



# Robinhood Markets, Inc.

## Earnings Presentation Second Quarter 2023

August 2, 2023

# Disclaimers

## ***This Presentation Relates to Robinhood's Broader Earnings Announcement Disclosures***

This presentation accompanies the second 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. Hyperlinks to our webcast, and press release can be found together with these slides on Robinhood's investor relations website at [investors.robinhood.com](https://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, and operating expenses prior to share-based compensation, restructuring charges, and Q4 2022 Processing Error (as defined in the Appendix). 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 2023 roadmap; our goal of serving the entirety of our customers' financial needs; our belief that Retirement can grow into a much larger part of our business, especially as we add additional products like Advisory; our belief that a 3% IRA match for Gold customers makes Gold incredibly compelling for Retirement customers that aren't already Gold subscribers and will also help us grow our Retirement business; our belief that the X1 acquisition will grow our customer base, diversify our revenues, and further deepen our relationship with our 23M+ customers; that we will be adding 9 more tickers to 24 Hour Market quite soon, bringing our total to 52; that the team is working hard to ship a great new Robinhood credit card that we are excited to offer to 23 million customers and that we'll expand from there; our goal to be the safest, most trusted place for customers to hold, trade, and transact with their crypto; that we look forward to continuing to invest in crypto; that we remain focused on our ambitious goal of launching brokerage operations in the UK around the end of the year; that our investments in new growth opportunities will enable us to serve more customers while also growing and diversifying our revenues; that our growth and efficiency efforts can drive great outcomes for customers and shareholders over time; our belief that these resilient customer net deposits position us really well for continued asset growth as markets rise over time; that we anticipate Q3 Net Interest revenues will be up - in the zone of \$15 million - from Q2; that we anticipate Q3 Other Revenues will return to the mid \$20 million zone given typical proxy seasonality; that our updated outlook for 2023 Opex prior to SBC is a range of \$1.43 to \$1.47 billion; that our updated outlook for 2023 SBC is a range of \$900 to \$940 million, which implies SBC will continue to improve in the second half of the year; that we now expect our diluted share count, which was 961 million at the end of 2022, to increase by 3 percent or less this year; our belief that we are well-positioned to deploy capital over time to drive growth and shareholder value; that we continue to have discussions about our plans to purchase the 55 million Robinhood shares that Emergent Fidelity bought last summer and that we will update you when we have more to share; as well as other statements about our 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 and services could be exploited to facilitate illegal payments; and the risk that substantial future sales of Class A common stock 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 Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (the "Q1 2023 10-Q"), and in our Quarterly Report on Form 10-Q for the quarter ended June 30 (the "Q2 2023 10-Q"), which we expect to be available on August 3, 2023, 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](https://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, August 2, 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.

# Q2 2023 Results Highlights

## Operational results

Net Cumulative Funded Accounts  
**23.2M**  
*+70k accounts q/q*

Monthly Active Users  
**10.8M**  
*-1.0M MAUs q/q*

Assets Under Custody  
**\$89B**  
*+13% q/q*

Net Deposits  
**\$4.1B**  
*21% annualized growth rate\**

## Financial results

Total Net Revenues  
**\$486M**  
*+10% q/q*

Adj. EBITDA  
**\$151M**  
*+31% q/q*

GAAP Net Income  
**\$25M**  
*+\$536M q/q*

Earnings per Share  
**\$0.03**  
*+\$0.60 q/q*

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

# We are continuing to deliver on our aggressive roadmap



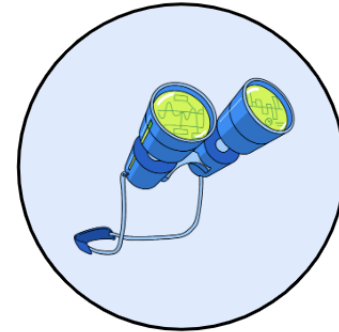
Robinhood Announces Sherwood Media, LLC

January



Introducing Robinhood Connect

April



Stock Screeners available to all customers

May



Robinhood Signs Agreement to Acquire X1<sup>3</sup>

June



Robinhood Wallet available to iOS customers globally

March



Higher yields on Gold cash sweep<sup>1</sup>

May



The Robinhood 24 Hour Market is Here<sup>2</sup>

May

Q1'23

Q2'23

(1) Up from 4.40%; Raised to 4.90% in July 2023

(2) Robinhood 24 Hour Market was made available to 100% of customers in July 2023

(3) X1 transaction closed on July 3, 2023 for ~\$104 million in cash, comprised of an estimated entity value of ~\$90 million and net cash of ~\$14 million.

# We have made progress delivering products in 2023, and continue to innovate and scale recent launches

## 2023 Roadmap

### Deeper Relationships

- Retirement ✓
- Gold ✓
- Advisory

+ Credit Card *New via X1*

### 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 Q2 2023*

Fully Paid Securities Lending

**~\$55M**

Annualized Q2 Revenue\*

Instant Withdrawals

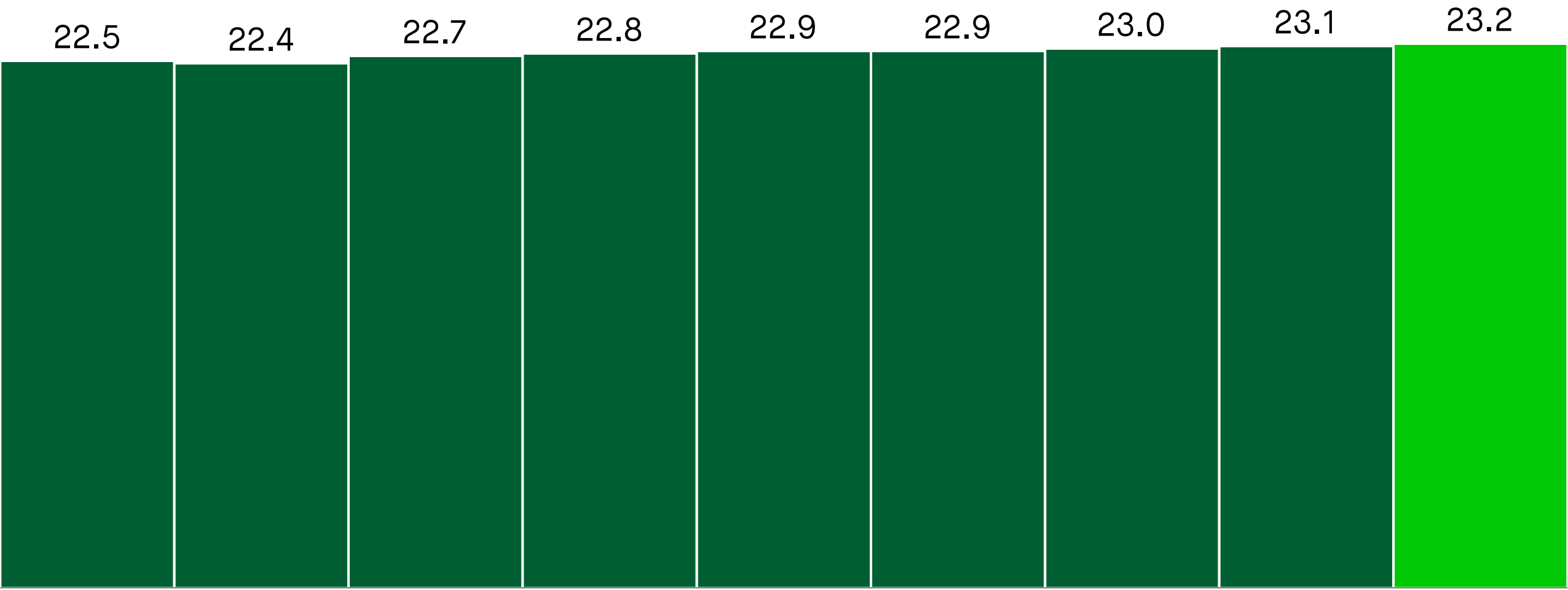
**~\$35M**

Annualized Q2 Revenue\*

# Net Cumulative Funded Accounts (NCFA)\* increased by ~70 thousand to 23.2 million in Q2

in millions

Sequential change 70k  
 Year-over-year change 310k

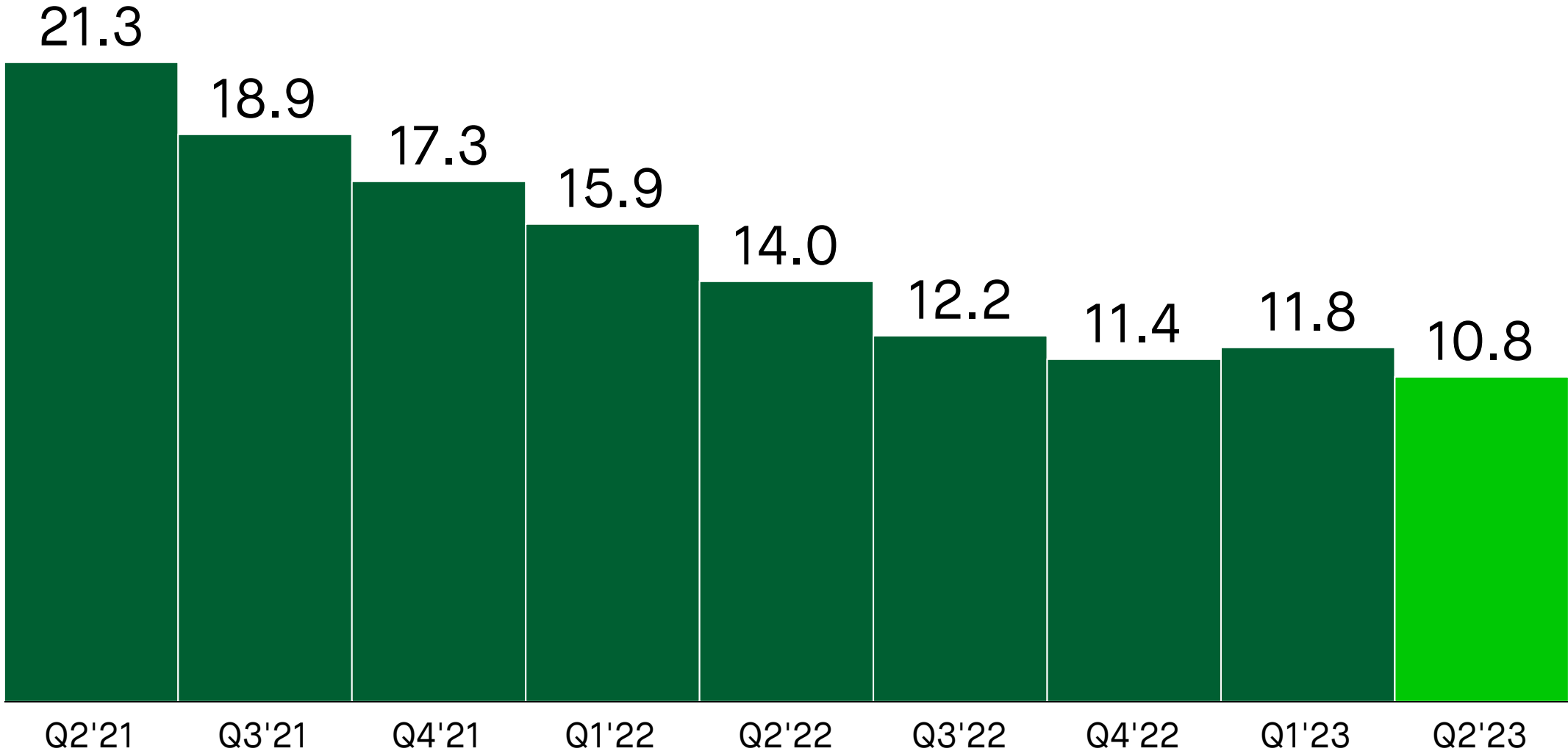


Change QoQ	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
	+4.5M	-110k	+280k	+90k	+90k	+60k	+50k	+120k	+70k

# Monthly Active Users (MAU) decreased by ~1 million to 10.8 million in Q2

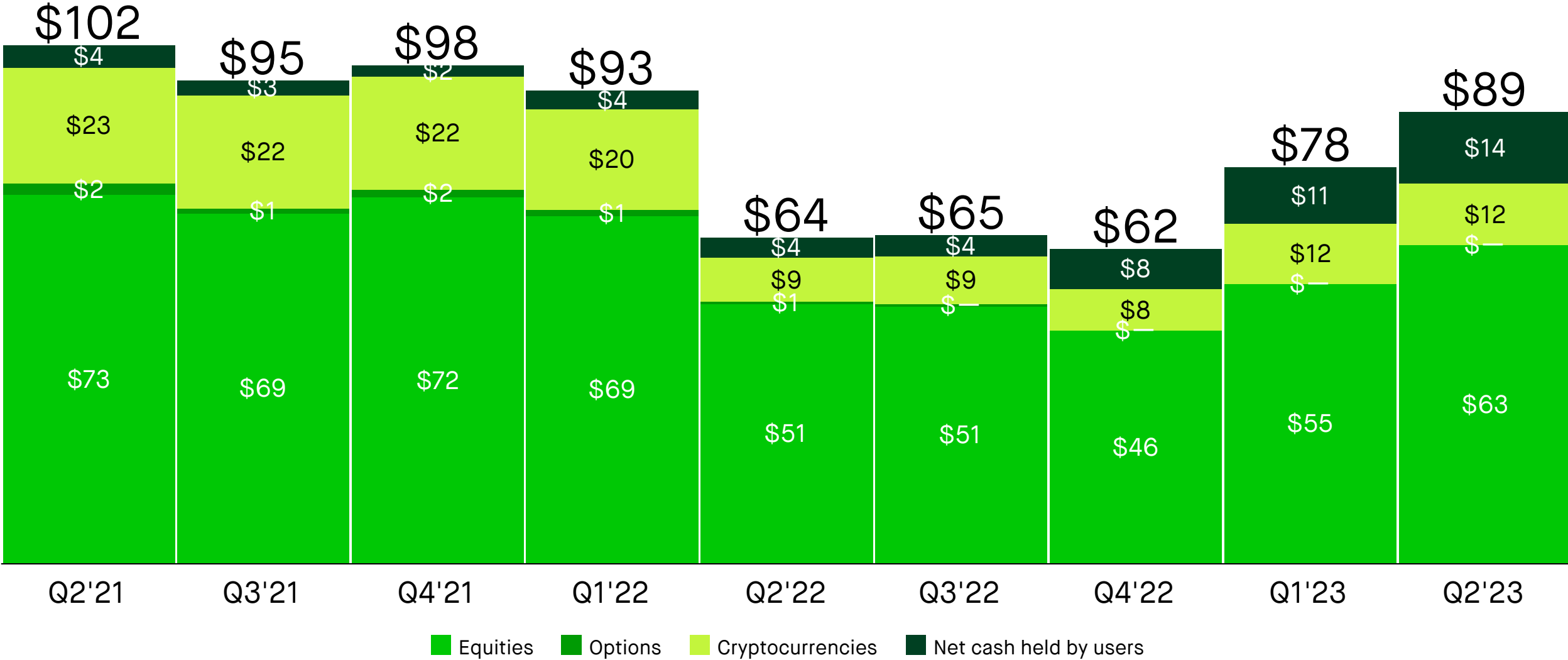
in millions

Sequential change -1.0  
Year-over-year change -3.2



# Assets Under Custody (AUC) increased 13% to \$89 billion primarily due to higher equity valuations and continued net deposits

in billions



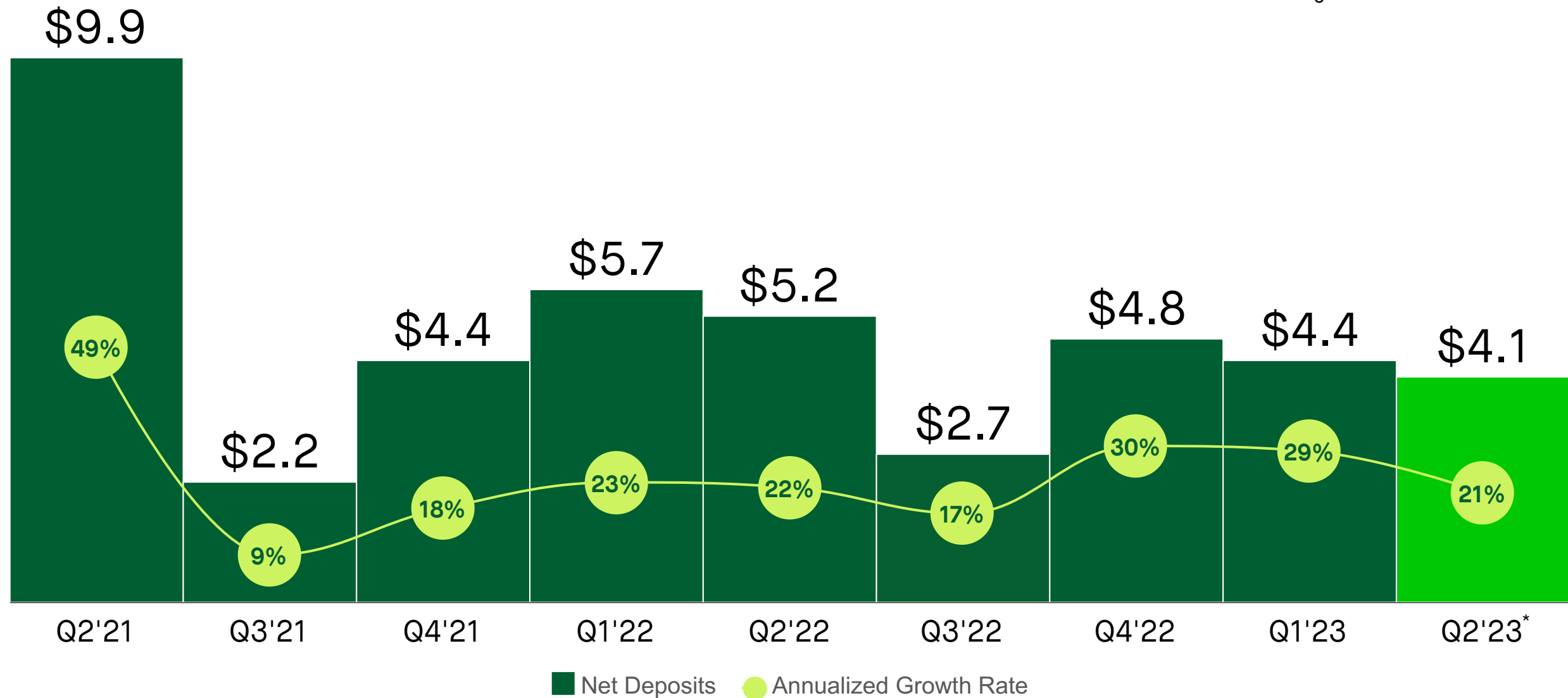
Sequential change	Year-over-year change
<b>13%</b>	<b>38%</b>
+25%	+259%
—%	+34%
NM	NM
+14%	+23%



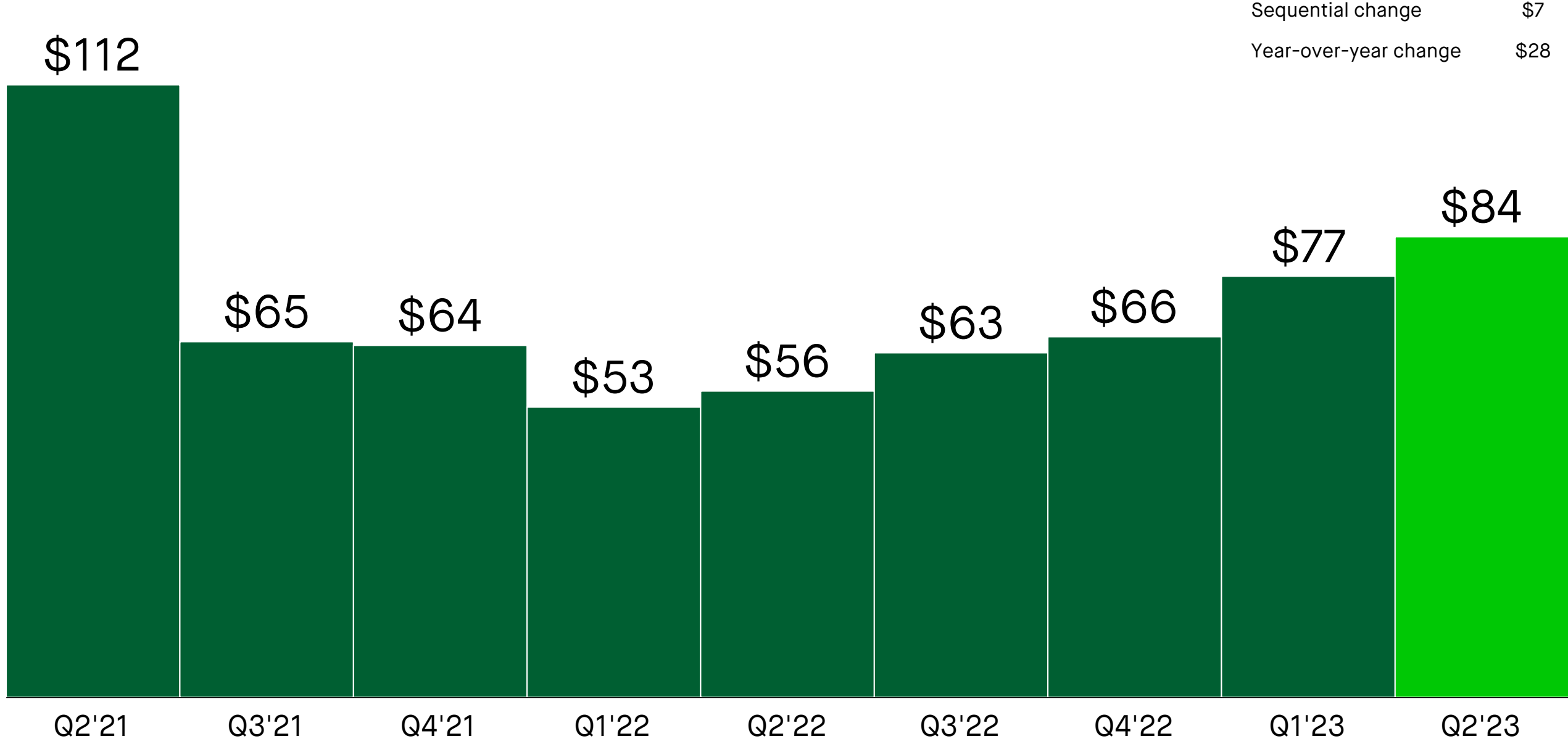
# Net Deposits annualized growth rate was 21% in Q2 and 25% over the past twelve months

in billions

Last twelve months Net Deposits \$16.1  
 Last twelve months growth rate 25%

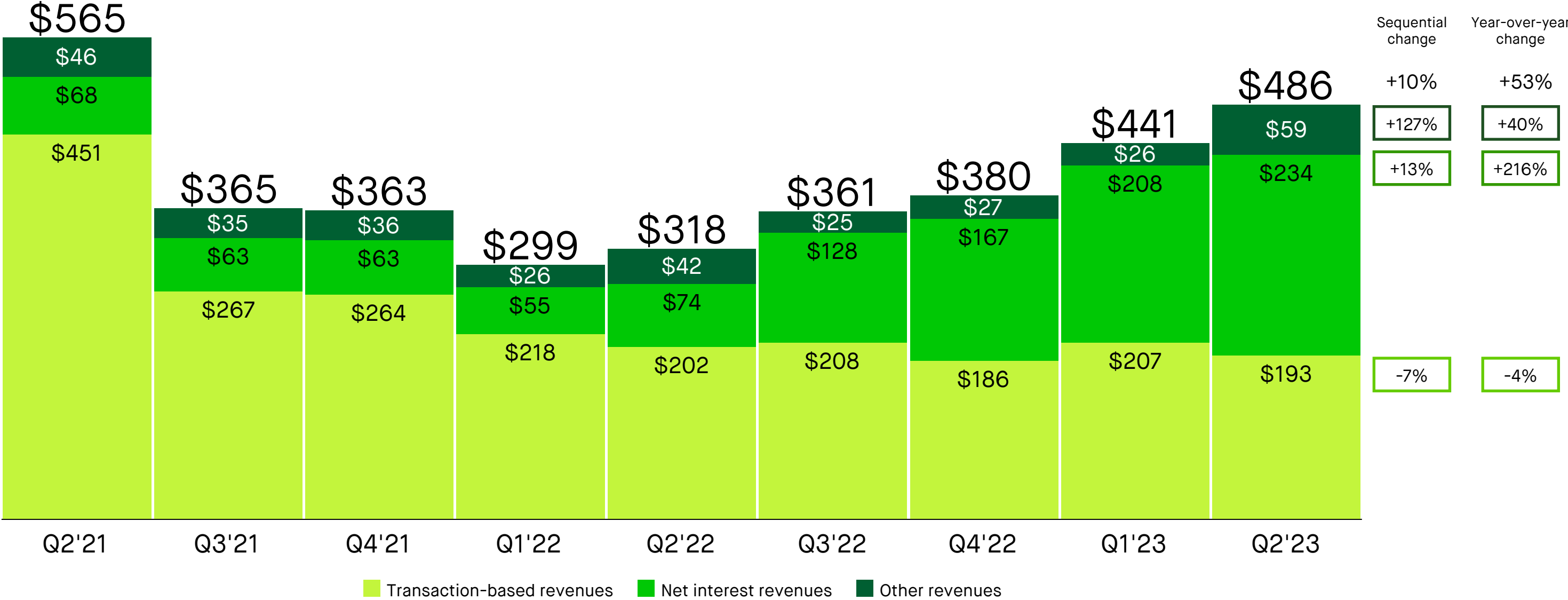


# Average Revenue Per User (ARPU) increased to \$84, up 9% sequentially



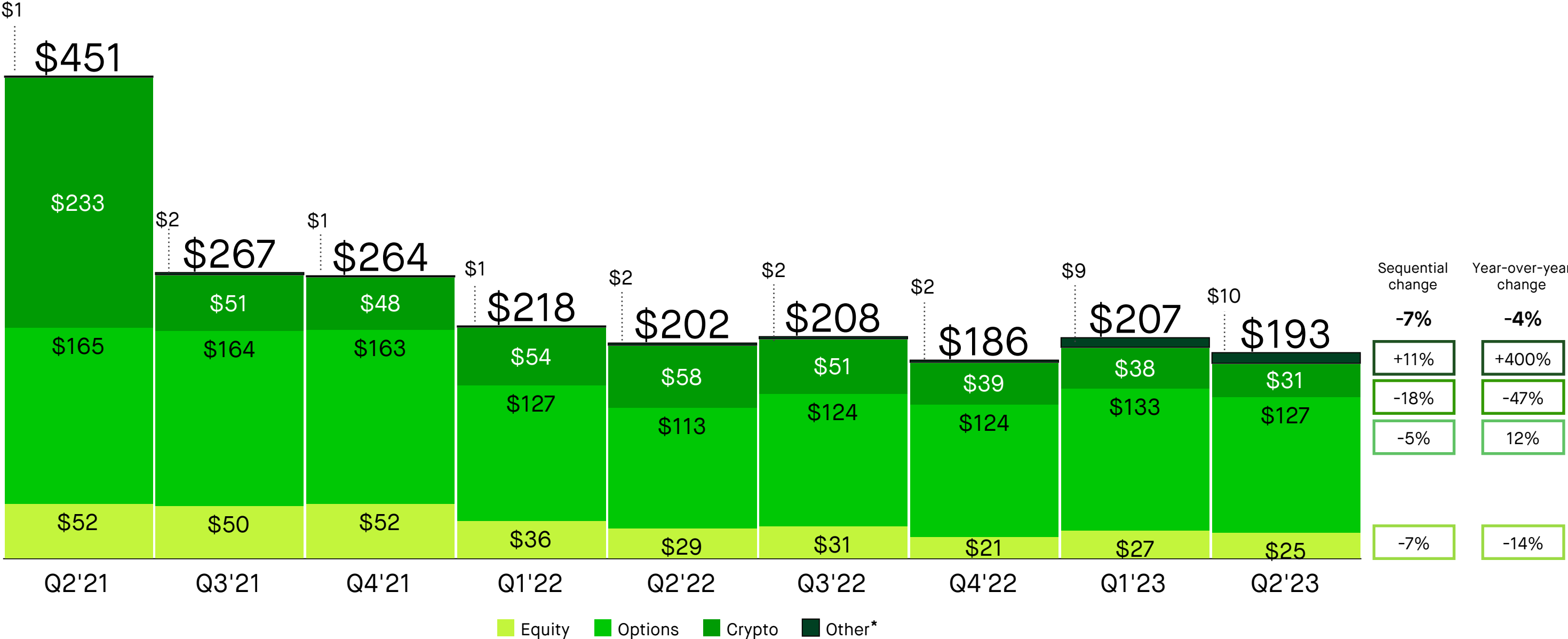
# Total Net Revenues were \$486 million, up 10% sequentially, primarily driven by higher net interest and seasonally higher other revenues

in millions



# Transaction-Based Revenues were \$193 million, down 7% sequentially

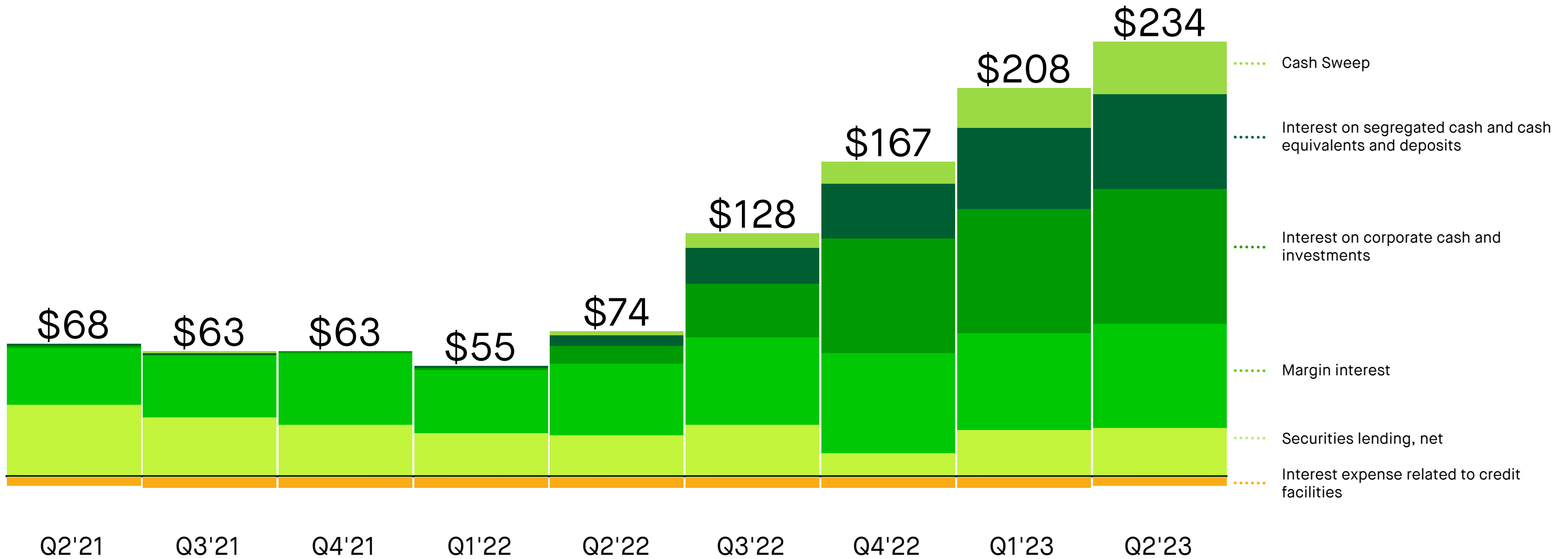
in millions



# Net Interest Revenues were \$234 million, up 13% sequentially

in millions

Sequential change 13%  
Year-over-year change 216%



# Net Interest Revenues were \$234 million, up 13% sequentially

in millions

	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Q2'2023	Sequential Change	Year-over-year change
Interest on corporate cash and investments <sup>1</sup>	\$1	\$—	\$1	\$1	\$10	\$29	\$63	\$68	\$74	9 %	640 %
Margin interest <sup>2</sup>	31	34	39	35	39	48	55	53	57	8 %	46 %
Interest on segregated cash and cash equivalents and deposits <sup>3</sup>	1	1	—	1	6	20	30	45	52	16 %	767 %
Cash sweep <sup>4</sup>	—	1	—	—	2	8	12	22	29	32 %	n/m
Securities lending, net <sup>5</sup>	40	33	29	24	23	29	13	26	27	4 %	17 %
Interest expenses related to credit facilities <sup>6</sup>	(5)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(5)	(17)%	(17)%
<b>Total net interest revenues</b>	<b>\$68</b>	<b>\$63</b>	<b>\$63</b>	<b>\$55</b>	<b>\$74</b>	<b>\$128</b>	<b>\$167</b>	<b>\$208</b>	<b>\$234</b>	<b>13 %</b>	<b>216 %</b>

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

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

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

(3) 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.

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

(5) 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).

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

# In Q2, Interest Earning Assets grew to ~\$26B, up 16% sequentially, and average yield decreased ~17 bps

in millions

	Margin Book <sup>(1)</sup>	Cash and Deposits <sup>(2)</sup>	Cash Sweep (off-Balance Sheet) <sup>(3)</sup>	Total Interest Earning Assets	Securities Lending, net	Interest Expense related to Credit Facilities	Net Interest Revenue
June 30, 2023	\$3,314	\$10,758	\$11,903	<b>\$25,975</b>			
March 31, 2023	\$3,117	\$10,405	\$8,881	<b>\$22,403</b>			
Average <sup>(4)</sup>	\$3,216	\$10,582	\$10,392	<b>\$24,189</b>			
Q2 2023 Revenue (Expense)	\$57	\$126	\$29	<b>\$212</b>	\$27	(\$5)	<b>\$234</b>
Q2 2023 Annualized Yield <sup>(5)</sup>	7.09%	4.76%	1.12%	<b>3.51%</b>			<b>3.87%</b>
March 31, 2023	\$3,117	\$10,405	\$8,881	<b>\$22,403</b>			
December 31, 2022	\$3,089	\$9,530	\$5,837	<b>\$18,456</b>			
Average <sup>(4)</sup>	\$3,103	\$9,968	\$7,359	<b>\$20,430</b>			
Q1 2023 Revenue (Expense)	\$53	\$113	\$22	<b>\$188</b>	\$26	(\$6)	\$208
Q1 2023 Annualized Yield <sup>(5)</sup>	6.83%	4.53%	1.20%	<b>3.68%</b>			<b>4.07%</b>

<sup>(1)</sup> Margin Book is the aggregate outstanding margin loan balances receivable.

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

<sup>(3)</sup> 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.

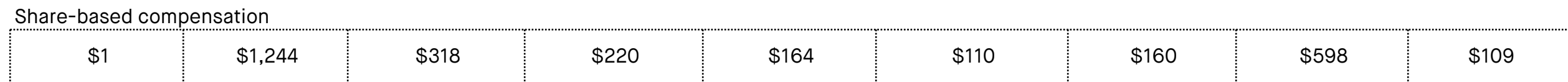
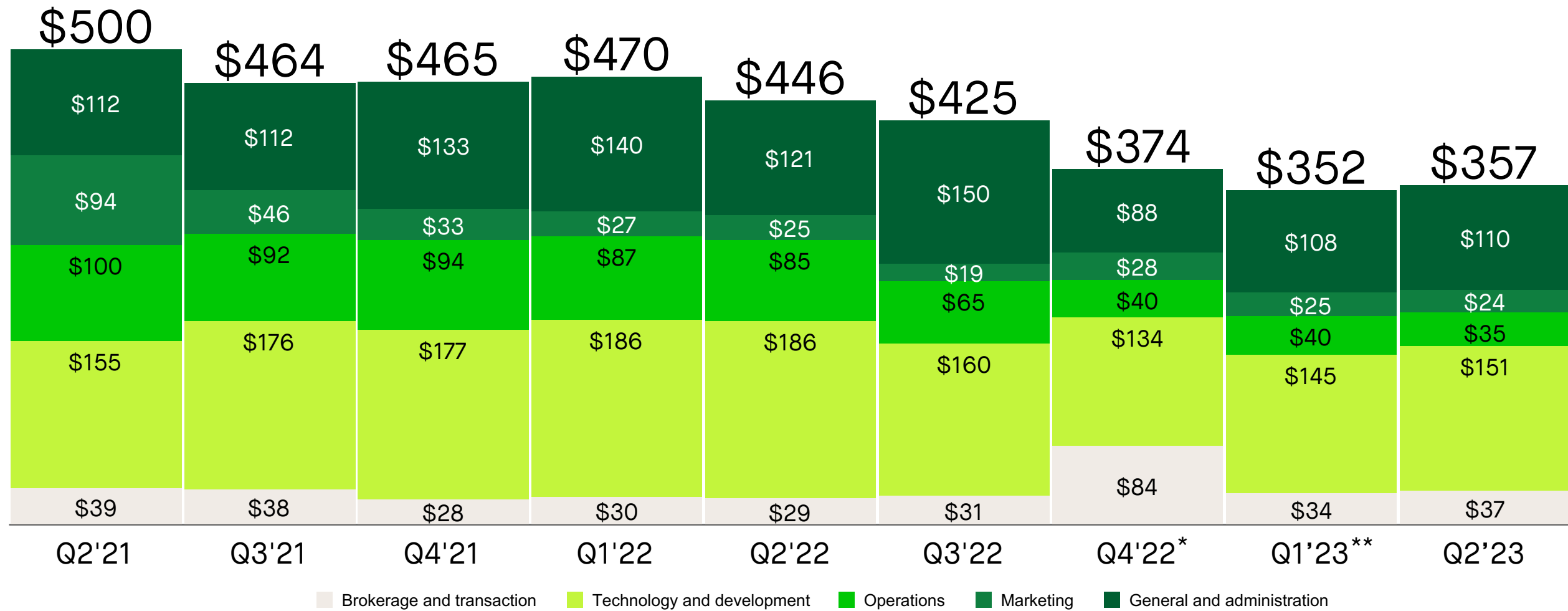
<sup>(4)</sup> Average balance rows present a simple average of the ending balances as of each of the indicated dates for the relevant period.

<sup>(5)</sup> 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 increased 1% sequentially to \$357 million

in millions

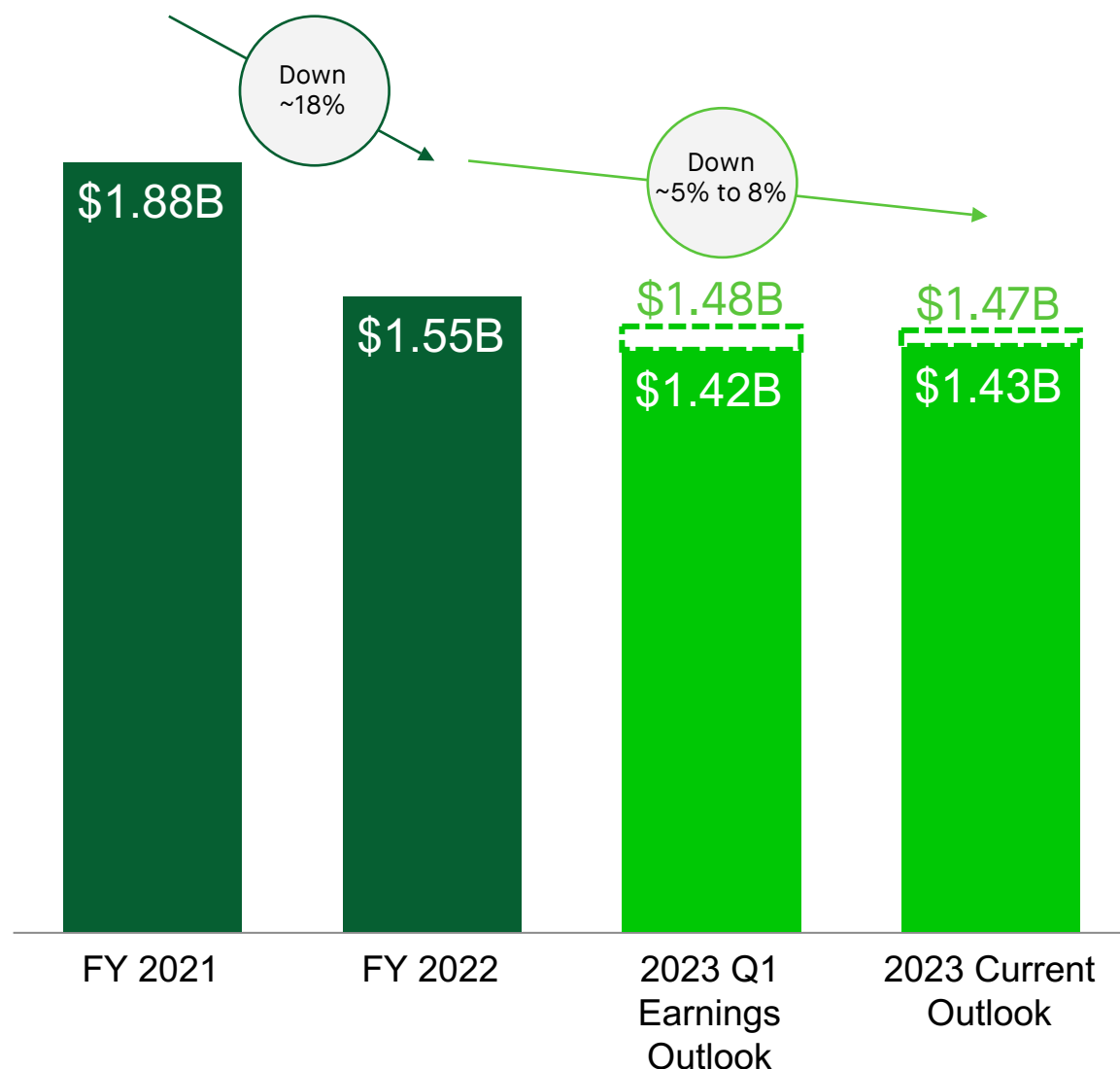
Sequential change 1%  
Year-over-year change -20%





# Q2 Opex prior to SBC of \$357 million was on track with our full year 2023 outlook

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



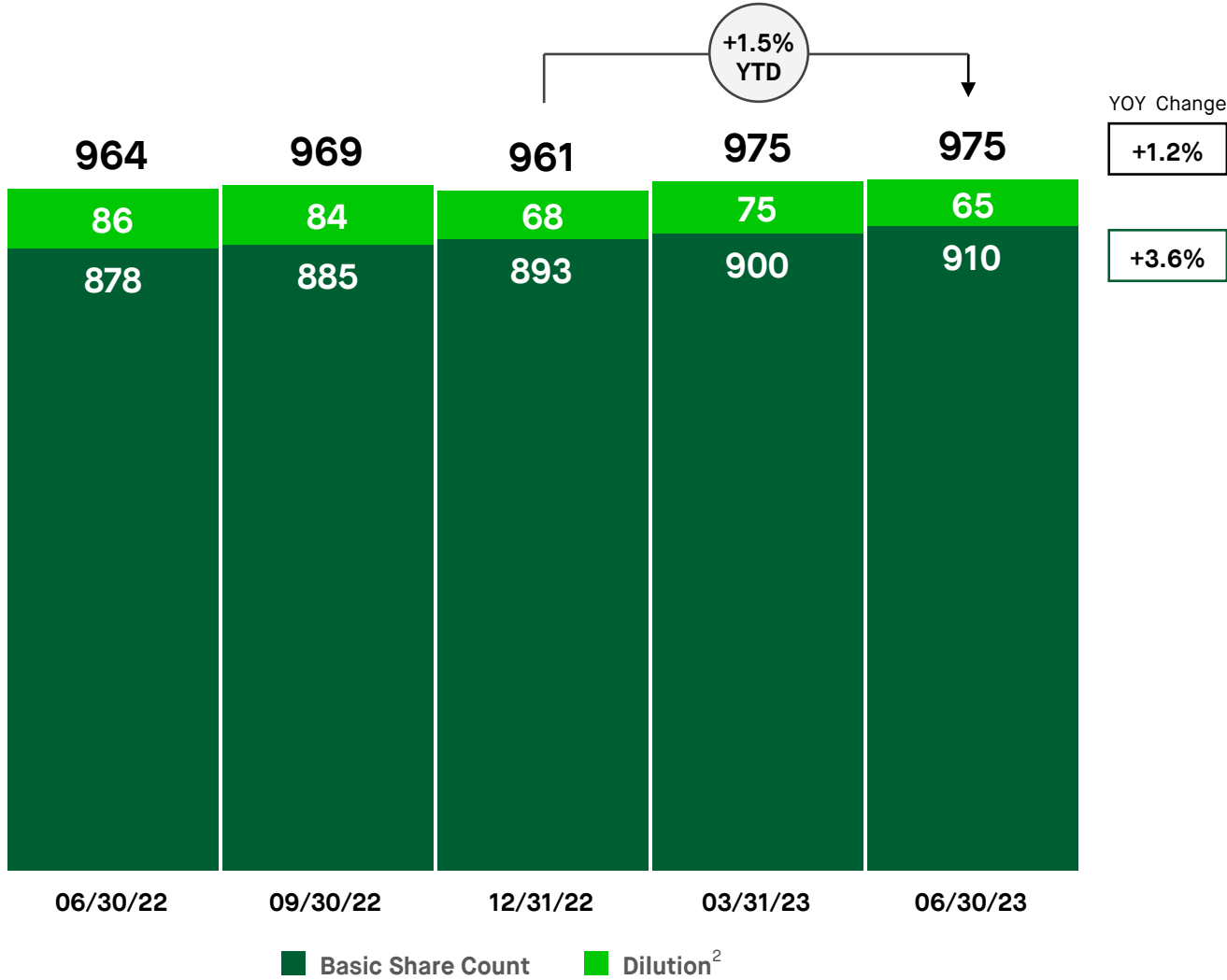
## Key Commentary

- Our prior full-year 2023 outlook for Opex prior to SBC was \$1.42 - \$1.48 billion, and our first half expenses were in line with this outlook.
- As we look to the second half of the year, our operations have been getting more efficient, but we also have the costs from our X1 acquisition.
- Taken together, the midpoint is unchanged, however we are and tightening the range as we are halfway through.
- As a result, our updated 2023 outlook for Opex prior to SBC is \$1.43 - \$1.47 billion, which implies a quarterly range of ~\$360 - \$380 million for the second half of the year.

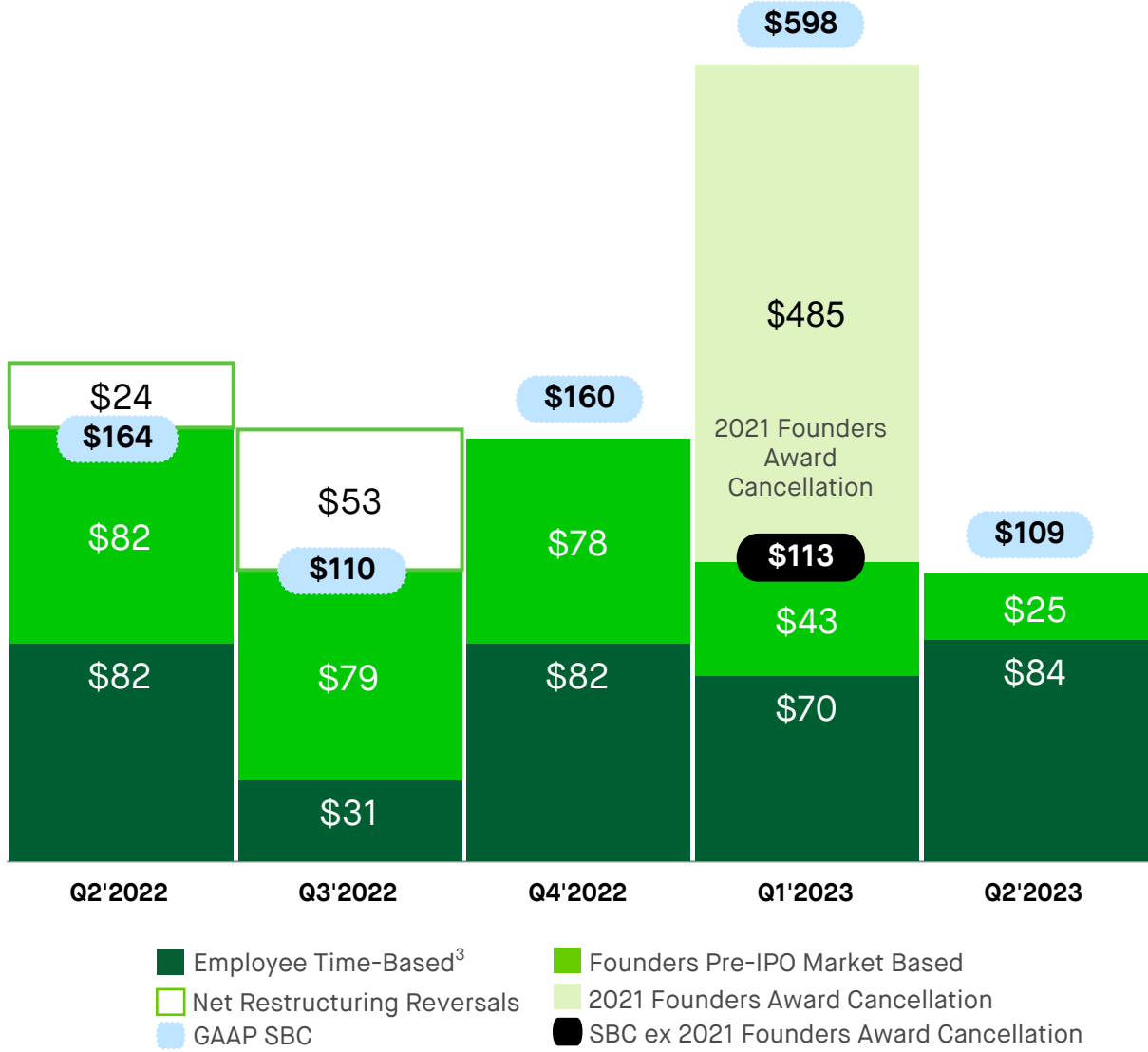
# Diluted Share Count grew 1.5% year to date, and our 2023 outlook improved to 3% or less<sup>1</sup>

in millions

## Basic and Diluted Share Count



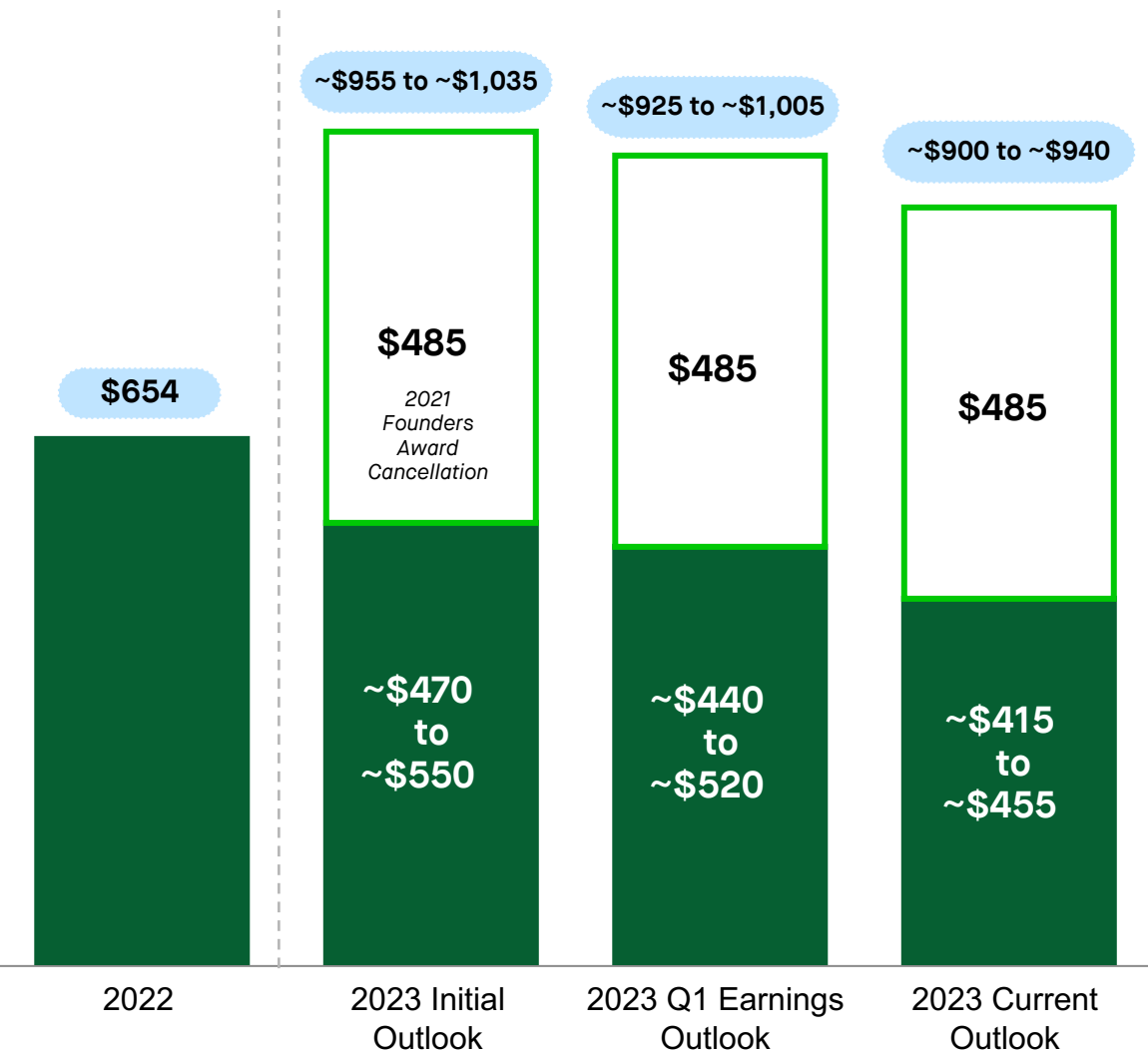
## Share-based Compensation Expense



1. Our prior outlook in Q1 2023 was for Diluted Share Count to grow 4% or less in 2023.  
 2. Under GAAP, for any period with net income, diluted EPS is calculated using the treasury method for diluted shares, which may cause differences compared to diluted shares shown in this schedule dependent on Robinhood's share price.  
 3. Employee Time-Based includes other awards such as ESPP and Options that totaled \$4M in Q2'22, \$4M in Q3'22, \$3M in Q4'22, \$3M in Q1'23, and \$3M in Q2'23.

# We are lowering our outlook for 2023 Share-based Compensation Expense as we continue to get more efficient and drive SBC lower

## Share-based Compensation Expense (Millions)



## Key Commentary

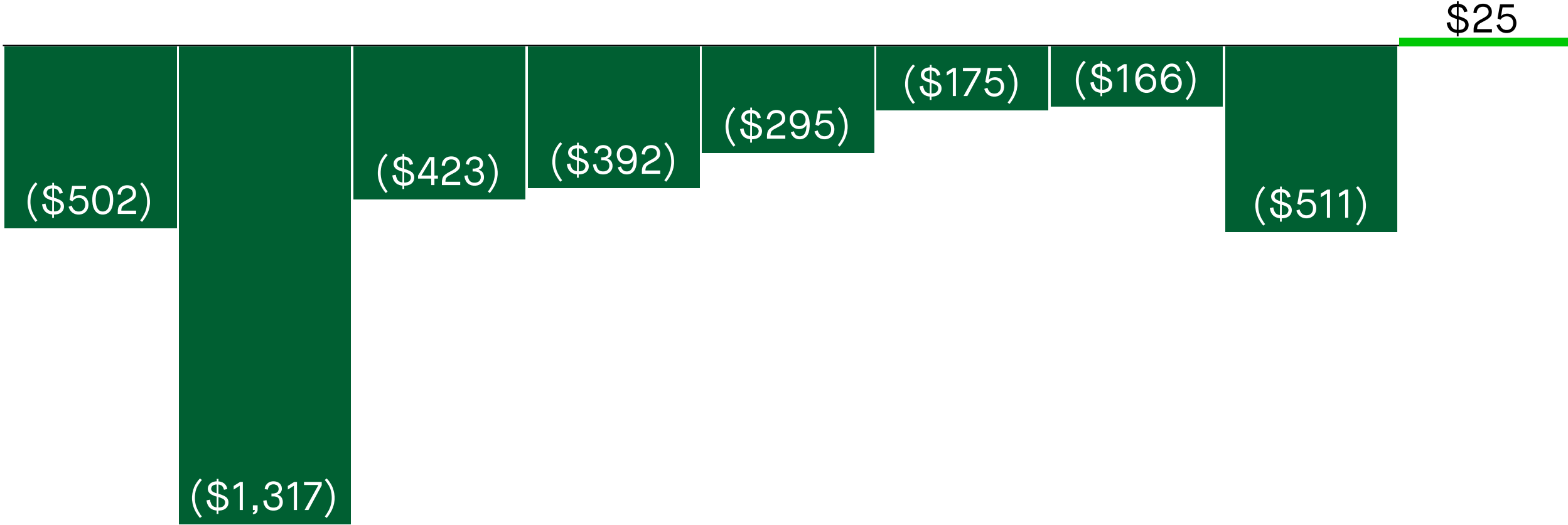
- Our original full-year SBC outlook was ~\$955 to ~\$1,035 million. This included the 2021 Founders Award Cancellation (\$485 million) that would lower SBC by up to \$50 million per quarter starting in Q2.
- In Q1, our SBC came in ~\$30 million below our original outlook, so we flowed through the benefit to improve our full year outlook.
- In addition, we have continued to get more efficient with our resources, driving SBC lower.
- As a result, we are lowering our SBC outlook again this quarter, and tightening our guidance range since we are halfway through the year.
- We now expect 2023 SBC to be in the range of ~\$900 to ~\$940 million, which implies a range of ~\$95 to ~\$115 million per quarter for the second half of 2023

GAAP SBC   SBC Remaining after Founders Cancellations   Impact of 2021 Founders Award Cancellation

# We achieved GAAP profitability for the first time as a public company, as Net Income increased to \$25 million in Q2

in millions

Sequential change \$536  
 Year-over-year change \$320



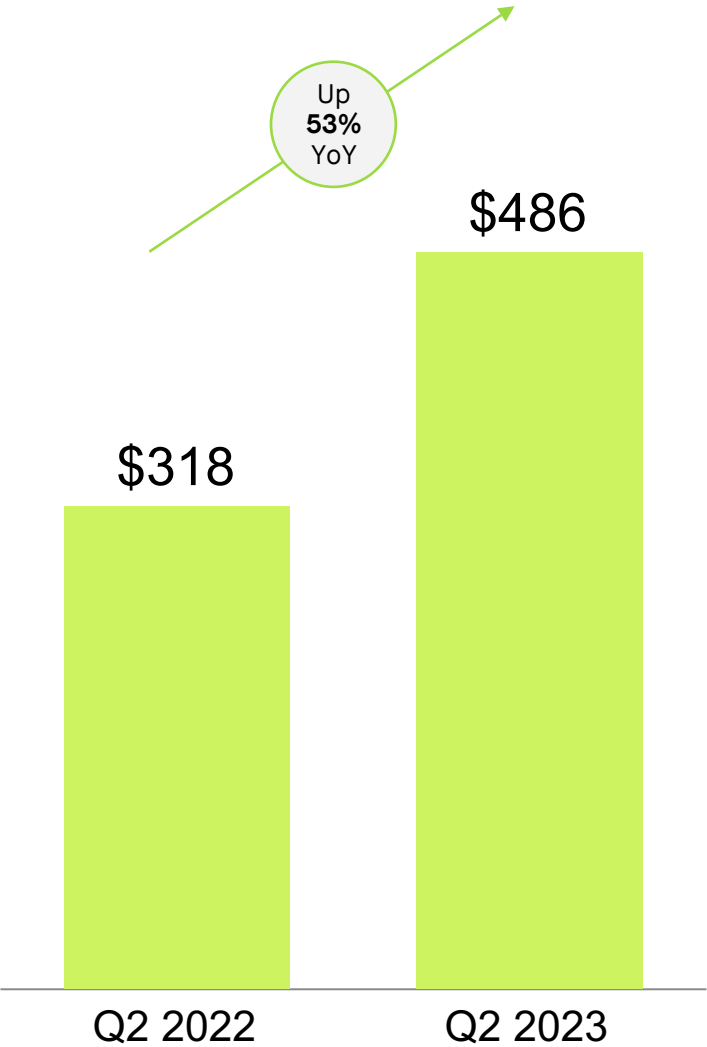
	Q2'21 <sup>1</sup>	Q3'21 <sup>1</sup>	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23 <sup>2</sup>	Q2'23
EPS	-\$2.16	-\$2.06	-\$0.49	-\$0.45	-\$0.34	-\$0.20	-\$0.19	-\$0.57	\$0.03

(1) Q2, and Q3 2021 included losses of \$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. (2) Q1 2023 included \$485 million charge related to the 2021 Founders Award Cancellation.

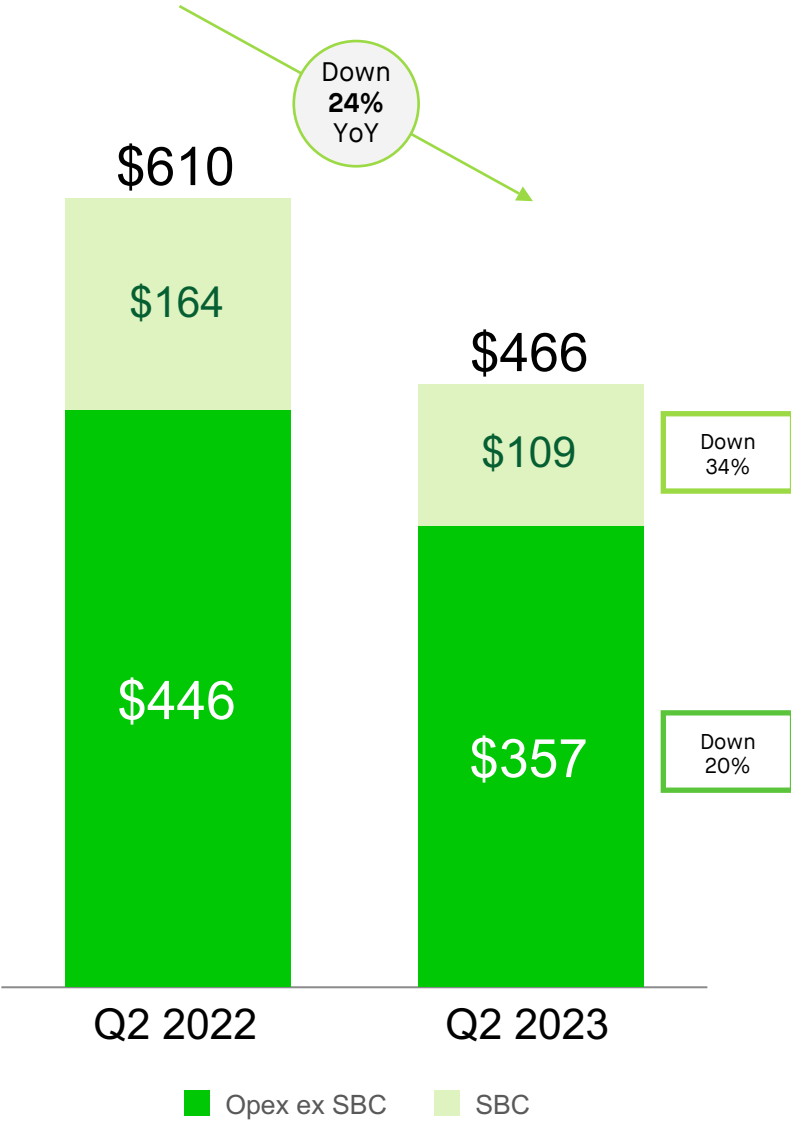
# Over the past year we have significantly improved Net Income by growing revenues and decreasing expenses

in millions

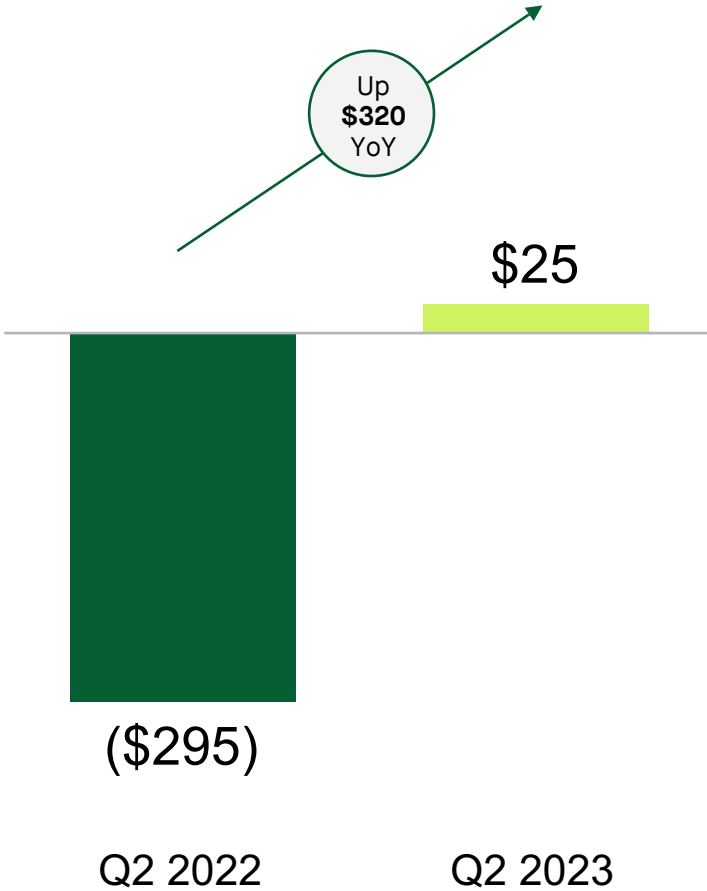
## Total Net Revenues



## Operating Expenses



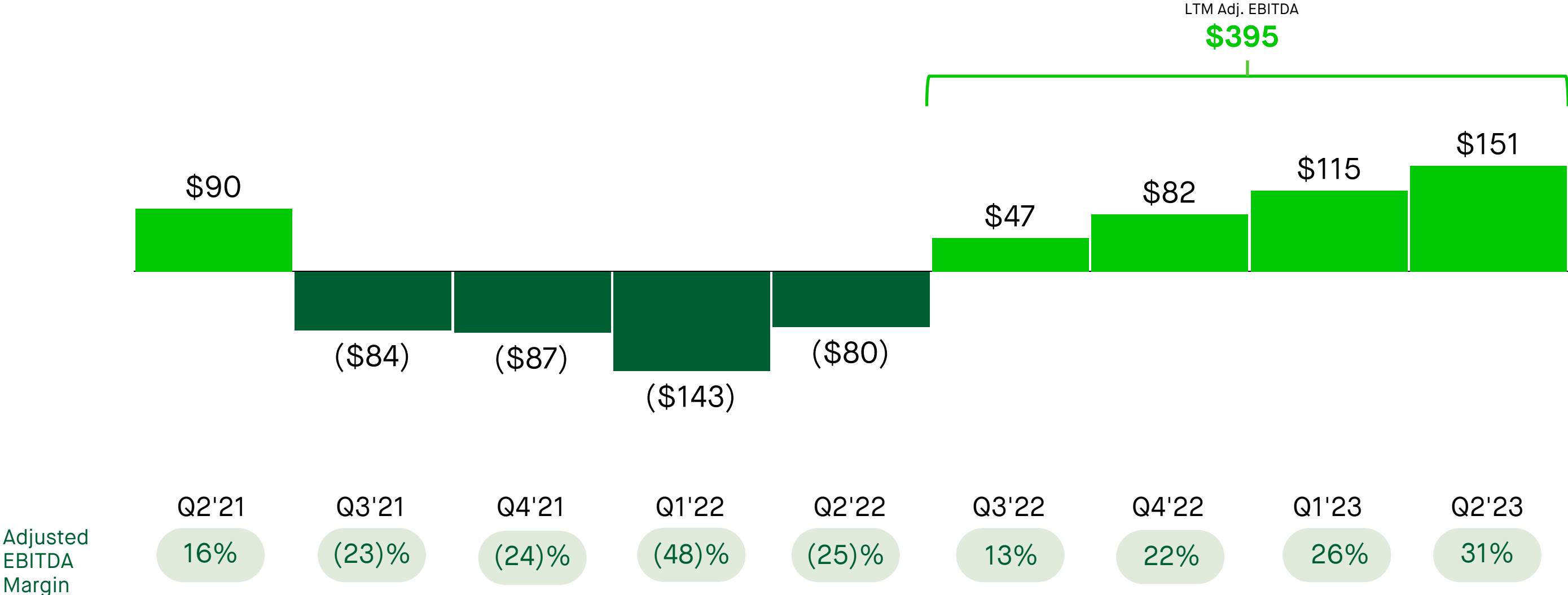
## Net Income



# Adjusted EBITDA was \$151 million in Q2, and nearly \$400 million over the last twelve months; Adjusted EBITDA margin increased to 31% in Q2

in millions

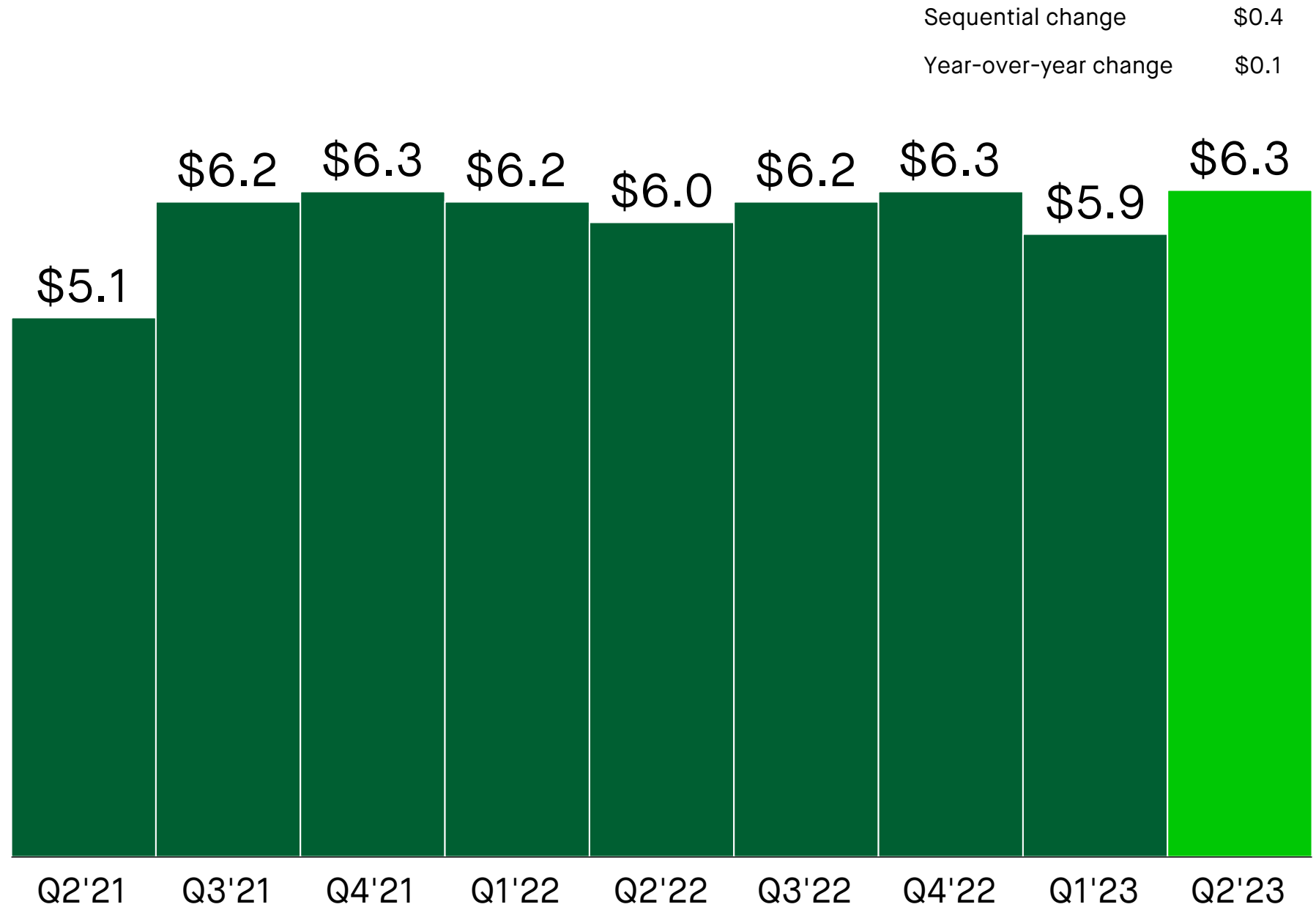
Sequential change \$36  
 Year-over-year change \$231



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

in billions

- We have over \$6 billion of corporate cash and investments\* today, as well as ~\$3 billion of available lines of credit
- In Q1 we moved ~\$500 million of corporate cash into treasuries and other high quality assets with an average duration of <1 year
- We like this strong balance sheet position that gives us flexibility to run and invest in our business.
- In addition, we are deploying capital to add value for our customers and shareholders:
  - Acquired X1 in July 2023
  - Continue to pursue purchasing most or all of the remaining 55 million shares originally purchased by Emergent Fidelity Technologies in May 2022




# Appendix



# June 2023 Monthly Metrics

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

Robinhood 	2022								2023						Change	
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Mo	Yr
<i>(M - in millions, B - in billions)</i>																
<b>User Growth (M)</b>																
Net Cumulative Funded Accounts (NCFA)	22.8	22.9	22.9	22.9	22.9	22.9	23.0	23.0	23.0	23.1	23.1	23.1	23.1	23.2	0%	1%
<b>Engagement (M)</b>																
Monthly Active Users (MAU)	14.6	14.0	13.2	13.3	12.2	12.5	12.5	11.4	12.0	12.0	11.8	11.5	10.6	10.8	2%	-23%
<b>Assets Under Custody (AUC) (\$B)</b>																
Total AUC	\$73.9	\$64.2	\$74.6	\$71.0	\$64.6	\$70.2	\$70.2	\$62.2	\$74.7	\$74.7	\$78.4	\$77.4	\$81.8	\$88.8	9%	38%
Net Deposits	\$2.5	\$1.5	\$0.7	\$0.8	\$1.3	\$1.6	\$1.7	\$1.6	\$1.4	\$1.5	\$1.5	\$1.4	\$1.6	\$1.0	N/M	N/M
<b>Trading</b>																
Trading Days (equities and options)	21	21	20	23	21	21	21	21	20	19	23	19	22	21	-5%	0%
<b>Total Trading Volumes</b>																
Equity (\$B)	\$58.2	\$50.1	\$48.8	\$66.0	\$46.5	\$46.7	\$44.7	\$38.6	\$46.0	\$57.3	\$56.8	\$38.9	\$49.4	\$66.9	35%	34%
Options contracts (M)	71.9	68.3	67.0	89.9	78.2	78.7	81.8	75.3	82.9	89.4	100.1	75.3	97.5	110.5	13%	62%
Crypto (\$B)	\$6.6	\$5.5	\$5.5	\$5.3	\$3.6	\$3.5	\$5.7	\$1.9	\$3.7	\$3.5	\$3.9	\$3.7	\$2.1	\$3.3	57%	-40%
<b>Daily Average Revenue Trades (DARTs) (M)</b>																
Equity DARTs	1.6	1.5	1.3	1.6	1.5	1.3	1.3	1.4	1.5	1.6	1.6	1.4	1.5	1.7	13%	13%
Option DARTs	0.6	0.5	0.5	0.6	0.5	0.6	0.6	0.5	0.6	0.7	0.6	0.5	0.6	0.7	17%	40%
Crypto DARTs	0.4	0.4	0.3	0.3	0.3	0.2	0.3	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0%	-50%
<b>Customer Margin and Cash Sweep Balances (\$B)</b>																
Margin Book	\$4.2	\$4.1	\$4.0	\$4.2	\$4.1	\$3.8	\$3.5	\$3.1	\$3.0	\$3.3	\$3.1	\$3.1	\$3.1	\$3.3	6%	-20%
Cash Sweep	\$2.3	\$2.4	\$2.5	\$2.6	\$3.0	\$3.8	\$5.0	\$5.8	\$7.1	\$8.0	\$8.9	\$9.6	\$11.2	\$11.9	6%	396%
Gold Cash Sweep	\$0.0	\$0.0	\$0.0	\$0.0	\$1.5	\$2.5	\$3.9	\$4.8	\$6.0	\$7.1	\$8.0	\$8.8	\$10.4	\$11.1	7%	NA
Non-Gold Cash Sweep	\$2.3	\$2.4	\$2.5	\$2.6	\$1.5	\$1.4	\$1.1	\$1.0	\$1.1	\$1.0	\$0.9	\$0.8	\$0.8	\$0.8	0%	-67%

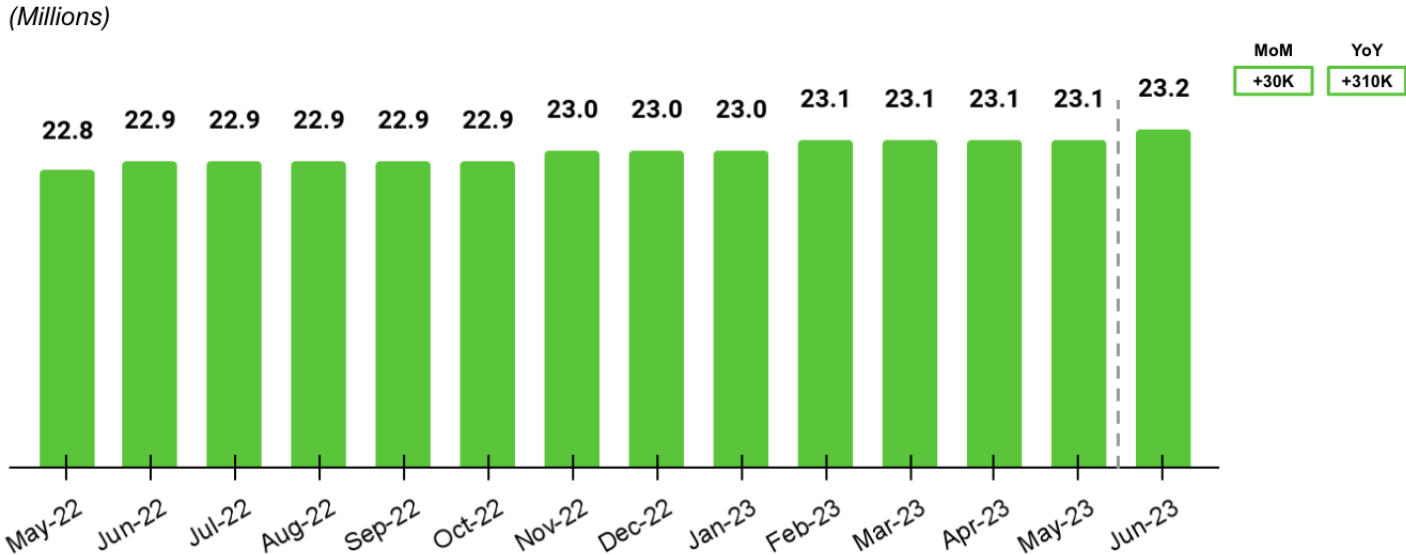
See Appendix for definitions.

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.

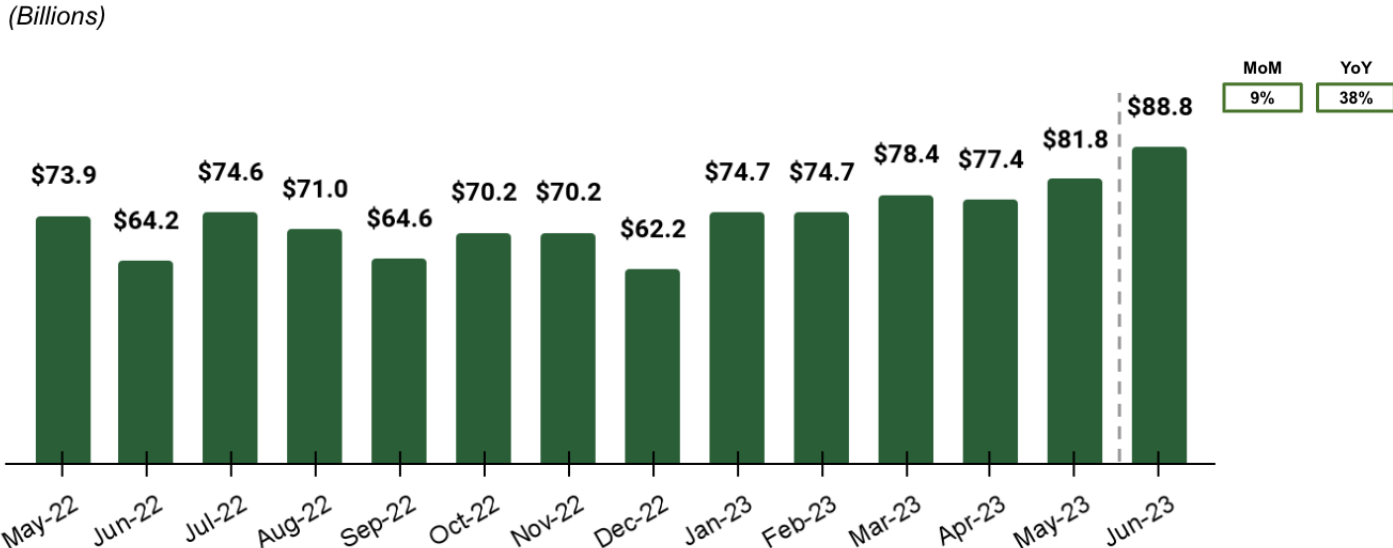
Cash Sweep balances were added as a new monthly metric in September 2022.

# June Monthly Metrics Dashboard (1 of 2)

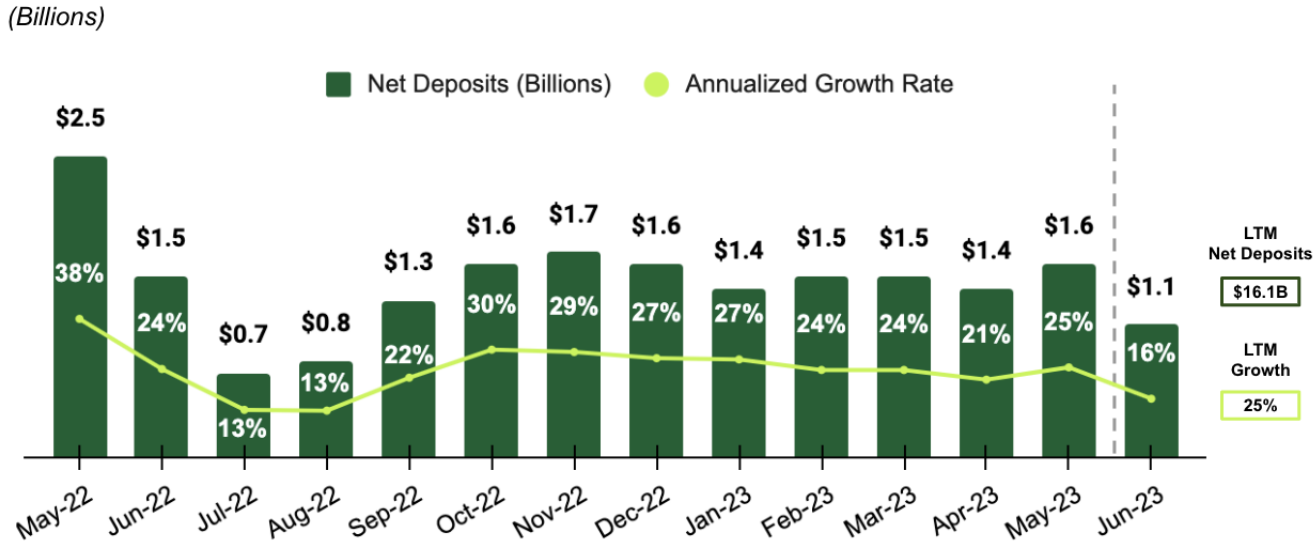
## Net Cumulative Funded Accounts



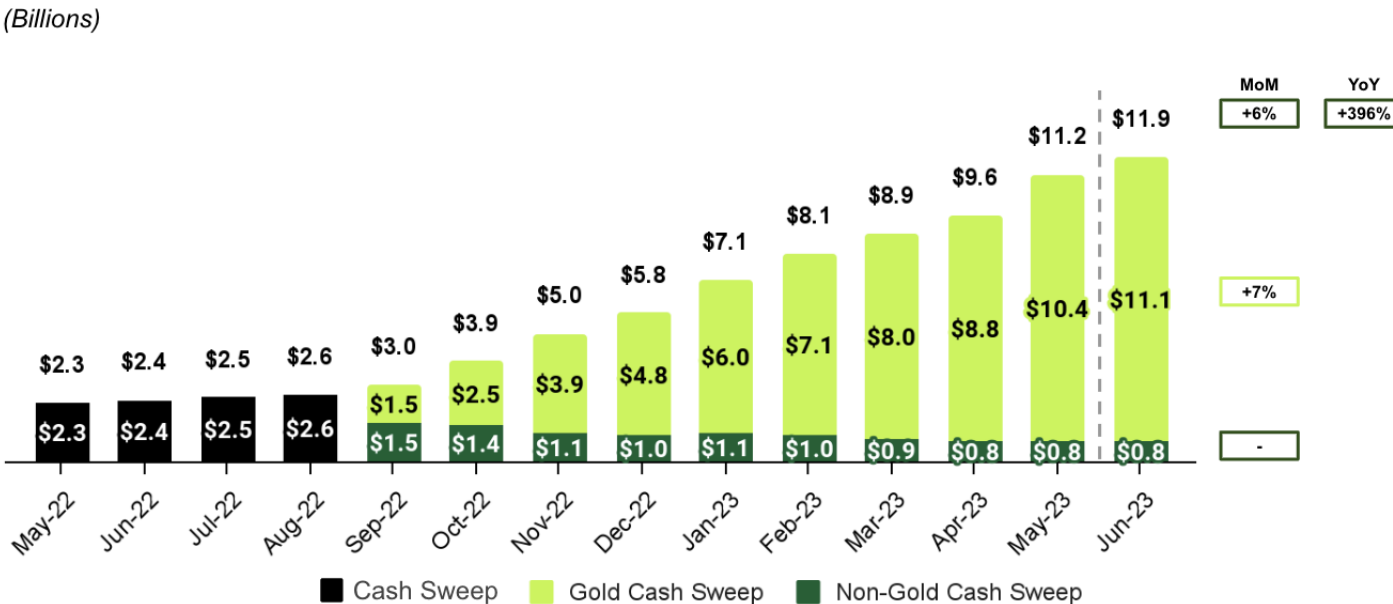
## Assets Under Custody



## Net Deposits



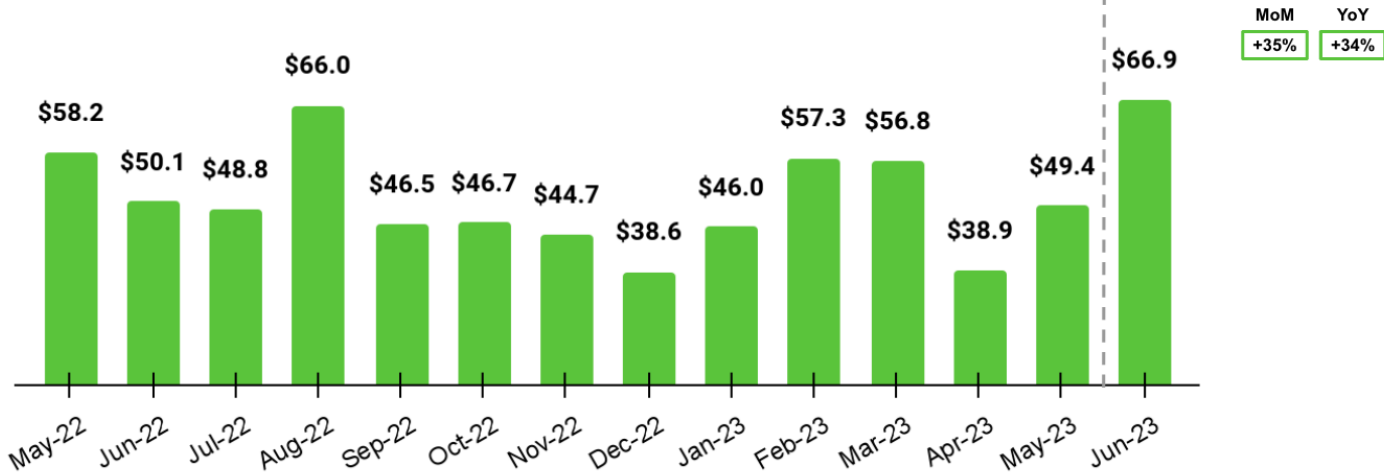
## Cash Sweep



# June Monthly Metrics Dashboard (2 of 2)

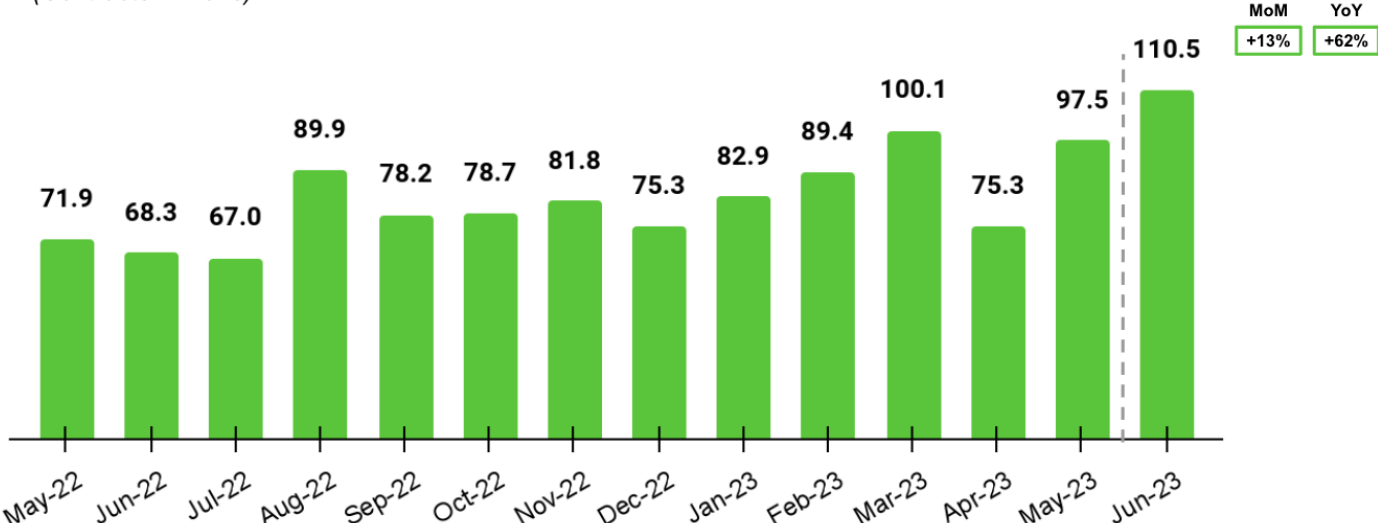
## Equity Notional Volumes

(\$ Billions)



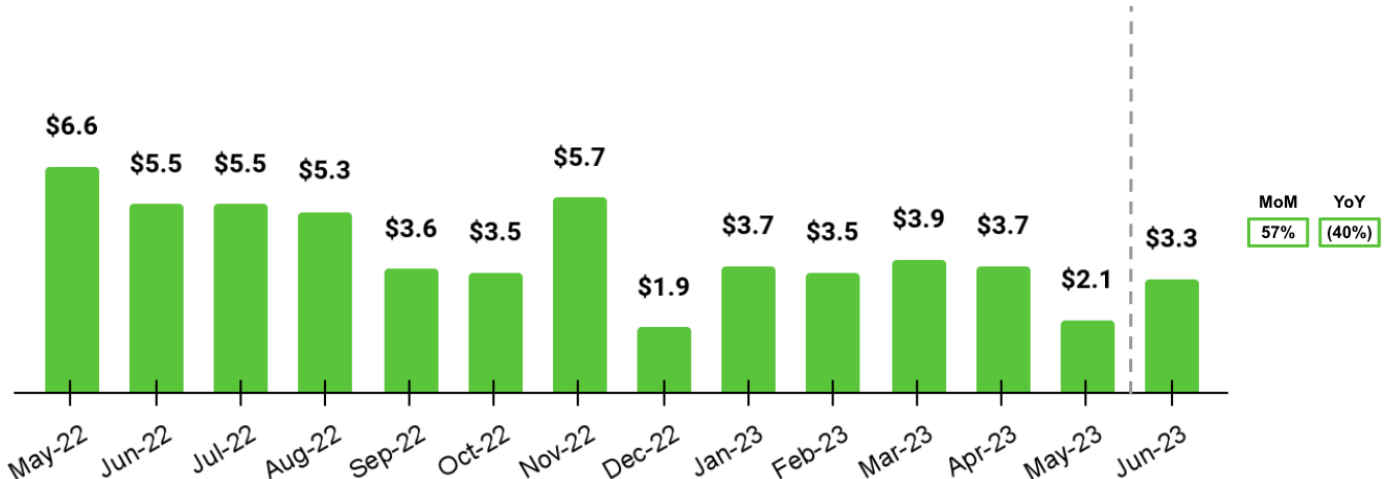
## Option Contract Notional Volumes

(Contracts Millions)



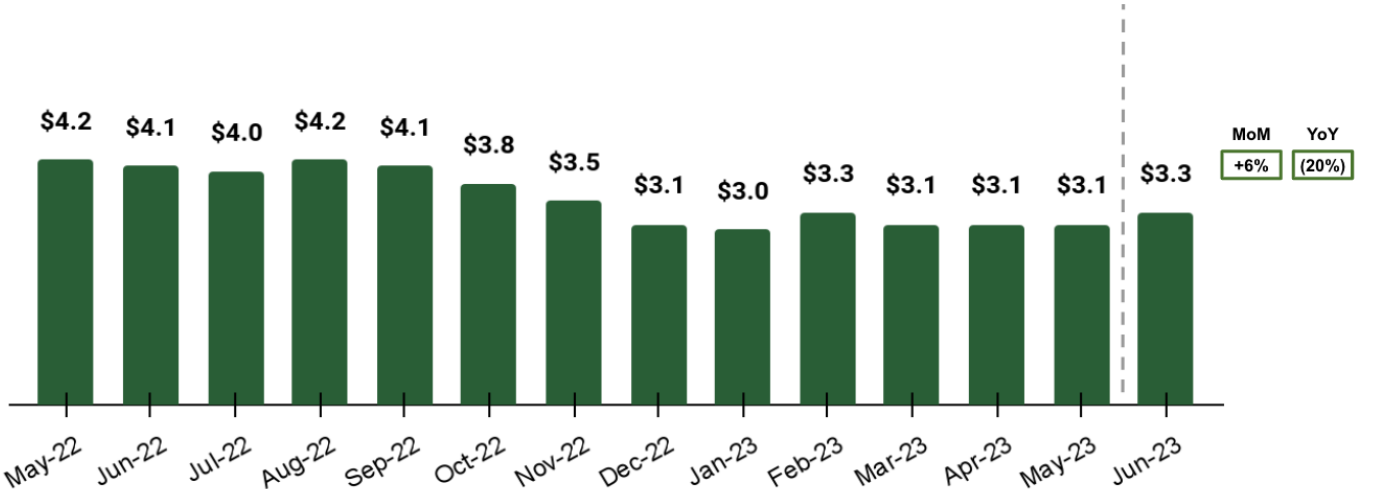
## Crypto Notional Volumes

(\$ Billions)



## Margin Balances

(\$ Billions)



# Changes in Net Cumulative Funded Accounts

in millions

	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Beginning balance	18.0	22.5	22.4	22.7	22.8	22.9	22.9	23.0	23.1
New funded accounts	5.1	0.7	0.8	0.5	0.4	0.3	0.2	0.3	0.2
Resurrected accounts	0.3	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Churned accounts	(0.9)	(0.9)	(0.7)	(0.5)	(0.4)	(0.4)	(0.2)	(0.3)	(0.2)
Ending balance	22.5	22.4	22.7	22.8	22.9	22.9	23.0	23.1	23.2

# Changes in Assets Under Custody (AUC)

in billions

	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Beginning balance	\$80.9	\$102.0	\$95.4	\$98.0	\$93.1	\$64.2	\$64.6	\$62.2	\$78.4
Net deposits	9.9	2.2	4.4	5.7	5.2	2.7	4.8	4.4	4.1
Net market gains (losses)	11.2	(8.8)	(1.8)	(10.6)	(34.1)	(2.3)	(7.2)	11.8	6.3
Ending balance	\$102.0	\$95.4	\$98.0	\$93.1	\$64.2	\$64.6	\$62.2	\$78.4	\$88.8

# Trading Volume for Q2'2023

Equity Notional Volume  
down 3% q/q, driven by:

Customers placing trades  
-4% q/q

Notional volumes, per trader  
-1% q/q

Options Contracts Traded  
up 4% q/q, driven by:

Customers placing trades  
-5% q/q

Contracts per trader  
+10% q/q

Crypto Notional Volume  
down 18% q/q, driven by:

Customers placing trades  
-6% q/q

Notional volumes, per trader  
-15% q/q

# Revenue per employee continues to grow

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Seq Change	YoY Change
End of period Employee Count	3,892	3,416	2,417	2,327	2,320	2,145	(8%)	(37%)
Total Net Revenues (in millions)	\$299	\$318	\$361	\$380	\$441	\$486	10%	53%
Average Employee Count	3,828	3,654	2,917	2,372	2,324	2,233	(4%)	(39%)
Annualized revenue per employee (in thousands)*	\$312	\$348	\$495	\$641	\$759	\$871	15%	150%

# Total Securities Lending increased 7% sequentially in Q2 to \$48 million; Fully Paid Securities Lending grew to 29% of Total Securities Lending

<i>Total Securities Lending Revenue, including interest on cash collateral</i>	Q3'2022	Q4'2022	Q1'2023	Q2'2023	Sequential Change
Securities Lending, net (shown on p. 16)	\$29	\$13	\$26	\$27	4%
Interest on Cash Collateral for Margin Based Securities Lending (included in Interest on Segregated Cash and Cash Equivalents on p. 15)	\$7	\$12	\$19	\$21	11%
<b>Total Securities Lending Revenue</b>	<b>\$36</b>	<b>\$25</b>	<b>\$45</b>	<b>\$48</b>	<b>7%</b>
<i>Breakdown of Total Securities Lending Revenue</i>					
Margin Based Securities Lending*	\$32	\$20	\$34	\$34	—%
<i>Margin Based as a percentage of Total</i>	89%	80%	76%	71%	
Fully Paid Securities Lending, net*	\$4	\$5	\$11	\$14	27%
<i>Fully Paid as a percentage of Total</i>	11%	20%	24%	29%	



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

in millions

GAAP Operating Expenses	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Brokerage and transaction <sup>(1)</sup>	\$39	\$44	\$29	\$31	\$30	\$33	\$85	\$36	\$39
Technology and development	156	679	282	268	245	185	180	199	207
Operations	100	108	98	91	86	65	43	42	36
Marketing	94	87	42	32	23	19	29	26	25
General and administration	112	790	332	268	226	233	197	647	159
<b>Total operating expenses</b>	<b>\$501</b>	<b>\$1,708</b>	<b>\$783</b>	<b>\$690</b>	<b>\$610</b>	<b>\$535</b>	<b>\$534</b>	<b>\$950</b>	<b>\$466</b>

SBC	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Brokerage and transaction	\$—	\$6	\$1	\$1	\$1	\$2	\$1	\$2	\$2
Technology and development	1	503	105	82	59	25	46	54	56
Operations	—	16	4	4	1	—	3	2	1
Marketing	—	41	9	5	(2)	—	1	1	1
General and administration	—	678	199	128	105	83	109	539	49
<b>Total SBC</b>	<b>\$1</b>	<b>\$1,244</b>	<b>\$318</b>	<b>\$220</b>	<b>\$164</b>	<b>\$110</b>	<b>\$160</b>	<b>\$598</b>	<b>\$109</b>

Non-GAAP Operating Expenses Prior to SBC	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Brokerage and transaction <sup>(1)</sup>	\$39	\$38	\$28	\$30	\$29	\$31	\$84	\$34	\$37
Technology and development	155	176	177	186	186	160	134	145	151
Operations	100	92	94	87	85	65	40	40	35
Marketing	94	46	33	27	25	19	28	25	24
General and administration	112	112	133	140	121	150	88	108	110
<b>Total operating expenses prior to SBC</b>	<b>\$500</b>	<b>\$464</b>	<b>\$465</b>	<b>\$470</b>	<b>\$446</b>	<b>\$425</b>	<b>\$374</b>	<b>\$352</b>	<b>\$357</b>

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

	Year Ended December 31, 2021	Year Ended December 31, 2022	Initial Financial Outlook for the Year Ending December 31, 2023	Q1 Earnings Financial Outlook for the Year Ending December 31, 2023	Current Financial Outlook for the Year Ending December 31, 2023
	(in millions)	(in millions)	(in millions)	(in millions)	(in millions)
<b>Total operating expenses (GAAP)</b>	<b>\$3,456</b>	<b>\$2,369</b>	<b>\$2,375 - \$2,515</b>	<b>\$2,345 - \$2,485</b>	<b>\$2,330 - \$2,410</b>
Less: SBC					
2021 Founders Award Cancellation	N/A	N/A	485	485	485
SBC excluding 2021 Founders Award Cancellation <sup>(1)</sup>	1,572	654	470 - 550	440 - 520	415 - 455
<b>Total operating expenses prior to SBC (non-GAAP)</b>	<b>\$1,884</b>	<b>\$1,715</b>	<b>\$1,420 - \$1,480</b>	<b>\$1,420 - \$1,480</b>	<b>\$1,430 - \$1,470</b>
Less: Restructuring charges	N/A	105	N/A	N/A	N/A
Less: Q4 2022 Processing Error	N/A	57	N/A	N/A	N/A
<b>Total operating expenses prior to SBC, restructuring charges, and Q4 2022 Processing Error (non-GAAP)</b>	<b>\$1,884</b>	<b>\$1,553</b>	<b>\$1,420 - \$1,480</b>	<b>\$1,420 - \$1,480</b>	<b>\$1,430 - \$1,470</b>

(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.

# Share Count Detail

	Price per Class A share					
	\$8.22	\$10.10	\$8.14	\$9.71	\$9.98	
(in millions, except prices and percentages)	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	June 30, 2023 Year-over-year growth
Class A shares outstanding	750.3	756.8	764.9	772.7	782.4	
Class B shares outstanding	128.0	128.0	127.9	127.5	127.3	
<b>Basic shares</b>	<b>878.3</b>	<b>884.8</b>	<b>892.8</b>	<b>900.2</b>	<b>909.7</b>	<b>3.6%</b>
Employee time-based RSUs outstanding	72.5	71.9	56.1	63.6	54.7	
Founders' pre-IPO market-based RSUs outstanding and eligible to vest	1.0	0.9	0.8	0.7	0.6	
Employee stock options outstanding (in-the-money) <sup>1</sup>	12.2	11.4	10.8	10.1	10.1	
<b>Diluted shares<sup>2</sup></b>	<b>964.0</b>	<b>969.0</b>	<b>960.5</b>	<b>974.6</b>	<b>975.1</b>	<b>1.2%</b>
Founders' pre-IPO market-based RSUs outstanding but not eligible to vest <sup>3</sup>	57.7	57.7	57.7	22.1	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	
<b>Fully diluted shares<sup>2</sup></b>	<b>1,040.5</b>	<b>1,045.5</b>	<b>1,037.0</b>	<b>1,015.5</b>	<b>1,016.0</b>	<b>(2.4)%</b>

(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, 0.4M shares in November 2022, and 1.2M shares in May 2023.

(2) Please note that under GAAP, for any period with a net loss, diluted EPS is calculated using basic shares; for any period with net income, diluted EPS is calculated using the treasury method for diluted shares, which may cause differences compared to diluted shares shown in this schedule dependent on Robinhood's share price.

(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 by 12/31/2025: \$50.75 - 8.3M shares; \$101.50 - 13.8M shares.

# Net Cash Held by Users

in billions

	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Q2'2023
Gold Cash Sweep	\$—	\$—	\$—	\$—	\$—	\$1.5	\$4.8	\$8.0	\$11.1
Non-Gold Cash Sweep	2.3	2.1	2.1	2.3	2.4	1.5	1.0	0.9	0.8
<b>Total Cash Sweep</b>	<b>2.3</b>	<b>2.1</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>3.0</b>	<b>5.8</b>	<b>8.9</b>	<b>11.9</b>
Free Credit Balances and Other	7.6	6.7	6.7	6.9	5.7	5.1	5.0	5.3	5.3
<b>Total Cash held by users</b>	<b>9.9</b>	<b>8.8</b>	<b>8.8</b>	<b>9.2</b>	<b>8.1</b>	<b>8.1</b>	<b>10.8</b>	<b>14.2</b>	<b>17.2</b>
Receivables from users	(5.5)	(6.2)	(6.5)	(5.4)	(4.2)	(4.0)	(3.1)	(3.0)	(3.2)
<b>Net Cash Held by Users</b>	<b>\$4.4</b>	<b>\$2.6</b>	<b>\$2.3</b>	<b>\$3.8</b>	<b>\$3.9</b>	<b>\$4.1</b>	<b>\$7.7</b>	<b>\$11.2</b>	<b>\$14.0</b>

# Adjusted EBITDA and Adjusted EBITDA Margin Reconciliations

in millions

	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022	Q1'2023	Q2'2023
Net income (loss)	(\$502)	(\$1,317)	(\$423)	(\$392)	(\$295)	(\$175)	(\$166)	(\$511)	\$25
Net margin <sup>1</sup>	(89)%	(361)%	(117)%	(131)%	(93)%	(48)%	(44)%	(116)%	5 %
Add:									
Interest expenses related to credit facilities	5	6	6	6	6	6	6	6	5
Provision for (benefit from) income taxes	38	(50)	3	1	1	1	(2)	2	(3)
Depreciation and amortization	5	8	9	12	17	15	17	20	15
EBITDA (non-GAAP)	(454)	(1,353)	(405)	(373)	(271)	(153)	(145)	(483)	42
2021 Founders Award Cancellation	—	—	—	—	—	—	—	485	—
SBC excluding 2021 Founders Award Cancellation	1	1,244	318	220	164	110	160	113	109
Change in fair value of convertible notes and warrant liability	528	25	—	—	—	—	—	—	—
Impairment of Ziglu equity securities	—	—	—	—	—	—	12	—	—
Restructuring charges	—	—	—	—	17	90	(2)	—	—
Significant legal and tax settlements and reserves	15	—	—	10	10	—	—	—	—
Q4 2022 Processing Error	—	—	—	—	—	—	57	—	—
Adjusted EBITDA (non-GAAP)	90	(84)	(87)	(143)	(80)	47	82	115	151
Adjusted EBITDA Margin (non-GAAP) <sup>2</sup>	16 %	(23)%	(24)%	(48)%	(25)%	13 %	22 %	26 %	31 %

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, 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. Negative balances typically result from Fraudulent Deposit Transactions (as defined below) and unauthorized debit card use, and less often, from margin loans. "Company-initiated Credits" are amounts that are deposited into a Robinhood Account by the Company with no action taken by the user. Examples of Company-initiated Credits excluded for purposes of identifying Churned Accounts and Resurrected Accounts are price correction credits, related interest adjustments, and fee adjustments. "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.

### Revenue per Employee

Revenue per Employee is calculated by multiplying the quarterly total net revenues by 4 and dividing by average employee count for the quarter.

# 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 Bajju 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.