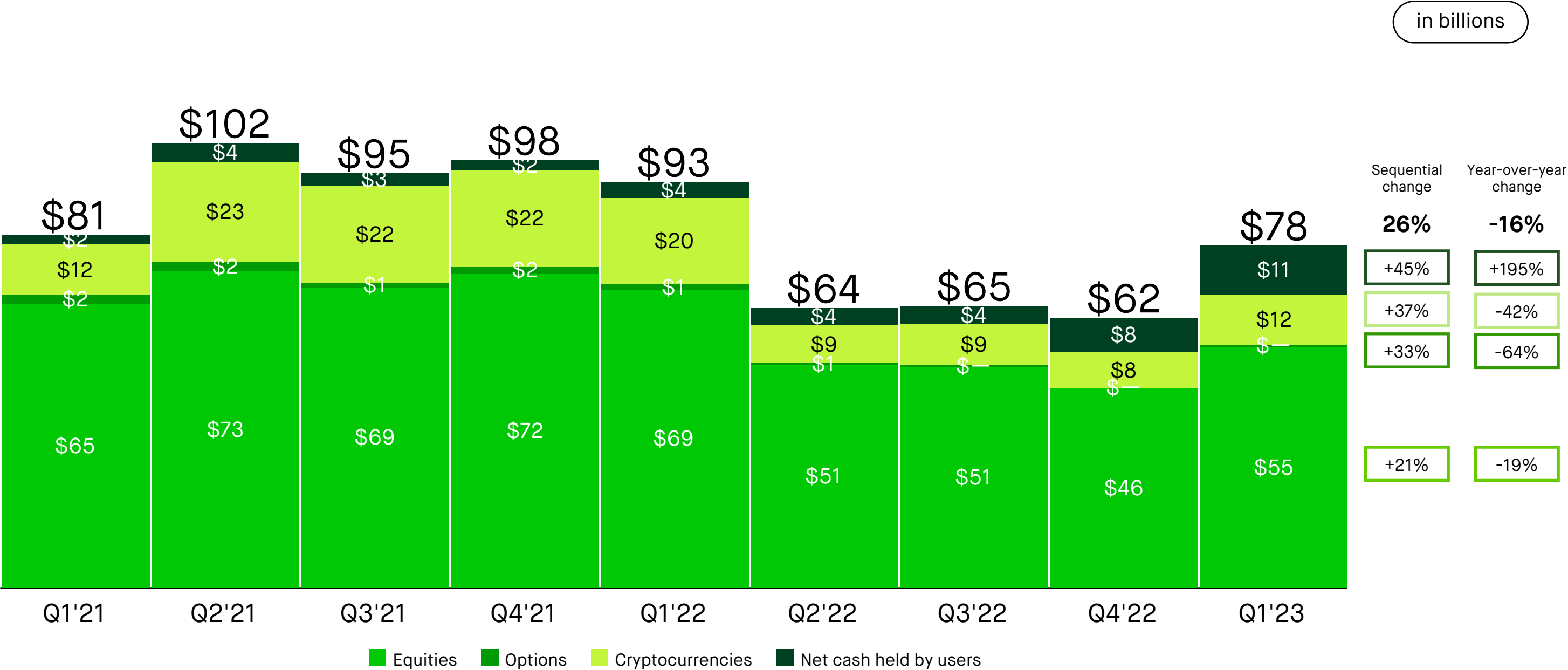
Monthly Active Users (MAU) increased by ~400 thousand to 11.8 million in Q1

in millions

Sequential change 0.4
Year-over-year change -4.1

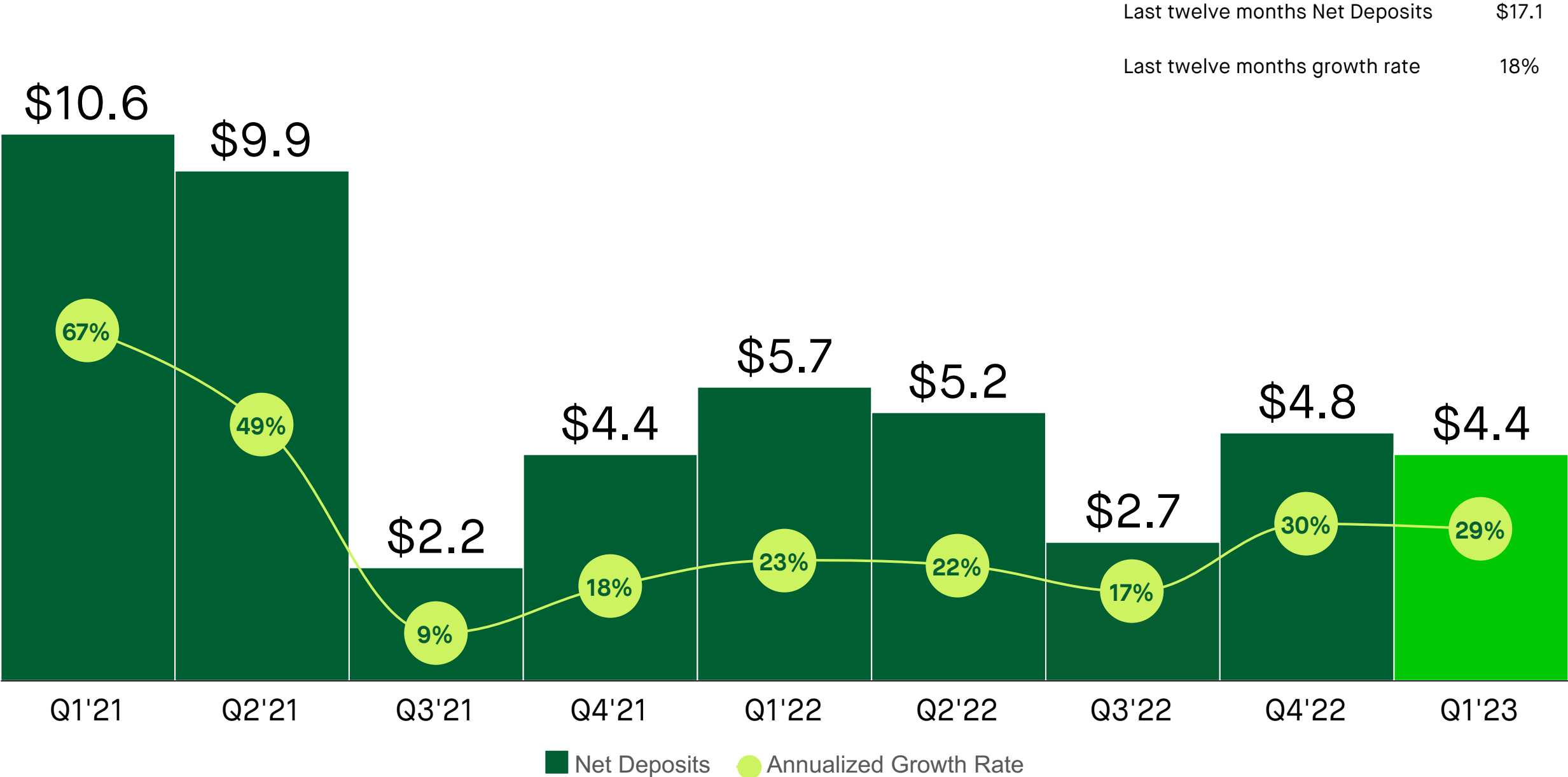


Assets Under Custody (AUC) increased 26% to \$78 billion primarily due to higher valuations of growth stocks and continued net deposits



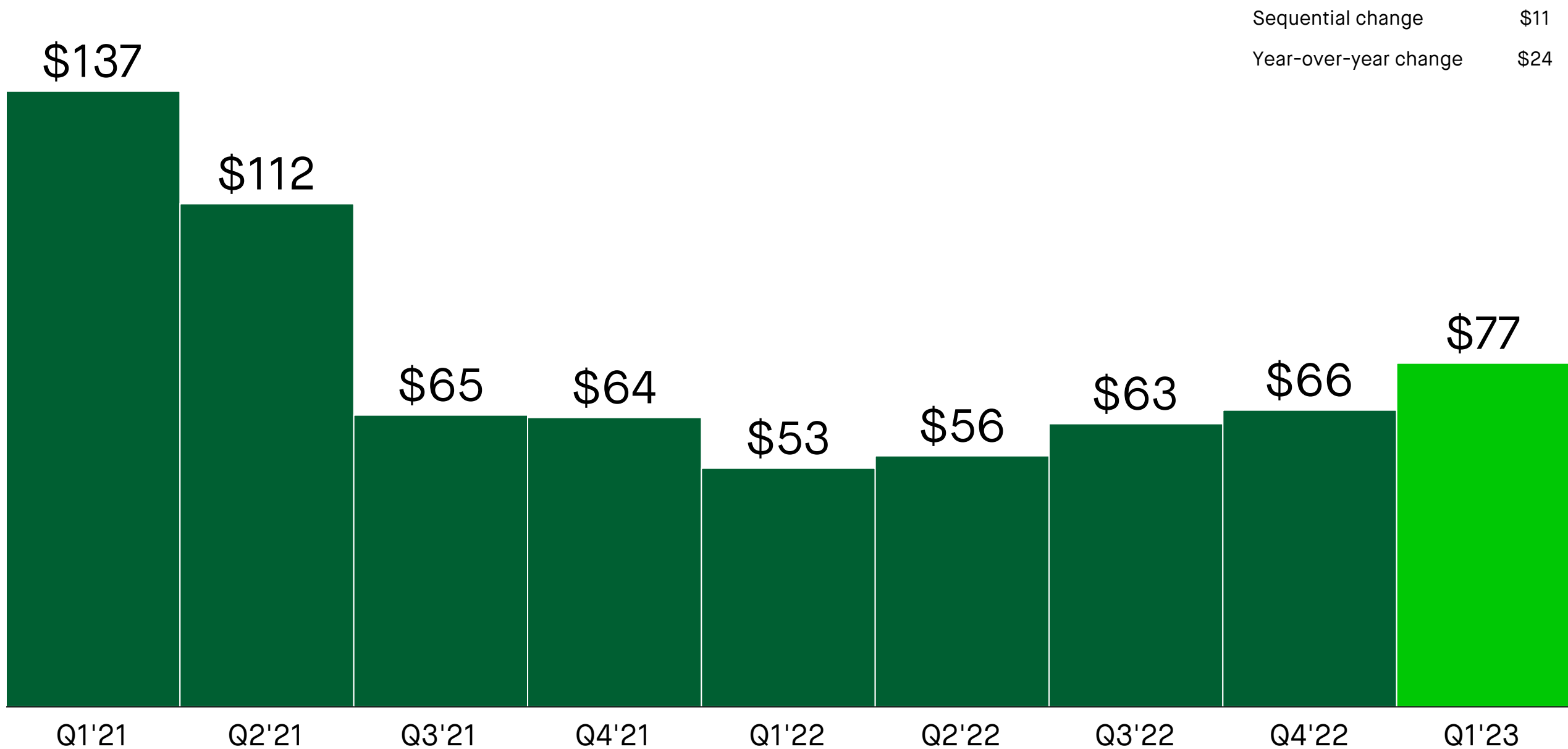
Net Deposits annualized growth rate was 29% in Q1 and 18% over the past twelve months

in billions



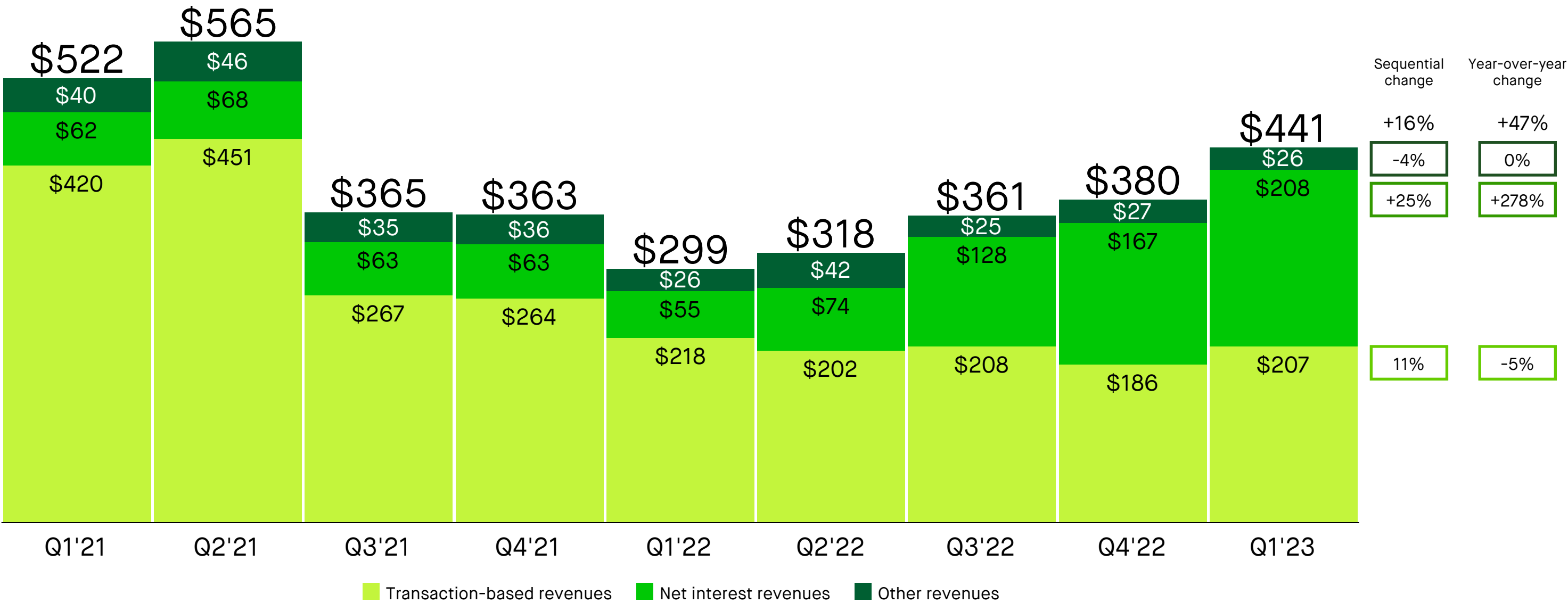
Last twelve months Net Deposits \$17.1
Last twelve months growth rate 18%

Average Revenue Per User (ARPU) increased to \$77, up 16% sequentially



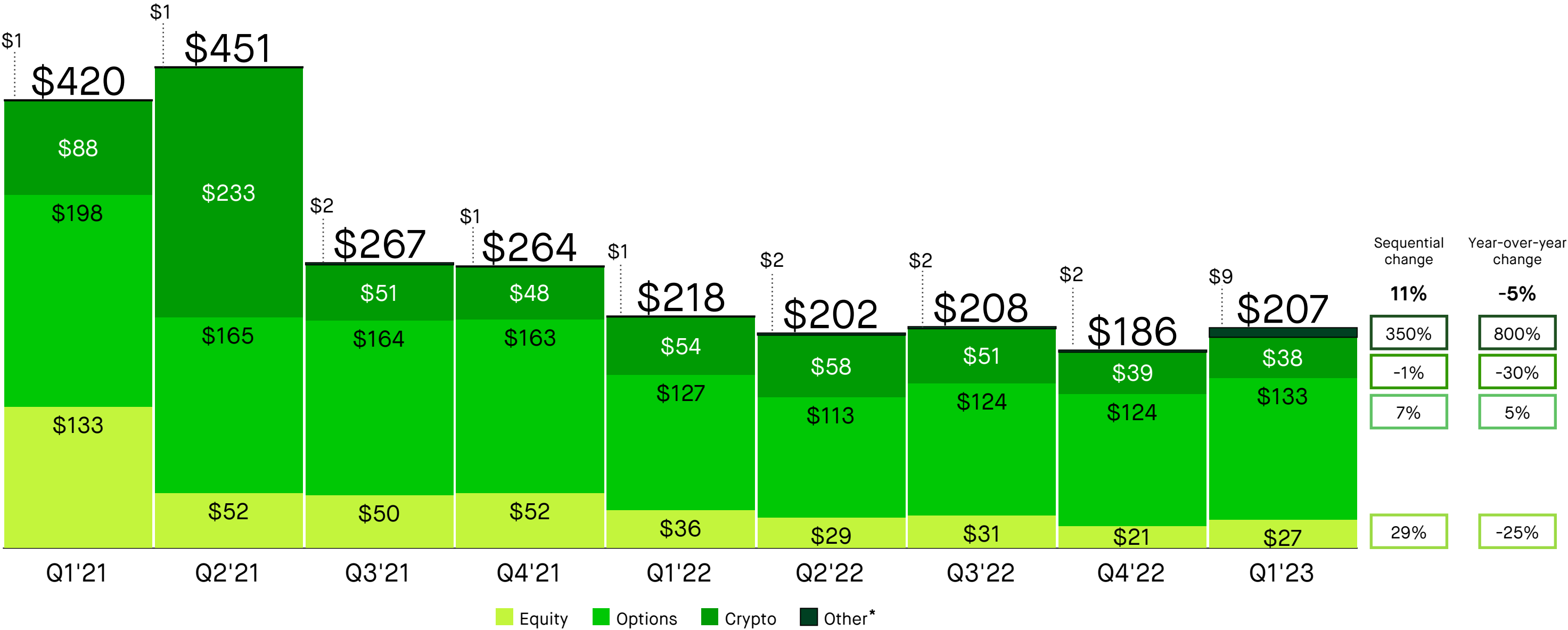
Total Net Revenues were \$441 million, up 16% sequentially, primarily driven by higher net interest and transaction revenues

in millions



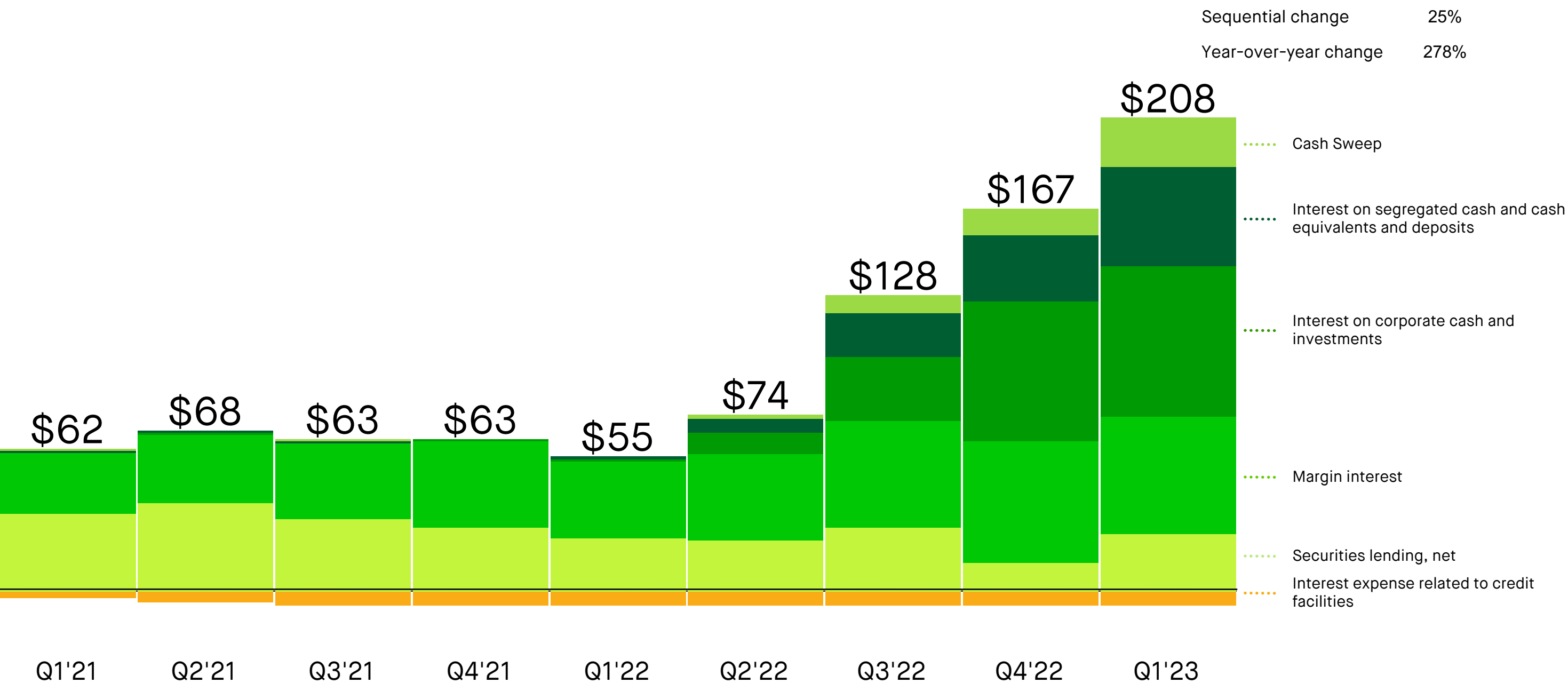
Transaction-Based Revenues were \$207 million, up 11% sequentially, driven by higher options, equity and other transaction revenues

in millions



Net Interest Revenues were \$208 million, up 25% sequentially

in millions



Net Interest Revenues were \$208 million, up 25% sequentially

in millions

	Q1'2021	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Sequential Change	Year-over-year change
Securities lending, net ¹	\$35	\$40	\$33	\$29	\$24	\$23	\$29	\$13	\$26	100 %	8 %
Margin interest ²	28	31	34	39	35	39	48	55	53	(4)%	51 %
Interest on corporate cash and investments ³	—	1	—	1	1	10	29	63	68	8 %	n/m
Interest on segregated cash and cash equivalents and deposits ⁴	1	1	1	—	1	6	20	30	45	50 %	n/m
Cash sweep ⁵	1	—	1	—	—	2	8	12	22	83 %	n/m
Interest expenses related to credit facilities ⁶	(3)	(5)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	— %	— %
Total net interest revenues	\$62	\$68	\$63	\$63	\$55	\$74	\$128	\$167	\$208	25 %	278 %

The following summarizes each revenue line item presented above and, where applicable, the types of assets generating the revenue.

(1) Securities lending, net - Revenue from the Margin Securities Lending program and the Fully-Paid Securities Lending program (net of Fully-Paid Securities Lending revenue shared with participating customers).

(2) Margin interest - Interest paid by customers on margin balances.

(3) Interest on corporate cash and investments - Interest earned on corporate cash and cash equivalents and investments.

(4) Interest on segregated cash and cash equivalents and deposits - Interest earned on cash and cash equivalents segregated under federal and other regulations, which includes cash collateral for Margin Securities Lending program, and deposits with clearing organizations.

(5) Cash sweep - Interest earned on off-balance sheet Cash Sweep balances.

(6) Interest expenses related to credit facilities - Interest payments related to Robinhood's credit facilities.

In Q1, Interest Earning Assets grew to ~\$22B, up 21% sequentially, and average yield increased ~1 bps

in millions

	Margin Book ⁽¹⁾	Cash and Deposits ⁽²⁾	Cash Sweep (off-Balance Sheet) ⁽³⁾	Total Interest Earning Assets	Securities Lending, net	Interest Expense related to Credit Facilities	Net Interest Revenue
March 31, 2023	\$3,117	\$10,405	\$8,881	\$22,403			
December 31, 2022	\$3,089	\$9,530	\$5,837	\$18,456			
Average ⁽⁴⁾	\$3,103	\$9,968	\$7,359	\$20,430			
Q1 2023 Revenue (Expense)	\$53	\$113	\$22	\$188	\$26	(\$6)	\$208
Q1 2023 Annualized Yield ⁽⁵⁾	6.83%	4.53%	1.20%	3.68%			4.07%
December 31, 2022	\$3,089	\$9,530	\$5,837	\$18,456			
September 30, 2022	\$4,085	\$9,374	\$2,969	\$16,428			
Average ⁽⁴⁾	\$3,587	\$9,452	\$4,403	\$17,442			
Q4 2022 Revenue (Expense)	\$55	\$93	\$12	\$160	\$13	(\$6)	\$167
Q4 2022 Annualized Yield ⁽⁵⁾	6.13%	3.94%	1.09%	3.67%			3.83%

⁽¹⁾ Margin Book is the aggregate outstanding margin loan balances receivable.

⁽²⁾ Includes cash and cash equivalents, cash segregated under federal and other regulations, deposits with clearing organizations and investments.

⁽³⁾ Cash Sweep is an off-balance-sheet amount. Robinhood earns a net interest spread on Cash Sweep balances based on the interest rate offered by the partner banks less the interest rate given to users as stated in our program terms.

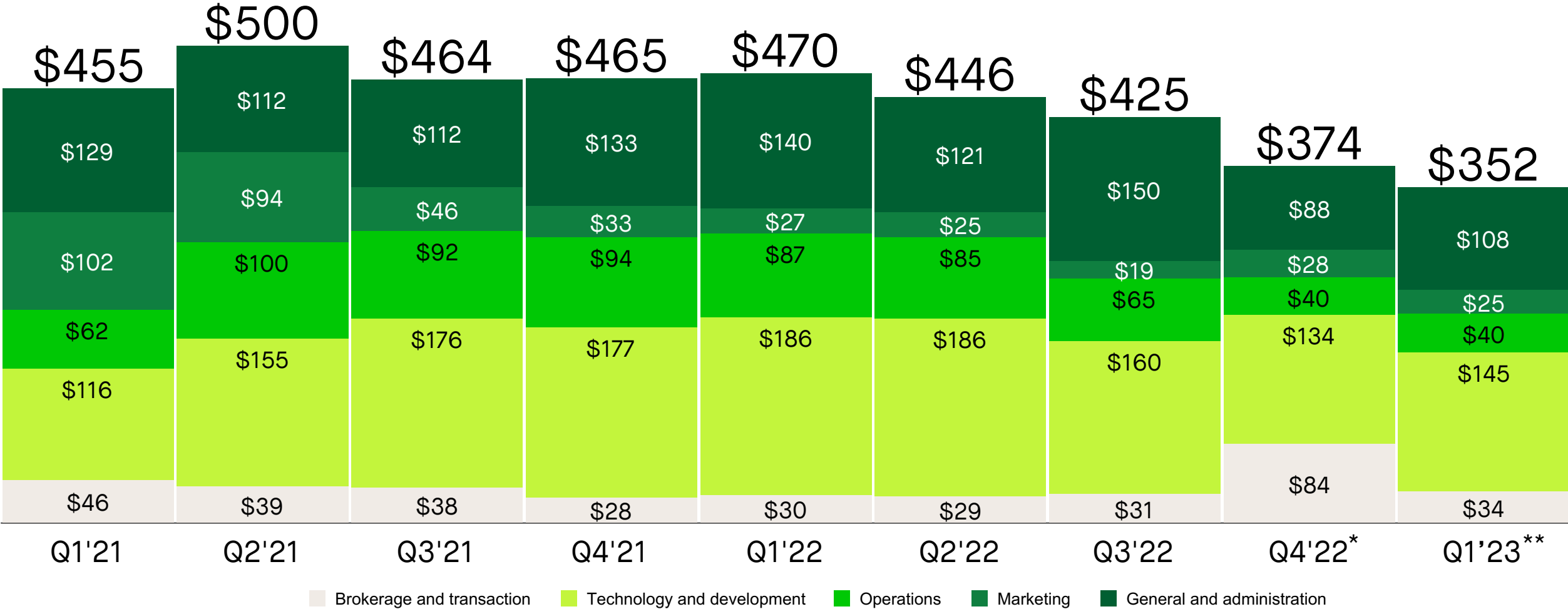
⁽⁴⁾ Average balance rows present a simple average of the ending balances as of each of the indicated dates for the relevant period.

⁽⁵⁾ Annualized yield is calculated by annualizing revenue/expense for the given period then dividing by the applicable average asset balance.

Operating Expenses Prior to Share-Based Compensation decreased by 6% to \$352 million

in millions

Sequential change -6%
Year-over-year change -25%



Share-based compensation

\$9	\$1	\$1,244	\$318	\$220	\$164	\$110	\$160	\$598
-----	-----	---------	-------	-------	-------	-------	-------	-------

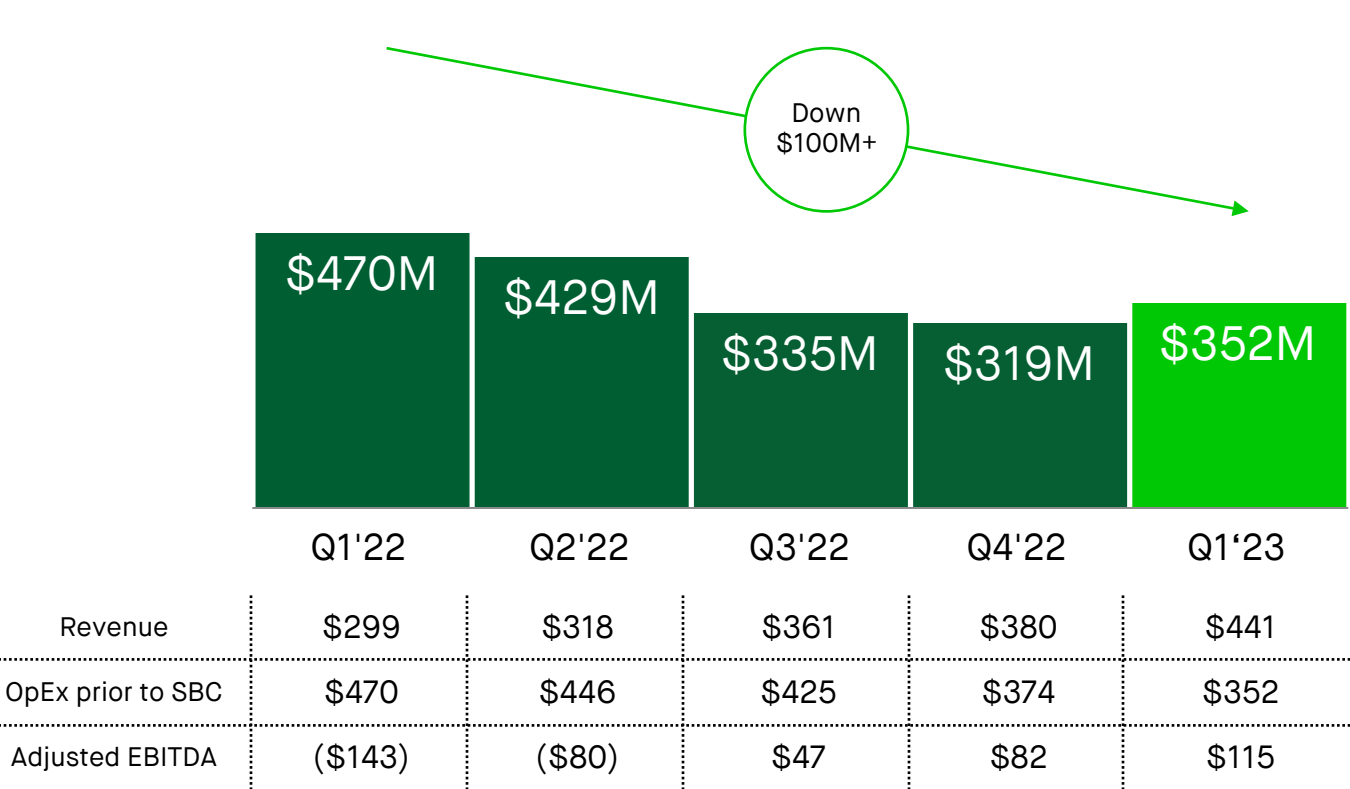
Q1'23 includes the 2021 Founders Award Cancellation (\$485 million)

Notes: Operating expenses prior to share-based compensation is a non-GAAP financial measure. Refer to the Appendix for the reconciliations of operating expenses prior to share-based compensation to the most directly comparable GAAP measure, total operating expenses. Certain reclassifications have been made to prior year amounts to conform to the current year presentation. The impact of these reclassifications is immaterial to the presentation of the financials taken as a whole. *Q4'22 Brokerage and transaction expense includes \$57M Q4 2022 Processing Error. **Q1 2023 general and administrative expense included \$8M of Legal Settlements and Penalties, up from \$0.4M in Q4 2022

Q1 Opex prior to SBC of \$352 million was on track with our full year 2023 outlook

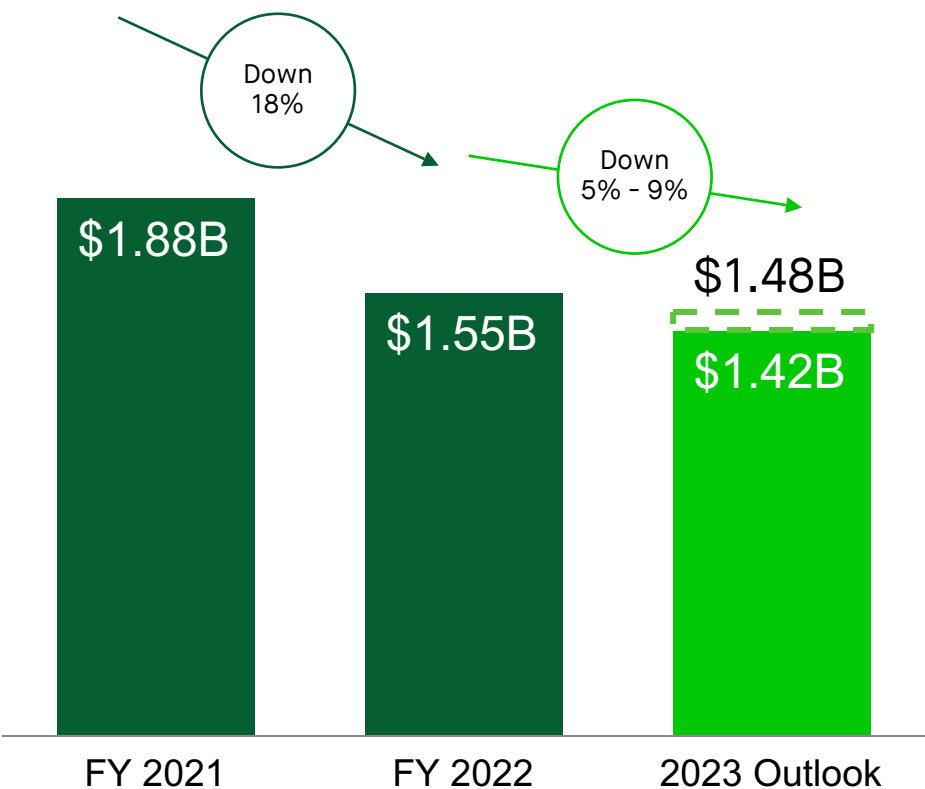
Quarterly Opex Prior to SBC, Restructuring Charges, and Q4 2022 Processing Error

- In 2022, we accomplished our goal of reaching positive Adjusted EBITDA by the end of the year.
- We have been able to make significant progress towards a leaner operating model, reducing Opex prior to SBC by over \$100 million year-over-year.



Opex Prior to SBC, Restructuring Charges, and Q4 2022 Processing Error

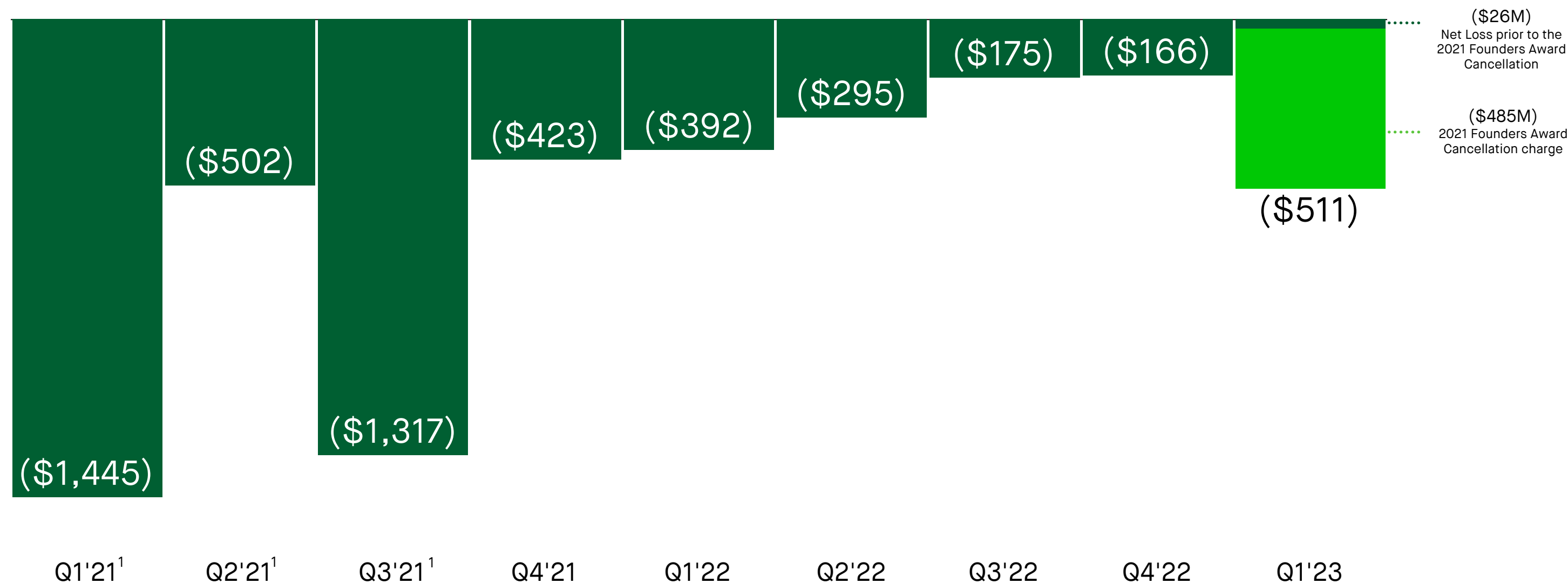
- Our original full-year 2023 outlook for Opex prior to SBC was \$1.42 - 1.48B.
- In Q1, Opex prior to SBC was \$352M, roughly in line with our full year 2023 outlook on a quarterly basis.
- So there is no change to our full year 2023 outlook. We continue to expect 2023 Opex prior to SBC of \$1.42 - 1.48B.



Net Loss was \$511 million in Q1, which included the one-time \$485 million 2021 Founders Award Cancellation charge

in millions

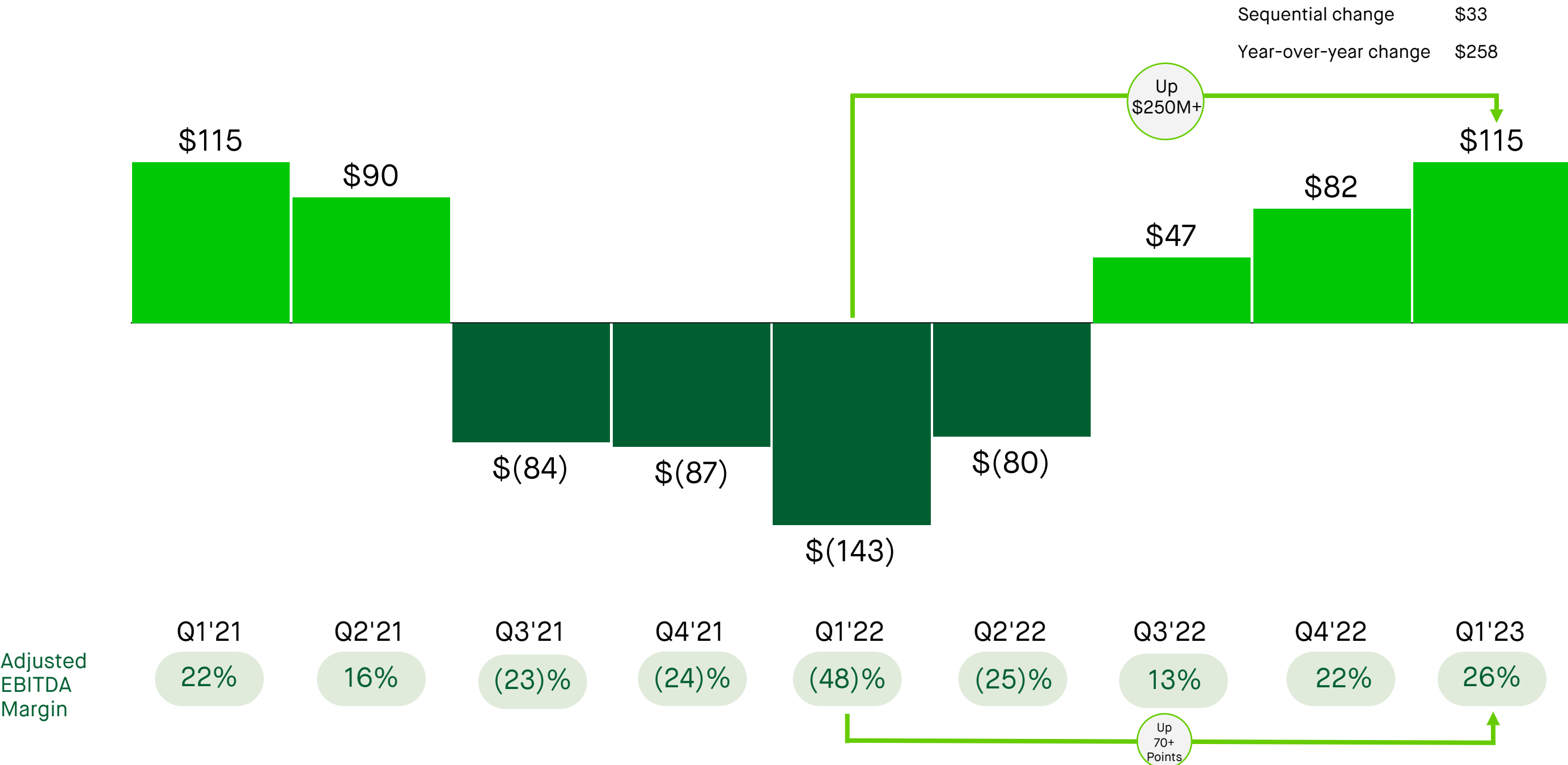
Sequential change - \$345
Year-over-year change - \$119



¹ Q1, Q2, and Q3 2021 included losses of \$1,492 million, \$528 million, and \$25 million for changes in fair value of our convertible notes and warrant liability due to mark-to-market adjustments. Q3 2021 also included \$1,245 million in share-based compensation of which \$1,008 million was recognized upon our IPO.

Since Q1 2022, Adjusted EBITDA is up over \$250 million and Adjusted EBITDA margin is up over 70 points

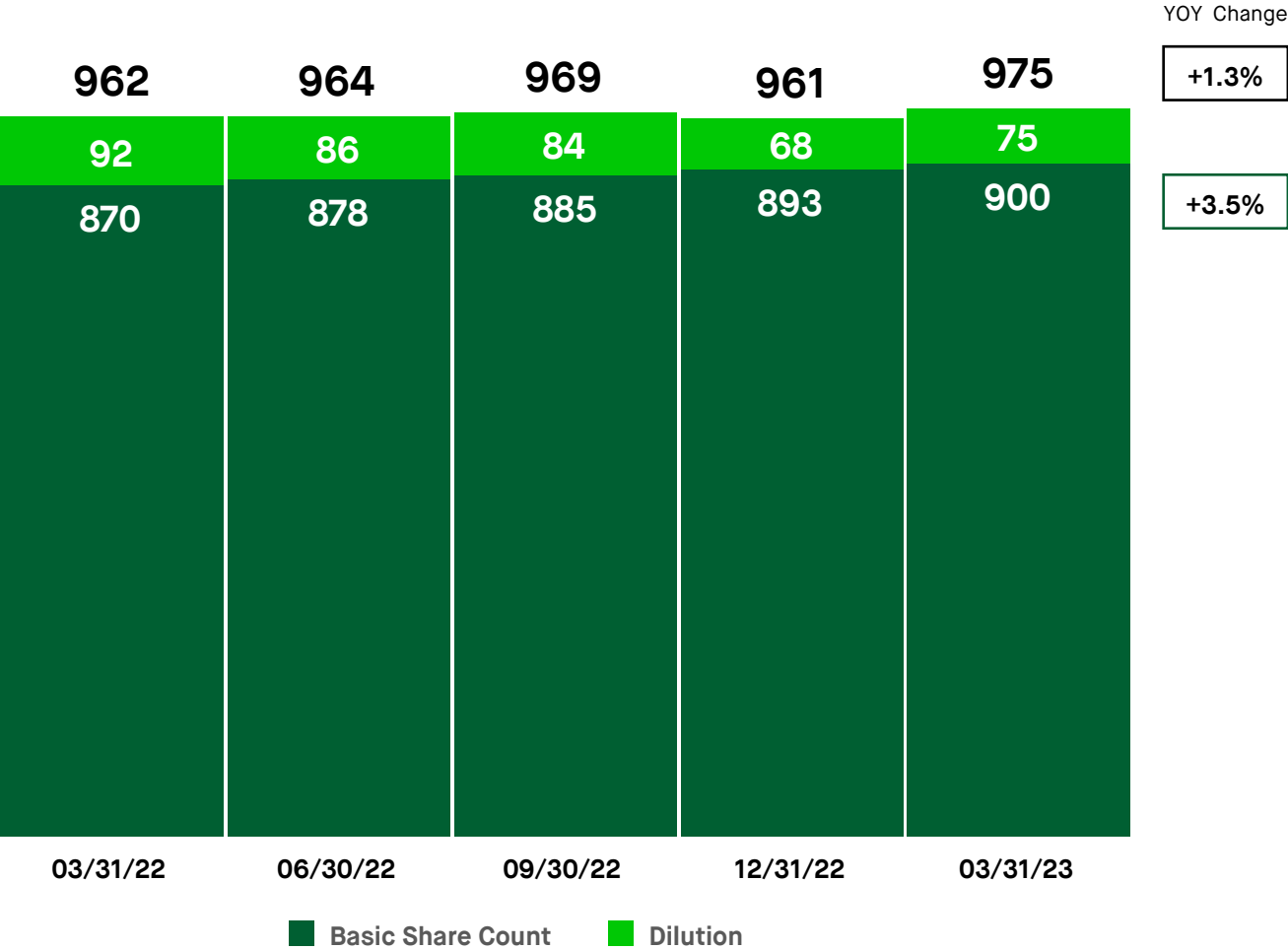
in millions



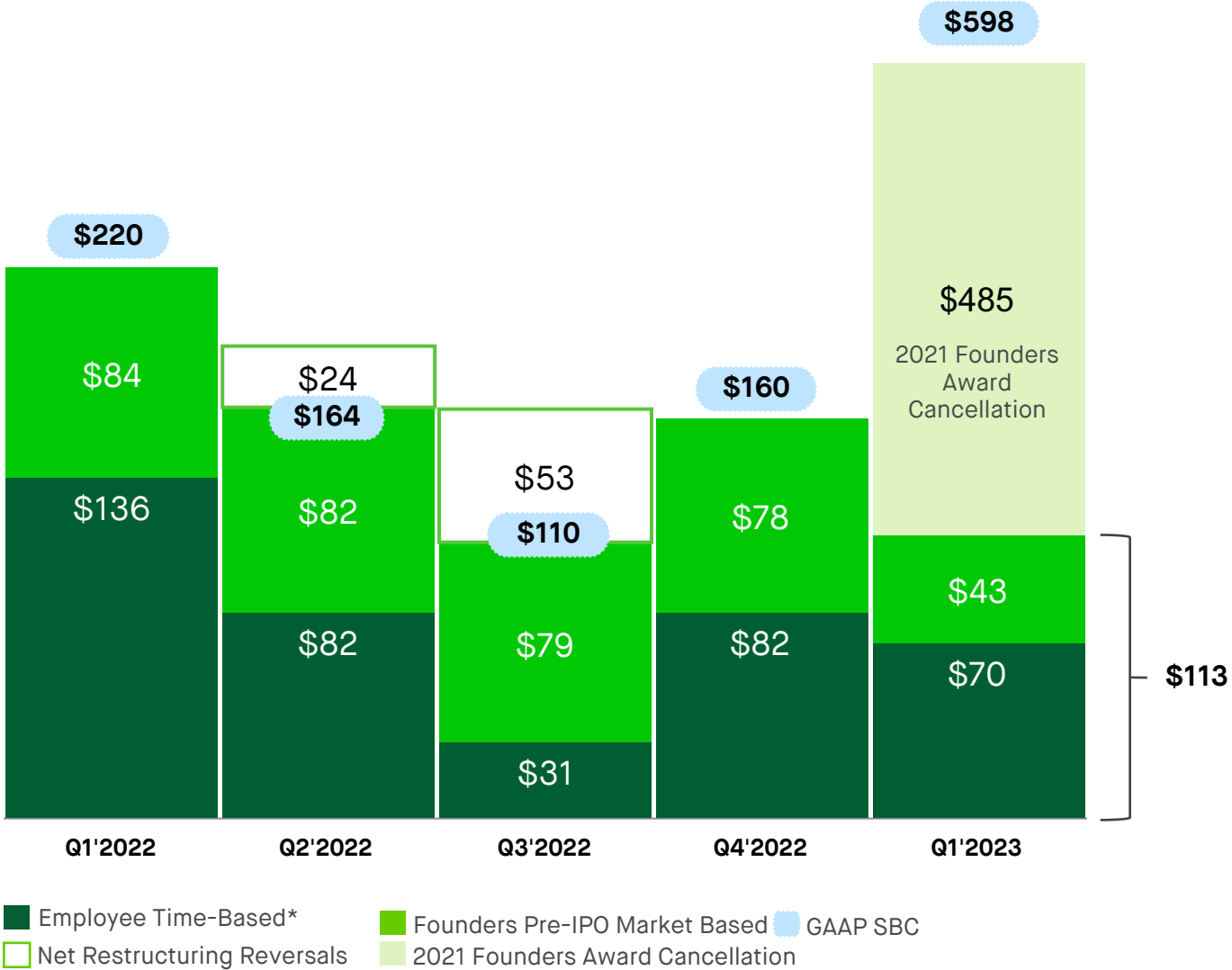
Diluted Share Count grew 1.3% year-over-year, and we continue to anticipate dilution of 4% or less in 2023

in millions

Basic and Diluted Share Count

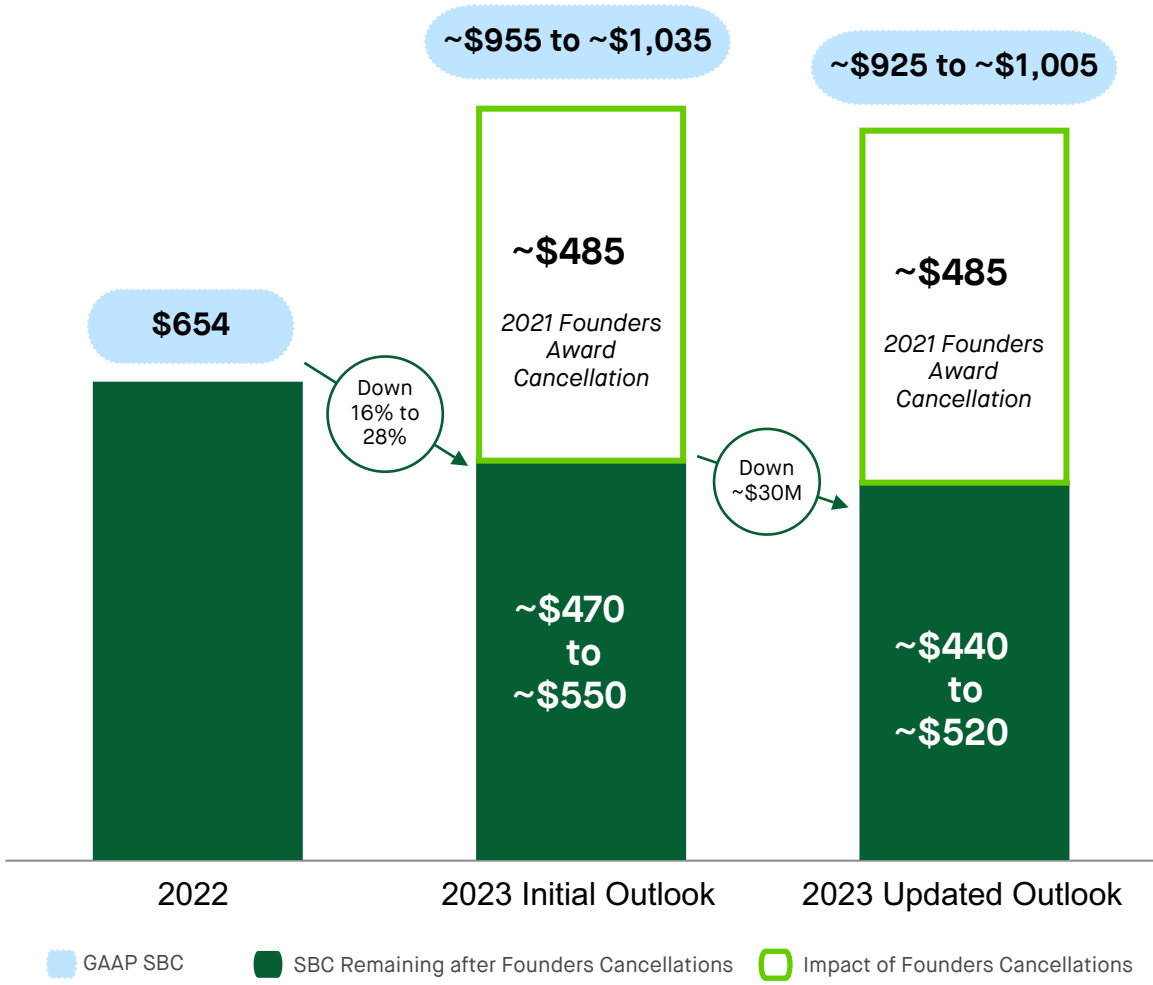


2023 SBC



Given the founders' decision to cancel nearly all of their share-based compensation*, we expect lower quarterly SBC expense starting in Q2 2023

Share-based Compensation Expense (Millions)



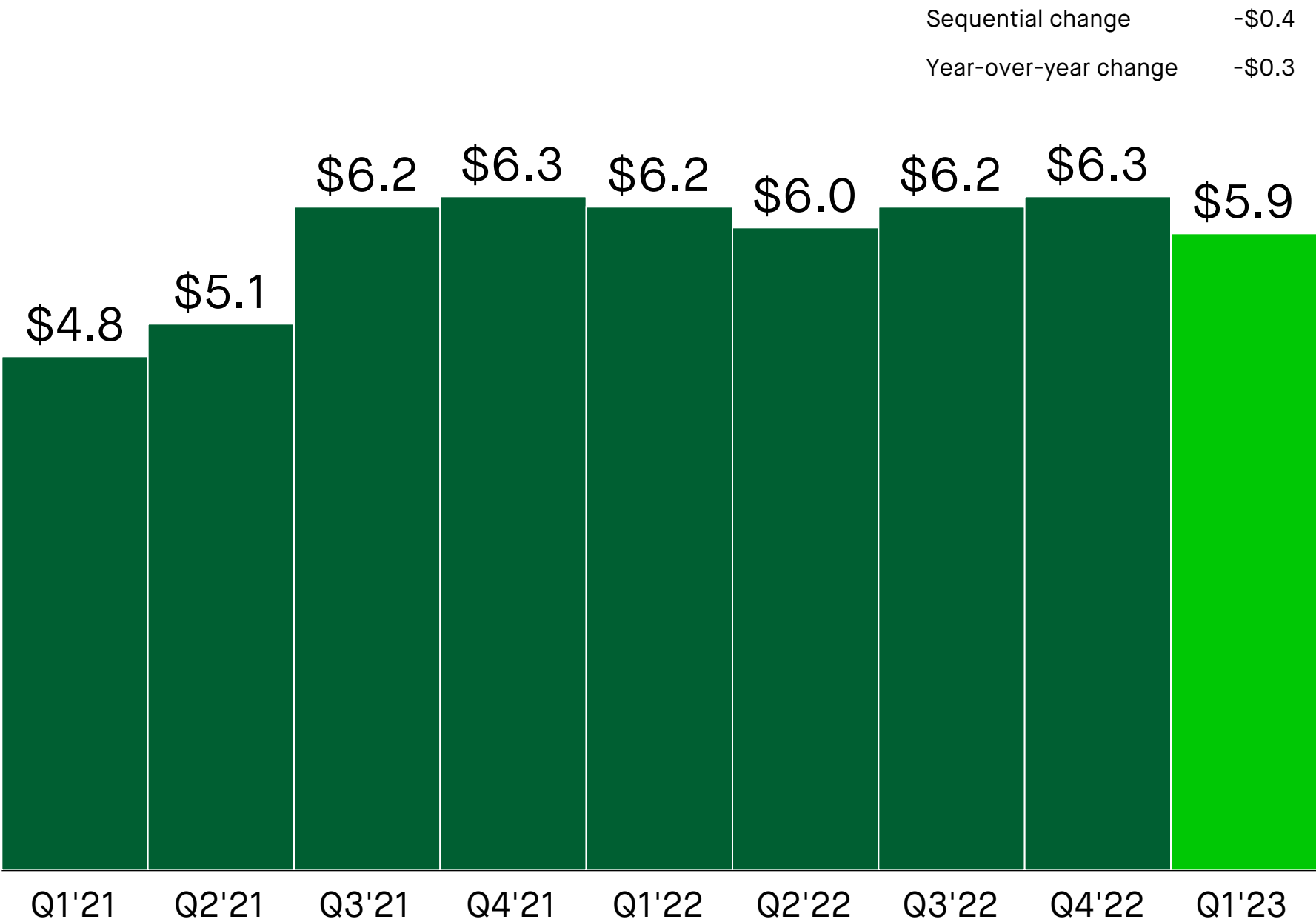
Key Commentary

- Our original full-year 2023 SBC outlook was \$955 to \$1,035 million. This included the 2021 Founders Award Cancellation (\$485 million) that lowers SBC by up to \$50 million per quarter, starting in Q2 2023
- Our Q1 2023 SBC of \$598 million came in ~\$30 million better than our Q1 outlook, so we flowed through the benefit to improve our full year outlook
- As a result, we improved our full year SBC outlook to be \$925 to \$1,005 million

We have a strong balance sheet with ~\$6B in corporate cash and investments*

in billions


- We have nearly \$6 billion of corporate cash and investments* today, as well as ~\$3 billion of available lines of credit
- As a reminder, this includes around \$2.5 billion of excess cash above our risk scenarios
- We like this strong balance sheet position that gives us flexibility to run and invest in our business, while staying flexible to evaluate opportunities for M&A
- In Q1 we moved ~\$500 million of corporate cash into treasuries and other high quality assets with an average duration of <1 year



Appendix

March 2023 Monthly Metrics

Robinhood Markets, Inc. and consolidated subsidiaries
Monthly Metrics Report for March 2023
(unaudited)

Robinhood 	2022										2023			Change	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Mo	Yr
<i>(M - in millions, B - in billions)</i>															
User Growth (M)															
Net Cumulative Funded Accounts (NCFA)	22.8	22.8	22.8	22.9	22.9	22.9	22.9	22.9	23.0	23.0	23.0	23.1	23.1	0%	1%
Engagement (M)															
Monthly Active Users (MAU)	15.9	15.7	14.6	14.0	13.2	13.3	12.2	12.5	12.5	11.4	12.0	12.0	11.8	-1%	-26%
Assets Under Custody (AUC) (\$B)															
Total AUC	\$93.1	\$78.5	\$73.9	\$64.2	\$74.6	\$71.0	\$64.6	\$70.2	\$70.2	\$62.2	\$74.7	\$74.7	\$78.4	5%	-16%
Net Deposits	\$1.2	\$1.2	\$2.5	\$1.5	\$0.7	\$0.8	\$1.3	\$1.6	\$1.7	\$1.6	\$1.4	\$1.5	\$1.5	N/M	N/M
Trading															
Trading Days (equities and options)	23	20	21	21	20	23	21	21	21	21	20	19	23	21%	0%
Notional Trading Volumes															
Equity (\$B)	\$71.4	\$54.7	\$58.2	\$50.1	\$48.8	\$66.0	\$46.5	\$46.7	\$44.7	\$38.6	\$46.0	\$57.3	\$56.8	-1%	-20%
Options contracts (M)	86.6	70.4	71.9	68.3	67.0	89.9	78.2	78.7	81.8	75.3	82.9	89.4	100.1	12%	16%
Crypto (\$B)	\$7.2	\$6.9	\$6.6	\$5.5	\$5.5	\$5.3	\$3.6	\$3.5	\$5.7	\$1.9	\$3.7	\$3.5	\$3.9	12%	-46%
Daily Average Revenue Trades (DARTs) (M)															
Equity DARTs	1.8	1.6	1.6	1.5	1.3	1.6	1.5	1.3	1.3	1.4	1.5	1.6	1.6	-1%	-13%
Option DARTs	0.6	0.6	0.6	0.5	0.5	0.6	0.5	0.6	0.6	0.5	0.6	0.7	0.6	-9%	-6%
Crypto DARTs	0.3	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.3	0.2	0.3	0.2	0.2	-3%	-13%
Customer Margin and Cash Sweep Balances (\$B)															
Margin Book	\$5.3	\$5.2	\$4.2	\$4.1	\$4.0	\$4.2	\$4.1	\$3.8	\$3.5	\$3.1	\$3.0	\$3.3	\$3.1	-4%	-41%
Cash Sweep	\$2.3	\$1.9	\$2.3	\$2.4	\$2.5	\$2.6	\$3.0	\$3.8	\$5.0	\$5.8	\$7.1	\$8.0	\$8.9	11%	290%

See Appendix for definitions.

Monthly percentage change represents the most recent calendar month as compared to the immediately preceding calendar month. Yearly percentage change represents the most recent calendar month as compared to the same month of the prior year.

Cash Sweep balances were added as a new monthly metric in September 2022.

Changes in Net Cumulative Funded Accounts

in millions

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Beginning balance	12.5	18.0	22.5	22.4	22.7	22.8	22.9	22.9	23.0
New funded accounts	5.7	5.1	0.7	0.8	0.5	0.4	0.3	0.2	0.3
Resurrected accounts	0.4	0.3	0.1	0.2	0.1	0.1	0.1	0.1	0.1
Churned accounts	(0.6)	(0.9)	(0.9)	(0.7)	(0.5)	(0.4)	(0.4)	(0.2)	(0.3)
Ending balance	18.0	22.5	22.4	22.7	22.8	22.9	22.9	23.0	23.1

Changes in Assets Under Custody (AUC)

in billions

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Beginning balance	\$63.0	\$80.9	\$102.0	\$95.4	\$98.0	\$93.1	\$64.2	\$64.6	\$62.2
Net deposits	10.6	9.9	2.2	4.4	5.7	5.2	2.7	4.8	4.4
Net market gains (losses)	7.3	11.2	(8.8)	(1.8)	(10.6)	(34.1)	(2.3)	(7.2)	11.8
Ending balance	\$80.9	\$102.0	\$95.4	\$98.0	\$93.1	\$64.2	\$64.6	\$62.2	\$78.4

Trading Volume for Q1'2023

Equity Notional Volume
up 23% q/q, driven by:

Customers placing trades
+3% q/q

Notional volumes, per trader
+18% q/q

Options Contracts Traded
up 16% q/q, driven by:

Customers placing trades
+6% q/q

Contracts per trader
+8% q/q

Crypto Notional Volume
down 1% q/q, driven by:

Customers placing trades
0% q/q

Notional volumes, per trader
+6% q/q

Total Securities Lending increased 80% sequentially in Q1 to \$45 million; Fully Paid Securities Lending grew to 24% of Total Securities Lending

	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Sequential Change
<i>Total Securities Lending Revenue, including interest on cash collateral</i>					
Securities Lending, net (shown on p. 15)	\$23	\$29	\$13	\$26	100%
Interest on Cash Collateral for Margin Based Securities Lending (included in Interest on Segregated Cash and Cash Equivalents on p. 15)	\$3	\$7	\$12	\$19	58%
Total Securities Lending Revenue	\$26	\$36	\$25	\$45	80%
<i>Breakdown of Total Securities Lending Revenue</i>					
Margin Based Securities Lending*	\$26	\$32	\$20	\$34	70%
<i>Margin Based as a percentage of Total</i>	100%	89%	80%	76%	
Fully Paid Securities Lending, net*	\$—	\$4	\$5	\$11	120%
<i>Fully Paid as a percentage of Total</i>	—%	11%	20%	24%	

Operating Expenses Prior to Share-Based Compensation (SBC) Reconciliation

in millions

GAAP Operating Expenses	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Brokerage and transaction ⁽¹⁾	\$46	\$39	\$44	\$29	\$31	\$30	\$33	\$85	\$36
Technology and development	117	156	679	282	268	245	185	180	199
Operations	62	100	108	98	91	86	65	43	42
Marketing	102	94	87	42	32	23	19	29	26
General and administration	137	112	790	332	268	226	233	197	647
Total operating expenses	\$464	\$501	\$1,708	\$783	\$690	\$610	\$535	\$534	\$950

SBC	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Brokerage and transaction	\$—	\$—	\$6	\$1	\$1	\$1	\$2	\$1	\$2
Technology and development	1	1	503	105	82	59	25	46	54
Operations	—	—	16	4	4	1	—	3	2
Marketing	—	—	41	9	5	(2)	—	1	1
General and administration	8	—	678	199	128	105	83	109	539
Total SBC	\$9	\$1	\$1,244	\$318	\$220	\$164	\$110	\$160	\$598

Non-GAAP Operating Expenses Prior to SBC	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Brokerage and transaction ⁽¹⁾	\$46	\$39	\$38	\$28	\$30	\$29	\$31	\$84	\$34
Technology and development	116	155	176	177	186	186	160	134	145
Operations	62	100	92	94	87	85	65	40	40
Marketing	102	94	46	33	27	25	19	28	25
General and administration	129	112	112	133	140	121	150	88	108
Total operating expenses prior to SBC	\$455	\$500	\$464	\$465	\$470	\$446	\$425	\$374	\$352

Financial Outlook for Operating Expenses Prior to SBC (GAAP to Non-GAAP Reconciliation)

	Year Ended December 31, 2022 (in millions)	Original Financial Outlook for the Year Ending December 31, 2023 (in millions)	Updated Financial Outlook for the Year Ending December 31, 2023 (in millions)
Total operating expenses (GAAP)	\$2,369	\$2,375 - \$2,515	\$2,345 - \$2,485
Less: SBC			
2021 Founders Award Cancellation	N/A	485	485
SBC excluding 2021 Founders Award Cancellation ⁽¹⁾	654	470 - 550	440 - 520
Total operating expenses prior to SBC (non-GAAP)	\$1,715	\$1,420 - \$1,480	\$1,420 - \$1,480
Less: Restructuring charges	105	N/A	N/A
Less: Q4 2022 Processing Error	57	N/A	N/A
Total operating expenses prior to SBC, restructuring charges, and Q4 2022 Processing Error (non-GAAP)	\$1,553	\$1,420 - \$1,480	\$1,420 - \$1,480

SBC and total Opex outlook decreased by ~\$30M

(1) 2022 amounts include an aggregate benefit of \$77 million from share-based compensation net reversals in connection with the April 2022 and August 2022 Restructurings.

Operating Expenses Prior to Shared-Based Compensation (SBC), Restructuring Charges, and Q4 2022 Processing Error Reconciliation

in millions

	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	FY2021	FY 2022	2023 Outlook
Total operating expenses (GAAP)	\$783	\$690	\$610	\$535	\$534	\$950	\$3,456	\$2,369	\$2,345 - \$2,485
Less: 2021 Founders Award Cancellation	—	—	—	—	—	485	—	—	485
Less: SBC excluding 2021 Founders Award Cancellation ⁽¹⁾	318	220	164	110	160	113	1,572	654	\$440 - \$520
Less: Restructuring charges	—	—	17	90	(2)	—	—	105	—
Less: Q4 2022 Processing Error	—	—	—	—	57	—	—	57	—
Total operating expenses prior to SBC, restructuring charges, and Q4 2022 Processing Error (non-GAAP)	\$465	\$470	\$429	\$335	\$319	\$352	\$1,884	\$1,553	\$1,420 - \$1,480

(1) 2022 amounts included an aggregate benefit of \$77 million from SBC expenses net reversals in connection with the April 2022 and August 2022 Restructurings.

Net loss prior to the 2021 Founders Award Cancellation and EPS prior to the 2021 Founders Award Cancellation Reconciliation

Q1'2023	Net Loss (in millions)	EPS
Net loss (GAAP) and EPS (GAAP)	-\$511	-\$0.57
Less: 2021 Founders Award Cancellation charge	-\$485	-\$0.54
Net loss prior to the 2021 Founders Award Cancellation (non-GAAP) and EPS prior to the 2021 Founders Award Cancellation (non-GAAP)	-\$26	-\$0.03

Share Count Detail

	Price per Class A share					
		\$13.51	\$8.22	\$10.10	\$8.14	\$9.71
(in millions, except prices and percentages)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	March 31, 2023 Year-over-year growth
Class A shares outstanding	741.9	750.3	756.8	764.9	772.7	
Class B shares outstanding	128.0	128.0	128.0	127.9	127.5	
Basic shares	869.9	878.3	884.8	892.8	900.2	3.5%
Employee time-based RSUs outstanding	77.7	72.5	71.9	56.1	63.6	
Founders' pre-IPO market-based RSUs outstanding and eligible to vest	1.2	1.0	0.9	0.8	0.7	
Employee stock options outstanding (in-the-money) ¹	13.0	12.2	11.4	10.8	10.1	
Diluted shares²	961.8	964.0	969.0	960.5	974.6	1.3%
Founders' pre-IPO market-based RSUs outstanding but not eligible to vest ³	57.7	57.7	57.7	57.7	22.1	
Employee stock options (all at \$14.15/share) outstanding (out-of-the-money)	4.5	4.5	4.5	4.5	4.5	
Investor warrants (all at \$26.60/share) outstanding (out-of-the-money)	14.3	14.3	14.3	14.3	14.3	
Fully diluted shares²	1,038.3	1,040.5	1,045.5	1,037.0	1,015.5	(2.2)%

35.5M reduction due to the 2021 Founders Award Cancellation in February 2023

(1) In addition, employees hold purchase rights under the Employee Share Purchase Plan (ESPP). Historical issuances under the ESPP were 0.3M shares in November 2021, 1.5M shares in May 2022, and 0.4M shares in November 2022.

(2) Please note that under GAAP, for any period with a net loss, diluted EPS is calculated using basic shares.

(3) The Founders' pre-IPO market-based RSUs become eligible to vest if our trailing 60-trading-day average daily VWAP reaches the following price points: \$50.75 - 8.3M shares; \$101.50 - 13.8M shares.

Net Cash Held by Users

in billions

	Q1'2021	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023
Gold Cash Sweep	\$—	\$—	\$—	\$—	\$—	\$—	\$1.5	\$4.8	\$8.0
Non-Gold Cash Sweep	\$1.6	\$2.3	\$2.1	\$2.1	\$2.3	\$2.4	\$1.5	\$1.0	\$0.9
Total Cash Sweep	\$1.6	\$2.3	\$2.1	\$2.1	\$2.3	\$2.4	\$3.0	\$5.8	\$8.9
Free Credit Balances and Other	6.0	7.6	6.7	6.7	6.9	5.7	5.1	5.0	5.3
Total Cash held by users	7.6	9.9	8.8	8.8	9.2	8.1	8.1	10.8	14.2
Receivables from users	(5.4)	(5.5)	(6.2)	(6.5)	(5.4)	(4.2)	(4.0)	(3.1)	(3.0)
Net Cash Held by Users	\$2.2	\$4.4	\$2.6	\$2.3	\$3.8	\$3.9	\$4.1	\$7.7	\$11.2

Adjusted EBITDA and Adjusted EBITDA Margin Reconciliations

in millions

	Q1'2021	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023
Net loss	(\$1,445)	(\$502)	(\$1,317)	(\$423)	(\$392)	(\$295)	(\$175)	(\$166)	(\$511)
Net margin ¹	(277)%	(89)%	(361)%	(117)%	(131)%	(93)%	(48)%	(44)%	(116)%
Add:									
Interest expenses related to credit facilities	3	5	6	6	6	6	6	6	6
Provision for (benefit from) income taxes	12	38	(50)	3	1	1	1	(2)	2
Depreciation and amortization	4	5	8	9	12	17	15	17	20
EBITDA (non-GAAP)	(1,426)	(454)	(1,353)	(405)	(373)	(271)	(153)	(145)	(483)
2021 Founders Award Cancellation	—	—	—	—	—	—	—	—	485
SBC excluding 2021 Founders Award Cancellation	9	1	1,244	318	220	164	110	160	113
Change in fair value of convertible notes and warrant liability	1,492	528	25	—	—	—	—	—	—
Impairment of Ziglu equity securities	—	—	—	—	—	—	—	12	—
Restructuring charges	—	—	—	—	—	17	90	(2)	—
Significant legal and tax settlements and reserves	40	15	—	—	10	10	—	—	—
Q4 2022 Processing Error	—	—	—	—	—	—	—	57	—
Adjusted EBITDA (non-GAAP)	115	90	(84)	(87)	(143)	(80)	47	82	115
Adjusted EBITDA Margin (non-GAAP) ²	22 %	16 %	(23)%	(24)%	(48)%	(25)%	13 %	22 %	26 %

1. Net margin is calculated as net income (loss) divided by total net revenues.

2. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by total net revenues.

Definitions

Performance Metrics

Net Cumulative Funded Accounts ("NCFA")

We define “Net Cumulative Funded Accounts” as New Funded Accounts less Churned Accounts plus Resurrected Accounts (each as defined below). We define a “New Funded Account” as a Robinhood Account into which the user makes an initial deposit or money transfer or asset transfer, of any amount, during the relevant period. We define a "Robinhood Account" as a unique log-in that provides the account user access to any and all of the Robinhood products offered on our platform. An account is considered “Churned” if it was ever a New Funded Account whose account balance (measured as the fair value of assets in the account less any amount due from the user and excluding certain Company-initiated Credits) drops to or below zero for at least 45 consecutive calendar days. "Company-initiated Credits" are amounts that are deposited into a Robinhood Account by the Company with no action taken by the user. Examples of credits excluded for purposes of identifying Churned Accounts and Resurrected Accounts are price correction credits, related interest adjustments, and fee adjustments. Negative balances typically result from Fraudulent Deposit Transactions (as defined below) and unauthorized debit card use, and less often, from margin loans. “Fraudulent Deposit Transactions” occur when users initiate deposits into their accounts, make trades on our platform using a short-term extension of credit from us, and then repatriate or reverse the deposits, resulting in a loss to us of the credited amount. An account is considered “Resurrected” in a stated period if it was a Churned Account as of the end of the immediately preceding period and its balance (excluding certain Company-initiated Credits) rises above zero.

Monthly Active Users (“MAU”)

We define MAUs as the number of unique Robinhood Accounts who meet one of the following criteria at any point during a specified calendar month: a) executes a debit card transaction, b) transitions between two different screens on a mobile device while logged into their Robinhood Account or c) loads a page in a web browser while logged into their Robinhood Account. A user need not satisfy these conditions on a recurring monthly basis or have a funded account to be included in MAU. MAU figures in this presentation reflect MAU for the last month of the relevant period presented. We utilize MAU to measure how many customers interact with our products and services during a given month. MAU does not measure the frequency or duration of the interaction, but we consider it a useful indicator for engagement. Additionally, MAUs are positively correlated with, but are not indicative of, the performance of revenue and other key performance indicators.

Assets Under Custody (“AUC”)

We define AUC as the sum of the fair value of all equities, options, cryptocurrency and cash held by users in their accounts, net of receivables from users, as of a stated date or period end on a trade date basis. Net Deposits and net market gains (losses) drive the change in AUC in any given period.

Net Deposits

We define “Net Deposits” as all cash deposits and asset transfers received from customers, net of reversals, customer cash withdrawals, and other assets transferred out of our platform (assets transferred in or out include debit card transactions, Automated Customer Account Transfer Service (“ACATS”) transfers, and custodial crypto wallet transfers) for a stated period.

Notional Trading Volume

We define "Notional Trading Volume" or "Notional Volume" for any specified asset class as the aggregate dollar value (purchase price or sale price as applicable) of trades executed in that asset class over a specified period of time.

Options Contracts Traded

We define "Options Contracts Traded" as the total number of options contracts bought or sold over a specified period of time. Each contract generally entitles the holder to buy or sell (as applicable) 100 shares of the underlying stock.

Average Revenue Per User (“ARPU”)

We define ARPU as total revenue for a given period divided by the average of Net Cumulative Funded Accounts on the last day of that period and the last day of the immediately preceding period. Figures in this presentation represent annualized ARPU for each three-month period presented.

Daily Average Revenue Trades (“DARTs”)

We define DARTs for any asset class as the total number of revenue generating trades for such asset class executed during a given period divided by the number of trading days for such asset class in that period. The monthly metrics slide discloses each month's number of trading days for equities and options. For crypto, the number of trading days is equal to the number of calendar days in the month.

Growth Rate and Annualized Growth Rate with respect to Net Deposits

When used with respect to Net Deposits, "growth rate" and "annualized growth rate" provide information about Net Deposits relative to total AUC. "Growth rate" is calculated as aggregate Net Deposits over a specified 12 month period, divided by AUC for the fiscal quarter that immediately precedes such 12 month period. "Annualized growth rate" is calculated as Net Deposits for a specified quarter multiplied by 4 and divided by AUC for the immediately preceding quarter.

Margin Book

We define "Margin Book" as our period-end aggregate outstanding margin loan balances receivable (i.e., the period-end total amount we are owed by customers on loans made for the purchase of securities, supported by a pledge of assets in their margin-enabled brokerage accounts).

Cash Sweep

We define “Cash Sweep” as the period-end aggregate balances in our brokerage sweep program (i.e., the period-end total amount of participating users' uninvested brokerage cash that has been automatically “swept” or moved from their brokerage accounts into deposits for their benefit at a network of program banks). This is an off-balance-sheet amount. Robinhood earns a net interest spread on Cash Sweep balances based on the interest rate offered by the banks less the interest rate given to users as stated in our program terms.

Free Credit Balances and Other

We define "Free Credit Balances and Other" as the period-end total amount of users' uninvested cash in their accounts that is not participating in the "Cash Sweep" program.

Net Cash Held by Users

We Define "Net Cash Held by Users" as cash held by users in their accounts, net of receivables from users.

Net Promoter Score® (NPS®)

NPS® is a metric used to measure customer loyalty that was developed by Fred Reichheld, in conjunction with Bain & Company and Satmetrix. We calculate NPS by asking an initial survey question (“How likely are you to recommend Robinhood to a friend or colleague?”) on a 0-10 rating scale. Then, accumulated ratings are graded as one number between -100 and 100. This number expresses how customers perceive a company (a higher score is more desirable). “Overall Customer NPS®” measures NPS® across our customer base. “Active Trader NPS®” measures NPS® amongst our customers who trade most frequently.

Definitions (continued)

Non-GAAP Financial Measures

We collect and analyze operating and financial data to evaluate the health of our business, allocate our resources and assess our performance. In addition to total net revenues, net income (loss) and other results under GAAP, we utilize Adjusted EBITDA, Adjusted EBITDA margin, operating expense prior to share-based compensation (or SBC), operating expenses prior to SBC, restructuring charges, and Q4 2022 Processing Error, net loss prior to the 2021 Founders Award Cancellation, and Earnings Per Share (or EPS) prior to the 2021 Founders Award Cancellation. This non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for or superior to financial information presented in accordance with GAAP and may be different from similarly titled non-GAAP measures used by other companies. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are provided in this Appendix.

Adjusted EBITDA

Adjusted EBITDA is defined as net income (loss), excluding (i) interest expenses related to credit facilities, (ii) provision for (benefit from) income taxes, (iii) depreciation and amortization, (iv) share-based compensation, (v) change in fair value of convertible notes and warrant liability, (vi) significant legal and tax settlements and reserves, and (vii) other significant gains, losses, and expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses) that we believe are not indicative of our ongoing results.

The above items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature, or because the amount and timing of these items are unpredictable, are not driven by core results of operations and render comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Moreover, Adjusted EBITDA is a key measurement used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

Adjusted EBITDA Margin

Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by total net revenues. The most directly comparable GAAP measure is net margin (calculated as net income (loss) divided by total net revenues). We believe Adjusted EBITDA Margin provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Adjusted EBITDA Margin is used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

Impairment of Ziglu equity securities: Partially as a result of the termination of the stock purchase agreement, which occurred in February 2023, the advances made to Ziglu Limited accounted for as non-marketable equity securities were impaired to a carrying value of zero.

Operating Expense Prior to Share-Based Compensation

Operating expense prior to share-based compensation is defined as the applicable GAAP operating expense line item minus SBC included within such line item. We believe operating expense prior to SBC provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our cost structure.

Operating Expenses Prior to Share-Based Compensation, Restructuring Charges, and Q4 2022 Processing Error

Operating expenses prior to share-based compensation, restructuring charges, and Q4 2022 Processing Error (as defined below) is defined as GAAP total operating expenses minus share-based compensation (or SBC), restructuring charges, and Q4 2022 Processing Error. We believe operating expenses prior to SBC, restructuring charges, and Q4 2022 Processing Error provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our cost structure.

Q4 2022 Processing Error: Delays in notification from third parties and process failures within Robinhood’s brokerage systems and operations in connection with the handling of a 1-for-25 reverse stock split transaction of Cosmos Health, Inc. (“COSM”), a NASDAQ-listed company, on December 16, 2022, allowed customers, for a limited time, to execute trades selling more shares than they held in their accounts. This caused a temporary short position in that ticker symbol which Robinhood covered out of corporate cash within the same trading day. The resulting loss of \$57 million is recorded within brokerage and transaction in the consolidated statement of operations.

Net Loss Prior to the 2021 Founders Award Cancellation (non-GAAP) and EPS Prior to the 2021 Founders Award Cancellation (non-GAAP)

Net loss prior to the 2021 Founders Award Cancellation is defined as GAAP net loss minus the impact of the 2021 Founders Award Cancellation and EPS prior to the 2021 Founders Award Cancellation is defined as GAAP EPS minus the impact of the 2021 Founders Award Cancellation. We believe these non-GAAP measures provide useful information for investor and others in understanding and evaluating our performance, as well as providing a useful measure for period-to-period comparisons of our performance.

2021 Founders Award Cancellation: the February 2023 cancellation of co-founders Vlad Tenev and Bajiu Bhatt's 2021 pre-IPO market based restricted stock awards, which consisted of 35.5 million unvested shares and resulted in a one-time \$485 million non-cash accounting charge.