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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to
Commission File Number: 001-40430

FLYWIRE CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Delaware	**27-0690799**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
141 Tremont St #10 Boston, MA	**02111**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (617) 329-4524

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Voting common stock, $0.0001 par value per share	**FLYW**	**The Nasdaq Stock Market LLC (Nasdaq Global Select Market)**

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

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

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

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

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

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

As of October 30, 2026, the registrant had 122,542,824 shares of voting common stock, $0.0001 par value per share, outstanding and no shares of non-voting common stock $0.0001 par value per share, outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, as well as information included in oral statements or other written statements made or to be made by us, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve substantial risks and uncertainties. All statements other than statements of historical fact contained in this report, including statements regarding our future results of operations and financial condition, business strategy, and plans and objectives of management for future operations, are forward-looking statements. In some cases, forward-looking statements may be identified by words such as “believe,” “may,” “will,” “potentially,” “estimate,” “continue,” “anticipate,” “intend,” “could,” “would,” “project,” “target,” “plan,” “expect,” or the negative of these terms or other similar expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our future financial performance, including our expectations regarding our revenue, cost and operating expenses, including changes in technology and development, selling and marketing and general and administrative expenses (including any components of the foregoing), gross profit and our ability to achieve, and maintain, future profitability;
- our business plan and our ability to effectively manage our growth;
- our cross-border expansion plans and ability to expand internationally;
- anticipated trends, growth rates, and challenges in our business and in the markets in which we operate;
- the sufficiency of, and ability to access, our cash and cash equivalents to meet our liquidity needs;
- political, economic, foreign currency exchange rate, inflation, tariffs and international trade conflict, banking, legal, immigration and visa, social and health risks and public health measures that may affect cross-border commerce, education and travel, our business or the global economy;
- our beliefs and objectives for future operations;
- our ability to maintain, enhance and protect our brand;
- our ability to maintain and grow the payment volume that we process;
- our ability to further attract, retain, and expand our client base;
- our ability to develop new solutions and services and bring them to market in a timely and cost-effective manner;
- our expectations concerning relationships with third parties, including financial institutions and strategic partners;
- the effects of increased competition in our markets and our ability to compete effectively;
- recent and future acquisitions or investments in complementary companies, products, services, or technologies, including the expected benefits and synergies of the acquisition of Sertifi LLC (Sertifi), including the potential benefits of Sertifi’s platform, financial results and margins;
- our ability to enter new client verticals and sub-verticals, including our relatively new business-to-business (B2B) sector;
- our expectations regarding anticipated technology needs and developments and our ability to address those needs and developments with our solutions;
- our expectations regarding litigation and legal and regulatory matters;
- our expectations regarding our ability to meet existing performance obligations and maintain the operability of our solutions;
- our expectations regarding the effects of existing and developing laws and regulations, including with respect to payments and other financial services, economic and trade sanctions, anti-money laundering (AML) and countering the financing of terrorism (CFT), taxation, privacy and data protection;
- economic and industry trends, projected growth, or trend analysis;
- the effects of global events and geopolitical conflict, including without limitation the hostilities in Ukraine and involving Israel, Hamas, the U.S. and Iran;
- our ability to adapt to recommended or implemented U.S. policy changes, in particular those that impact higher education, the desire for foreign students to study in the U.S., immigration and visa policy, and changes to regulatory agencies and depth of enforcement of regulations;
- our ability to adapt to changes in U.S. federal income or other tax laws or the interpretation of tax laws, including without limitation the Inflation Reduction Act of 2022 and The One Big Beautiful Bill Act of 2025;
- our ability to attract and retain qualified employees;
- our ability to maintain, protect, and enhance our intellectual property;

- our ability to maintain the security and availability of our solutions;
- our ability to successfully execute initiatives intended to improve our internal systems and processes to allow us to scale for growth, as well as to manage the opportunities and challenges of artificial intelligence (AI);
- the increased expenses associated with being a public company; and
- the future market price of our common stock.

Forward-looking statements are based on our management's beliefs and assumptions and on information currently available. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described in the section titled "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q. Other sections of this Quarterly Report on Form 10-Q may include additional factors that could harm our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for our management to predict all risk factors nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in, or implied by, any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, achievements, events, or circumstances. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this report or to conform these statements to actual results or to changes in our expectations. You should read this Quarterly Report on Form 10-Q and the documents that we have filed as exhibits to this report with the understanding that our actual future results, levels of activity, performance, and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and you are cautioned not to unduly rely upon these statements.

Unless otherwise noted or unless the context provides otherwise, all references in this Quarterly Report on Form 10-Q to our "common stock" refer to our voting common stock.

Investors, the media, and others should note that we intend to announce material information to the public through filings with the Securities and Exchange Commission (SEC), the investor relations page on our website (https://ir.flywire.com), blog posts on our website (www.flywire.com), press releases, public conference calls, webcasts, and social media channels, including our X feed (@flywire), Facebook page (https://www.facebook.com/Flywire) and LinkedIn page (https://www.linkedin.com/company/flywire). The information disclosed by the foregoing channels could be deemed to be material information. As such, we encourage investors, the media, and others to follow the channels listed above and to review the information disclosed through such channels. Any updates to the list of disclosure channels through which we will announce information will be posted on the investor relations page on our website. The contents of the websites provided above are not incorporated into this filing or in any other report or document we file with the SEC. These website addresses are intended to be inactive textual references only.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

FLYWIRE CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited) (Amounts in thousands, except par value per share and share amounts)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 407,173	$ 330,303
Short-term investments	3,043	24,692
Accounts receivable, net of allowance of $2,402 and $834, respectively	48,294	34,776
Unbilled receivables, net of allowance of $43 and $45, respectively	19,305	20,522
Funds receivable from payment partners	158,772	155,455
Prepaid expenses and other current assets	47,436	36,540
Total current assets	684,023	602,288
Property and equipment, net	29,089	22,125
Intangible assets, net	177,229	189,050
Goodwill	407,646	406,507
Other assets	72,326	33,343
Total assets	$ 1,370,313	$ 1,253,313
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 21,420	$ 15,298
Funds payable to clients	334,974	310,799
Accrued expenses and other current liabilities	67,788	55,715
Deferred revenue	23,100	19,951
Total current liabilities	447,282	401,763
Deferred tax liabilities	11,015	12,900
Other liabilities	2,618	3,479
Total liabilities	460,915	418,142
Commitments and contingencies (Note 17)		
Stockholders' equity:		
Preferred stock, $0.0001 par value; 10,000,000 shares authorized, none issued and outstanding as of September 30, 2026 and December 31, 2025	—	—
Voting common stock, $0.0001 par value; 2,000,000,000 shares authorized, 134,837,558 shares issued and 122,494,955 shares outstanding as of September 30, 2026; 130,335,519 shares issued and 120,086,090 shares outstanding as of December 31, 2025	13	13
Non-voting common stock, $0.0001 par value; 10,000,000 shares authorized, none issued and outstanding as of September 30, 2026, and 1,873,320 shares issued and outstanding as of December 31, 2025, respectively	—	—
Treasury voting common stock, at cost; 12,342,603 and 10,249,429 shares as of September 30, 2026 and December 31, 2025, respectively	(147,828)	(118,636)
Additional paid-in capital	1,130,086	1,108,679
Accumulated other comprehensive income	5,586	2,488
Accumulated deficit	(78,459)	(157,373)
Total stockholders' equity	909,398	835,171
Total liabilities and stockholders' equity	$ 1,370,313	$ 1,253,313

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FLYWIRE CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited) (Amounts in thousands, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Revenue	$ 250,300	$ 200,138	$ 606,156	$ 465,481
Costs and operating expenses:				
Payment processing services costs	93,989	72,318	246,188	176,768
Technology and development	16,652	17,650	54,472	51,667
Selling and marketing	42,570	41,911	121,975	116,857
General and administrative	44,330	36,006	122,750	99,239
Restructuring	—	—	—	8,690
Total costs and operating expenses	197,541	167,885	545,385	453,221
Income from operations	$ 52,759	$ 32,253	$ 60,771	$ 12,260
Other (expense) income:				
Interest expense	(463)	(1,197)	(1,079)	(2,986)
Interest income	506	769	2,077	4,792
(Loss) gain from remeasurement of foreign currency	(451)	(626)	(47)	6,897
Gain on available-for-sale debt securities	3	—	3	166
Total other (expense) income, net	(405)	(1,054)	954	8,869
Income before income taxes	52,354	31,199	61,725	21,129
(Benefit from) provision for income taxes	(22,189)	1,568	(17,189)	7,665
Net income	$ 74,543	$ 29,631	$ 78,914	$ 13,464
Other comprehensive (loss) income:				
Foreign currency translation adjustment	1,176	(1,917)	3,152	7,415
Unrealized (losses) gains on available-for-sale debt securities, net of taxes	(7)	20	(54)	(145)
Total other comprehensive income (loss)	1,169	(1,897)	3,098	7,270
Comprehensive income	$ 75,712	$ 27,734	$ 82,012	$ 20,734
Net income attributable to common stockholders – basic and diluted	$ 74,543	$ 29,631	$ 78,914	$ 13,464
Net income per share attributable to common stockholders – basic	$ 0.61	$ 0.24	$ 0.65	$ 0.11
Net income per share attributable to common stockholders – diluted	$ 0.57	$ 0.23	$ 0.61	$ 0.11
Weighted average common shares outstanding – basic	121,956,220	122,434,615	122,177,966	122,504,476
Weighted average common shares outstanding – diluted	129,703,126	127,675,613	129,002,208	127,495,177

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FLYWIRE CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited) (Amounts in thousands, except share amounts)

	Three Months Ended September 30, 2026									
	Voting Common Stock		Non-Voting Common Stock		Treasury Voting Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balances at June 30, 2026	133,968,610	$ 13	—	$ —	(12,359,463)	$ (148,375)	$ 1,113,537	$ 4,417	$ (153,002)	$ 816,590
Issuance of common stock upon exercise of stock options, net of tax withheld	154,880	—	—	—	—	—	751	—	—	751
Issuance of common stock upon settlement of restricted stock units, net of tax withheld	714,068	—	—	—	—	—	(2,134)	—	—	(2,134)
Issuance of treasury stock under equity incentive plans	—	—	—	—	16,860	243	(243)	—	—	—
Common stock repurchases, including related costs	—	—	—	—	—	304	—	—	—	304
Foreign currency translation adjustment	—	—	—	—	—	—	—	1,176	—	1,176
Unrealized losses on available-for-sale debt securities, net of taxes	—	—	—	—	—	—	—	(7)	—	(7)
Stock-based compensation	—	—	—	—	—	—	18,175	—	—	18,175
Net income	—	—	—	—	—	—	—	—	74,543	74,543
Balances at September 30, 2026	134,837,558	$ 13	—	$ —	(12,342,603)	$ (147,828)	$ 1,130,086	$ 5,586	$ (78,459)	$ 909,398

	Three Months Ended September 30, 2025									
	Voting Common Stock		Non-Voting Common Stock		Treasury Voting Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balances at June 30, 2025	129,076,628	$ 13	1,873,320	$ —	(8,769,147)	$ (98,739)	$ 1,071,085	$ 7,101	$ (187,037)	$ 792,423
Issuance of common stock upon exercise of stock options, net of tax withheld	105,486	—	—	—	—	—	311	—	—	311
Issuance of common stock upon settlement of restricted stock units, net of tax withheld	450,612	—	—	—	—	—	(893)	—	—	(893)
Issuance of treasury stock under equity incentive plans	—	—	—	—	8,621	97	(97)	—	—	—
Issuance of common stock under employee stock purchase plan	129,118	—	—	—	—	—	1,285	—	—	1,285
Common stock repurchases, including related costs	—	—	—	—	(762,379)	(10,045)	—	—	—	(10,045)
Foreign currency translation adjustment	—	—	—	—	—	—	—	(1,917)	—	(1,917)
Unrealized gains on available-for-sale debt securities, net of taxes	—	—	—	—	—	—	—	20	—	20
Stock-based compensation	—	—	—	—	—	—	18,311	—	—	18,311
Net income	—	—	—	—	—	—	—	—	29,631	29,631
Balances at September 30, 2025	129,761,844	$ 13	1,873,320	$ —	(9,522,905)	$ (108,687)	$ 1,090,002	$ 5,204	$ (157,406)	$ 829,126

	Nine Months Ended September 30, 2026									
	Voting Common Stock		Non-Voting Common Stock		Treasury Voting Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balances at December 31, 2025	130,335,519	$ 13	1,873,320	$ —	(10,249,429)	$ (118,636)	$ 1,108,679	$ 2,488	$ (157,373)	$ 835,171
Issuance of common stock upon exercise of stock options, net of tax withheld	867,430	—	—	—	—	—	2,908	—	—	2,908
Issuance of common stock upon settlement of restricted stock units, net of tax withheld	3,498,619	—	—	—	—	—	(7,485)	—	—	(7,485)
Issuance of treasury stock under equity incentive plans	—	—	—	—	80,753	982	(982)	—	—	—
Issuance of common stock under employee stock purchase plan	135,990	—	—	—	—	—	1,592	—	—	1,592
Common stock repurchases, including related costs	—	—	—	—	(2,173,927)	(30,174)	—	—	—	(30,174)
Repurchase and retirement of non-voting common stock	—	—	(1,873,320)	—	—	—	(29,036)	—	—	(29,036)
Foreign currency translation adjustment	—	—	—	—	—	—	—	3,152	—	3,152
Unrealized losses on available-for-sale debt securities, net of taxes	—	—	—	—	—	—	—	(54)	—	(54)
Stock-based compensation	—	—	—	—	—	—	54,410	—	—	54,410
Net income	—	—	—	—	—	—	—	—	78,914	78,914
Balances at September 30, 2026	134,837,558	$ 13	—	$ —	(12,342,603)	$ (147,828)	$ 1,130,086	$ 5,586	$ (78,459)	$ 909,398

	Nine Months Ended September 30, 2025									
	Voting Common Stock		Non-Voting Common Stock		Treasury Voting Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balances at December 31, 2024	126,853,852	$ 13	1,873,320	$ —	(4,670,974)	$ (46,268)	$ 1,033,958	$ (2,066)	$ (170,870)	$ 814,767
Issuance of common stock upon exercise of stock options, net of tax withheld	767,953	—	—	—	—	—	2,064	—	—	2,064
Issuance of common stock upon settlement of restricted stock units, net of tax withheld	1,880,125	—	—	—	—	—	(3,257)	—	—	(3,257)
Issuance of treasury stock under equity incentive plans	—	—	—	—	37,133	394	(394)	—	—	—
Issuance of common stock under employee stock purchase plan	217,916	—	—	—	—	—	2,527	—	—	2,527
Issuance of common stock for retention bonus	41,998	—	—	—	—	—	—	—	—	—
Common stock repurchases, including related costs	—	—	—	—	(4,889,064)	(62,813)	—	—	—	(62,813)
Foreign currency translation adjustment	—	—	—	—	—	—	—	7,415	—	7,415
Unrealized losses on available-for-sale debt securities, net of taxes	—	—	—	—	—	—	—	(145)	—	(145)
Stock-based compensation	—	—	—	—	—	—	55,104	—	—	55,104
Net income	—	—	—	—	—	—	—	—	13,464	13,464
Balances at September 30, 2025	129,761,844	$ 13	1,873,320	$ —	(9,522,905)	$ (108,687)	$ 1,090,002	$ 5,204	$ (157,406)	$ 829,126

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FLYWIRE CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited) (Amounts in thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income	$ 78,914	$ 13,464
Adjustments to reconcile net income to net cash provided by operating activities:		
Unrealized gain from remeasurement of foreign currency	(4,802)	(10,458)
Depreciation and amortization	22,657	19,037
Stock-based compensation expense	52,097	53,473
Amortization of deferred contract costs	1,724	1,167
Change in fair value of contingent consideration	1,794	(1,223)
Deferred tax benefit	(29,187)	(452)
Change in provision for uncollectible accounts	2,011	1,629
Amortization of debt issuance costs	296	173
Net accretion of discounts and amortization of premiums on investments	(19)	(612)
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(15,684)	(11,585)
Unbilled receivables	1,247	2,105
Funds receivable from payment partners	(1,542)	(42,686)
Prepaid expenses, other current assets and other assets	(22,902)	(21,304)
Funds payable to clients	27,167	83,343
Accounts payable, accrued expenses and other current liabilities	14,441	7,537
Contingent consideration	—	(74)
Other liabilities	(948)	2,542
Deferred revenue	3,153	(787)
Net cash provided by operating activities	130,417	95,289
Cash flows from investing activities:		
Acquisitions of businesses, net of cash acquired	—	(324,921)
Assets acquisition	(3,229)	—
Purchase of short-term and long-term investments	—	(14,199)
Proceeds from the maturity and sale of short-term and long-term investments	21,401	154,725
Capitalization of internally developed software	(10,068)	(5,813)
Purchases of property and equipment	(621)	(960)
Net cash provided by (used in) investing activities	7,483	(191,168)
Cash flows from financing activities:		
Proceeds from issuance of revolving credit facility	—	125,000
Payment of revolving credit facility	—	(110,000)
Payment of debt issuance costs	—	(758)
Contingent consideration paid for acquisitions	—	(4,139)
Payments of tax withholdings for net settled equity awards	(7,485)	(3,257)
Common stock repurchased including related costs	(30,523)	(64,319)
Non-voting common stock repurchased and retired	(29,036)	—
Proceeds from the issuance of stock under Employee Stock Purchase Plan	1,592	2,527
Proceeds from exercise of stock options	2,908	2,064
Deferred acquisition payment	(1,000)	(1,000)
Net cash used in financing activities	(63,544)	(53,882)
Effect of exchange rates changes on cash and cash equivalents	2,514	9,433
Net change in cash and cash equivalents	76,870	(140,328)
Cash and cash equivalents, beginning of period	330,303	495,242
Cash and cash equivalents, end of period	$ 407,173	$ 354,914
Supplemental disclosures of cash flow and noncash information		
Purchase of property and equipment in accounts payable	124	25
Capitalized stock-based compensation expense	2,313	1,630
Accrued excise tax related to common stock repurchased	—	319
Cash paid for interest	—	1,933

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FLYWIRE CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Business Overview and Summary of Significant Accounting Policies

Flywire Corporation (Flywire or the Company) was incorporated under the laws of the state of Delaware in July 2009 as peerTransfer Corporation. In 2016, the Company changed its name to Flywire Corporation. The Company is headquartered in Boston, Massachusetts, and has a global presence in 16 countries across 5 continents.

Flywire provides a secure global payments platform, offering its clients an innovative and streamlined process to receive reconciled domestic and international payments in a more cost effective and efficient manner. The Company's solutions are built on three core elements: (i) a next-gen payments platform, (ii) a proprietary global payment network, and (iii) vertical-specific software backed by its deep industry expertise.

Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries and have been prepared in accordance with generally accepted accounting principles in the United States (GAAP) and applicable rules and regulations of the SEC regarding interim financial reporting. The interim unaudited condensed consolidated financial statements have been prepared on the same basis as the annual audited consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair statement of the Company's financial position, results of operations, comprehensive income, changes in stockholders' equity, and its cash flows for the periods presented.

The results of operations for the three and nine months ended September 30, 2026, are not necessarily indicative of results to be expected for the year ended December 31, 2026, any other interim periods or any future year or period. The accompanying consolidated balance sheet as of December 31, 2025, was derived from the Company's audited consolidated financial statements for the year ended December 31, 2025. Certain information and note disclosures normally included in the annual consolidated financial statements prepared in accordance with GAAP have been condensed or omitted from the interim unaudited condensed consolidated financial statements.

These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

The condensed consolidated financial statements include the accounts of Flywire and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated upon consolidation.

During the third quarter of 2026, the Company identified and corrected an error related to the repurchase and retirement of its non-voting common stock that occurred in the second quarter of 2026. This error resulted in the overstatement of the reported treasury stock and additional paid-in capital balances as of June 30, 2026 by $29.0 million each. Management evaluated the materiality of this error from a quantitative and qualitative perspective and concluded that it is immaterial to the previously issued condensed consolidated financial statements. The Company will revise its condensed consolidated statements of stockholders' equity for the three and six month periods ended June 30, 2026 to correct for this error and such revision has been reflected in the accompanying condensed consolidated statements of stockholders' equity as an adjustment to the ending June 30, 2026 equity balances. This error was limited to the balances reported within total stockholders' equity and had no impact on the Company's previously reported total stockholders' equity, or any previously reported amounts on the statements of operations and comprehensive income, or statements of cash flows as of and for the three and six months ended June 30, 2026.

Segment Information

The Company has a single operating and reportable segment. See *Note 3 - Segment Information* for additional details regarding the Company's significant segment expenses.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Significant estimates include, but are not limited to, the valuation of acquired intangible assets and other long-lived assets and their useful lives. Actual results may differ from those estimates or assumptions.

Concentrations of Credit Risk, Financial Instruments and Significant Clients

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash, cash equivalents, investments in available-for-sale debt securities, accounts receivable, unbilled receivables, and funds receivable from payment partners.

The Company maintains its cash and cash equivalents with financial institutions that management believes are of high credit quality. The Company's cash equivalents include money market funds, which are AAA-rated and comprised of liquid, high-quality debt securities issued by the U.S. government. The Company's cash and cash equivalents deposited with financial institutions exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit of $250,000. As part of its cash management process, the Company performs periodic reviews of the credit standing of the financial institutions holding its cash and cash equivalents. Additionally, to mitigate credit risk associated with financial institutions, the Company diversifies its cash and cash equivalents across multiple financial institutions and U.S. Treasury Money Market Funds. U.S. Treasuries, by their nature, create a concentration of credit risk with the U.S. Government. The Company's access to its cash and cash equivalents and client funds could be significantly impacted in volatile markets given its concentration in government money market funds.

To manage credit risk associated with investments in available-for-sale debt securities, the Company monitors credit ratings of the issuers of the securities and diversifies its investments by limiting its holding in any one security or issuer.

To reflect the estimated realizable value of accounts receivable and unbilled receivables, the Company maintains an allowance for credit losses. The allowance is determined by applying a loss-rate method based on an aging schedule using the Company's historical loss rate. The Company also considers reasonable and supportable current information in determining its estimated loss rates, such as external forecasts, macroeconomic trends, or other factors that are associated with the credit quality of the Company’s customer base. The Company did not experience any material credit losses for the three and nine months ended September 30, 2026 and 2025.

Accounts receivable are derived from revenue earned from clients located in the U.S. and internationally. There were no clients that represented 10% or more of the accounts receivable balance as of September 30, 2026 or December 31, 2025.

Funds receivable from payment partners consists primarily of cash held by the Company’s global payment processing partners that have not yet been remitted to the Company. The following table shows payment partners that represent 10% or more of funds receivable from payment partners:

	September 30, 2026	December 31, 2025
Partner A	*	47%
Partner B	62%	25%

* Less than 10% of total balance.

During the three and nine months ended September 30, 2026 and 2025, no client accounted for 10% or more of total revenue.

Summary of Significant Accounting Policies

The Company’s significant accounting policies are discussed in *Note 1 - Business Overview and Summary of Significant Accounting Policies* in the notes to the audited consolidated financial statements in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

Advertising Costs

Advertising costs are expensed as incurred and are included in selling and marketing expenses in the condensed consolidated statements of operations and comprehensive income. Advertising expenses were $1.6 million and $1.9 million for the three months ended September 30, 2026 and 2025, respectively. Advertising expenses were $5.0 million and $5.8 million for the nine months ended September 30, 2026 and 2025, respectively.

Recently Adopted Accounting Pronouncements

Effective January 1, 2026, the Company adopted ASU 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets.* ASU 2025-05 provides a practical expedient and an accounting policy election related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606, "*Revenue from Contracts with Customers*." Upon adoption, the Company elected the practical expedient that allows entities to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. The standard was applied on a prospective basis. The Company's adoption of ASU 2025-05 did not have a material impact on its condensed consolidated financial statements and disclosures.

Accounting Pronouncements Not Yet Adopted

The following Accounting Standards Updates (ASUs) were issued by the Financial Accounting Standards Board (FASB) but not yet adopted by Flywire as of September 30, 2026:

ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses:* ASU 2024-03 is intended to improve the disclosures of expenses by providing more detailed information about the types of expenses in commonly presented expense captions. The ASU requires entities to disclose the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization included in each relevant expense caption; as well as a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. The amendment also requires disclosure of the total amount of selling expense and, in annual reporting periods, an entity's definition of selling expenses. ASU 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date,* clarifies the amendments in ASU 2024-03 are effective for the Company for the annual period beginning on January 1, 2027, and interim reporting periods within annual reporting periods beginning January 1, 2028. The Company is currently evaluating the impact of this standard on its consolidated financial statements and disclosures.

ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*: ASU 2025-06 amends certain aspects of the accounting for and disclosure of software costs. Rather than identifying stages, ASC 350-40-25-12 clarifies the following must be met to begin capitalizing software costs: (i) management, with the relevant authority, implicitly or explicitly authorizes and commits to funding a computer software project; and (ii) it is probable that the project will be completed and the software will be used to perform the function intended (probable-to-complete recognition threshold). ASU 2025-06 is effective for the Company for the annual period beginning on January 1, 2028, and interim reporting periods within those annual reporting periods beginning on January 1, 2028. ASU 2025-06 can be applied on a prospective basis, a modified basis for in-process projects, or a retrospective basis with early adoption permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements and disclosures.

Note 2. Revenue and Recognition

The following table presents revenue disaggregated by geographical area and major solutions. The categorization of revenue by geographical location is determined based on the location where the client resides.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Primary geographical markets				
Americas	$ 113,142	$ 92,143	$ 284,264	$ 211,361
EMEA	105,831	82,945	235,079	185,170
APAC	31,327	25,050	86,813	68,950
Total revenue	$ 250,300	$ 200,138	$ 606,156	$ 465,481
Major solutions				
Transactions	$ 215,105	$ 167,185	$ 506,208	$ 376,249
Platform and other revenues	35,195	32,953	99,948	89,232
Total revenue	$ 250,300	$ 200,138	$ 606,156	$ 465,481

For the three months ended September 30, 2026 and 2025, the Company recognized $2.7 million and $0.7 million in revenue from amounts that were included in deferred revenue as of December 31, 2025 and 2024, respectively. For the nine months ended September 30, 2026 and 2025, the Company recognized $18.3 million and $6.4 million in revenue from amounts that were included in deferred revenue as of December 31, 2025 and 2024, respectively.

Remaining Performance Obligations

The Company has performance obligations associated with certain clients' contracts for future services that have not yet been recognized as revenue. As of September 30, 2026, the aggregate amount of transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied, including deferred revenue, was approximately $20.3 million. Of the total remaining performance obligations, the Company expects to recognize approximately 53.6% within the next year, 20.9% after one year through year two, and 25.5% over the next three to five years thereafter. Actual amounts and timing of revenue recognized may differ due to subsequent contract modifications, renewals and/or terminations.

Note 3. Segment Information

The Company has a single operating and reportable segment. Operating segments are defined as components of an enterprise for which separate financial information is regularly evaluated by the Company’s chief operating decision maker (CODM). The Company’s CODM is its Chief Executive Officer, who reviews financial information presented on a consolidated basis for purposes of making operating decisions, assessing financial performance and allocating resources. The Company's CODM evaluates company-wide performance, including allocation of resources and assessing profitability, based on multiple performance measures, including, but not limited to net income (loss).

The following table presents the Company's significant segment expenses and other segment items for the three and nine months ended September 30, 2026 and 2025. The CODM does not regularly review segment asset information,

which is total assets, for the purpose of assessing performance and making resource allocation decisions; therefore, such information is not presented.

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 250,300	$ 200,138	$ 606,156	$ 465,481
Less:				
Payment processing services costs	88,685	66,582	233,137	162,361
Personnel expense [a]	43,717	42,784	136,210	125,206
Other segment items [b]	39,645	33,575	98,502	85,731
Depreciation and amortization expense	7,991	7,165	24,510	20,203
Stock-based compensation expense [c]	17,503	17,779	53,026	51,030
Restructuring	—	—	—	8,690
Interest expense	463	1,197	1,079	2,986
Interest income	(506)	(769)	(2,077)	(4,792)
Loss (gain) from remeasurement of foreign currency	451	626	47	(6,897)
Gain on available-for-sale debt securities	(3)	—	(3)	(166)
(Benefit from) provision for income taxes	(22,189)	1,568	(17,189)	7,665
Segment income	$ 74,543	$ 29,631	$ 78,914	$ 13,464

[a] Personnel expense includes employees' and contractors' compensation in technology and development, selling and marketing, and general and administrative operating expenses.

[b] Other segment items in segment income include the following expenses: professional fees, marketing, travel, facilities, software, ancillary services, acquisition-related transaction costs, and other general and administrative costs.

[c] Stock-based compensation expense includes employer payroll taxes and excludes stock-based compensation relating to restructuring.

See *Note 2 - Revenue and Recognition* for information regarding the Company's revenue by geographic area.

Note 4. Investments

The following table summarizes the estimated fair value of available-for-sale debt securities included within short-term investments as of September 30, 2026 (in thousands):

	September 30, 2026				
	Gross Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Accrued Interest Receivable	Aggregate Fair Value
Short-term investments					
U.S. Government obligations	3,000	—	—	43	3,043
Total short-term investments	3,000	—	—	43	3,043

The following table summarizes the estimated fair value of available-for-sale debt securities included within short-term investments as of December 31, 2025 (in thousands):

	December 31, 2025				
	Gross Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Accrued Interest Receivable	Aggregate Fair Value
Short-term investments					
Corporate bonds	$ 4,808	$ 5	$ —	$ 37	$ 4,850
U.S. Government obligations	19,573	51	—	218	19,842
Total short-term investments	$ 24,381	$ 56	$ —	$ 255	$ 24,692

As of September 30, 2026 and December 31, 2025, all of the Company's available-for-sale debt securities are due within one year.

As of September 30, 2026 and December 31, 2025, none of the investments in available-for-sale debt securities were in an unrealized loss position.

For the three and nine months ended September 30, 2026, the Company received proceeds of $8.7 million and $21.4 million from the maturity and sale of short-term investments, respectively. For the three and nine months ended September 30, 2025, the Company received proceeds of $12.4 million and $154.7 million from the maturity and sale of short-term and long-term investments, respectively, primarily used to partially pay down the outstanding debt under the Company's revolving credit facility used for the Sertifi acquisition.

Realized gains and losses on investments are calculated on the basis of specific identification. During the three and nine months ended September 30, 2026, realized gains were less than $0.1 million and there were no realized losses on the sale of the available-for-sale debt securities. During the three months ended September 30, 2025, there were no realized gains or losses on the sale of the available-for-sale debt securities. During the nine months ended September 30, 2025, realized gains were $0.2 million and realized losses were less than $0.1 million on the sale of available-for-sale debt securities.

Note 5. Fair Value Measurements

Certain assets and liabilities are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the principal or most advantageous market for the asset or liability. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

The Company’s cash equivalents are carried at fair value (Level 1) as determined according to the fair value hierarchy described above. The money market funds, which are AAA-rated, are comprised of liquid, high-quality debt securities issued by the U.S. government. Shares in money market funds are purchased and redeemed at the net asset value (NAV) at the time of the purchase or sale, which may be purchased or redeemed on demand, as may be required by the Company, which represents Level 1 fair value. The Company's investments in available-for-sale debt securities and the foreign exchange contracts are carried at fair value, determined using Level 2 inputs in the fair value hierarchy as quoted prices are available to support the valuation. The carrying values of accounts receivable, funds receivable from payment partners, unbilled receivables, prepaid expenses, accounts payable, funds payable to clients, and accrued expenses and other current liabilities approximate their respective fair values due to the short-term nature of these assets and liabilities. The Company’s contingent consideration is carried at fair value, determined using Level 3 inputs in the fair value hierarchy.

The following tables present the Company's fair value hierarchy for its financial assets and liabilities that are measured at fair value on a recurring basis as of September 30, 2026 and December 31, 2025 (in thousands):

	Measured at Fair Value as of September 30, 2026			
	Level 1	Level 2	Level 3	Total
Financial Assets:				
Cash equivalents				
Money market funds	$ 58,038	$ —	$ —	$ 58,038
Short-term investments				
U.S. Government obligations	—	3,043	—	3,043
Total short-term investments	—	3,043	—	3,043
Total financial assets	$ 58,038	$ 3,043	$ —	$ 61,081
Financial Liabilities:				
Foreign exchange contracts	$ —	$ 252	$ —	$ 252
Contingent consideration	—	—	3,840	3,840
Total financial liabilities	$ —	$ 252	$ 3,840	$ 4,092

	Measured at Fair Value as of December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial Assets:				
Cash equivalents				
Money market funds	$ 34,857	$ —	$ —	$ 34,857
Foreign exchange contracts	—	342	—	342
Short-term investments				
Corporate bonds	—	4,850	—	4,850
U.S. Government obligations	—	19,842	—	19,842
Total short-term investments	—	24,692	—	24,692
Total financial assets	$ 34,857	$ 25,034	$ —	$ 59,891
Financial Liabilities:				
Foreign exchange contracts	$ —	$ 425	$ —	$ 425
Contingent consideration	—	—	2,046	2,046
Total financial liabilities	$ —	$ 425	$ 2,046	$ 2,471

During the nine months ended September 30, 2026, and the year ended December 31, 2025, there were no transfers between Level 1, Level 2, or Level 3.

Contingent consideration

Sertifi LLC (Sertifi)

The fair value of the contingent consideration related to the gross profit milestone from the Company's acquisition of Sertifi in February 2025 was determined using an option pricing model and the fair value of the contingent consideration related to the technology and security integration milestones was determined using a scenario-based method. Refer to *Note 10 - Business Combinations* for additional details on the Sertifi acquisition. The following table presents the unobservable inputs incorporated into the fair value of the contingent consideration liability as of September 30, 2026.

	September 30, 2026	December 31, 2025
Discount rate	6.6%	6.6%
Probability of successful achievement [(a)]	37 % - 42%	15 % - 37%

[(a)] Probability of successful achievement was set at different targets based on the Company's estimates on achieving them. The weighted average probability of successful achievement was 38.4% as of September 30, 2026.

Increases or decreases in the discount rate would result in a lower or higher fair value measurement, respectively. Increases or decreases in any of the probabilities of success in which the gross profit and technology and security milestones are expected to be achieved would result in higher or lower fair value measurement, respectively.

Changes in the fair value of contingent consideration are included as a component of general and administrative expense within the condensed consolidated statements of operations and comprehensive (loss) income. At September 30, 2026 and December 31, 2025, $3.8 million and $2.0 million, respectively, of contingent consideration was reflected in the Company's balance sheet in accrued expenses and other current liabilities. The following table summarizes the changes in the carrying value of the contingent consideration for the periods presented (in thousands):

	Nine Months Ended September 30,	
	2026	2025
Beginning balance	$ 2,046	$ 5,094
Additions	—	3,107
Change in fair value	1,794	(1,223)
Contingent consideration paid [(a)]	—	(4,213)
Foreign currency translation adjustment	—	(41)
Ending balance	$ 3,840	$ 2,724

[(a)] Contingent consideration when paid is bifurcated between the financing and operating sections of the condensed consolidated statement of cash flows. Amounts paid up to the fair value initially recorded in purchase accounting is reported in the financing section of the condensed consolidated statement of cash flows, while any excess is reported in the operating section of the condensed consolidated statement of cash flows.

Note 6. Derivative Instruments

As part of the Company’s foreign currency risk management program, the Company uses derivative instruments to mitigate the volatility related to fluctuations in foreign exchange rates. The Company entered into foreign currency forward contracts used to mitigate the currency exchange risk associated with clients and their customers' payments and intercompany loans. The Company's foreign currency forward contracts are not designated as hedging instruments.

The notional amounts are generally not exchanged, but are used only as the underlying basis on which the value of foreign exchange payments under these contracts is determined. The notional amounts are not recorded on the condensed consolidated balance sheets and are not, when viewed in isolation, a meaningful measure of the risk profile of the derivative instruments.

As of September 30, 2026 and December 31, 2025, the Company had 25,852 and 18,355 open foreign exchange contracts related to clients and their customers' payments, respectively. As of September 30, 2026 and December 31, 2025, the Company had foreign currency forward contracts related to clients and their customers' payments outstanding with notional amounts of $118.7 million and $66.5 million, respectively.

As of September 30, 2026 and December 31, 2025, the Company had one and two open foreign exchange contracts related to intercompany loans, respectively. As of September 30, 2026 and December 31, 2025, the Company had foreign exchange contracts related to intercompany loans outstanding with notional amounts of $25.1 million and $83.7 million, respectively.

The Company records all derivative instruments in the condensed consolidated balance sheets at their fair values. The Company recorded a liability of $0.3 million related to outstanding foreign exchange contracts as of September 30, 2026. The Company recorded an asset of $0.3 million and a liability of $0.4 million related to outstanding foreign exchange contracts as of December 31, 2025, respectively. Assets and liabilities associated with outstanding foreign exchange contracts are recorded within prepaid expenses and other current assets and accrued expenses and other current liabilities, respectively, on the condensed consolidated balance sheets.

The Company recognized losses of $0.2 million and $1.0 million on the intercompany loan derivatives during the three and nine months ended September 30, 2026, respectively. The Company recognized a gain of $0.2 million on the intercompany loan derivatives during the three and nine months ended September 30, 2025. The Company recognized losses on derivatives related to clients and their customers' payments of $2.8 million and $4.2 million during the three and nine months ended September 30, 2026, respectively. The Company recognized losses on derivatives related to clients and their customers' payments of $1.0 million and $0.4 million during the three and nine months ended September 30, 2025, respectively.

Gains and losses on the intercompany loans derivatives are included as a component of other income (expense) in the condensed consolidated statements of operations and comprehensive income. Gains and losses on the derivatives related to clients and their customers' payments are included as a component of general and administrative expense within the condensed consolidated statements of operations and comprehensive income due to the nature of the transactions.

Note 7. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following as of the dates presented (in thousands):

	September 30, 2026	December 31, 2025
Accrued employee compensation and related taxes	$ 24,035	$ 21,728
Accrued income and other non-employee related taxes	10,811	8,558
Accrued vendor liabilities	5,765	5,168
Sales tax payable	2,032	2,132
Current portion of contingent consideration	5,305	2,046
Accrued professional services	1,929	1,895
Current portion of operating lease liabilities	1,413	1,346
Other accrued expenses and current liabilities	16,498	12,842
Accrued expenses and other current liabilities	$ 67,788	$ 55,715

Note 8. Property and Equipment, net

Property and equipment, net consisted of the following as of the dates presented (in thousands):

	September 30, 2026	December 31, 2025
Internal-use software	$ 42,444	$ 31,074
Computer equipment and software	5,109	4,708
Leasehold improvements	3,816	4,305
Furniture and fixtures	784	788
Total property and equipment	52,153	40,875
Less: Accumulated depreciation and amortization	(23,064)	(18,750)
Property and equipment, net	$ 29,089	$ 22,125

Depreciation of property and equipment and amortization of internal-use software for the three months ended September 30, 2026 and 2025 was $1.7 million and $1.5 million, respectively. Depreciation of property and equipment and amortization of internal-use software for the nine months ended September 30, 2026 and 2025 was $5.1 million and $4.4 million, respectively.

The Company capitalized $11.4 million and $6.6 million in costs related to internal-use software during the nine months ended September 30, 2026 and 2025. During the nine months ended September 30, 2026 and 2025, $1.3 million and $0.7 million, respectively, of stock-based compensation was capitalized to internal-use software.

Software developed for internal use is amortized on a straight-line basis over its estimated useful life of five years.

As of September 30, 2026 and December 31, 2025, the carrying value of internal-use software was $27.2 million and $20.2 million, respectively. Amortization expense related to internal-use software for the three months ended September 30, 2026 and 2025 was $1.4 million and $1.2 million, respectively. Amortization expense related to internal-use software for the nine months ended September 30, 2026 and 2025 was $4.3 million and $3.5 million, respectively.

Note 9. Restructuring

In February 2025, the Company announced a restructuring plan designed to improve operational efficiencies, reduce operating costs, and better align the Company’s workforce with current business needs, top strategic priorities, and key

growth opportunities (collectively, the Restructuring Plan). In connection with the Restructuring Plan, the Company incurred restructuring and restructuring-related charges of $8.7 million during the year ended December 31, 2025, recorded within restructuring expenses on the condensed consolidated statements of operations and comprehensive income, primarily consisting of cash expenditures for severance payments and related expenses of $6.3 million for the year ended December 31, 2025, as well as non-cash expenditures related to acceleration of vesting of share-based awards of $2.4 million for the year ended December 31, 2025. As of March 31, 2026, the accrued restructuring liability had been settled in full. As of December 31, 2025, the accrued restructuring liability was less than $0.1 million, which was included within accrued expenses and other current liabilities in the consolidated balance sheets.

Note 10. Business Combinations

Sertifi

On February 24, 2025, Flywire acquired all of the issued and outstanding membership interests of Sertifi LLC (Sertifi) for upfront cash consideration of $330.0 million, subject to certain post-closing adjustments set forth in the Purchase and Sale Agreement (the Agreement), and contingent consideration of up to $10.0 million upon the completion or satisfaction of certain technical and commercial milestones by Sertifi. Sertifi is a vertical software and payments platform digitizing hospitality-specific workflows and associated payments. The acquisition of Sertifi was intended to accelerate the Company’s travel business and expand Flywire’s offerings to support over 20,000 hotel locations globally.

The Company paid the upfront cash consideration through a combination of cash on hand and $125.0 million borrowed from its existing 2024 Revolving Credit Facility.

During the second quarter of 2025, the Company completed its purchase accounting. The Company recorded measurement period adjustments that increased Goodwill by $0.1 million due to changes in acquired intangible assets, contingent consideration, and a working capital adjustment.

Pursuant to the terms of the Agreement, the Company acquired Sertifi for total purchase consideration of approximately $336.1 million or $328.0 million, net of cash acquired, which consisted of (in thousands):

Cash consideration, net of cash acquired	$	324,921
Estimated fair value of contingent consideration		3,107
Total purchase consideration, net of cash acquired	$	328,028

During the year ended December 31, 2025, the Company paid $5.1 million for post-closing adjustments. The Agreement provides for contingent consideration of up to $10.0 million, with an estimated fair value of $3.1 million on the date of acquisition, and represents additional payments that Flywire may be required to make in the future which are dependent upon the successful achievement of certain targets related to gross profit as well as milestones related to Sertifi's technology and security integration.

During the year ended December 31, 2025, the Company incurred $2.6 million in transaction costs in connection with the Sertifi acquisition. These transaction costs are included in general and administrative expenses in the condensed consolidated statements of operations and comprehensive income.

The table summarizes the allocation of the purchase consideration to the fair value of the assets acquired and liabilities assumed (in thousands):

Cash	$	8,109
Accounts receivable		6,418
Prepaid expenses and other current assets		982
Other assets		321
Goodwill		251,569
Identifiable intangible assets		86,700
Total assets acquired		354,099
Deferred revenue		14,347
Accounts payable and accrued expenses		3,615
Total liabilities assumed		17,962
Net assets acquired		336,137
Less: cash acquired		8,109
Net assets, less cash acquired	$	328,028

The goodwill of $251.6 million arising from the acquisition of Sertifi can be attributed to a number of business factors, including an assembled workforce and revenue and cost synergies expected to be realized. Goodwill from this acquisition is deductible for income tax purposes.

The following table reflects the fair values of the identified intangible assets of Sertifi and their respective weighted-average amortization periods.

	Fair Values	Weighted-Average Amortization Periods
	(in thousands)	(years)
Acquired relationships	$ 53,100	18
Developed technology	29,000	8
Trade name/Trademark	4,600	10
	$ 86,700	

The results of Sertifi have been included in the condensed consolidated financial statements since the date of the acquisition. Sertifi contributed $7.8 million in platform revenue and $5.1 million in transactional revenue during the three months ended September 30, 2025. Sertifi contributed $18.4 million in platform revenue and $11.5 million in transactional revenue during the nine months ended September 30, 2025. The Company has not disclosed net income or loss since the acquisition date as the business was fully integrated into the consolidated Company's operations and therefore it was impracticable to determine this amount.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information shows the results of the Company’s operations for the nine months ended September 30, 2025, as if the acquisition had occurred on January 1, 2024. The unaudited pro forma financial information is presented for information purposes only and is not necessarily indicative of what would have occurred if the acquisition had occurred as of that date. The unaudited pro forma information is also not intended to be a projection of future results due to the integration of the acquired operations of Sertifi. The unaudited pro forma information reflects the effects of applying the Company’s accounting policies and certain pro forma adjustments to the combined historical financial information of the Company and Sertifi. The pro forma adjustments include:

- incremental amortization expense associated with the fair value of identified intangible assets;
- incremental employee compensation expense for Sertifi employees;
- interest expense for borrowings related to the acquisition;
- transaction costs; and

- the estimated tax impact of the above items.

(in thousands)	Nine Months Ended September 30, 2025	
	Actual	Pro Forma
Revenue	$ 465,481	$ 472,239
Net income	$ 13,464	$ 12,785

Note 11. Goodwill and Acquired Intangible Assets

Goodwill

The following table summarizes the changes in the carrying amount of goodwill as of the dates presented (in thousands):

	September 30, 2026
Balance at December 31, 2025	$ 406,507
Foreign currency translation adjustment	1,139
Balance at September 30, 2026	$ 407,646

Acquired Intangible Assets

Acquired intangible assets subject to amortization consisted of the following (dollars in thousands):

	September 30, 2026			
	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount	Weighted Average Remaining Life (Years)
Acquired Relationships	$ 182,232	$ (41,413)	$ 140,819	11.05
Developed Technology	76,090	(43,936)	32,154	5.48
Trade Name/Trademark	5,139	(883)	4,256	7.94
	$ 263,461	$ (86,232)	$ 177,229	

	December 31, 2025			
	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount	Weighted Average Remaining Life (Years)
Acquired Relationships	$ 176,913	$ (32,484)	$ 144,429	11.74
Developed Technology	75,543	(35,576)	39,967	5.94
Trade Name/Trademark	5,134	(480)	4,654	8.60
	$ 257,590	$ (68,540)	$ 189,050	

During the three months ended September 30, 2026, the Company completed an asset acquisition of certain customer relationships in its education vertical primarily in Canada for an upfront payment of $3.2 million and contingent consideration of up to $3.9 million. The total capitalized costs of the acquired asset was $4.8 million, consisting of the upfront cash payment of $3.2 million, capitalized transaction costs of $0.1 million, and an accrued liability of $1.5 million for contingent consideration deemed probable and reasonably estimable at the acquisition date. The contingent consideration is based on the successful execution of specific commercial contracts through November 20, 2026, which will be capitalized as additional cost of the asset.

Amortization expense for the three months ended September 30, 2026 and 2025 was $5.7 million and $5.3 million, respectively. Amortization expense for the nine months ended September 30, 2026 and 2025 was $17.6 million and $14.7 million, respectively.

As of September 30, 2026, the estimated annual amortization expense of intangible assets for each of the next five years and thereafter is expected to be as follows (in thousands):

	Estimated Amortization Expense
Remainder of fiscal year 2026	$ 5,620
2027	21,305
2028	21,237
2029	20,729
2030	18,758
2031	17,324
Thereafter	72,256
	$ 177,229

Note 12. Debt

2024 Amended Revolving Credit Facility

There were no borrowings outstanding under the 2024 Amended Revolving Credit Facility as of September 30, 2026 and December 31, 2025.

The Company was in compliance with all covenants associated with the 2024 Amended Revolving Credit Facility as of September 30, 2026.

On February 23, 2024, the Company entered into an Amended and Restated Credit Agreement for a five-year senior secured revolving credit syndication loan (2024 Revolving Credit Facility) with four banks for a total commitment of $125.0 million. The 2024 Revolving Credit Facility provides for an incremental facility in an amount equal to $50.0 million plus 100% of Consolidated Adjusted EBITDA based on the most recent consolidated financial information. In addition, the 2024 Revolving Credit Facility includes a $10.0 million letter of credit sub-facility and a $5.0 million swingline sub-facility, with available borrowings under the 2024 Revolving Credit Facility reduced by the amount of any letters of credit and swingline borrowings outstanding from time to time. As of September 30, 2026 and December 31, 2025, no letters of credit were issued under the 2024 Revolving Credit Facility. The 2024 Revolving Credit Facility is guaranteed by Flywire's current and future material domestic subsidiaries and is secured by substantially all of the assets of the borrowers and guarantors thereunder, subject to customary exceptions.

On August 1, 2025, the Company entered into an amendment (the 2025 Revolving Credit Facility Amendment) to the 2024 Revolving Credit Facility with five banks to increase the total commitments from $125.0 million to $300.0 million and make certain conforming and administrative changes. The 2024 Revolving Credit Facility, as amended by the 2025 Revolving Credit Facility Amendment, is hereinafter referred to as the 2024 Amended Revolving Credit Facility. Four of the lenders under the 2025 Revolving Credit Facility Amendment were existing lenders under the 2024 Revolving Credit Facility.

Interest expense for the three months ended September 30, 2026 and 2025 was $0.5 million and $1.2 million, respectively. Interest expense for the nine months ended September 30, 2026 and 2025 was $1.1 million and $3.0 million, respectively. Interest expense consists primarily of interest expense, amortization of debt issuance costs, and unused commitment fees related to our 2024 Amended Revolving Credit Facility.

Letters of Credit

As of September 30, 2026 and December 31, 2025, the Company had outstanding and unused letters of credit in the amount of approximately $7.9 million and $7.9 million, respectively, for the purpose of protecting third-party service providers against defaults. These outstanding letters of credit do not reduce the borrowing capacity or impact the available borrowings under the Company's 2024 Amended Revolving Credit Facility.

Note 13. Stockholders' Equity

Preferred Stock

The Company's current amended and restated certificate of incorporation, which was filed on May 28, 2021, authorizes the issuance of 10,000,000 shares of undesignated preferred stock with a par value of $0.0001 per share with rights and preferences, including voting rights, designated from time to time by the board of directors.

Common Stock

The Company's current amended and restated certificate of incorporation authorizes the issuance of 2,000,000,000 shares of voting common stock with a par value of $0.0001 per share and 10,000,000 shares of non-voting common stock with a par value of $0.0001 per share. The voting and non-voting shares are identical, except that holders of voting common stock are entitled to one vote for each share on each matter properly submitted to the Company's stockholders for their vote, while holders of non-voting common stock are not entitled to vote on such matters. Holders of voting common stock and non-voting common stock are entitled to receive any dividends as may be declared from time to time by the board of directors.

Share Repurchase Program

On August 6, 2024, the Company announced a share repurchase program of up to $150.0 million of outstanding voting and non-voting common stock for an indefinite period as part of the Company's capital deployment strategy (Repurchase Program). On July 30, 2025, the Company's board of directors approved an increase in the aggregate amount of voting and non-voting common stock outstanding that may be repurchased under the Repurchase Program by an additional $150.0 million, bringing the total authorized amount under the Repurchase Program to $300.0 million.

On May 13, 2026, the Company entered into a privately negotiated securities repurchase agreement with its sole pre-IPO stockholder of non-voting common stock to repurchase all of the 1,873,320 shares of the Company's outstanding non-voting common stock from the stockholder (the Non-Voting Common Stock Repurchase). The transaction had an aggregate purchase price of approximately $29.0 million, representing approximately $15.50 per share. The Company funded the transaction entirely with cash on its balance sheet under the Repurchase Program. Following the completion of the repurchase, the shares of non-voting common stock were retired and no shares of non-voting common stock were outstanding.

Repurchases under the Repurchase Program may be made from time to time through open market purchases, in privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, in accordance with applicable securities laws and other restrictions, including Rule 10b-18. The timing, value and number of shares repurchased will be determined by the Company in its discretion and will be based on various factors, including an evaluation of current and future capital needs, current and forecasted cash flows, the Company's capital structure, cost of capital and prevailing stock prices, general market and economic conditions, applicable legal requirements, and compliance with covenants in the Company's credit facility that may limit share repurchases based on defined leverage ratios. The Repurchase Program does not obligate the Company to purchase a specific number of, or any, shares and may be modified, suspended or terminated at any time without notice at the Company's discretion.

During the three months ended September 30, 2026, the Company had no repurchases of its common stock. During the nine months ended September 30, 2026, the Company repurchased 4,047,247 shares of its common stock for an aggregate amount, including commissions and accrued excise tax, if any, of $59.2 million under the Repurchase Program. With the exception of the Non-Voting Common Stock Repurchase, the repurchased shares are currently being held as treasury stock on the condensed consolidated balance sheet. As of September 30, 2026, approximately $122.7 million of the $300.0 million authorized amount under the Repurchase Program remained available for future repurchases.

All of the Company's repurchases are subject to a 1% excise tax enacted by the Inflation Reduction Act of 2022 (the IRA). The amount of share repurchases subject to the excise tax are reduced by the fair market value of any shares issued during the taxable year. As of September 30, 2026, the Company had no accrued excise tax liability pursuant to the IRA. The accrued excise tax liability is included in the cost of treasury stock and accrued expenses and other current liabilities on the Company's condensed consolidated balance sheet. During the three months ended June 30, 2026, the Company paid $0.3 million of its accrued excise tax liability related to the 2025 tax year.

Treasury Stock

The Company may issue treasury stock upon the exercise of stock options and vesting of restricted stock units granted under its equity incentive plans. The Company issued 16,860 and 80,753 treasury shares at an average cost of $14.35 and $12.15 per share during the three and nine months ended September 30, 2026, respectively. The Company issued 8,621 and 37,133 treasury shares at an average cost of $11.34 and $10.64 per share during the three and nine months ended September 30, 2025. The Company intends to issue treasury shares as long as an adequate number of those shares are available.

Comprehensive Income

Comprehensive income includes all changes in equity during the period and is comprised of net income and other comprehensive income (loss). Accumulated other comprehensive income (AOCI) reported on the Company's condensed consolidated balance sheets for the period ending September 30, 2026 consists of foreign currency translation adjustment and the unrealized gains and losses, net of applicable taxes, on available-for-sale debt securities.

The following tables summarize the changes in AOCI for the three and nine months ended September 30, 2026 and 2025 (in thousands):

	Three Months Ended September 30, 2026			Three Months Ended September 30, 2025		
	Unrealized Gains (Losses) on Available-for-Sale Debt Securities, net	Foreign Currency Translation Adjustment	Total	Unrealized Gains (Losses) on Available-for-Sale Debt Securities, net	Foreign Currency Translation Adjustment	Total
Beginning balance	$ 8	$ 4,409	$ 4,417	$ 43	$ 7,058	$ 7,101
Other comprehensive (loss) income before reclassifications	(7)	1,176	1,169	20	(1,917)	(1,897)
Net current period other comprehensive (loss) income	(7)	1,176	1,169	20	(1,917)	(1,897)
Ending balance	$ 1	$ 5,585	$ 5,586	$ 63	$ 5,141	$ 5,204

	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	Unrealized Gains (Losses) on Available-for-Sale Debt Securities, net	Foreign Currency Translation Adjustment	Total	Unrealized Gains (Losses) on Available-for-Sale Debt Securities, net	Foreign Currency Translation Adjustment	Total
Beginning balance	$ 55	$ 2,433	$ 2,488	$ 208	$ (2,274)	$ (2,066)
Other comprehensive (loss) income before reclassifications	(54)	3,152	3,098	(145)	7,415	7,270
Net current period other comprehensive (loss) income	(54)	3,152	3,098	(145)	7,415	7,270
Ending balance	$ 1	$ 5,585	$ 5,586	$ 63	$ 5,141	$ 5,204

Reserved Shares of Common Stock for Future Issuance

As of September 30, 2026, the Company had reserved shares of common stock for future issuance as follows:

Issued and outstanding stock options	4,040,500
Issued and outstanding restricted stock units	12,696,840
Available for issuance under the 2021 Equity Incentive Plan	18,116,406
Available for issuance under Employee Stock Purchase Plan	6,623,078
	41,476,824

Note 14. Stock-Based Compensation

Stock Options

Stock options granted under the 2021 Plan generally vest based on continued service over four years and expire within ten years from the date of grant. Any options that are cancelled or forfeited before expiration become available for future grants.

The Company did not grant any options to purchase shares of common stock during the three and nine months ended September 30, 2026 and 2025.

As of September 30, 2026, there was no unrecognized compensation expense related to unvested stock options.

Restricted Stock Units

The Company awarded restricted stock units to employees and certain non-employee board members under the 2021 Plan. During the three and nine months ended September 30, 2026, the Company awarded restricted stock units covering an aggregate of 0.2 million and 6.2 million shares of common stock, respectively. The fair value of each restricted stock unit is estimated based on the fair value of the Company's common stock on the date of the grant. The restricted stock units vest over the requisite service period, which range between one and four years from the date of the grant, subject to the continued employment of the employees and service of the non-employee board members.

As of September 30, 2026, there was $136.7 million of total unrecognized compensation expense related to unvested restricted stock units, which is expected to be recognized over a weighted-average period of 2.72 years.

Employee Stock Purchase Plan

In April 2021, the Company's board of directors adopted, and in May 2021 its stockholders approved, the 2021 Employee Stock Purchase Plan (ESPP), which became effective on May 28, 2021. The ESPP authorizes the issuance of shares of common stock pursuant to purchase rights granted to "eligible employees". As of September 30, 2026, a total of 6,623,078 shares of common stock have been reserved for future issuance under the ESPP, in addition to any annual automatic evergreen increases in the number of shares of common stock reserved for future issuance under the ESPP. The price at which common stock is purchased under the ESPP is equal to 85% of the fair market value of a share of common stock on the first or last day of the offering period, whichever is lower. Eligible employees can contribute up to the lesser of 15% of their eligible compensation and the IRS limit. Offering periods are generally six months long.

The fair value of the ESPP offering during the three months ended September 30, 2026, was estimated at the start of the offering period using the Black-Scholes option-pricing model with the following assumptions: (i) expected term of six months, (ii) expected volatility of 50.06%, (iii) risk-free interest rate of 3.79% and (iv) expected dividend yield of 0%.

As of September 30, 2026, there was $0.1 million of unrecognized compensation expense related to the ESPP.

Stock-Based Compensation Costs

The following table summarizes the stock-based compensation expense for (i) stock options and restricted stock units granted to employees and non-employee board members and (ii) ESPP shares that were purchased by employees that were recorded in the Company's condensed consolidated statements of operations and comprehensive (loss) income (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Technology and development	$ 2,233	$ 3,558	$ 7,975	$ 10,077
Selling and marketing	5,883	5,200	16,721	14,580
General and administrative	9,134	8,975	27,401	26,366
Restructuring	—	—	—	2,450
Total stock-based compensation expense	$ 17,250	$ 17,733	$ 52,097	$ 53,473

During the three months ended September 30, 2026 and 2025, $0.9 million and $0.6 million, respectively, of stock-based compensation was capitalized to internal-use software, deferred contract costs, and cloud-computing arrangement implementation costs. During the nine months ended September 30, 2026 and 2025, $2.3 million and $1.6 million, respectively, of stock-based compensation was capitalized to internal-use software, deferred contract costs, and cloud-computing arrangement implementation costs.

Note 15. Net Income per Share

Basic net income per share attributable to common stockholders is computed by dividing the net income attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period. Diluted

net income attributable to common stockholders is computed by adjusting net income attributable to common stockholders to reallocate undistributed earnings based on the potential impact of dilutive securities. Diluted net income per share attributable to common stockholders is computed by dividing the diluted net income attributable to common stockholders by the weighted-average number of common shares outstanding, including all potentially dilutive common shares, if the effect of such shares is dilutive. The dilutive effect of outstanding equity incentive awards is reflected in diluted net income per share by application of the treasury stock method.

In periods in which the Company reports a net loss attributable to common stockholders, diluted net loss per share attributable to common stockholders is the same as basic net loss per share attributable to common stockholders, since dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

The rights, including the liquidation and dividend rights, of the voting and non-voting common stock are identical, except with respect to voting rights. As the liquidation and dividend rights are identical, the undistributed earnings are allocated on a proportionate basis to each class of common stock and the resulting basic and diluted net income per share attributable to common stockholders are, therefore, the same for both voting and non-voting common stock on both individual and combined basis.

Basic and diluted net income per share attributable to common stockholders was calculated as follows (in thousands, except share and per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net income	$ 74,543	$ 29,631	$ 78,914	$ 13,464
Net income attributable to common stockholders – basic and diluted	$ 74,543	$ 29,631	$ 78,914	$ 13,464
Denominator:				
Weighted average common shares outstanding – basic	121,956,220	122,434,615	122,177,966	122,504,476
Effect of potentially dilutive stock options	2,585,939	2,915,403	2,621,966	3,118,924
Effect of potentially dilutive restricted stock units	5,160,967	2,325,595	4,202,276	1,871,777
Weighted average common shares outstanding – diluted	129,703,126	127,675,613	129,002,208	127,495,177
Net income per share:				
Net income per share attributable to common stockholders – basic	$ 0.61	$ 0.24	$ 0.65	$ 0.11
Net income per share attributable to common stockholders – diluted	$ 0.57	$ 0.23	$ 0.61	$ 0.11

Outstanding potentially dilutive securities, which were excluded from the diluted net income per share calculations because they would have been antidilutive were as follows as of the dates presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Unvested restricted stock units	429,731	1,393,233	1,149,471	1,414,188
Stock options to purchase common stock	1,315,903	3,191,378	1,729,054	3,778,630
Employee stock purchase plan shares	—	35,305	90,289	35,305
	1,745,634	4,619,916	2,968,814	5,228,123

Note 16. Income Taxes

The Company's (benefit from) provision for income taxes during the interim periods is determined using an estimate of the Company's annual effective tax rate, which is adjusted for certain discrete tax items during the interim period. The Company recorded an income tax benefit of $22.2 million and an income tax provision of $1.6 million for the three months ended September 30, 2026 and 2025, respectively. The Company recorded an income tax benefit of $17.2 million and an income tax provision of $7.7 million for the nine months ended September 30, 2026 and 2025, respectively. The income

tax benefit for both the three and nine months ended September 30, 2026 was primarily driven by the release of the U.S. valuation allowance, partially offset by activity in the Company's foreign subsidiaries and U.S. state taxes. The income tax provision for both the three and nine months ended September 30, 2025, was primarily attributable to activity in the Company's foreign subsidiaries and U.S. state taxes.

For the nine months ended September 30, 2026, the Company’s effective tax rate differed from the U.S. federal statutory rate primarily due to the release of the U.S. valuation allowance, research and development tax credits, and non-deductible executive compensation. For the nine months ended September 30, 2025, the Company’s effective tax rate differed from the U.S. federal statutory rate primarily due to the impact of non-deductible executive compensation and the change in the valuation allowance in the U.S.

The Company files income tax returns as prescribed by the tax laws of the jurisdiction in which it operates. In the normal course of its business, the Company is subject to examination by federal, state and foreign jurisdictions, where applicable. The Company is open to future federal tax examinations by the Internal Revenue Service from 2022 to the present; however, carryforward attributes that were generated prior to 2022 may still be adjusted upon examination to the extent they will be used in a future period. The Company remains open to examination by other foreign tax authorities from 2021 to the present.

The Company’s management evaluates the realizability of the Company’s deferred tax assets based on all available evidence, both positive and negative, and regularly assesses the need for a valuation allowance on its deferred tax assets. In making this assessment, the Company considers both positive and negative evidence related to the likelihood of realization of the deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all the deferred tax assets will not be realized. The assessment requires significant judgment and is performed for each of the applicable jurisdictions.

During the nine months ended September 30, 2026, the Company demonstrated consistent and continued profitability over the preceding three-year period, both globally and within its U.S. operations. The Company’s ability to sustain and grow its profitability is supported by its success in building its client base around the world and the achievement of significant scale from expanding utilization by its clients’ customers. The Company anticipates it will achieve its sustained profitability through the normal course of business and does not expect that the realization of its deferred tax assets will be dependent on tax planning strategies, material improvements over present levels of consolidated pre-tax results, material changes in the present relationship between income reported for financial and tax purposes, or material asset sales or other non-routine transactions. Accordingly, the Company’s valuation allowance analysis is based on objective, verifiable evidence of recent profitability trends and reasonable projections of continued profitability. Further, given the Company's U.S. taxable income position for the annual periods ending on December 31, 2024 and 2025, the Company utilized more attributes than it generated which reduces its U.S. federal and state net deferred tax assets. As a result, in the third quarter of 2026, the Company concluded that its history of cumulative profitability in the U.S. over the preceding three-year period, along with increasingly favorable forecasts of continued future profitability in the U.S., provided sufficient positive evidence supporting the realizability of its U.S. deferred tax assets and, accordingly, the release of the related valuation allowance previously recorded against these deferred tax assets, resulting in a tax benefit of $25.2 million in the third quarter of 2026. Deferred tax assets are recorded within other assets on the condensed consolidated balance sheets. Following this release, the Company has no remaining valuation allowance against its U.S. federal and state deferred tax assets.

On July 4, 2025, the U.S. government enacted the One Big Beautiful Bill Act of 2025 (OBBBA), which introduced comprehensive changes to the U.S. corporate income tax system. While the majority of the OBBBA’s provisions became effective for the Company beginning January 1, 2026, certain capital investment and innovation incentives were retroactively applicable to the 2025 fiscal year. The OBBBA reinstated 100% bonus depreciation for qualified property placed in service after January 19, 2025. It also restored the ability to immediately expense domestic research and development (R&D) expenditures, allowing for a 100% deduction (or 50% over two years for unamortized costs) for tax years beginning after December 31, 2024. The impact of these retroactive changes was recognized in the Company’s income tax provision for the year ended December 31, 2025, and did not have a material effect on the consolidated financial statements. The Company continues to evaluate the long-term effects of the legislation on the Company's estimated annual effective tax rate and cash tax position. Based on current analysis, the OBBBA did not have a material impact on the Company's condensed consolidated financial statements for the nine months ended September 30, 2026.

Note 17. Commitments and Contingencies

Legal proceedings

The Company is subject to various legal proceedings and claims from time to time, the outcomes of which are subject to significant uncertainty. The Company records an accrual for legal contingencies when it has determined that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In making such determinations, the Company evaluates, among other things, the degree of probability of an unfavorable outcome and, when it is probable that a liability has been incurred, the ability to make a reasonable estimate of the loss. If a material loss is reasonably possible, the Company discloses the nature of the contingency, and if estimable, the possible loss or range of loss.

As of September 30, 2026, other than the pending securities class action claim described below, the Company was not a party to any litigation the outcome of which, the Company believes, if determined adversely to it, would individually or in the aggregate, have a material adverse effect on its financial position, results of operations, or cash flows.

In the course of enhancing its sanctions compliance function, the Company initiated an internal review that identified issues related to the Company's compliance with sanctions promulgated by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC), including payments that may have originated from sanctioned jurisdictions or sanctioned persons. Although Flywire continues to evaluate whether these or other transactions constitute potential violations of sanctions (including whether certain of these payments may have been authorized by general licenses or license exemptions under the relevant sanctions regulations), Flywire has made voluntary submissions to OFAC to report the apparent violations and provide supplemental information. Flywire is currently engaging with OFAC to resolve these matters, and most recently responded in October 2026 to an OFAC request to clarify certain previously provided information. Based upon the results of the internal review completed to date, the Company does not believe that the amount of any loss incurred as a result of this matter would be material to its business, financial condition, results of operations or cash flows.

On July 25, 2025, the Company and certain of its current and former officers were named as defendants in a securities class action complaint captioned *Hickman v. Flywire Corporation* filed in the United States District Court for the Eastern District of New York on behalf of a putative class of investors who purchased Flywire securities from February 28, 2024, through February 25, 2025. In January 2026, the complaint was amended to, among other matters, remove a former officer from the claim and modify the class period to the time period between May 21, 2024 through February 25, 2025. Plaintiffs' counsel filed a second amended complaint on May 7, 2026, which among other matters, added new allegations and another named plaintiff. Plaintiffs allege that the defendants violated Sections 10(b) and 20(a) of the Exchange Act by purportedly overstating the strength and sustainability of the Company's revenue growth and understating the negative impact of certain government permit and visa related policies on the business. The lawsuit seeks unspecified damages, costs, attorneys' fees, and other relief. The Company believes it has strong defenses against the asserted claims, intends to vigorously defend itself, and filed a motion to dismiss in response to the second amended complaint on June 15, 2026. On September 28, 2026, the Company submitted its reply memorandum of law in further support of its motion to dismiss the second amended class action complaint.

The Company cannot reasonably estimate the maximum potential exposure or the range of possible loss for this matter. The Company has not recorded an accrual for this matter because it has determined that a loss is not probable and reasonably estimable.

Indemnification

In the ordinary course of business, the Company agrees to indemnify certain partners and clients against third-party claims asserting infringement of certain intellectual property rights, data privacy breaches, damages caused to property or persons, or other liabilities relating to or arising from the Company's payment platform or other contractual obligations. In addition, the Company has entered into indemnification agreements with members of its board of directors and executive officers that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. To date, the Company has not incurred any material costs as a result of such indemnifications. The Company is not aware of any pending indemnification matters or claims, individually or in the aggregate, that are expected to have a material adverse effect on its financial position, results of operations, or cash flows and had not accrued any liabilities related to such obligations in its condensed consolidated financial statements for the periods ended September 30, 2026 and December 31, 2025.

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

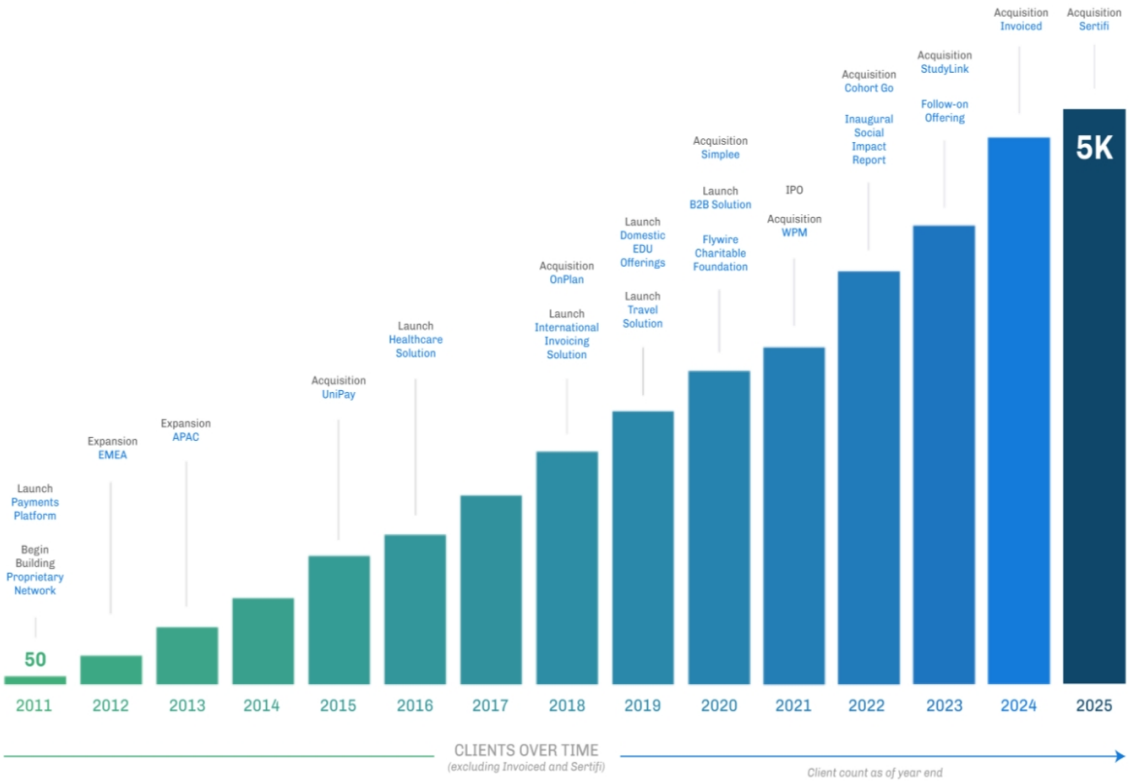
You should read the following discussion and analysis of our financial condition and results of operations together with our condensed consolidated financial statements and the related notes appearing elsewhere in this Quarterly Report on Form 10-Q. Some of the information contained in this Quarterly Report on Form 10-Q includes forward-looking statements that involve risks and uncertainties. You should read the sections titled "Special Note Regarding Forward-Looking Statements" and "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. Our fiscal year end is December 31, and our fiscal quarters end on March 31, June 30, September 30, and December 31.

Overview

Flywire is a leading global payments enablement and software company. Our next-gen payments platform, proprietary global payment network, and vertical-specific software help our clients get paid and help their customers pay with ease—no matter where they are in the world. Our clients rely on us for integrated solutions that are both global and local, and combine tailored invoicing, flexible payment options, and highly personalized omni-channel experiences. We believe we make generational advances for our clients by transforming payments into a source of value and growth for their organizations while delighting their customers with payment experiences that are engaging, secure, fast, and transparent.

Our *Flywire Advantage* is derived from three core elements: (i) our next-gen payments platform; (ii) our proprietary global payment network; and (iii) our vertical-specific software backed by our deep industry expertise. With our *Flywire Advantage*, we aim to power the transformation of our clients' accounts receivable functions by automating paper and check-based business processes in addition to creating interactive, digital payment experiences for their customers. As a result, clients who implement our payments and software solutions can see increased digital payments and improved accounts receivable, higher enrollment in payment plans, and a reduction in customer support inquiries. We help our clients turn their accounts receivable functions into strategic, value-enhancing areas of their organizations.

We reach clients through various channels, with our direct channel being our primary go-to-market strategy. Our industry-experienced sales and relationship management teams bring expertise and local reach, and our solution combines high-tech and high-touch functions backed by 24x7 multilingual customer support, resulting in high client and customer satisfaction. In addition, the value of our Flywire Advantage has been recognized, with global financial institutions and technology providers choosing to form channel partnerships with us. These partnerships promote organic referral and lead generation opportunities and enhance our indirect sales strategy.



The combination of our differentiated solution and efficient go-to-market strategy has resulted in strong and consistent client growth.

- ***Rapid domestic and international payments volume growth***. We have grown our total payment volume by approximately 27.7% period-over-period from $13.9 billion during the three months ended September 30, 2025 to $17.8 billion during the three months ended September 30, 2026. We have grown our total payment volume by approximately 32.5% period-over-period from $28.2 billion during the nine months ended September 30, 2025 to $37.4 billion during the nine months ended September 30, 2026.
- ***Expanded global payments network***. We have continued to add to the capabilities of our payment network by means of new local bank accounts and payment partners, and have expanded our global reach to over 240 countries and territories and more than 140 currencies.
- ***Strong dollar-based net retention***. For the year ended December 31, 2025, our annual net dollar-based retention rate was approximately 110%. We calculate the annual net dollar-based retention rate for a given year based on the weighted average of the quarterly net dollar-based retention rates for each quarter in that year. We calculate the quarterly net dollar-based retention rate for a given quarter by dividing the revenue we earned in that quarter by the revenue we earned from the same clients in the corresponding quarter of the previous year. Our calculation of quarterly net dollar-based retention rate for a given quarter only includes revenue from clients that were clients at the beginning of the corresponding quarter of the previous year.

As of September 30, 2026, we serve approximately 5,400 clients around the world, excluding clients acquired from the Sertifi and Invoiced acquisitions. In education, we serve approximately 3,400 institutions. In healthcare, we power more than 150 healthcare systems, including four of the top 10 healthcare systems in the United States ranked by hospital size as of December 31, 2025. In our travel and B2B verticals, we have a growing portfolio of approximately 1,850 clients.

Our success in building our client base around the world and expanding utilization by our clients' customers has allowed us to achieve significant scale. We enabled over $37.6 billion, $37.4 billion, and $28.2 billion in total payment volume during the year ended December 31, 2025 and nine months ended September 30, 2026 and 2025, respectively.

We generated revenue of $623.0 million and $492.1 million for the years ended December 31, 2025 and 2024, respectively, and reported net income of $13.5 million and $2.9 million, respectively, for the same years. We generated revenue of $606.2 million and $465.5 million for the nine months ended September 30, 2026 and 2025, respectively, and reported net income of $78.9 million and $13.5 million, respectively, for the same periods.

We believe that the growth of our business and our operating results will be dependent upon many factors, including our ability to add new clients, expand the usage of our solutions by our existing clients and their customers, integrate the businesses and technology platforms that we acquire and increase the breadth and depth of our payments and software capabilities by adding new solutions. While these areas present significant opportunities for us, they also pose challenges and risks that we must successfully address in order to sustain the growth of our business and improve our operating results.

While we have experienced significant growth and increased demand for our solutions over recent periods, we may not be able to maintain profitability in the future. Our marketing is focused on generating leads to develop our sales pipeline, building our brand and market awareness, scaling our network of partners and growing our business from our existing client base. We believe that these efforts will result in an increase in our client base, revenues, and improved margins in the long term. To manage any future growth effectively, we must continue to improve and expand our IT and financial infrastructure, our operating and administrative systems and controls, and our ability to manage headcount, capital, and processes in an efficient manner. Additionally, we face intense competition in our markets, and to succeed, we need to innovate and offer solutions that are differentiated from legacy payment solutions. We must also effectively hire, retain, train, and motivate qualified personnel and senior management. There are also circumstances beyond our control which can materially impact our business that we need to respond to, including, but not limited to fluctuations in exchange rates. If we are unable to successfully address these challenges, our business, operating results, and prospects could be adversely affected.

We had approximately 1,550 full-time FlyMates as of September 30, 2026, compared to approximately 1,382 full-time FlyMates as of September 30, 2025, an increase of 12.2%.

Recent Acquisitions

In February 2025, we entered into a Purchase and Sale Agreement (the Agreement) to acquire the business of Sertifi LLC (Sertifi) for upfront cash consideration of $330.0 million, subject to certain post-closing adjustments set forth in the Agreement, and contingent consideration of up to $10.0 million upon the completion or satisfaction of certain technical and commercial milestones by Sertifi, with an estimated fair value of $3.1 million on the date of acquisition. During the year ended December 31, 2025, we paid $5.1 million for post-closing adjustments. Sertifi is a vertical software and payments platform digitizing hospitality-specific workflows and associated payments. We paid the upfront cash consideration through a combination of cash on hand and borrowings from our 2024 Revolving Credit Facility. The acquisition of Sertifi was intended to accelerate our travel business and expand our offerings to support over 20,000 hotel locations globally. Sertifi contributed $7.8 million and $18.4 million in platform revenue during the three and nine months ended September 30, 2025, respectively, and $5.1 million and $11.5 million in transactional revenue during the three and nine months ended September 30, 2025, respectively.

See *Note 10 - Business Combinations* in our unaudited condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q for additional details related to this acquisition.

Restructuring

In February 2025, we announced a restructuring plan designed to improve operational efficiencies, reduce operating costs and better align our workforce with current business needs, top strategic priorities, and key growth opportunities (collectively, the Restructuring Plan). In connection with the Restructuring Plan, we incurred restructuring and restructuring-related charges of $8.7 million during the year ended December 31, 2025, recorded within restructuring expenses on the condensed consolidated statements of operations and comprehensive income. Restructuring costs during the year ended December 31, 2025, primarily consisted of cash expenditures for severance payments and related expenses of $6.3 million and non-cash expenditures related to acceleration of vesting of share-based awards of $2.4 million. As of March 31, 2026, the accrued restructuring liability had been settled in full.

Our Revenue Model

We generate revenue from transactions and from platform and other fees as described below.

Transaction revenue includes fees earned from payment processing services provided to our clients, which is comprised of processing domestic and cross-border transactions. The fee is generally earned on each transaction through a rate applied to the total payment value of the transaction, which can vary based on the payment method, currency pairs being converted, and the geographic region in which our clients and their customers reside. Payment processing services also include fixed fees per transaction, which generally relate to domestic payments processed. It also includes marketing fees from credit card service providers for marketing arrangements in which we perform certain marketing activities to increase the awareness of the credit card provider and promote certain methods of payments, which we consider to be ancillary to the payment processing solutions we provide to our clients.

Platform and other revenues primarily include (i) fees earned for the utilization of our platforms to optimize cash collections and student application processing, which include revenue earned from software subscription fees and usage based fees, (ii) fees for the establishment of payment plans on our payment platform, (iii) fees related to printing, mailing, and other services which we consider to be ancillary to the solutions we provide to our clients, (iv) commissions from insurance providers when an end-user purchases an insurance policy, and (v) revenue from interest earned on funds held for customers in interest-bearing accounts. Platform and other revenues has been referred to as platform and usage based fee revenue in prior filings.

Total Payment Volume

To grow revenue from clients we must facilitate the use of our payment platform by our clients to process the amounts paid to them by their customers. The more our clients use our platform and rely upon our features to automate their payments, the more payment volume is processed on our solution. This metric provides an important indication of the value of the transactions that our clients' customers are completing on our payment platform and is an indicator of our ability to generate revenue from our clients. We define total payment volume as the total amount paid to our clients on our payments platforms in a given period.

Total payment volume is comprised of transaction payment volume and platform and other revenues payment volume. The following tables set forth the increase in our total payment volume, and the payment volume mix between transaction payment volume and platform and other revenues payment volume.

	Three Months Ended September 30,		Change	
(dollars in millions)	**2026**	**2025**	**Amount**	**Percent**
Transaction payment volume	$ 14,762.6	$ 11,484.6	$ 3,278.0	28.5%
Platform and other revenues payment volume	3,005.9	2,431.6	574.3	23.6%
Total payment volume	$ 17,768.5	$ 13,916.2	$ 3,852.3	27.7%

	Nine Months Ended September 30,		Change	
(dollars in millions)	**2026**	**2025**	**Amount**	**Percent**
Transaction payment volume	$ 31,228.3	$ 22,897.8	$ 8,330.5	36.4%
Platform and other revenues payment volume	6,165.2	5,320.9	844.3	15.9%
Total payment volume	$ 37,393.5	$ 28,218.7	$ 9,174.8	32.5%

Key Factors Affecting Our Performance

Increased Utilization by Our Clients and Their Customers

Our ability to monetize our payments platform and global payment network is an important part of our business model. Today, we charge a fee based on the total payment volume we process on behalf of our clients. Our revenue and payment volume increases as our clients process more transactions on our payment platform and more money is collected through our global payment network. Increased average size of the payments processed on our payment platform also increases our revenue. Our ability to influence clients to process more transactions on our platform will have a direct impact on our revenue.

In addition, sustaining our growth requires continued adoption of our platform by new clients and further adoption of use cases such as payment plans, by our clients' customers. Our ability to influence our clients to expand their customers' usage of our platform also depends on our ability to successfully introduce new solutions, such as our solutions to support

payments by international education consultants, B2B solutions, and our student financial software (SFS) solution, which provides institutions a comprehensive platform spanning the student financial lifecycle.

Mix of Business on Our Platform

Our revenue is affected by several factors, including the amount of payment volume processed by us on behalf of our clients, the industry in which our clients operate, the currency in which payments are made and received, the method of payment and the number of payment plans initiated by our clients' customers. For example, we recognize more transaction revenue as our clients engage in cross border payment flows compared to domestic payments, which may increase or decrease depending on the industry in which our clients operate. In addition, the mix of payment methods utilized by our clients' customers may have an impact on our margins given that our costs associated with certain payment methods, such as credit cards, are higher than other payment methods accepted by our solutions, such as bank transfers.

In addition, we are expanding our payment processing capabilities to offer a more comprehensive solution to our clients. While this new capability is expected to be a source of future growth, it is characterized by a lower gross margin profile compared to our traditional, higher-margin products. We anticipate that the inclusion of this business mix will exert a moderate, downward pressure during the initial ramp-up phase on our overall consolidated gross profit margin percentage, even as it continues to contribute positively to our absolute gross profit dollars.

During the nine months ended September 30, 2026, our business mix continued to exert downward pressure on our margins, driven by growing share of domestic transactions and credit card usage in travel and B2B and by our payment processing solution in healthcare, travel and B2B, partially offset by ongoing optimization of payment costs. We may experience shifts in the type of revenue we earn (transaction revenue or platform and other revenues) depending on the nature of the activity of our clients and our clients' customers on our platform.

Digital Transformation and Operational Focus

We make significant investments in both new solutions and existing solution enhancement. New solution features and functionality are brought to market through a variety of distribution and promotional activities. We plan to continue to adopt emerging technologies, expand our library of software integrations and invest in the development of more features. While we expect our expenses related to technology and development to increase, we believe these investments will contribute to long-term growth and profitability.

Additionally, we plan to continue to expand efforts to market our payment platform and global payment network directly to our clients through comprehensive marketing initiatives. We are focused on the effectiveness of sales and marketing spending and will continue to be strategic in maintaining efficient client acquisition in the next quarters, including adjusting spending levels as needed in response to changes in the economic environment.

We are actively engaged in a comprehensive, company-wide operational and systems transformation program. This initiative encompasses a re-architecting of our data infrastructure, consolidation and upgrade of our enterprise and billing systems, underlying operating models, alongside the strategic alignment of our organizational structure, talent, and internal processes. The primary objectives of this program are to enhance our analytical capabilities, establish a centralized, structured data foundation to support our workforce, and facilitate the ongoing and future integration of artificial intelligence and automation into our workflows and product development. Ultimately, this foundational work is intended to position the Company for continued scalability and long-term growth. As we execute on this transformation, we expect the program to have a broad impact on our enterprise operations, driving long-term efficiencies and evolving our organizational structures and workflows.

Furthermore, we are optimizing internal systems and tools by consolidating our vendor footprint and automating processes. These efforts collectively reinforce our commitment to driving productivity, optimizing investments, and streamlining operations, thereby enhancing our platform's overall capabilities and providing deeper insights for our stakeholders.

Seasonality

Our operating results and operating metrics are subject to seasonality and volatility, which could result in fluctuations in our quarterly revenues and operating results or in perceptions of our business prospects. We have experienced in the past, and expect to continue to experience, seasonal fluctuations in our revenue, which can vary by geographic corridor and vertical. For instance, our revenue has historically been largest in the third quarter driven by our education peak season. Some variability results from seasonal events including the timing of when our education clients' customers make

their tuition payments on our payment platform and the number of business days in a month or quarter. We also experience volatility in certain other metrics, such as transactions processed, total payment volume and payment mix.

Economic Conditions and Resulting Consumer Spending Trends

Changes in macro-level consumer spending for education, healthcare and travel trends, including as a result of inflation or fluctuations in foreign exchange rates, could affect the amounts of volumes processed on our platform, thus resulting in fluctuations to our revenue streams.

Impacts Resulting From Government Changes to International Student and H-1B Visa Policies

Revenue from our education clients, which primarily includes clients in the United States, Canada, U.K., Europe, and Asia Pacific/Australia, is affected by several factors, including policies enacted by government organizations around the world that cap the issuance of international student visas. In January 2024, the Canadian government announced what at the time appeared to be a temporary intake cap on international student permit applications to stabilize new growth for a period of two years. This cap – intended to address Canada's housing shortage, overburdened health systems, and rising costs of living – has reportedly reduced the number of international students coming to Canada by about 40% since implementation. Building on these changes, the Immigration, Refugees, and Citizenship Canada (IRCC) announced in January 2025 that new study permits for international students will be reduced by 10% from the 2024 target of 485,000 to 437,000 in 2025 and 2026. In November 2025, the IRCC announced that it expected to issue up to 408,000 study permits in 2026, including 155,000 to newly arriving international students, as outlined in the 2026–2028 Immigration Levels Plan, and 253,000 extensions for current and returning students. This number is 7% lower than the 2025 issuance target of 437,000 and 16% lower than the 2024 issuance target of 485,000. As of January 1, 2026, master's and doctoral level students enrolled at a public designated learning institution in Canada do not need to submit a provincial or territorial attestation letter with their study permit application. When first instituted by the IRCC, the cap initially excluded students enrolled in master's and PhD programs, but the IRCC more recently included master's and doctoral students within the cap. Additionally, in November 2024, Canada ended its Student Direct Stream (SDS) program for expedited international student visa processing, and international students applying to study in Canada no longer need to prepay tuition to apply for a study permit.

Similarly, since late 2023, the Australian government has taken actions to tighten international student visa rules, including an increase in the amount of minimum savings that international students would need to have in order to obtain a visa, raising the standards of the English language proficiency requirements for student and graduate visas, a 125% increase in the visa fee for international students, and the imposition of a ban for holders of visitor visas and students holding temporary graduate visas from applying for a student visa while in Australia. In August 2024, the Australian government announced the setting of a national planning level to apply from January 1, 2025 and which is intended to limit the number of new overseas student places available in Australia – including a ceiling of 270,000 international students for calendar year 2025. However, in December 2024, the government announced a change of course, instead implementing a system to introduce two categories of student visa processing: "high priority" and "standard priority", with all international education providers to receive high priority processing up to 80% of their indicative international student cap. After reaching 80%, the providers will receive standard priority processing. In August 2025, the Australian government announced the setting of a national planning level to apply a ceiling of 295,000 international students for 2026 (lifting the planning level by 25,000 from the 270,000 baseline set for 2025). In July 2026, the Australian government announced that the national planning level for 2027 will remain at 295,000 new international student commencements, maintaining allocation stability across active international education providers. These new Australian government policies, including university quotas, slower visa processing, higher fees, and stricter financial and language requirements, have had an adverse impact on our business in the nine months ended September 30, 2026 and we anticipate will continue to impact our Australian revenues for the remainder of 2026.

The Australian government reclassified India as a highest-risk (Evidence Level 3) student-visa assessment jurisdiction under its Simplified Student Visa Framework (SSVF), shifting India from Evidence Level 2 to the more stringent Evidence Level 3 category effective January 8, 2026. This reclassification was attributed to what the Department of Home Affairs described as "emerging integrity risks," including concerns about non-genuine applications and fraudulent documentation within the student visa system. Indian student visa applicants are now required to submit more extensive documentation, including detailed financial evidence, authenticated academic records, proof of English language proficiency, and may be subject to additional background checks or interviews before a visa decision can be finalized. Some expected impacts to Australian universities include:

- Expectation of longer student visa processing times, potentially extending from current medians to four–eight or more weeks, which could disrupt admissions and orientation schedules.
- Increased administrative burden on international offices and recruitment staff to assist Indian applicants with enhanced documentation and compliance requirements.
- Risk of a reduction in Indian student enrollments or delays in arrival, affecting tuition revenue and program planning.
- Necessity for universities to adjust intake planning, including staggered start dates or expanded online coursework, to accommodate delayed visa issuance.
- Potential for higher refusal rates requiring additional counseling and risk management for affected applicants.

Flywire could experience reduced transaction volumes and delayed payment flows from its Australian clients' Indian student corridors due to slower visa processing times, increased application friction, and potential declines in enrollment. These factors could adversely affect our revenue growth in the Asia-Pacific education vertical and increase operational complexity associated with refunds, deferred intakes, and compliance-related payment adjustments. In addition, effective July 1, 2026, the Australian Government increased the non-refundable Student Visa (Subclass 500) application charge by 25%, raising the fee for primary applicants from AUD 2,000 to AUD 2,500. Higher upfront visa costs and potential application friction could temper total inbound international student enrollment growth in Australia, which may impact Flywire's Australian education vertical.

In addition, on October 2, 2026, the Australian government implemented further student visa reforms intended to reduce "visa hopping" and strengthen the integrity of its international education system. Under these reforms, most temporary visa holders in Australia, including visitor, working holiday, temporary work and temporary graduate visa holders, are no longer able to apply for a Student Visa (subclass 500) while in Australia and must instead apply for, and be granted, a Student Visa from outside Australia, and existing Student visa holders seeking a further Student Visa while in Australia must demonstrate genuine course progression. Most Student Visa applicants are also no longer able to include partners or dependent children in their applications, subject to limited exemptions (including for PhD students, government-sponsored students and nationals of Pacific and ASEAN member countries), and Student Visa holders may no longer add family members after their visa is granted. As a transitional measure until June 30, 2027, most international students must now remain in their principal course for 12 months, rather than six months, before transferring to another education provider, and beginning July 1, 2027, students seeking to change providers after arriving in Australia will be required to apply for a new Student Visa through a new transfer stream. Applications lodged before October 2, 2026 continue to be assessed under the prior rules. These reforms may reduce the number of international students who choose to study in Australia, particularly students who would otherwise be accompanied by family members or would otherwise transition to a Student Visa while in Australia, and could reduce or delay the education payments we process for our Australian clients.

In the U.K. as well, there have recently been significant modifications to the process and standards for issuance of international student visas which may reduce demand for international study and adversely affect our business. In November 2025, the U.K. budget confirmed that a levy of £925 per student per year of study will commence from August 2028, at the start of the 2028/29 academic year, for higher education institutions in England. All providers will be given an allowance of the first 220 international students per year not paying the levy, which may protect smaller, specialist providers from paying the charge. Of potentially more significance is the reduction of the U.K.'s Graduate Route post-study-work-visa from 24 to 18 months as taking effect for visa applications made after January 1, 2027. The change applies to bachelor's and master's degrees, and not to PhDs (which retain a 3-year option). All of these changes in UK visa policies for international students could potentially discourage international students from studying in the U.K. and have an adverse impact on our business.

Other governments where our client institutions are located, including in the U.S., may introduce measures from time to time to manage the growth of the international student population in their respective countries, which may have adverse effects on our business. For example, the U.S. government's recent announcement to impose a $100,000 filing fee per new H-1B visa could adversely impact demand for international students to attend our client institutions in the U.S. The new H-1B visa fee does not apply to international students already in the U.S. looking to apply for a status change. In June 2026, the U.S. District Court for the District of Massachusetts issued an order barring implementation of the $100,000 fee, which the U.S. Court of Appeals for the First Circuit declined to stay in July 2026, and on September 30, 2026, the U.S. District Court for the Northern District of California separately blocked implementation of the fee. The U.S. government has since extended the presidential proclamation imposing the fee for an additional year, and in August 2026, the U.S. Department of Homeland Security proposed a rule that would establish a permanent fee of approximately $103,000 for certain new H-1B petitions. The status and validity of the fee therefore remain subject to ongoing litigation

and rulemaking. In addition, in 2025 U.S. policy shifts prompted dramatic action to rescind student visas (including deportation of students), plan additional cutbacks to the volume of international student visa issuances and more closely scrutinize applications for international student visas, and to cut government support for higher education, adding to uncertainty around the number of students coming to the U.S. to study in the near future. In July 2026, the U.S. Department of Homeland Security published a final rule that would replace the open-ended "duration of status" for F-1 visa holders with a fixed maximum admission period of up to four years. Although the U.S. District Court for the District of Massachusetts preliminarily enjoined implementation of the rule on September 14, 2026, the day before it was scheduled to take effect, and the U.S. government has appealed that decision, the rule, if ultimately implemented, would create additional administrative burdens and potential visa uncertainty for international students studying in the U.S. and near-term immigration friction could temper growth in overall U.S. inbound international student enrollment, which may adversely impact our revenue and results of operations. Delays in issuances of visas or visa denials – which could be exacerbated by the periodic U.S. government shutdowns – may discourage prospective international students from choosing U.S. institutions as places for study. Recent proposals in Congress to tighten visa stay rules and to implement the “OPT Fair Tax Act” could further dampen demand among international students to study in the U.S. The existing rules and any introduction of new rules further limiting the attractiveness of international study by the governments of countries where our client institutions are located has and is expected in the near term to continue to adversely impact the growth of our business in the applicable regions. We expect these and other changes to U.S. immigration policy to continue to dampen demand for international study and adversely impact our revenue growth in the U.S. in 2026.

After a period during which interviews and applications for student visas to study in the U.S. were temporarily suspended, in June 2025 the U.S. Department of State (DOS) resumed scheduling visa interview appointments for international students and exchange visitors while it considered new social media vetting measures. New student and exchange visitor visa policies, including the temporary pause and expanded vetting, could impact the number of international students successfully enrolling as students in the U.S., which may adversely affect our revenue and results of operations. Some of these expected impacts include:

- Requests for deferred admissions, increased student inquiries/concerns, and delays in expected enrollment;
- Visa appointment cancellations, unavailability or delays in scheduling interviews as well as higher visa rejection rates - especially as to potential students from the countries that send the most students to the United States; and
- Students pivoting away from study and research in the United States. According to some studies, the top five countries that international students and scholars have indicated they are turning to instead of the United States are the United Kingdom, Australia, Canada, China, and Germany. These European and Asian study destinations that are gaining in market share of student interest often carry lower tuition and related costs of living relative to the United States, which may result in lower volume of payments processed within our education vertical.

The expanded social media screening process to be applied by the DOS to student visa applicants establishes that, of those students seeking expedited appointments, priority should be given to those attending universities with lower international enrollment (15% or less). This change potentially disadvantages those seeking to study at more internationally diverse institutions and marks a significant departure from previous DOS guidance that prioritized students based on the start of their academic studies. Administrative processing issues, a new requirement that applicants provide DOS access to social media accounts, and the resource-intensive nature of the new screening requirements is expected to create longer wait times and processing delays. All of these factors – and other related uncertainties that will surface as the new standards are implemented – can contribute to a decline in international enrollment in U.S. academic institutions, which could adversely affect our business.

There is still a degree of uncertainty in terms of the impact the changes to international student visa policy and international trade policies will have on our U.S., Canadian and Australian education markets. We continue to see growth in new customers in our U.S., Canada and Australia education markets, providing a lever to offset some of the expected decline in new incoming international student growth resulting from these government changes to international student visa policies and international trade policies. We believe our business continues to remain strong amid these visa-related policy shifts, benefiting from our increasingly global and diversified footprint across verticals, sub-sectors, countries, currencies and clients.

Impact of New H-1B Visa Fee Requirement

See discussion above under Impacts Resulting From Government Changes to International Student and H-1B Visa Policies regarding the U.S. government's announced plans to require employers to pay a $100,000 filing fee per H-1B visa petition to bring new H-1B workers into the U.S. If implemented, this requirement would materially increase the cost of

employing new foreign nationals in the U.S. The new H-1B visa fee does not apply to international students already in the U.S. looking to apply for a status change. The fee is not expected to apply to petitions filed before the effective date of the proclamation or to extensions or renewals for existing H-1B visa holders. In June 2026, the U.S. District Court for the District of Massachusetts issued an order barring implementation of the $100,000 fee, which the U.S. Court of Appeals for the First Circuit declined to stay in July 2026, and on September 30, 2026, the U.S. District Court for the Northern District of California separately blocked implementation of the fee. The U.S. government has since extended the presidential proclamation imposing the fee for an additional year, and in August 2026, the U.S. Department of Homeland Security proposed a rule that would establish a permanent fee of approximately $103,000 for certain new H-1B petitions. The status and validity of the fee therefore remain subject to ongoing litigation and rulemaking. Flywire currently employs a number of specialized personnel under H-1B visas — primarily software engineers and product managers — whose skills are essential to maintaining and expanding our global payments platform.

The new regulation could potentially increase our annual personnel costs as existing H-1B holders become eligible for renewal and as we recruit new employees in technical and operational roles. While the overall financial impact is not yet determinable, the incremental costs could be significant if the rule remains in effect or expands to other visa categories.

To mitigate these potential cost increases, we are evaluating a combination of strategies, including:

- Reallocating hiring and development activities to lower-cost jurisdictions where we already operate;
- Investing in automation, AI-based solutions and process efficiency to reduce reliance on incremental headcount growth in the U.S.; and
- Enhancing our domestic talent pipeline through university partnerships, internships, and remote-work arrangements to expand access to U.S.-based workers not requiring sponsorship.

We are also engaging through industry associations to monitor legal challenges and regulatory developments related to this rule and to advocate for more balanced immigration policies that support innovation and growth in the U.S. technology and fintech sectors.

Although these mitigation efforts may partially offset the impact, increased visa-related costs or restrictions could reduce our flexibility in hiring and allocating talent, increase our operating expenses, and slow the pace of product innovation - all of which could adversely affect our financial condition and results of operations.

Impacts Resulting From U.S. Government Policy Towards Higher Education

In the U.S., the “One Big Beautiful Bill” Act (OBBBA) contains a number of provisions with the potential to significantly change the landscape for financing undergraduate and graduate study and which could adversely affect the demand for higher education in the U.S. The OBBBA limits Pell Grant awards (which provide gift aid to low-income students), eliminates the Grad PLUS program, and sets new limits for graduate and professional students for Direct Unsubsidized Loans. The new bill also caps parent loans to finance undergraduate education, and changes student loan repayment options, among other modifications. More specifically, the structural changes to federal higher education financing under the OBBBA include:

- **Elimination of Graduate PLUS Loans**: The Grad PLUS loan program was eliminated for new borrowers starting July 1, 2026 (with legacy grandfathering options available for up to three academic years for existing borrowers).
- **New Borrowing Caps**:
  - Graduate & Professional: Annual borrowing for Direct Unsubsidized Loans is capped at $20,500 ($100,000 aggregate) for general graduate programs and $50,000 ($200,000 aggregate) for designated professional programs.
  - **Parent PLUS**: Annual borrowing is capped at $20,000 per student, with a $65,000 aggregate limit per dependent.
  - **Lifetime Cap**: A cumulative lifetime federal student loan borrowing cap of $257,500 is established (excluding Parent PLUS).

Most of these changes went into effect on July 1, 2026 and while management actively monitors institutional adaptation to these regulatory updates, the impacts of the bill may affect U.S. student enrollment in undergraduate and postgraduate programs and could materially and adversely affect our revenue and results of operations.

In addition, in October 2025 the current administration introduced a proposed policy initiative known as the “Compact for Academic Excellence in Higher Education” (Compact), which would condition certain federal funding and grant eligibility for U.S. universities on compliance with a new set of policy standards. These standards reportedly include tuition caps, modifications to international student enrollment, changes to admissions criteria, and governance-related certifications. While the Compact has not been widely adopted and the administration has indicated that it may revise the proposal, its adoption - whether in its current or modified form - could materially affect the operating environment for higher-education institutions in the United States.

Many of our U.S. universities and colleges rely on federal funding for research, student aid, and institutional support. If the proposed Compact is implemented, universities may adjust enrollment levels, particularly of international students, or redirect administrative resources to compliance efforts. Such developments could reduce cross-border tuition payment volumes, delay new client implementations, or lead institutions to reevaluate third-party vendor relationships. These effects could, in turn, moderate revenue growth and increase client concentration risk within our education vertical.

At this stage, the potential financial impact of the Compact cannot be quantified, as the proposal has not yet been finalized or enacted. A number of major U.S. research universities have declined to sign the Compact, citing concerns regarding academic freedom, institutional autonomy and constitutional protections, while a small number of institutions have signed or agreed to adopt the Compact's conditions. Several major higher education associations, including the American Council on Education and NASFAA, have publicly opposed the Compact. Certain institutions that have declined to sign the Compact have reported increased scrutiny of, or delays or freezes in, previously approved federal funding.

Management continues to monitor the policy’s development and is engaging with industry associations and higher-education partners to assess potential outcomes. To mitigate exposure, Flywire is taking several proactive steps, including:

- Diversifying our education client base internationally to reduce reliance on U.S. higher-education volumes;
- Expanding into adjacent services (e.g., housing payments, student refunds, and education-related B2B flows) to offset potential domestic revenue headwinds; and
- Maintaining flexibility in pricing and support structures to accommodate clients undergoing funding or enrollment adjustments.

While the proposed Compact may not be implemented in its current form and was rejected in its initial form by most of the approached universities, uncertainty surrounding federal higher-education policy in the U.S. may influence the timing of new client contracts and the pace of adoption of our technology platform.

In addition, on October 8, 2026, the Department of Homeland Security issued a Notice of Proposed Rulemaking that would require higher education institutions to pay a $70,000 fee for an initial Optional Practical Training (OPT) recommendation—and $30,000 for extensions—for F-1 international students seeking post-graduation work authorization in the United States. While the proposed rule remains subject to a public comment period, potential revisions, and anticipated legal challenges before any final implementation, a significant reduction in foreign student enrollment or post-graduate work pathways resulting from these prohibitive costs could adversely impact cross-border payment volumes and cross-border tuition revenue within the Company's U.S. higher education vertical.

Diversified Mix of Clients

We have a wide range of clients across our education, healthcare, travel and B2B verticals. Volumes and revenue from clients in education, our largest vertical, rely on international enrollments and student school preferences, which can fluctuate over time.

Dynamic Changes to Client Communication and Product Solutions

We initiated a series of refinements to our technology and personalization engine to optimize our clients’ ability to offer payment plans and communicate effectively and digitally with their customers. Similarly, we configured some of our education payment plan solutions for a very streamlined implementation in support of our clients’ requests for affordability solutions for their students that could be deployed with minimal IT involvement. While we continue to invest in our technology and product capabilities, our ability to continue providing streamlined and effective products through our technology platform may impact our ability to retain and win new clients in the future. We believe that our ability to help increase payment affordability has become more critical to our clients as the lack of affordability drives the need for more financial flexibility.

Business Continuity

While we have experienced significant revenue growth in recent years and achieved profitability on a GAAP basis for the years ended December 31, 2024 and 2025 and the nine months ended September 30, 2026, we may not be able to sustain or increase our growth or maintain profitability in the future. We also expect our costs and expenses to increase in future periods, which could negatively affect our future operating results if our revenue does not increase. In particular, we intend to continue to strategically invest in headcount and technologies and systems to improve operating efficiencies, to further develop and enhance our solutions, including introducing new functionality, and to expand our marketing programs and sales teams to drive new client adoption, expand strategic partner integrations, and support international and industry expansion. Our operating results are also impacted by the mix of our revenue generated from our different revenue sources, which include transaction revenue and platform and other fee revenue. Changes in our revenue mix from quarter to quarter, including those derived from cross-border or domestic currency transactions, will impact our margins, and we may not be able to grow our gross margin adequately to maintain profitability. In addition, the mix of payment methods utilized by our clients' customers may have an impact on our margins given that our costs associated with certain payment methods, such as credit cards, are higher than other payment methods accepted by our solutions, such as bank transfers. In addition, we are expanding our payment processing capabilities to offer a more comprehensive solution to our clients. While this new capability is expected to be a source of future growth, it is characterized by a lower gross margin profile. We continue to focus on operating efficiencies and a focus on cost discipline, including investing in automation and product development to further enhance our offerings with a focus on scale and productivity across all areas. Beginning in the first quarter of 2025 and continuing into the second quarter of 2025, we implemented our Restructuring Plan designed to improve operational efficiencies, reduce operating costs and better align our workforce with current business needs, top strategic priorities and key growth opportunities. We believe these improvements, our strong product portfolio, client retention and established product market fit along with strong gross margins and cash flows from operations will help us achieve our goal of maintaining positive annual GAAP net income in the future. As of the date of this report, we expect that our clients' business and our business will continue to be adversely impacted, directly or indirectly, by the ongoing macroeconomic and geopolitical issues. However, the extent of the ongoing impact of these macroeconomic events on our and our clients' business, our markets and on global economic activity, is uncertain and the related financial impact cannot be reasonably estimated with any certainty at this time.

The conflict between the U.S., Israel, Hamas and Iran has prompted a resumption of active workforce planning to implement safety measures for FlyMates in Israel and support the business without interruption.

Components of Results of Operations

Revenue

We generate revenue from transactions and platform and other fees as described above under "Our Revenue Model".

Payment Processing Services Costs

Payment processing services costs consist of costs incurred to process payment transactions which include banking and credit card processing fees, foreign currency translation costs, partner fees, personnel-related expenses for our FlyMates who facilitate these payments and personnel related expenses for our FlyMates who provide implementation services to our clients. We expect that payment processing services costs will increase in absolute dollars but may fluctuate as a percentage of total revenue from period to period, as we continue to invest in scaling our processing operations and grow our revenue base.

Technology and Development

Technology and development includes (i) costs incurred in connection with the development of our solution and the improvement of existing solutions, including the amortization of software and website development costs incurred in developing our solution, which are capitalized, and acquired developed technology, (ii) site operations and other infrastructure costs incurred, (iii) amortization related to capitalized cost to fulfill a contract, (iv) personnel-related expenses, including salaries, stock-based compensation and other expenses, (v) hardware and software engineering, consultant services, and other costs associated with our technology platform and products, (vi) research materials and facilities, and (vii) depreciation and maintenance expense.

We believe delivering new functionality is critical to attract new clients and expand our relationship with existing clients. We expect to continue to make investments to expand our solutions in order to enhance our clients' experience

and satisfaction, and to attract new clients. We expect our technology and development expenses to increase in absolute dollars, but they may fluctuate as a percentage of total revenue from period to period as we expand our technology and development team to develop new solutions and enhancements to existing solutions.

Selling and Marketing

Selling and marketing expenses consist of personnel-related expenses, including stock-based compensation expense, sales commissions, amortization of acquired client relationship intangible assets, marketing program expenses, travel related expenses and costs to market and promote our solutions through advertisements, marketing events, partnership arrangements, and direct client acquisition.

We focus our sales and marketing efforts on generating awareness of our business, platform, and solutions, creating sales leads, and establishing and promoting our brand. We plan to continue investing in sales and marketing efforts by driving our go-to-market strategies, building our brand awareness, and sponsoring additional marketing events; however, we will adjust our sales and marketing spend level as needed, and this may fluctuate from period to period, in response to changes in the economic environment.

General and Administrative

General and administrative expenses consist of personnel-related expenses, including stock-based compensation expense for finance, risk management, legal and compliance, human resources, IT and other administrative functions, costs incurred for external professional services, as well as rent, and facility and insurance costs. We expect to incur additional general and administrative expenses as we continue to invest in our planned growth of our business, including certain costs incurred relating to our digital transformation initiative as described above under “Key Factors Affecting Our Performance”. We also expect to increase the size of our general and administrative functions to support the growth in the business. As a result, we expect that our general and administrative expenses will increase in absolute dollars but may fluctuate as a percentage of total revenue from period to period.

Restructuring

In February 2025, we announced the Restructuring Plan that is designed to improve operational efficiencies, reduce operating costs and better align our workforce with current business needs, top strategic priorities and key growth opportunities. Restructuring expenses included restructuring and restructuring related expenses incurred as part of the Restructuring Plan announced in February 2025, related to employee transition, notice period, severance, employee benefits and facilitation costs.

Interest Expense

On February 23, 2024, we entered into an Amended and Restated Credit Agreement for a five-year senior secured revolving credit syndication loan (2024 Revolving Credit Facility) with four banks for a total commitment of $125.0 million. On August 1, 2025, we entered into an amendment (the 2025 Revolving Credit Facility Amendment) to the 2024 Revolving Credit Facility to increase the total commitments from $125.0 million to $300.0 million and make certain conforming and administrative changes. The 2024 Revolving Credit Facility, as amended by the 2025 Revolving Credit Facility Amendment, is hereinafter referred to as the 2024 Amended Revolving Credit Facility.

Interest expense consists of interest, amortization of debt issuance costs, and unused commitment fees on our 2024 Amended Revolving Credit Facility. As of September 30, 2026 and December 31, 2025, there was no outstanding indebtedness under the 2024 Amended Revolving Credit Facility.

Interest Income

Interest income consists of interest on cash held in interest bearing operating accounts, including money market funds, and investments in available-for-sale debt securities.

(Loss) Gain from Remeasurement of Foreign Currency

(Loss) gain from remeasurement of foreign currency consists of realized and unrealized gains and losses from the remeasurement of foreign currency transactions into its functional currency, partially offset by foreign currency exchange forward contracts to hedge our foreign currency exposure.

(Benefit from) Provision for Income Taxes

(Benefit from) provision for income taxes consists primarily of foreign and state income taxes. We have historically generated net operating losses (NOL) carryforwards for U.S. federal and state tax purposes as we expand the scale of our business activities. Due to the history of pre-tax losses, we maintained an income tax valuation allowance against our net U.S. deferred tax assets through the second quarter of 2026. In the third quarter of 2026, after evaluating all available positive and negative evidence related to our U.S. operations, we released $25.2 million of valuation allowances on our net U.S. deferred tax assets, including federal and state NOLs. Changes in the U.S. and foreign tax law may impact our overall provision for income taxes in the future.

Results of Operations

Comparison of results for the three months ended September 30, 2026 and 2025

All dollar amounts in the tables below are rounded based on whole numbers and as a result, certain amounts may not recalculate using the rounded amounts provided.

The following table sets forth our consolidated results of operations for the periods presented:

	Three Months Ended September 30,		Change	
(dollars in millions)	**2026**	**2025**	**Amount**	**Percent**
Revenue	$ 250.3	$ 200.1	$ 50.2	25.1 %
Payment processing services costs	94.0	72.3	21.7	30.0 %
Technology and development	16.7	17.7	(1.0)	(5.6)%
Selling and marketing	42.6	41.9	0.7	1.6 %
General and administrative	44.3	36.0	8.3	23.1 %
Total costs and operating expenses	197.5	167.9	29.7	17.7 %
Income from operations	52.8	32.3	20.5	63.6 %
Interest expense	(0.5)	(1.2)	0.7	61.3 %
Interest income	0.5	0.8	(0.3)	(34.2)%
Loss from remeasurement of foreign currency	(0.5)	(0.6)	0.2	27.9 %
Total other (expense) income, net	(0.4)	(1.1)	0.6	61.5 %
Income before income taxes	52.4	31.2	21.2	67.8 %
(Benefit from) provision for income taxes	(22.2)	1.6	(23.8)	(1,514.5)%
Net income	74.5	29.6	44.9	151.6 %
Foreign currency translation adjustment	1.2	(1.9)	3.1	161.4 %
Unrealized (losses) gains on available-for-sale debt securities, net of taxes	—	—	—	(136.4)%
Comprehensive income	$ 75.7	$ 27.7	$ 48.0	173.0 %

Revenue

Revenue was $250.3 million for the three months ended September 30, 2026, compared to $200.1 million for the three months ended September 30, 2025, an increase of $50.2 million or 25.1%. Revenue is comprised of transaction revenue and platform and other revenues as follows:

	Three Months Ended September 30,		Change	
(dollars in millions)	**2026**	**2025**	**Amount**	**Percent**
Transaction revenue	$ 215.1	$ 167.2	$ 47.9	28.7%
Platform and other revenues	35.2	33.0	2.2	6.8%
Revenue	$ 250.3	$ 200.1	$ 50.2	25.1%

Transaction revenue was $215.1 million for the three months ended September 30, 2026, compared to $167.2 million for the three months ended September 30, 2025, an increase of $47.9 million or 28.7%. The increase in transaction revenue was primarily driven by growth in transaction payment volumes for the three months ended September 30, 2026

from both our existing clients and new clients added during the three months ended September 30, 2026 compared to the prior period. Our transaction payment volume grew in line with our revenue growth during the three months ended September 30, 2026, driven primarily by an increased mix of credit card transactions and higher monetization rates offset by growth in domestic processing. Transaction payment volume increased 28.5% during the three months ended September 30, 2026, to $14.8 billion compared to $11.5 billion during the three months ended September 30, 2025.

Platform and other revenues were $35.2 million for the three months ended September 30, 2026, compared to $33.0 million for the three months ended September 30, 2025, an increase of $2.2 million or 6.8%. The increase in platform and other revenues was driven by an increase in utilization in our healthcare, SFS, and travel solutions, offset by our insurance business.

Payment Processing Services Costs

Payment processing services costs were $94.0 million for the three months ended September 30, 2026, compared to $72.3 million for the three months ended September 30, 2025, an increase of $21.7 million or 30.0%. The increase in payment processing services costs was correlated with the increase in transaction payment volume of 28.5% over the same period. The increase was further driven by shifts in our business mix, including the expansion of our payment processing capabilities, which carry higher payment processing costs.

Technology and Development

Technology and development expenses were $16.7 million for the three months ended September 30, 2026, compared to $17.7 million for the three months ended September 30, 2025, a decrease of $1.0 million or 5.6%. The decrease in technology and development cost was primarily driven by a decrease in stock-based compensation, offset by an increase in personnel costs.

- Stock-based compensation expense was $2.2 million for the three months ended September 30, 2026 compared to $3.6 million for the three months ended September 30, 2025, a decrease of $1.3 million or 37.1%. The decrease in stock-based compensation was primarily driven by an initiative to control shareholder dilution by lowering the volume of equity awards granted to FlyMates, partially offset by growth in headcount.
- Personnel costs were $11.3 million for the three months ended September 30, 2026 compared to $10.8 million for the three months ended September 30, 2025, an increase of $0.5 million or 4.6%. The increase in personnel costs was primarily driven by higher headcount.

Selling and Marketing

Selling and marketing expenses were $42.6 million for the three months ended September 30, 2026, compared to $41.9 million for the three months ended September 30, 2025, an increase of $0.7 million or 1.6%. The increase in selling and marketing expenses was primarily driven by stock-based compensation.

- Stock-based compensation was $5.9 million for the three months ended September 30, 2026, compared to $5.2 million for the three months ended September 30, 2025, an increase of $0.7 million or 12.9%. The increase in stock-based compensation was primarily due to the appointment of a new product head and to the new issuance of equity awards, related to our FlyMates from the acquisition of Sertifi, offset by our initiative to control shareholder dilution by lowering the volume of equity awards granted to FlyMates.

General and Administrative

General and administrative expenses were $44.3 million for the three months ended September 30, 2026, compared to $36.0 million for the three months ended September 30, 2025, an increase of $8.3 million or 23.1%. The increase in general and administrative expenses was primarily driven by an increase in chargebacks, engineering tools, net hedging activity losses, and the change in fair value of contingent consideration.

- Chargebacks were $3.6 million for the three months ended September 30, 2026, compared to $0.8 million for the three months ended September 30, 2025, an increase of $2.7 million or 340.4%. The increase in chargebacks primarily reflects reserves for anticipated losses within our travel vertical prompted by isolated client insolvencies.
- Engineering tools were $5.4 million for the three months ended September 30, 2026, compared to $3.6 million for the three months ended September 30, 2025, an increase of $1.8 million or 51.5%. The increase in engineering tools was

attributable to higher cloud hosting and infrastructure costs resulting from increased data processing and storage volumes and increased software licensing and subscription fees associated with headcount growth during the period.

- Net hedging activity losses were $2.8 million for the three months ended September 30, 2026, compared to a loss of $1.0 million for the three months ended September 30, 2025, an increase of $1.8 million or 188.9%. The increase in net hedging activity was primarily driven by foreign currency fluctuations, primarily in the British Pound.
- The increase in the fair value of contingent consideration was less than $0.1 million for the three months ended September 30, 2026, compared to a reduction of $0.7 million for the three months ended September 30, 2025, an increase of $0.8 million or 109.3%. The increase in change in the fair value of contingent consideration was primarily driven by the Sertifi acquisition.

Interest Expense

Interest expense was $0.5 million for the three months ended September 30, 2026, compared to $1.2 million for the three months ended September 30, 2025, a decrease of $0.7 million or 61.3%. During the three months ended September 30, 2026, there was no outstanding indebtedness under the 2024 Amended Revolving Credit Facility. During the three months ended September 30, 2025, there was $15.0 million outstanding indebtedness under the 2024 Amended Revolving Credit Facility. Interest expense consists primarily of interest expense, amortization of debt issuance costs, and unused commitment fees related to our 2024 Amended Revolving Credit Facility.

Interest Income

Interest income was $0.5 million for the three months ended September 30, 2026, compared to $0.8 million for the three months ended September 30, 2025, a decrease of $0.3 million or 34.2%. The decrease in interest income was primarily attributable to the decrease in our investments and lower interest rates beginning in the second half of 2025.

Loss from Remeasurement of Foreign Currency

Loss from remeasurement of foreign currency was $0.5 million for the three months ended September 30, 2026, compared to a loss of $0.6 million for three months ended September 30, 2025, a decrease of $0.2 million or 27.9%. The decrease was primarily the result of the remeasurement of foreign currency intercompany loan and related hedging instruments and the impact of fluctuations in exchange rates during respective remeasurement periods.

(Benefit from) Provision for Income Taxes

The benefit from income taxes was $22.2 million during the three months ended September 30, 2026, compared to a provision of $1.6 million during the three months ended September 30, 2025, a decrease of $23.8 million or 1,514.5%. The benefit from income taxes for the three months ended September 30, 2026, was primarily attributable to the release of the U.S. valuation allowance, offset by activity in our foreign subsidiaries and U.S. state taxes. The provision for income taxes for the three months ended September 30, 2025, was primarily driven by activity in our foreign subsidiaries and U.S. state taxes. Our effective tax rate was (42.4)% for the three months ended September 30, 2026, compared to 5.0% for three months ended September 30, 2025.

Comparison of results for the nine months ended September 30, 2026 and 2025

All dollar amounts in the tables below are rounded based on whole numbers and as a result, certain amounts may not recalculate using the rounded amounts provided.

The following table sets forth our consolidated results of operations for periods presented:

(dollars in millions)	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025	Change Amount	Change Percent
Revenue	$ 606.2	$ 465.5	$ 140.7	30.2%
Payment processing services costs	246.2	176.8	69.4	39.3%
Technology and development	54.5	51.7	2.8	5.4%
Selling and marketing	122.0	116.9	5.1	4.4%
General and administrative	122.7	99.2	23.5	23.7%
Restructuring	—	8.7	(8.7)	(100.0)%
Total costs and operating expenses	545.4	453.2	92.2	20.3%
Income from operations	60.8	12.3	48.5	395.7%
Interest expense	(1.1)	(3.0)	1.9	63.9%
Interest income	2.1	4.8	(2.7)	(56.7)%
(Loss) gain from remeasurement of foreign currency	—	6.9	(6.9)	(100.7)%
Gain on available-for-sale debt securities	—	0.2	(0.2)	(98.3)%
Total other income (expense), net	1.0	8.9	(7.9)	(89.2)%
Income before income taxes	61.7	21.1	40.6	192.1%
(Benefit from) provision for income taxes	(17.2)	7.7	(24.9)	(324.3)%
Net income	78.9	13.5	65.5	486.1%
Foreign currency translation adjustment	3.2	7.4	(4.3)	(57.5)%
Unrealized losses on available-for-sale debt securities, net of taxes	(0.1)	(0.1)	0.1	62.1 %
Comprehensive income	$ 82.0	$ 20.7	$ 61.3	295.6%

Revenue

Revenue was $606.2 million for the nine months ended September 30, 2026, compared to $465.5 million for the nine months ended September 30, 2025, an increase of $140.7 million or 30.2%. Revenue is comprised of transaction revenue and platform and other revenues as follows:

(dollars in millions)	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025	Change Amount	Change Percent
Transaction revenue	$ 506.2	$ 376.2	$ 130.0	34.5%
Platform and other revenues	99.9	89.2	10.7	12.0%
Revenue	$ 606.2	$ 465.5	$ 140.7	30.2%

Transaction revenue was $506.2 million for the nine months ended September 30, 2026, compared to $376.2 million for the nine months ended September 30, 2025, an increase of $130.0 million or 34.5%. The increase in transaction revenue was primarily driven by growth in transaction payment volumes for the nine months ended September 30, 2026 from both our existing clients and new clients added during the nine months ended September 30, 2026 compared to the prior period. The increase also included the full-period impact of the Sertifi acquisition that occurred in February 2025, including higher payment volumes from SertifiPay. Our transaction payment volume outpaced our revenue growth during the nine months ended September 30, 2026, due to payment mix which impacts our monetization rates. Transaction payment volume increased 36.4% during the nine months ended September 30, 2026, to $31.2 billion compared to $22.9 billion during the nine months ended September 30, 2025.

Platform and other revenues were $99.9 million for the nine months ended September 30, 2026, compared to $89.2 million for the nine months ended September 30, 2025, an increase of $10.7 million or 12.0%. The increase in platform and other revenues was driven by the Sertifi acquisition including organic growth and an increase in utilization in our healthcare and SFS solution, offset by our insurance business.

Payment Processing Services Costs

Payment processing services costs were $246.2 million for the nine months ended September 30, 2026, compared to $176.8 million for the nine months ended September 30, 2025, an increase of $69.4 million or 39.3%. The increase in payment processing services costs was correlated with the increase in transaction payment volume of 36.4% over the same period. The increase was further driven by shifts in our business mix, including the expansion of our payment processing capabilities, which carry higher payment processing costs.

Technology and Development

Technology and development expenses were $54.5 million for the nine months ended September 30, 2026, compared to $51.7 million for the nine months ended September 30, 2025, an increase of $2.8 million or 5.4%. The increase in technology and development cost was primarily driven by an increase in personnel costs, offset by a decrease in stock-based compensation.

- Personnel costs were $37.3 million for the nine months ended September 30, 2026, compared to $32.4 million for the nine months ended September 30, 2025, an increase of $4.8 million or 14.8%. The increase in personnel costs was primarily driven by higher headcount, including the full-period impact of the Sertifi acquisition completed on February 24, 2025, compared to only a partial period for the nine months ended September 30, 2025.
- Stock-based compensation expense was $8.0 million for the nine months ended September 30, 2026, compared to $10.1 million for the nine months ended September 30, 2025, a decrease of $2.1 million or 20.7%. The decrease in stock-based compensation was primarily driven by an initiative to control shareholder dilution by lowering the volume of equity awards granted to FlyMates, partially offset by growth in headcount.

Selling and Marketing

Selling and marketing expenses were $122.0 million for the nine months ended September 30, 2026, compared to $116.9 million for the nine months ended September 30, 2025, an increase of $5.1 million or 4.4%. The increase in selling and marketing expenses was primarily driven by an increase in depreciation and amortization and stock-based compensation.

- Depreciation and amortization were $14.4 million for the nine months ended September 30, 2026, compared to $11.6 million for the nine months ended September 30, 2025, an increase of $2.8 million or 23.8%. The increase in depreciation and amortization was primarily due to acquired intangibles relating to the Sertifi acquisition completed in February 2025.
- Stock-based compensation was $16.7 million for the nine months ended September 30, 2026, compared to $14.6 million for the nine months ended September 30, 2025, an increase of $2.1 million or 14.7%. The increase in stock-based compensation was primarily due to the appointment of a new product head and to the scheduled issuance of second-year equity awards, related to our FlyMates from the acquisition of Sertifi, offset by our initiative to control shareholder dilution by lowering the volume of equity awards granted to FlyMates.

General and Administrative

General and administrative expenses were $122.7 million for the nine months ended September 30, 2026, compared to $99.2 million for the nine months ended September 30, 2025, an increase of $23.5 million or 23.7%. The increase in general and administrative expenses was primarily driven by increases in engineering tools, personnel costs, net hedging activity losses, professional fees, and the change in fair value of contingent consideration.

- Engineering tools were $14.7 million for the nine months ended September 30, 2026, compared to $8.9 million for the nine months ended September 30, 2025, an increase of $5.8 million or 64.8%. The increase in engineering tools was primarily driven by a higher cloud hosting and infrastructure costs resulting from increased data processing and storage volumes and increased software licensing and subscription fees associated with headcount growth during the period.
- Personnel costs were $42.8 million for the nine months ended September 30, 2026, compared to $38.2 million for the nine months ended September 30, 2025, an increase of $4.5 million or 11.9%. The increase in personnel costs was attributable to an increase in headcount, including the full-period impact of the Sertifi acquisition completed on February 24, 2025.

- Net hedging activity losses were $4.2 million for the nine months ended September 30, 2026, compared to $0.4 million for the nine months ended September 30, 2025, an increase of $3.8 million or 1,021.5%. The increase in net hedging activity losses was primarily driven by foreign currency fluctuations.
- Professional fees expense was $13.5 million for the nine months ended September 30, 2026, compared to $9.8 million for the nine months ended September 30, 2025, an increase of $3.7 million or 37.6%. The increase in professional fees was primarily driven by an increase in external consultants and legal fees.
- The increase in the fair value of contingent consideration was $1.8 million for the nine months ended September 30, 2026, compared to a reduction of $1.2 million for the nine months ended September 30, 2025, an increase of $3.0 million or 247.0%. The increase in the change in the fair value of contingent consideration was primarily driven by the Sertifi acquisition.

Restructuring

There were no restructuring expenses during the nine months ended September 30, 2026, compared to $8.7 million for the nine months ended September 30, 2025. Restructuring expenses for the nine months ended September 30, 2025, included restructuring and restructuring-related expenses incurred as part of the Restructuring Plan announced in February 2025, related primarily to severance payments, employee benefits, and facilitation costs of $6.3 million and $2.4 million of expense related to the acceleration of stock-based compensation for terminated employees.

Interest Expense

Interest expense was $1.1 million for the nine months ended September 30, 2026, compared to $3.0 million for the nine months ended September 30, 2025, a decrease of $1.9 million or 63.9%. During the nine months ended September 30, 2026, there was no outstanding indebtedness under the 2024 Amended Revolving Credit Facility. During the nine months ended September 30, 2025, we drew down $125.0 million to partially fund the acquisition of Sertifi and repaid $110.0 million from our 2024 Amended Revolving Credit Facility. As of September 30, 2025, there was $15.0 million outstanding indebtedness under the 2024 Amended Revolving Credit Facility. Interest expense consists primarily of interest expense, amortization of debt issuance costs, and unused commitment fees related to our 2024 Amended Revolving Credit Facility.

Interest Income

Interest income was $2.1 million for the nine months ended September 30, 2026, compared to $4.8 million for the nine months ended September 30, 2025, a decrease of $2.7 million or 56.7%. The decrease in interest income was primarily attributable to lower average balances in our cash and cash equivalents, short-term investments and long-term investments as a result of the use of cash for the acquisition of Sertifi on February 24, 2025, common stock repurchases, and lower interest rates.

(Loss) Gain from Remeasurement of Foreign Currency

Loss from remeasurement of foreign currency was less than $0.1 million for the nine months ended September 30, 2026, compared to a gain of $6.9 million for the nine months ended September 30, 2025, a decrease of $6.9 million or 100.7%. The decrease was primarily the result of the remeasurement of foreign currency intercompany loans and related hedging instruments and the impact of fluctuations in exchange rates during respective remeasurement periods.

Gain on Available-for-Sale Debt Securities

There was a less than $0.1 million gain from the sale of available-for-sale debt securities for the nine months ended September 30, 2026, compared to $0.2 million gain from the sale of available-for-sale debt securities for the nine months ended September 30, 2025.

(Benefit from) Provision for Income Taxes

The benefit from income taxes was $17.2 million during the nine months ended September 30, 2026, compared to a provision of $7.7 million during the nine months ended September 30, 2025, a decrease of $24.9 million or 324.3%. The benefit from income taxes for the nine months ended September 30, 2026, was primarily attributable to the release of the U.S. valuation allowance, offset by activity in our foreign subsidiaries and U.S. state taxes. The provision for income taxes for the nine months ended September 30, 2025, was primarily attributable to activity in our foreign subsidiaries and U.S. state taxes. Our effective tax rate was (27.8)% for the nine months ended September 30, 2026, compared to 36.3% for the nine months ended September 30, 2025.

Key Operating Metrics and Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared in accordance with generally accepted accounting principles in the United States (GAAP), we use certain non-GAAP financial measures. The following table sets forth our key operating metrics and non-GAAP measures for the periods presented. All dollar amounts are rounded based on whole numbers and as a result, certain amounts may not recalculate using the rounded amounts provided.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in millions)	**2026**	**2025**	**2026**	**2025**
Total Payment Volume	$ 17,768.5	$ 13,916.2	$ 37,393.5	$ 28,218.7
Revenue	$ 250.3	$ 200.1	$ 606.2	$ 465.5
Revenue Less Ancillary Services	$ 244.5	$ 194.1	$ 592.3	$ 450.3
Gross Profit	$ 152.7	$ 124.7	$ 349.1	$ 280.4
Adjusted Gross Profit	$ 155.8	$ 127.5	$ 359.1	$ 287.9
Gross Margin	61.0%	62.3%	57.6%	60.2%
Adjusted Gross Margin	63.7%	65.7%	60.6%	63.9%
Net Income	$ 74.5	$ 29.6	$ 78.9	$ 13.5
Adjusted EBITDA	$ 79.5	$ 57.1	$ 142.8	$ 95.1
Adjusted EBITDA Margin	32.5%	29.4%	24.1%	21.1%

For the three months ended September 30, 2026, transaction revenue and platform and other revenues represented 85.9% and 14.1% of our revenue, respectively. For the three months ended September 30, 2026, transaction revenue and platform and other revenues represented 87.2% and 12.8% of our total revenue less ancillary services, respectively. For the three months ended September 30, 2026, our total payment volume was approximately $17.8 billion, consisting of $14.8 billion of total payment volume from transactions included in transaction revenue and $3.0 billion of total payment volume from transactions included in platform and other revenues.

For the nine months ended September 30, 2026, transaction revenue and platform and other revenues represented 83.5% and 16.5% of our revenue, respectively. For the nine months ended September 30, 2026, transaction revenue and platform and other revenues represented 85.1% and 14.9% of our total revenue less ancillary services, respectively. For the nine months ended September 30, 2026, our total payment volume was approximately $37.4 billion, consisting of $31.2 billion of total payment volume from transactions included in transaction revenue and $6.2 billion of total payment volume from transactions included in platform and other revenues.

For the three months ended September 30, 2025, transaction revenue and platform and other revenues represented 83.5% and 16.5% of our revenue, respectively. For the three months ended September 30, 2025, transaction revenue and platform and other revenues represented 85.4% and 14.6% of our total revenue less ancillary services, respectively. For the three months ended September 30, 2025, our total payment volume was approximately $13.9 billion, consisting of $11.5 billion of total payment volume from transactions included in transaction revenue and $2.4 billion of total payment volume from transactions included in platform and other revenues.

For the nine months ended September 30, 2025, transaction revenue and platform and other revenues represented 80.8% and 19.2% of our revenue, respectively. For the nine months ended September 30, 2025, transaction revenue and platform and other revenues represented 83.1% and 16.9% of our total revenue less ancillary services, respectively. For the nine months ended September 30, 2025, our total payment volume was approximately $28.2 billion, consisting of $22.9 billion of total payment volume from transactions included in transaction revenue and $5.3 billion of total payment volume from transactions included in platform and other revenues.

Revenue Less Ancillary Services, FX Neutral Revenue Less Ancillary Services, Adjusted Gross Profit, Adjusted Gross Margin, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin and Non-GAAP Operating Expenses

We use non-GAAP financial measures to supplement financial information presented on a GAAP basis. We believe that excluding certain items from our GAAP results allows management to better understand our consolidated financial performance from period to period and better project our future consolidated financial performance as forecasts are developed at a level of detail different from that used to prepare GAAP-based financial measures. Moreover, we believe these non-GAAP financial measures provide our stakeholders with useful information to help them evaluate our operating

results by facilitating an enhanced understanding of our operating performance and enabling them to make more meaningful period to period comparisons. There are limitations to the use of the non-GAAP financial measures presented here. Our non-GAAP financial measures may not be comparable to similarly titled measures of other companies. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

We use supplemental measures of our performance which are derived from our consolidated financial information, but which are not presented in our consolidated financial statements prepared in accordance with GAAP. These non-GAAP financial measures include the following:

- *Revenue Less Ancillary Services* - represents our consolidated revenue in accordance with GAAP less (i) pass-through cost for printing and mailing services and (ii) marketing fees. We exclude these amounts to arrive at this supplemental non-GAAP financial measure as we view these services as ancillary to the primary services we provide to our clients.
- *FX Neutral Revenue Less Ancillary Services* - represents Revenue Less Ancillary Services adjusted to show presentation on a FX Neutral basis. The FX Neutral information presented is calculated by translating current period results using prior period weighted average foreign currency exchange rates. We analyze FX Neutral Revenue Less Ancillary Services on an FX Neutral basis to provide a comparable framework for assessing how the business performed excluding the effect of foreign currency fluctuations.
- *Adjusted Gross Profit and Adjusted Gross Margin* - Adjusted Gross Profit represents Revenue Less Ancillary Services, less cost of revenue adjusted to (i) exclude pass-through cost for printing services, (ii) offset marketing fees against costs incurred and (iii) exclude depreciation and amortization, including accelerated amortization on the impairment of customer set-up costs tied to technology integration, if applicable. Adjusted Gross Margin represents Adjusted Gross Profit divided by Revenue Less Ancillary Services. Management believes this presentation supplements the GAAP presentation of Gross Profit and Gross Margin with a useful measure of the gross profit and gross margin of our payment processing-related services, which are the primary services we provide to our clients.
- Adjusted EBITDA - EBITDA represents our consolidated net income (loss) in accordance with GAAP adjusted to exclude (i) interest expense, (ii) interest income, (iii) provision for (benefit from) income taxes, and (iv) depreciation and amortization. Adjusted EBITDA represents EBITDA further adjusted by excluding (i) stock-based compensation expense and related payroll taxes, (ii) the impact from the change in fair value measurement for contingent consideration associated with acquisitions, (iii) gain (loss) from the remeasurement of foreign currency, (iv) indirect taxes related to intercompany activity, (v) acquisition related transaction costs, (vi) employee retention costs, such as incentive compensation associated with acquisition activities, (vii) restructuring, and (viii) gain (loss) from investments. Management believes that the exclusion of these amounts to calculate Adjusted EBITDA provides useful measures for period-to-period comparisons of our business.
- Adjusted EBITDA Margin - represents Adjusted EBITDA divided by Revenue Less Ancillary Services. Management believes this presentation supplements the GAAP presentation of net income margin with a useful measure of profitability of our core operations, excluding the pass-through ancillary services revenue and the items excluded from Adjusted EBITDA described above.
- Non-GAAP Operating Expenses - represents GAAP Operating Expenses adjusted by excluding (i) stock-based compensation expense and related payroll taxes, (ii) depreciation and amortization, (iii) acquisition related transaction costs, if applicable, (iv) employee retention costs, such as incentive compensation associated with acquisition activities, (v) the impact from the change in fair value measurement for contingent consideration associated with acquisitions and (vi) restructuring costs.

These non-GAAP financial measures are not meant to be considered as indicators of performance in isolation from or as a substitute for revenue, gross profit, gross margin, operating expenses, or net income (loss) prepared in accordance with GAAP and should be read only in conjunction with financial information presented on a GAAP basis. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measure are presented below. We encourage you to review these reconciliations in conjunction with the presentation of the non-GAAP financial measures for each of the periods presented. In future fiscal periods, we may exclude such items and may incur income and expenses similar to these excluded items.

Reconciliations of Non-GAAP Financial Measures

The tables below provide reconciliations of Revenue Less Ancillary Services, Adjusted Gross Profit, Adjusted Gross Margin, FX Neutral Revenue Less Ancillary Services, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, and Non-GAAP Operating Expenses to the most comparable GAAP figure on a consolidated basis for the periods presented. All dollar amounts are rounded based on whole numbers and as a result, certain amounts may not recalculate using the rounded amounts provided.

Revenue Less Ancillary Services, Adjusted Gross Profit and Adjusted Gross Margin:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in millions)	**2026**	**2025**	**2026**	**2025**
Revenue	$ 250.3	$ 200.1	$ 606.2	$ 465.5
Adjusted to exclude gross up for:				
Pass-through cost for printing and mailing	(3.9)	(4.6)	(11.8)	(13.3)
Marketing fees	(1.9)	(1.4)	(2.0)	(1.9)
Revenue Less Ancillary Services	$ 244.5	$ 194.1	$ 592.3	$ 450.3
Payment processing services costs	94.0	72.3	246.2	176.8
Hosting and amortization costs within technology and development expenses	3.6	3.1	10.9	8.3
Cost of Revenue	$ 97.6	$ 75.4	$ 257.1	$ 185.1
Adjusted to:				
Exclude printing and mailing costs	(3.9)	(4.6)	(11.8)	(13.3)
Offset marketing fees against related costs	(1.9)	(1.4)	(2.0)	(1.9)
Exclude depreciation and amortization	(3.1)	(2.8)	(10.0)	(7.5)
Adjusted Cost of Revenue	$ 88.7	$ 66.6	$ 233.2	$ 162.4
Gross Profit	$ 152.7	$ 124.7	$ 349.1	$ 280.4
Gross Margin	61.0%	62.3%	57.6%	60.2%
Adjusted Gross Profit	$ 155.8	$ 127.5	$ 359.1	$ 287.9
Adjusted Gross Margin	63.7%	65.7%	60.6%	63.9%

Revenue Less Ancillary Services Disaggregated by Revenue Type:

	Three Months Ended September 30, 2026			Three Months Ended September 30, 2025		
(dollars in millions)	**Transaction**	**Platform and other revenues**	**Revenue**	**Transaction**	**Platform and other revenues**	**Revenue**
Revenue	$ 215.1	$ 35.2	$ 250.3	$ 167.2	$ 33.0	$ 200.1
Adjusted to exclude gross up for:						
Pass-through cost for printing and mailing	—	(3.9)	(3.9)	—	(4.6)	(4.6)
Marketing fees	(1.9)	—	(1.9)	(1.4)	—	(1.4)
Revenue Less Ancillary Services	$ 213.2	$ 31.3	$ 244.5	$ 165.7	$ 28.4	$ 194.1
Percentage of Revenue	85.9%	14.1%	100.0%	83.5%	16.5%	100.0%
Percentage of Revenue Less Ancillary Services	87.2%	12.8%	100.0%	85.4%	14.6%	100.0%

(dollars in millions)	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	Transaction	Platform and other revenues	Revenue	Transaction	Platform and other revenues	Revenue
Revenue	$ 506.2	$ 99.9	$ 606.2	$ 376.2	$ 89.2	$ 465.5
Adjusted to exclude gross up for:						
Pass-through cost for printing and mailing	—	(11.8)	(11.8)	—	(13.3)	(13.3)
Marketing fees	(2.0)	—	(2.0)	(1.9)	—	(1.9)
Revenue Less Ancillary Services	$ 504.2	$ 88.1	$ 592.3	$ 374.3	$ 76.0	$ 450.3
Percentage of Revenue	83.5%	16.5%	100.0%	80.8%	19.2%	100.0%
Percentage of Revenue Less Ancillary Services	85.1%	14.9%	100.0%	83.1%	16.9%	100.0%

FX Neutral Revenue Less Ancillary Services:

(dollars in millions)	Three Months Ended September 30,		Growth	Nine Months Ended September 30,		Growth
	2026	2025	Rate	2026	2025	Rate
Revenue	$ 250.3	$ 200.1	25.1%	$ 606.2	$ 465.5	30.2%
Ancillary services	(5.8)	(6.0)		(13.8)	(15.2)	
Revenue Less Ancillary Services	244.5	194.1	26.0%	592.3	450.3	31.5%
Effects of foreign currency rate fluctuations	0.1	—		(9.3)	—	
FX Neutral Revenue Less Ancillary Services	$ 244.6	$ 194.1	26.0%	$ 583.0	$ 450.3	29.5%

EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin:

(dollars in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 74.5	$ 29.6	$ 78.9	$ 13.5
Interest expense	0.5	1.2	1.1	3.0
Interest income	(0.5)	(0.8)	(2.1)	(4.8)
(Benefit from) provision for income taxes	(22.2)	1.6	(17.2)	7.7
Depreciation and amortization expense	8.0	7.2	24.5	20.2
EBITDA	60.3	38.8	85.2	39.5
Stock-based compensation expense and related taxes	17.5	17.8	53.0	51.0
Change in fair value of contingent consideration	0.1	(0.7)	1.8	(1.2)
Loss (gain) from remeasurement of foreign currency	0.5	0.6	—	(6.9)
Gain on available-for-sale debt securities	—	—	—	(0.2)
Indirect taxes related to intercompany activity	1.2	0.6	2.7	1.6
Acquisition-related transaction costs [(a)]	—	—	—	2.6
Restructuring	—	—	—	8.7
Adjusted EBITDA	$ 79.5	$ 57.1	$ 142.8	$ 95.1
Adjusted EBITDA margin	32.5%	29.4%	24.1 %	21.1 %

[(a)] Acquisition-related transaction costs consisted of legal and advisory fees incurred in connection with the Sertifi acquisition.

Net Margin, EBITDA Margin, and Adjusted EBITDA Margin:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in millions)	**2026**	**2025**	**2026**	**2025**
Revenue (A)	$ 250.3	$ 200.1	$ 606.2	$ 465.5
Revenue less ancillary services (B)	$ 244.5	$ 194.1	$ 592.3	$ 450.3
Net income (C)	$ 74.5	$ 29.6	$ 78.9	$ 13.5
EBITDA (D)	$ 60.3	$ 38.8	$ 85.2	$ 39.5
Adjusted EBITDA (E)	$ 79.5	$ 57.1	$ 142.8	$ 95.1
Net margin (C/A)	29.8%	14.8%	13.0%	2.9%
Net margin using RLAS (C/B)	30.5%	15.3%	13.3%	3.0%
EBITDA Margin (D/B)	24.7%	20.0%	14.4%	8.8%
Adjusted EBITDA Margin (E/B)	32.5%	29.4%	24.1%	21.1%

Reconciliation of GAAP Operating Expenses to Non-GAAP Operating Expenses:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in millions)	**2026**	**2025**	**2026**	**2025**
GAAP Technology and development	$ 16.7	$ 17.7	$ 54.5	$ 51.7
(-) Stock-based compensation expense and related taxes	(2.3)	(3.5)	(8.1)	(9.8)
(-) Depreciation and amortization	(1.7)	(1.7)	(5.1)	(4.9)
Non-GAAP Technology and development	$ 12.7	$ 12.5	$ 41.3	$ 36.9
GAAP Selling and marketing	$ 42.6	$ 41.9	$ 122.0	$ 116.9
(-) Stock-based compensation expense and related taxes	(6.0)	(5.2)	(17.0)	(14.5)
(-) Depreciation and amortization	(4.7)	(4.4)	(14.7)	(11.9)
Non-GAAP Selling and marketing	$ 31.9	$ 32.3	$ 90.3	$ 90.5
GAAP General and administrative	$ 44.3	$ 36.0	$ 122.7	$ 99.2
(-) Stock-based compensation expense and related taxes	(9.3)	(9.1)	(27.9)	(26.7)
(-) Depreciation and amortization	(1.0)	(0.7)	(3.0)	(2.1)
(-) Change in fair value of contingent consideration	(0.1)	0.7	(1.8)	1.2
(-) Acquisition related transaction costs	—	—	—	(2.6)
Non-GAAP General and administrative	$ 34.0	$ 27.0	$ 90.0	$ 69.1

Liquidity and Capital Resources

As of September 30, 2026, our principal source of liquidity is cash and cash equivalents of $407.2 million, short-term available-for-sale debt securities of $3.0 million, and the available balance under our 2024 Amended Revolving Credit Facility of $300.0 million. Cash equivalents is comprised primarily of money market funds. Our short-term available-for-sale debt securities are comprised of U.S. Government obligations.

On August 6, 2024, we announced the Repurchase Program. On July 30, 2025, our board of directors approved an increase in the aggregate amount of voting and non-voting common stock outstanding that may be repurchased under the Repurchase Program by an additional $150.0 million, bringing the total authorized amount under the Repurchase Program to $300.0 million. For additional information on our Repurchase Program, see *Note 13 - Stockholders' Equity* in our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. During the nine months ended September 30, 2026, the Company repurchased 4,047,247 shares of its common stock for an aggregate amount, including commissions and accrued excise tax, if any, of $59.2 million under the Repurchase Program. With the

exception of the Non-Voting Common Stock Repurchase discussed below, the repurchased shares are held as treasury stock. Since the inception of the share repurchase program, we have deployed $177.3 million in total share repurchases. As of September 30, 2026, approximately $122.7 million of the authorized $300.0 million amount under the Repurchase Program remained available for future repurchases.

On May 13, 2026, we entered into a privately negotiated securities repurchase agreement with a pre-IPO stockholder to repurchase all of the 1,873,320 shares of our outstanding non-voting common stock from the stockholder (the Non-Voting Common Stock Repurchase). The transaction had an aggregate purchase price of approximately $29.0 million, representing approximately $15.50 per share. The Company funded the transaction entirely with cash on its balance sheet under the Repurchase Program. Following the completion of the repurchase, the shares of non-voting common stock were retired and no shares of non-voting common stock were outstanding.

On February 23, 2024, we entered into our 2024 Revolving Credit Facility for a total commitment of $125.0 million. On August 1, 2025, we entered into an amendment to the 2024 Revolving Credit Facility (2025 Revolving Credit Facility Amendment) with five banks to increase the total commitments from $125.0 million to $300.0 million and make certain conforming and administrative changes. The 2024 Revolving Credit Facility, as amended by the 2025 Revolving Credit Facility Amendment, is hereinafter referred to as, the 2024 Amended Revolving Credit Facility. Four of the lenders under the 2025 Revolving Credit Facility Amendment were existing lenders under the 2024 Revolving Credit Facility.

During the nine months ended September 30, 2025, we drew down $125.0 million under the 2024 Amended Revolving Credit Facility in connection with the acquisition of Sertifi. During the nine months ended September 30, 2025, we repaid $110.0 million against the 2024 Amended Revolving Credit Facility and during the three months ended December 31, 2025, the remaining $15.0 million was repaid. There was no outstanding balance of the 2024 Amended Revolving Credit Facility at September 30, 2026 and December 31, 2025.

We believe that our existing cash will be sufficient to support our expected working capital needs and material cash requirements for at least the next 12 months from the issuance of these condensed consolidated financial statements. Our future capital requirements will depend on many factors, including our revenue growth rate, the timing and the amount of cash received from clients, the expansion of sales and marketing activities, the timing and extent of spending to support development efforts, the price at which we are able to purchase public cloud capacity, expenses associated with our international expansion, the introduction of platform enhancements, and the continuing market adoption of our platform. In the future, we may enter into arrangements to acquire or invest in complementary businesses, products, and technologies. In addition, we have, and may in the future, repurchase shares of our common stock from time to time under our Repurchase Program. We may be required to seek additional equity or debt financing. In the event that we require additional financing, we may not be able to raise such financing on terms acceptable to us or at all. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business, results of operations, and financial condition.

Cash Flows

The following table sets forth a summary of our cash flow information for the periods presented. All dollar amounts in the table below are rounded and as a result, certain amounts may not recalculate using the rounded amounts provided.

	Nine Months Ended September 30,	
(dollars in millions)	**2026**	**2025**
Net cash provided by (used in):		
Operating activities	$ 130.4	$ 95.3
Investing activities	7.5	(191.2)
Financing activities	(63.5)	(53.9)
Effect of exchange rates changes on cash and cash equivalents	2.5	9.4
Net change in cash and cash equivalents	$ 76.9	$ (140.3)

Operating Activities

Net cash provided by operating activities consists of net income adjusted for certain non-cash items and changes in operating assets and liabilities.

Net cash provided by operating activities was $130.4 million for the nine months ended September 30, 2026, compared to $95.3 million for the nine months ended September 30, 2025, representing a $35.1 million increase in net cash provided by operating activities. This variance was primarily attributable to a $14.2 million unfavorable change in our operating assets and liabilities, net of acquisitions, and a $49.3 million increase in net income adjusted for non-cash expenses.

For the nine months ended September 30, 2026, net cash used for changes in operating assets and liabilities was $4.9 million, compared to $19.1 million for the nine months ended September 30, 2025, resulting in a $14.2 million unfavorable change. This variance was primarily driven by a decrease in the change of funds payable to clients of $56.2 million, as a result of the timing of payments to our clients in the applicable period. The timing of payments to our clients will vary from period to period based on when our client's customer payment for a particular transaction is made and when we are contractually required to remit such payment to our client. This decrease was partially offset by a decrease in the change in funds receivable from payment partners of $41.1 million. The timing of collections from our partners will vary from period to period based on when our clients' customer payment for a particular transaction is made, as well as the customer's payment method which impacts the timing of settlement of the payment.

Our operating cash flows from our net income (after adjustments for a decrease in non-cash expenses of $16.2 million) increased by $49.3 million for the nine months ended September 30, 2026, compared to the prior period. This variance was primarily impacted by the increase in income from operations reflecting the growth in transaction payment volumes, from both our existing clients and new clients, net of the increase in payment processing costs.

Investing Activities

Net cash provided by investing activities was $7.5 million for the nine months ended September 30, 2026, compared to net cash used in investing activities of $191.2 million during the nine months ended September 30, 2025. This $198.7 million change in cash flow from investing activities was primarily attributable to a $324.9 million decrease in cash paid for the acquisition of Sertifi during 2025, partially offset by a $133.3 million reduction in proceeds from the maturity and sale of investments that was used to facilitate our acquisition of Sertifi during the nine months ended September 30, 2025.

Financing Activities

Net cash used in financing activities was $63.5 million for the nine months ended September 30, 2026, compared to $53.9 million during the nine months ended September 30, 2025. This $9.7 million decrease was primarily due to a $125.0 million decrease in proceeds from the borrowings under our 2024 Amended Revolving Credit Facility and the $29.0 million Non-Voting Common Stock Repurchase, partially offset by a $110.0 million reduction in repayments on our 2024 Amended Revolving Credit Facility and a $33.8 million decrease in open market common stock repurchases.

As of September 30, 2026 and December 31, 2025, there was no outstanding indebtedness under the 2024 Amended Revolving Credit Facility.

Critical Accounting Policies

Our condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q are prepared in accordance with GAAP. The preparation of our condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported revenue generated, and reported expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

There have been no material changes to our critical accounting policies as compared to the critical accounting policies and estimates described in the *Management's Discussion and Analysis of Financial Condition and Results of Operations* section of our Annual Report on Form 10-K for the year ended December 31, 2025.

Recent Accounting Pronouncements

We have reviewed all recently issued standards and have determined that, other than as disclosed in *Note 1 - Business Overview and Summary of Significant Accounting Policies* to our unaudited condensed consolidated financial

statements appearing elsewhere in this Quarterly Report on Form 10-Q, such standards are not expected to have a material impact on our consolidated financial statements or do not otherwise apply to our operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We have operations both within the United States and globally, and we are exposed to market risks in the ordinary course of our business, including foreign currency fluctuations and the effects of interest rate changes. Information relating to quantitative and qualitative disclosures about these market risks is described below.

Interest Rate Risk

We are exposed to interest rate risk relating to our cash and cash equivalents and available-for-sale debt securities. We hold cash in both non-interest and interest-bearing bank accounts. Our corporate investment portfolio consists primarily of money market funds, which are AAA-rated and comprised of liquid, high quality debt securities issued by the U.S. government, and investments in available-for-sale U.S. government obligations. An immediate 10% increase or decrease in interest rates would not have a material effect on our financial position, results of operations or cash flows.

We are also exposed to interest rate risk related to our 2024 Amended Revolving Credit Facility. Our 2024 Amended Revolving Credit Facility consists of ABR borrowings or Term SOFR borrowings, at our option.

ABR borrowings bear interest at the ABR plus the applicable rate. Term SOFR borrowings bear interest at the Adjusted Term SOFR for the interest period plus the applicable rate. The ABR rate is based on the greatest of (a) the Prime Rate, (b) the Federal Funds Effective Rate plus 1/2 of 1%, or (c) the Adjusted Term SOFR for a one-month interest period, plus 1%. The Adjusted Term SOFR is equal to the sum of (a) Term SOFR for such interest period, plus (b) the SOFR adjustment of 0.10%. The applicable rate is based upon our consolidated total net leverage ratio as of the most recent consolidated financial information and ranges from 1.0% to 2.5%. The 2024 Amended Revolving Credit Facility incurs a commitment fee ranging from 0.25% to 0.35% based upon our consolidated total net leverage ratio as of the most recent consolidated financial information assessed on the average available commitment.

As of September 30, 2026 and December 31, 2025, there was no outstanding indebtedness under the 2024 Amended Revolving Credit Facility. An immediate 10% increase or decrease in interest rates would not have a material effect on our financial position, results of operations or cash flows.

Information provided by the sensitivity analysis is not a prediction of future events and does not necessarily represent the actual changes that would occur.

Foreign Currency Exchange Risk

For our cross-border payments, we have short term foreign currency exchange exposure, typically between one and four days. Our cross-border payment service allows our client's customers to use their local currency to pay our clients. When a client's customer books a cross-border payment in the customer's local currency, we provide an amount to be paid to the client in that local currency based on the foreign exchange rate then in effect. The client's customer then has a certain amount of time to complete payment—typically one to four days—that may differ depending on the payment method selected. When our client's customer makes the payment and we process these funds to our clients through our global payment network, the actual exchange rate may differ from the exchange rate that was initially used to calculate the amount payable by the client's customer due to foreign exchange rate fluctuations. The amount our client's customers pay in their local currency is not adjusted for changes in foreign exchange rates between booking the transaction and the date the funds are paid and converted. If the value of the currency used by the client's customer weakens relative to the currency in which funds are remitted to our clients, we may be required to cover the shortfall in remitted funds. This could have an unfavorable effect on our cash flows and operating results. We have been leveraging our in-house currency hedging algorithms since 2014, including entering into non-deliverable forward foreign currency contracts, to help mitigate the volatility related to fluctuations in the foreign exchange rates. In addition, to mitigate the impact of foreign currency fluctuations on our net income, beginning in July 2025, we entered into foreign currency forward contracts to economically hedge the variability in exchange rates associated with certain intercompany loans. As of September 30, 2026, we had one hedged intercompany loan.

Our cash flows and operating results may also be impacted by fluctuations in foreign currency exchange rates between the U.S. Dollar and various currencies, in particular the British Pound. The value of our revenue and profits in local currencies may be worth more or less in U.S. Dollars due to a strengthening or weakening, respectively, of those currencies against the U.S. Dollar. For example, for the nine months ended September 30, 2026, as the U.S. Dollar

weakened against several currencies, including the British Pound, relative to the prior year, these foreign exchange impacts increased our reported revenue in U.S. Dollars by approximately $9.3 million compared to the prior year on a FX Neutral basis.

Fluctuations in foreign currency exchange rates may also impact the value of assets and liabilities denominated in currencies other than the functional currencies of our entities. Our reporting currency and the functional currency of our subsidiaries, with the exception of our U.K. and Australian subsidiaries, is the U.S. Dollar. The functional currency for our U.K. and Australian subsidiaries is the local currency, or British Pound and Australian Dollar, respectively. Financial statements of our foreign subsidiaries are translated from local currency into U.S. Dollars using exchange rates at the balance sheet date for assets and liabilities, and average exchange rates in effect during the period for revenue and expenses. Resulting translation adjustments are included as a component of accumulated other comprehensive (loss) income in our consolidated balance sheets. Gains and losses from the remeasurement of foreign currencies into functional currencies are recognized in the condensed consolidated statements of operations and comprehensive income. A potential change in foreign exchange rates of 10% from such remeasurement of assets and liabilities would have impacted income before income taxes by approximately $24.7 million and $25.3 million as of September 30, 2026 and December 31, 2025, respectively.

Inflation Risk

Inflation did not have a material effect on our cash flows and results of operations during the nine months ended September 30, 2026. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through increase in prices of our product offerings.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation and supervision of our Chief Executive Officer and Chief Financial Officer (our Principal Executive Officer and Principal Financial and Accounting Officer, respectively), have evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2026. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2026, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended September 30, 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management

override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may be subject to legal proceedings and claims in the ordinary course of business, including patent, commercial, product liability, employment, class action, whistleblower, and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. In addition, third parties may from time to time assert claims against us in the form of letters and other communications. Other than as described below, we are not currently a party to any legal proceedings that we believe to be material, individually or in the aggregate, to our business or condensed consolidated financial statements. The results of any future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

In the course of enhancing our sanctions compliance function, we initiated an internal review that identified issues related to our compliance with sanctions, including payments that may have originated from sanctioned jurisdictions or sanctioned persons. Although Flywire continues to evaluate whether these or other transactions constitute potential violations of OFAC sanctions (including whether certain of these payments may have been authorized by general licenses or license exemptions under the relevant sanctions regulations), Flywire has made voluntary submissions to OFAC to report apparent violations and provide supplemental information. Flywire is currently engaging with OFAC to resolve these matters, and most recently responded in October 2026 to an OFAC request to clarify certain previously provided information. Based upon the results of the internal review completed to date, we do not believe that the amount of any loss incurred as a result of this matter would be material to our business, financial condition, results of operations or cash flows.

On July 25, 2025, we and certain of our current and former officers were named as defendants in a securities class action complaint captioned Hickman v. Flywire Corporation filed in the United States District Court for the Eastern District of New York on behalf of a putative class of investors who purchased Flywire securities from February 28, 2024, through February 25, 2025. In January 2026, the complaint was amended to, among other matters, remove a former officer from the claim and modify the class period to the time period between May 21, 2024 through February 25, 2025. Plaintiffs' counsel filed a second amended complaint on May 7, 2026, which among other matters, added new allegations and another named plaintiff. Plaintiffs allege that the defendants violated Sections 10(b) and 20(a) of the Exchange Act by purportedly overstating the strength and sustainability of our revenue growth and understating the negative impact of certain government permit and visa related policies on our business. The lawsuit seeks unspecified damages, costs, attorneys' fees, and other relief. We believe we have strong defenses against the asserted claims and intend to vigorously defend ourselves, and we filed a motion to dismiss in response to the second amended complaint on June 15, 2026. On September 28, 2026, we submitted our reply memorandum of law in further support of our motion to dismiss the second amended class action complaint.

We have not recorded an accrual for this matter because we have determined that a loss is not probable and reasonably estimable. Given the early stage of the proceedings, we are unable to estimate the reasonably possible loss or range of loss, if any, for this matter.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. Before deciding whether to invest in shares of our common stock, you should consider carefully the risks and uncertainties described below, together with all of the other information in this Quarterly Report on Form 10-Q, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our condensed consolidated financial statements and the accompanying notes included elsewhere in this Quarterly Report on Form 10-Q. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. If any of the following risks actually occur, our business, financial condition, liquidity, operating results, and prospects could be materially and adversely affected. In that event, the market price of our common stock could decline, and you could lose part or all of your investment. See "Special Note Regarding Forward-Looking Statements."

Risk Factors Summary

The summary of risks below is intended to provide an overview of the risks we face and should not be considered a substitute for the more fulsome risk factors discussed immediately following this summary.

Risks Related to Our Business and Industry

- We have incurred operating losses in the past and may not sustain profitability in the future.
- We have a short operating history at our current scale in a rapidly evolving industry.
- We may be unable to retain our current clients, attract new clients, and increase the number of our clients' customers that use our solutions or sell additional functionality to our clients.
- We may experience quarterly and annual fluctuations in operating results.
- We undertook restructuring activities that may not yield their intended efficiencies and could strain resources, negatively impact workforce morale, and slow down execution of our strategic plans.
- Our operational and business portfolio reviews may not result in improvements to our financial performance, strategy, or operations.
- We expect our revenue mix to vary over time, which could affect our gross profit, gross margin and results of operations.
- If our efforts to attract new clients and increase the number of our clients' customers that use our solutions are unsuccessful, our revenue growth and operating results will be adversely affected.
- We may be unable to expand our direct and channel sales capabilities, grow our marketing reach and increase sales productivity.
- Our business could be adversely affected if our clients and their customers are not satisfied with the timing or quality of implementation services provided by us or our partners, or our ability to meet service levels to allow for timely payment processing due to system downtime or other factors.
- Our financial and operating results are subject to seasonality and cyclicality.
- We are exposed to fluctuations in foreign currency exchange rates that could materially and adversely affect our cash flows and results of operations.
- Certain of our key performance indicators are subject to inherent challenges in measurement.
- Our business depends, in large part, on our proprietary network of global, regional, and local banking partners and our relationships with other third-parties.
- Our markets are highly competitive.
- The estimates of market opportunity and our ability to capture a meaningful share of this payment volume may prove to be inaccurate.
- Our education business may be adversely affected by decreases in enrollment or tuition, cutbacks in governmental financial support, limitations or other restrictions on student visas to international students, actual and proposed U.S. policy changes and enforcement practices, or increased operating expenses for our clients.
- The healthcare industry is rapidly evolving.
- Our travel business may be sensitive to events affecting the travel industry in general.
- We may be unable to enter or expand into new verticals or sub-verticals, including our B2B vertical.
- There could be consolidation in the payment processing or enablement industry.
- We may be adversely impacted by global economic and political instability.

Risks Related to Our Operations

- We may not be able to scale our business quickly enough to meet our growing client base, and our technology and systems transformation program may not be successful.
- We enable the transfer of large sums of funds to our clients daily and are subject to the risk of errors.
- Volatility in the banking and financial services sectors may impact our bank partnerships and relationships, which could adversely affect our operations and liquidity.
- Our management of our operating funds and those of our clients may be reliant on a limited number of our banking partners and other financial institutions.

- We may be unable to maintain or expand our ability to offer a variety of local and international payment methods or grow and develop preferred payment choices.
- Improper or unauthorized use of, disclosure of, or access to personal or sensitive data could harm our reputation.
- We may be subject to cyberattacks or security vulnerabilities.
- Our risk management efforts may not be effective to prevent fraudulent activities by our clients, FlyMates or other third parties.
- We may fail to adapt and respond effectively to rapidly changing technology, evolving industry standards, changing regulations, and changing business needs, requirements, or preferences.
- Our use of artificial intelligence (AI) may result in operational challenges, legal liability, reputational harm, competitive risks and enhanced regulatory and fraud concerns.
- Changes to payment card networks fees or rules could harm our business.
- If we lose key members of our management team or are unable to attract and retain executives and employees we need to support our operations and growth, our business may be harmed.
- Our business could be harmed as a result of the risks associated with our acquisitions.
- Systems failures and resulting interruptions in the availability of our solutions and core payment platform could harm our business.

Risks Related to Our Legal, Regulatory and Compliance Landscape

- Payments and other financial services-related regulations and oversight are material to our business.
- We are subject to governmental laws and requirements regarding economic and trade sanctions, AML, CFT and those applicable to a MSB.
- We are subject to governmental regulation and other legal obligations, particularly those related to privacy, data protection, information security, anti-corruption, anti-bribery, and similar laws.

Risks Related to Being a Public Company

- We may fail to continue to maintain proper effective internal control over financial reporting.
- Estimates relating to our critical accounting policies may prove to be incorrect.
- We will continue to incur increased costs as a public company.

Risks Related to Ownership of Our Common Stock

- Raising additional capital may cause dilution to our existing stockholders, restrict our operations, or require us to relinquish rights to our intellectual property on unfavorable terms.
- Our Repurchase Program may not achieve our goals or meet expectations.

Risks Related to Our Business and Industry

We have incurred operating losses in the past and may not sustain profitability in the future.

We were incorporated in 2009 and although we have only generated net income for the years ended December 31, 2024 and 2025 and the nine months ended September 30, 2026, we have incurred net losses in the past, and may incur net losses in the future. We generated net income of $13.5 million and $2.9 million for the years ended December 31, 2025 and 2024, respectively, and generated net loss of $8.6 million for the year ended December 31, 2023, and net income of $78.9 million and $13.5 million during the nine months ended September 30, 2026 and 2025, respectively. In addition, as of September 30, 2026, we had an accumulated deficit of $78.5 million. We have experienced significant revenue growth in recent periods and we are not certain whether or when we will obtain a high enough volume of revenue to sustain or increase our growth or maintain profitability in the future. We also expect our costs and expenses to increase in future periods, which could negatively affect our future operating results if our revenue does not increase. In particular, we intend to continue to strategically and selectively invest in headcount, to further develop our solutions, including introducing new functionality, and to expand our marketing programs and sales teams to drive new client adoption, expand strategic partner integrations, and support international and product expansion. Our operating results are also

impacted by the mix of our revenue generated from our different revenue sources, which include transaction revenue and platform and other fee revenue. Changes in our revenue mix from quarter to quarter, including those derived from cross-border or domestic currency transactions, will impact our margins, and we may not be able to grow our gross margin adequately to maintain profitability. In addition, the mix of payment methods utilized by our clients' customers may have an impact on our margins given that our costs associated with certain payment methods, such as credit cards, are higher than other payment methods accepted by our solutions, such as bank transfers. Due to the cross-border nature of much of our business, fluctuations in foreign currency exchange rates, slowdowns in international mobility and other regional considerations may affect our operating results. We will also face increased compliance and security costs associated with growth, the expansion of our client base, and being a public company. Our efforts to grow our business may be costlier than we expect, and we may not be able to increase our revenue enough to offset our increased operating expenses. We may incur significant losses in the future for several reasons, including the other risks described herein, and unforeseen expenses, difficulties, complications, delays, and other unknown events. If we are unable to sustain profitability, the value of our business and common stock may significantly decrease.

If the assumptions we use to plan our business are incorrect or change in reaction to changes in our markets, or if we are unable to maintain consistent revenue or revenue growth, it may be difficult to maintain profitability. Our financial results from any prior quarterly or annual periods should not be relied upon as an indication of our future revenue or growth in revenue, gross profit, gross margins, volume of payments processed, or other operating results.

In addition, we expect to continue to expend substantial management time, financial and other resources on:

- sales, marketing, relationship management and client support, including an expansion of our sales organization, and new client support and payer retention initiatives;
- our technology infrastructure, including systems architecture, scalability, leveraging AI, availability, performance, and security;
- our technology development, including investments in our technology development team and the development of new solutions and new functionality;
- expanding into more international markets;
- retaining existing clients, attracting new clients and increasing the number of our clients' customers that use our solutions;
- acquisitions or strategic investments;
- regulatory compliance and risk management; and
- general administration, including increased insurance, legal and accounting expenses associated with being a public company.

These investments may not result in increased revenue growth in our business. If we are unable to increase our revenue at a rate sufficient to offset the increase in our costs, our business, financial position and operating results will be harmed, and we may not be able to maintain profitability over the long term.

We have a short operating history at our current scale in a rapidly and significantly evolving industry and, as a result, our past results may not be indicative of future operating performance.

We have a short history operating at our current scale in a rapidly and significantly evolving industry that may not develop in a manner favorable to our business. This relatively short operating history makes it difficult to assess our future performance with certainty. You should consider our business and prospects in light of the risks and difficulties we may encounter.

Our future success will depend in large part upon our ability to, among other things:

- cost-effectively acquire new clients, retain existing clients, increase the number of our clients' customers that use our solutions and sell additional functionality to our clients;
- maintain and increase our market share;
- avoid pricing pressure on our solutions which would compress our margins;
- effectively market our solutions;
- enhance our existing solutions and develop new solutions;

- increase awareness of our brand and maintain our reputation;
- develop new technologies, adapt to technology changes and evolving industry standards and to incorporate new technologies, such as artificial intelligence, into our solutions;
- offer seamless experience for our clients and their customers, including all user facing attributes ranging from the user interface to client and customer support;
- the success of our comprehensive, company-wide digital operational and systems transformation program;
- anticipate and respond to microeconomic and macroeconomic changes;
- expand our solutions and geographic reach, including with respect to B2B and travel payments;
- our decision to exit certain markets, or our inability to process payments from certain jurisdictions we had previously served;
- anticipate and effectively respond to changing trends and the preferences of clients and their customers;
- compete effectively;
- avoid interruptions in our business from information technology (IT) downtime, an inability to manage emerging technology risks (including those posed by generative AI or other tools), cybersecurity breaches, or labor stoppages;
- effectively manage our growth;
- effectively identify and manage risks, including foreign currency exchange risk;
- hire, integrate, and retain talented people at all levels of our organization;
- maintain the quality of our technology infrastructure;
- compliance with multiple, conflicting and changing governmental laws and regulations, including with respect to employment, tax, competition, workplace and sustainability and other social matters;
- global pandemics, or other public health emergencies;
- retain our existing proprietary global network of banking and other payment partners and add new banking and other payment partners to scale our business; and
- retain our existing technology partners that allow us to provide alternative payment methods and add new technology partners to scale our business.

If we fail to address the risks and difficulties that we face, including those associated with the challenges listed above as well as those described elsewhere in this section titled “Risk Factors”, our business and operating results will be adversely affected.

If we are unable to retain our current clients, attract new clients and increase the number of our clients’ customers that use our solutions or sell additional functionality to our clients, our revenue growth and operating results will be adversely affected.

To increase our revenue, in addition to acquiring new clients, we must continue to retain existing clients, increase the volume of payments made by our clients’ customers and sell additional functionality to our clients. We expect to derive a significant portion of our revenue from the renewal of existing clients’ contracts and sales of additional features and solutions to existing clients. As the market for our solutions matures, solutions evolve, and competitors introduce lower cost or differentiated products or services that are perceived to compete with our solutions, our ability to attract (and our clients’ ability to attract) new customers and maintain our current client base and clients’ customer usage could be hindered. As a result, we may be unable to retain existing clients or increase the usage of our solutions by them or their customers, which would have an adverse effect on our business, revenue, gross profit, gross margins, and other operating results, and accordingly, on the trading price of our common stock.

As the market for our solutions matures, or as new or existing competitors introduce new products or services that compete with our solutions, we may experience pricing pressure. This competition and pricing pressure could have an adverse effect on our ability to retain existing clients or attract new clients at prices that are consistent with our pricing model, operating budget and expected operating margins. In particular, it has become more common in the education sector for competitors to offer generous revenue sharing arrangements for clients we target. Our business could be adversely affected if clients or their customers perceive that features incorporated into alternative products reduce the

need for our solutions or if they prefer to use competitive services. If we are unable to attract new clients and increase the number of our clients' customers that use our solutions, our revenue growth and operating results will be adversely affected. Further, in an effort to attract new clients and increase usage by their customers, we may need to offer simpler, lower-priced payment options, which may reduce our revenue and other operating results.

Our ability to sell additional functionality to our existing clients may require more sophisticated and costly sales efforts, especially for our larger clients with more senior management and established accounts receivable solutions. Similarly, the rate at which our clients deploy additional solutions from us depends on several factors, including general economic conditions, the availability of client technical personnel to implement our solutions, and the pricing of additional functionality. If our efforts to sell additional functionality to our clients are not successful, our business and growth prospects would suffer.

Contracts with our clients generally have a stated initial term of three years, are not subject to termination for convenience and automatically renew for one-year subsequent terms. Our clients may negotiate terms less advantageous to us upon renewal, which may reduce our revenue. If our clients fail to renew their contracts, renew their contracts upon terms less favorable to us or at lower fee levels or fail to purchase new solutions from us, our revenue may decline or our future revenue growth may be constrained. In addition, certain of our clients are subject to requirements to issue requests for proposals (RFPs) to open up competition for their ongoing business notwithstanding their satisfaction with our solutions. In order to retain their business, we may be required to accept terms or pricing conditions less favorable to us than would be the case with automatic renewal of an existing contract. Should any of our clients terminate their relationship with us after implementation has begun, we would not only lose our time, effort and resources invested in such implementation, but we would also have lost the opportunity to leverage those resources to build a relationship with other clients over that same period of time.

We may experience quarterly and annual fluctuations in our operating results, as well as our key metrics, due to a number of factors which make our future results difficult to predict and could cause our operating results to fall below expectations or our guidance.

Our operating results, and key metrics, may fluctuate due to a variety of factors, many of which are outside of our control. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Our past results should not be relied on as an indication of our future performance. If our operating results or key metrics fall below the expectations of investors or securities analysts or below any guidance we may provide to the market, the price of our common stock could decline substantially.

Our operating results have varied in the past and are expected to continue to do so in the future. In addition to other risk factors listed in this section titled "Risk Factors", factors that may affect our quarterly and annual operating results, business and financial condition include the following:

- demand for our solutions and the number, volume and timing of payments processed;
- timing of tuition payments;
- actual or threatened government restrictions or related suspensions, limitations or delays on the issuances of visas, such as those being implemented in the U.K., Canada, Australia, and the U.S.;
- market acceptance of our current and future solutions;
- our revenue mix in a particular quarter;
- the mix of payment methods and currencies utilized by our clients' customers in a particular quarter;
- a slowdown or delay in spending on IT and software by our current and/or prospective clients;
- sales cycles and performance of our direct and indirect sales force;
- budgeting and implementation cycles of our current or potential clients;
- foreign currency exchange rate fluctuations;
- the management, performance and expansion of our domestic and international operations;
- the rate of renewals of contracts with our clients;
- changes in the competitive dynamics of our markets;
- our ability to control and predict costs, including our operating expenses;

- clients delaying purchasing decisions, including in anticipation of new products or product enhancements by us or our competitors;
- the seasonality and cyclical nature of our business;
- failure to successfully manage or integrate any acquisitions, including our most recent acquisition of Sertifi;
- the outcome or publicity surrounding any pending or threatened lawsuits or government investigations;
- general economic and political conditions in our domestic and international markets, including heightened interest rates, imposition of tariffs, inflation and fluctuations in supply chains, regional or global economic recession, and restrictions on cross-border travel or commerce;
- changes in the level of scrutiny applied by regulators, clients, and investors on our social impact efforts;
- unexpected events, including those resulting from climate change, international or civil conflicts and wars, or other geopolitical events;
- expected or actual extended U.S. federal government shutdowns, priorities of the U.S. presidential administration and related changes in laws, regulations or policies, which among other things could result in increased limitations on visa issuances, geopolitical uncertainty and impact educational financial aid payments; and
- global pandemics, or other public health emergencies and the responses thereto.

In addition, we may in the future experience fluctuations in our gross and operating margins due to changes in the mix of our domestic and international payments and the mix of payment methods, including an increase in the use of credit cards, and currencies used by our clients' customers to make payments.

Based upon the factors described above and those described elsewhere in this section titled "Risk Factors", we have a limited ability to forecast the amount and mix of future revenues and expenses, which may cause our operating results to fall below our estimates or the expectations of public market analysts and investors.

We undertook restructuring activities that may not yield their intended efficiencies and could strain resources, negatively impact workforce morale, and slow down execution of our strategic plans.

In February 2025, we announced a restructuring plan designed to improve operational efficiencies, reduce operating costs and better align our workforce with current business needs, top strategic priorities and key growth opportunities (Restructuring Plan). As part of the Restructuring Plan, we implemented a reduction in force. These actions and other additional measures we might take to reduce costs may potentially result in a strain on our workforce, divert management attention, yield attrition beyond our intended reduction in force, negatively impact employee morale and productivity, the loss of institutional knowledge and expertise, cause us to delay, limit, reduce or eliminate certain strategic plans or otherwise interfere with our ability to operate and grow our business effectively, each of which could have an adverse impact on our business, operating results and financial condition. Additionally, as we are operating our business with a different level and mix of employees, we face additional risk that we might not be able to execute on our strategic plans and product roadmap, which may have an adverse effect on our business, financial condition, and operating results. Moreover, the workforce reduction we implemented, and any other future reductions, may negatively impact our ability to attract, integrate, retain and motivate highly qualified employees, make it difficult for us to pursue new opportunities and initiatives, and may harm our reputation with current or prospective employees.

Our operational and business portfolio reviews may not result in improvements to our financial performance, strategy, or operations, and we face a number of risks related to such reviews.

Our operational and business portfolio reviews are ongoing, and are expected to encompass geographies, products, verticals, and cost structure, and explore various options and an operational cost-saving review to identify efficiencies and synergies across all of our business areas, including opportunities to combine and optimize systems and processes. Implementation of a go forward plan and any other cost-saving initiatives, including possible future restructuring efforts, may be costly and disruptive to our business, the expected costs and charges may be greater than forecasted, and the estimated cost savings may be lower than forecasted. We may not achieve the desired strategic, operational, and financial benefits of any actions previously taken, or taken in the future, as a result of our operational and business portfolio reviews. Further, we may not be able to successfully execute the desired changes. During the pendency of these reviews or any transaction that may occur as a result of these reviews, we may be subject to risks related to a decline in the business or employee morale and turnover, as well as distraction of management from our business and clients, and investors may not react favorably to our decisions, which could adversely affect our business, results of operations and

the market price of our common stock. If we are unable to successfully complete our operational and business portfolio reviews or we are unable to complete the proposed outcomes of these reviews or they do not meet our strategic objectives, our business, results of operations and financial condition could be adversely affected.

We regularly evaluate the full range of options for maximizing value to our shareholders, including potential transactions with third parties and other strategic and financial alternatives. There can be no assurance that the operational and business portfolio reviews will result in any particular action or that a transaction will be consummated, nor can there be any assurance regarding the timing of any action or transaction. We have not set a deadline or definitive timetable for the completion of our reviews, and we can provide no assurance that any actions taken or any transaction or other strategic alternative we may pursue will achieve the anticipated cost savings, operating efficiencies or have a positive impact on our results of operations or financial condition.

We expect our revenue mix to vary over time, which could affect our gross profit, gross margin and results of operations.

We expect our revenue mix to vary over time due to a number of factors. Shifts in our business mix from quarter to quarter could produce substantial variation in revenue recognized. Further, our gross profit, gross margins and results of operations could be affected by changes in revenue mix and costs, together with numerous other factors, including payment methods and currencies, pricing pressure from competitors, increases in credit card usage on our solutions and associated network fees, changes in payment volume across verticals and the portion of such payment volume for which we perform foreign exchange. Any one of these factors or the cumulative effects of certain of these factors may result in significant fluctuations in our gross profit, gross margin and results of operations. This variability and unpredictability could result in our failure to meet internal expectations or those of securities analysts or investors for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our common stock could decline.

If our efforts to attract new clients and increase the number of our clients' customers that use our solutions are unsuccessful, our revenue growth and operating results will be adversely affected.

Our future growth and profitability will depend in large part upon the effectiveness and efficiency of our efforts to attract new clients and increase the number of our clients' customers that use our solutions. While we intend to dedicate resources to attracting new clients and increasing the number of our clients' customers that use our solutions, our ability to do so depends in large part on the success of these efforts and the success of the marketing channels we use to promote our solutions. Our marketing channels include search engine optimization, search engine marketing, account-based direct marketing campaigns, industry events and association marketing relationships. If any of our current marketing channels become less effective, if we are unable to continue to use any of these channels, if the cost of using these channels were to significantly increase or if we are not successful in generating new channels, we may not be able to attract new clients in a cost-effective manner or increase the number of our clients' customers that use our solutions. If we are unable to recover our marketing costs through increases in the number of clients and in the number of our clients' customers that use our solutions, or if we discontinue our marketing efforts, it could have a material adverse effect on our business, prospects, results of operations, and financial condition.

If we are unable to expand our direct and channel sales capabilities, grow our marketing reach and increase sales productivity, we may not be able to generate increased revenues.

We believe that our future growth will depend on the continued development of our direct sales force and its ability to obtain new clients and to manage our existing client base. Our ability to increase our client base and achieve broader market acceptance of our solutions will depend to a significant extent on our ability to expand our sales and marketing organizations, and to deploy our sales and marketing resources efficiently. We intend to continue to strategically increase our number of direct sales professionals and to expand our relationships with new strategic channel partners. These efforts will require us to invest significant financial and other resources. New hires require training and take time to achieve full productivity. Similarly, new channel partnerships often take time to develop and may never yield results, as they require new partners to understand the services and solutions we offer, and how to position our value within the market. We cannot be certain that recent and future new hires or partner relationships will become as productive as necessary or that we will be able to hire enough qualified individuals or build effective channel sales in the future. If we are unable to hire, develop, integrate, and retain talented and effective sales personnel, if our new and existing sales personnel are unable to achieve desired productivity levels, or if our sales, channel strategy and marketing programs and advertising are not effective, we may not be able to expand our business and grow our revenue, which may harm our business, operating results and financial condition.

Our business could be adversely affected if our clients or their customers are not satisfied with the timing or quality of implementation services provided by us or our partners.

Our business depends on our ability to satisfy our clients and their customers with respect to our solutions as well as the services that are performed to help our clients and their customers use the features and functions of our solutions. Services are usually performed by us, and are also on occasion provided together with a third-party partner. If our clients or their customers are not satisfied with the functionality of our solutions or the services that we or a third-party partner provide, such dissatisfaction could damage our ability to retain our current clients or expand our clients' or their customers' use of our solutions. In addition, any negative publicity and reviews that we may receive which is related to our client relationships may further damage our business and may invite enhanced regulatory scrutiny at the federal and state level in the United States as well as internationally.

Our financial and operating results are subject to seasonality and cyclicality.

Our financial and operating results are subject to seasonal trends. For example, the volume of education tuition processed typically increases in the northern hemisphere during the summer and early fall months, as well as at year end, as students and their families seek to pay tuition costs for the fall semester, the spring semester, or the entire academic year, respectively. We expect this seasonality of education tuition processing to continue and expect it to impact the amount of processing fees that we earn and the level of expenses we incur to generate tuition payment volume and process the higher volume activity in a particular fiscal quarter.

We are exposed to fluctuations in foreign currency exchange rates that could materially and adversely affect our results of operations.

A majority of the total payment volume we have historically processed is cross-border payments denominated in many foreign currencies, which subjects us to foreign currency risk. The strengthening or weakening of the U.S. dollar versus these foreign currencies impacts the translation of our net revenues generated in these foreign currencies into the U.S. dollar. For example, for the nine months ended September 30, 2026, as the U.S. Dollar weakened against several currencies, including the British Pound, relative to the prior year, these foreign exchange impacts increased our reported revenue in U.S. Dollars by approximately $9.3 million compared to the prior year on a FX Neutral basis.

In connection with providing our solutions in multiple currencies, we may face financial exposure if we are unable to implement appropriate hedging strategies, negotiate beneficial foreign exchange rates, or as a result of fluctuations in foreign exchange rates between the times that we set them. We also have foreign exchange risk on our assets and liabilities denominated in currencies other than the functional currency of our subsidiaries. We also incur expenses for employee compensation and other operating expenses at our non-U.S. locations in the local currency. Fluctuations in the exchange rates between the U.S. dollar and other currencies could result in the dollar equivalent of our expenses being higher which may not be offset by additional revenue earned in the local currency. This could have a negative impact on our reported results of operations.

Periods of instability in the Eurozone, including fears of sovereign debt defaults, and stagnant growth generally, and of certain Eurozone member states in particular, have resulted in concerns regarding the suitability of a shared currency for the region, which could lead to the reintroduction of individual currencies for member states. If this were to occur, Euro-denominated assets and liabilities would be re-denominated to such individual currencies, which could result in a mismatch in the values of assets and liabilities and expose us to additional currency risks.

As our international operations continue to operate and grow, our risks associated with fluctuation in currency rates will become greater, and we will continue to reassess our approach to managing this risk, such as using foreign currency forward and option contracts to hedge certain exposures to fluctuations in foreign currency exchange rates. Our use of such hedging practices may not offset any, or more than a portion, of the adverse effects of unfavorable movements in foreign exchange rates. In addition, currency fluctuations or a weakening U.S. dollar can increase the costs of our international operations, and the strengthening U.S. dollar could slow international demand as solutions priced in the U.S. dollar become more expensive.

Certain of our key performance indicators are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.

We track certain key performance indicators, including metrics such as total payment volume, revenue less ancillary services, FX Neutral Revenue Less Ancillary Services, adjusted gross profit, adjusted gross margin, adjusted EBITDA, and adjusted EBITDA margin, with internal systems and tools and which may differ from estimates or similar metrics

published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our key performance indicators, including the metrics we publicly disclose, or our estimates. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates for the applicable period of measurement, there are inherent challenges in measuring these metrics across our growing client base. If our key performance indicators are not accurate representations of our business, or if investors, clients or other stakeholders do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation may be significantly harmed, and our operating and financial results could be adversely affected.

Our business depends, in large part, on our proprietary network of global, regional and local banking partners.

To grow our business, we will need to maintain and expand our network of global, regional and local banking partners. Our proprietary network of strategic relationships with global, regional and local banking partners is a material asset to our business, which took more than a decade to build. Establishing and maintaining our strategic partner relationships, particularly with our banking partners entails extensive and highly specific efforts, with little predictability and various ancillary requirements. These partners and suppliers have contractual and regulatory requirements and conditions that we must satisfy and continue to comply with in order to continue and grow the relationships. For example, our financial institution partners generally require us to submit to an exhaustive security and anti-financial crime audit including adherence to AML policies and KYC procedures. If we are not able to comply with those obligations or if our agreements with our banking partners or our network partners are terminated for any reason, we could experience service interruptions as well as delays and additional expenses in arranging new services, potentially interfering with our existing client relationships or making us less attractive to potential new clients.

In addition, our existing banking partners may at any time and from time to time cease serving certain categories of payments due to perceived risk or similar reasons as well as payments originating from, or being paid to, certain high-risk jurisdictions. These partners may also impose additional requirements on Flywire, or with respect to their own internal procedures, as a condition of processing such payments in partnership with us. If we cease to be able to process payments from corridors or within certain of our verticals, or we are unable to comply with new requirements or only at considerable expense, our client relationships and ability to grow our revenue could be adversely affected.

Instability and volatility in the banking and financial services sectors, including bank failures, have increased and may in the future increase uncertainty in the global economy and the risk of a global recession. Volatility in the banking and financial services sectors may adversely impact our bank partnerships and could negatively impact our business. We may face difficulty establishing or maintaining banking relationships due to instability in the global banking system and increasing regulatory uncertainty and scrutiny. If these financial institutions are subject to suspension of operations, receivership, closure or similar action, or if our banking relationships become severely limited or unavailable in a certain country, there could be temporary delays in or unavailability of services in such country that are critical to our or our clients' operations. This could potentially lead to reduced use of our platform and lower payment volume which may adversely impact our business, operating results, and financial condition.

We may not be able to attract new network partners to our existing network of global, regional and local banking partners, which could adversely affect our ability to expand to additional countries and territories and transact in additional currencies. In addition, our potential partners may choose to work with our competitors’ or choose to compete with our solutions directly, which could have an adverse effect on our business, financial position, and operating results. Further, many of our network partners have greater resources than we do and could choose to develop their own solutions to replace or compete with ours. If we are unsuccessful in establishing, growing, or maintaining our relationships with network partners, our ability to compete or to grow our revenue could be impaired, and our results of operations may suffer.

Our growth depends in part on the success of our relationships with other (non-banking) third parties.

We have established relationships with a number of other companies, including financial institutions, processors, other financial services suppliers, channel sales partners, providers of electronic health records (EHR) services, implementation partners, technology and cloud-based hosting providers, and others. In order to grow our business, we will need to continue to establish and maintain relationships with these types of third parties, and negotiating and documenting relationships with them requires significant time and resources. Our competitors may be more effective in providing incentives to third parties to favor their products or services. If we are unsuccessful in establishing or maintaining our relationships with third parties, our ability to compete in the marketplace or to grow our revenues could be impaired and our operating results could suffer. Even if our strategic relationships are successful, we cannot assure you that these relationships will result in increased client usage of our solutions or increased revenues.

The markets in which we participate are competitive, and if we do not compete effectively, our operating results could be harmed.

The market for payments solutions is fragmented, competitive, and constantly evolving. Our competitors range from legacy payment methods, such as traditional bank wires, to integrated payment providers that focus on cross-border payments. With the introduction of new technologies and market entrants, we expect that the competitive environment will remain intense going forward. Our competitors that offer legacy payment methods or integrated cross-border payment platforms may develop products that compete with ours. Financial institutions that choose to enter into and compete in our market may have the operating flexibility to bundle competing solutions with other offerings, including offering them at a lower price or for no additional cost to clients as part of a larger sale. In addition, new entrants not currently considered to be competitors may enter the market through acquisitions, partnerships, or strategic relationships. Many of our domestic and foreign competitors have greater resources, experience or more developed customer relationships than we do. For example, foreign competitors may seek to leverage local or common language relationships to cater to potential customers of our clients. There are new market entrants with innovative revenue sharing and other pricing arrangements that are able to attract customers that we compete to serve. Our competitors vary in size, breadth, and scope of the solutions offered. Some of our competitors and potential competitors have greater name recognition, longer operating histories, more established client relationships, larger marketing budgets, and greater resources than us. Our competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards, and client requirements. For example, an existing competitor or new entrant could introduce new technology that reduces demand for our solutions.

In addition, regulatory reform may in some instances reduce barriers to entry. For example, on May 19, 2026, in the U.S. President Trump signed an executive order titled "Integrating Financial Technology Innovation into Regulatory Frameworks" (the Order) to direct federal financial regulators to reduce barriers to entry for fintech firms and facilitate partnerships between fintech firms and federally regulated financial institutions. The Order is aimed at reducing barriers to entry and encouraging collaboration between fintech firms and traditional financial institutions. The Order defines "fintech firm" to include any non-bank company that uses or develops technology to offer or support financial products or services, including payment processing, digital asset services, and blockchain-based services. The Order also requests the Federal Reserve Board to evaluate expanding fintech access to Reserve Bank payment accounts and services. Management will continue to track Order implementation efforts and any impact on the competitive environment in which the company operates.

For these reasons, we may not be able to compete successfully against our current or future competitors, and this competition could result in the failure of our solutions to continue to achieve or maintain market acceptance, any of which would harm our business, operating results, and financial condition.

Our estimates of market opportunity and our ability to capture a meaningful share of this payment volume may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, our business could fail to grow at similar rates, if at all.

Our market opportunity estimates, including those we have generated ourselves and our ability to capture a meaningful share of this payment volume, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any payment volumes covered by our market opportunity estimates will materialize in clients using our solutions as anticipated or generate any particular level of revenue for us. Any expansion in our market depends on a number of factors, including the cost, performance, and perceived value associated with our business and those of our competitors. Even if the market in which we compete meets the size

estimates and growth forecasted, our business could fail to grow at similar rates, if at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties.

Our clients in the education sector may be adversely affected by decreases in enrollment, limitations or other restrictions on student visas, pressure on tuition costs, or increased operating expenses, which may reduce demand for our solutions.

We are reliant on our education clients, including colleges, universities and other education-related organizations that include language schools, boarding schools, summer programs, and others, to drive enrollment at their schools and maintain tuition costs. Factors outside of our control will affect enrollments and tuition costs, including the following:

- Declines in international student enrollment. Global conflict, geopolitical tensions and restrictions on immigration and revocations, suspensions or increased restrictions or limitations on the award of student visas (such as those being implemented in the U.S., U.K., Canada and Australia) has and is expected to continue to negatively impact the cross-border education industry and schools that rely on foreign student populations.
- Reduced enrollment in higher education due to lack of funding, increases to cost of attendance or other inflationary pressure. Some institutes of higher education may close or merge with other colleges and universities. Significant reductions in student funding, through grants or loans, may reduce enrollments and decrease the payment volume we process. Potential students may also be deterred by increases in the cost of attendance.
- Government supported institutions may experience losses or reduction in public funding. Many of our clients rely considerably upon public funding or support, which may not always be available due to budget constraints.
- Changing perceptions about in-person classes. Students may reject the opportunity to attend courses in person, when online or virtual classes are offered as an option, due to growing familiarity and perceived convenience of remote learning or a lower price point for online classes.
- Our clients' rankings, reputation and marketing efforts strongly affect enrollments, none of which we control. If we fail to maintain or add clients with strong, stable reputations and rankings, they will fail to achieve consistent enrollments.
- A U.S. government shutdown could result in the suspension, delay or cancellation in education grants and loans or in the issuance of visas or visa denials, any of which could discourage prospective international students from choosing U.S. institutions as places for study or otherwise negatively impact our revenues derived from such students.
- General economic conditions. Any contraction in the economy could be expected to reduce enrollment in higher education, whether by reducing funding, reducing corporate allowances for continuing education, general reductions in employment or savings or other factors.

The cross-border payment volumes in our Education vertical are significantly influenced by the ability of international students to secure and maintain work authorization in the U.S. through programs like Optional Practical Training ("OPT"). Although bipartisan initiatives such as the "Keep Innovators in America Act" seek to stabilize the sector by codifying OPT into statute and providing "dual intent" for student visas, the program remains vulnerable to competing legislative proposals for termination and administrative processing freezes that have recently impacted students from 39 countries. Any sustained reduction in the availability of these work authorizations or a shift in the U.S. competitive position relative to other global education hubs could lead to decreased enrollment at our U.S. client institutions. Consequently, such volatility in immigration policy and work authorization processing could result in a material reduction in our transaction volumes, impacting our revenue and results of operations.

International cross-border transaction revenue represents a significant part of our revenue; international regulations and restrictions that inhibit cross-border travel and relocation of international students, as well as ongoing political friction between China and the U.S., as well as between Canada and India, that has from time to time slowed the growth of Chinese students studying in the U.S. and Indian students studying in Canada, and may have resulted in changes in Chinese and Indian student education destinations, have had and may continue to have an impact on our revenue growth. These geopolitical tensions and perceptions regarding potential hostility of host country study destinations may further suppress interest in international study (even at levels below the caps described below set by the governments of Canada and Australia), which would have an adverse effect on our business, operating results and financial condition. Sustained economic weakness in the United States or global economic conditions triggered by imposition of tariffs or other recessionary economic conditions, may disrupt international migration patterns, which are likely to reduce money transfer volumes and harm our operating results.

In January 2024, the Canadian government announced what at the time appeared to be a temporary intake cap on international student permit applications to stabilize new growth for a period of two years. This cap – intended to address

Canada's housing shortage, overburdened health systems, and rising costs of living – has reportedly reduced the number of international students coming to Canada by about 40% since implementation. Building on these changes, the Immigration, Refugees, and Citizenship Canada (IRCC) announced in January 2025 that new study permits for international students will be reduced by 10% from the 2024 target of 485,000 to 437,000 in 2025 and 2026. In November 2025, the IRCC announced that it expected to issue up to 408,000 study permits in 2026, including 155,000 to newly arriving international students, as outlined in the 2026–2028 Immigration Levels Plan, and 253,000 extensions for current and returning students. This number is 7% lower than the 2025 issuance target of 437,000 and 16% lower than the 2024 issuance target of 485,000. As of January 1, 2026, master's and doctoral level students enrolled at a public designated learning institution in Canada do not need to submit a provincial or territorial attestation letter with their study permit application. Additionally, in November 2024, Canada ended its Student Direct Stream (SDS) program for expedited international student visa processing, and international students applying to study in Canada no longer need to prepay tuition to apply for a study permit.

Similarly, since late 2023, the Australian government has taken actions to tighten international student visa rules, including an increase in the amount of minimum savings that international students would need to have in order to obtain a visa, raising the standards of the English language proficiency requirements for student and graduate visas, a 125% increase in the visa fee for international students, and the imposition of a ban for holders of visitor visas and students holding temporary graduate visas from applying for a student visa while in Australia. In August 2024, the Australian government announced the setting of a national planning level to apply from January 1, 2025 and which is intended to limit the number of new overseas student places available in Australia – including a ceiling of 270,000 international students for calendar year 2025. However, in December 2024, the government announced a change of course, instead implementing a system to introduce two categories of student visa processing: "high priority" and "standard priority", with all international education providers to receive high priority processing up to 80% of their indicative international student cap. After reaching 80%, the providers will receive standard priority processing. In August 2025, the Australian government announced the setting of a national planning level to apply a ceiling of 295,000 international students for 2026 (lifting the planning level by 25,000 from the 270,000 baseline set for 2025). In July 2026, the Australian government announced that the national planning level for 2027 will remain at 295,000 new international student commencements, maintaining allocation stability across active international education providers. These new Australian government policies, including university quotas, slower visa processing, higher fees, and stricter financial and language requirements, have had an adverse impact on our business for the nine months ended September 30, 2026 and we anticipate will continue to impact our Australian revenues for the remainder of 2026.

The Australian government reclassified India as a highest-risk (Evidence Level 3) student-visa assessment jurisdiction under its Simplified Student Visa Framework (SSVF), shifting India from Evidence Level 2 to the more stringent Evidence Level 3 category effective January 8, 2026. This reclassification was attributed to what the Department of Home Affairs described as "emerging integrity risks," including concerns about non-genuine applications and fraudulent documentation within the student visa system. Indian student visa applicants are now required to submit more extensive documentation, including detailed financial evidence, authenticated academic records, proof of English language proficiency, and may be subject to additional background checks or interviews before a visa decision can be finalized. Some expected impacts to Australian universities include:

- Expectation of longer student visa processing times, potentially extending from current medians to eight or more weeks, which could disrupt admissions and orientation schedules.
- Increased administrative burden on international offices and recruitment staff to assist Indian applicants with enhanced documentation and compliance requirements.
- Risk of a reduction in Indian student enrollments or delays in arrival, affecting tuition revenue and program planning.
- Necessity for universities to adjust intake planning, including staggered start dates or expanded online coursework, to accommodate delayed visa issuance.
- Potential for higher refusal rates requiring additional counseling and risk management for affected applicants.

Flywire could experience reduced transaction volumes and delayed payment flows from its Australian clients' Indian student corridors due to slower visa processing times, increased application friction, and potential declines in enrollment. These factors could adversely affect our revenue growth in the Asia-Pacific education vertical and increase operational complexity associated with refunds, deferred intakes, and compliance-related payment adjustments. In addition, effective July 1, 2026, the Australian Government increased the non-refundable Student Visa (Subclass 500) application charge by 25%, raising the fee for primary applicants from AUD 2,000 to AUD 2,500. Higher upfront visa costs and potential

application friction could temper total inbound international student enrollment growth in Australia, which may impact Flywire's Australian education vertical.

In addition, on October 2, 2026, the Australian government implemented further student visa reforms intended to reduce "visa hopping" and strengthen the integrity of its international education system. Under these reforms, most temporary visa holders in Australia, including visitor, working holiday, temporary work and temporary graduate visa holders, are no longer able to apply for a Student Visa (subclass 500) while in Australia and must instead apply for, and be granted, a Student Visa from outside Australia, and existing Student visa holders seeking a further Student Visa while in Australia must demonstrate genuine course progression. Most Student Visa applicants are also no longer able to include partners or dependent children in their applications, subject to limited exemptions (including for PhD students, government-sponsored students and nationals of Pacific and ASEAN member countries), and Student Visa holders may no longer add family members after their visa is granted. As a transitional measure until June 30, 2027, most international students must now remain in their principal course for 12 months, rather than six months, before transferring to another education provider, and beginning July 1, 2027, students seeking to change providers after arriving in Australia will be required to apply for a new Student Visa through a new transfer stream. Applications lodged before October 2, 2026 continue to be assessed under the prior rules. These reforms may reduce the number of international students who choose to study in Australia, particularly students who would otherwise be accompanied by family members or would otherwise transition to a Student Visa while in Australia, and could reduce or delay the education payments we process for our Australian clients.

In the U.K. as well, there have recently been significant modifications to the process and standards for issuance of international student visas which may reduce demand for international study and adversely affect our business. In November 2025, the U.K. budget confirmed that a levy of £925 per student per year of study will commence from August 2028, at the start of the 2028/29 academic year, for higher education institutions in England. All providers will be given an allowance of the first 220 international students per year not paying the levy, which may protect smaller, specialist providers from paying the charge. Of potentially more significance is the reduction of the U.K.'s Graduate Route post-study-work-visa from 24 to 18 months as taking effect for visa applications made after January 1, 2027. The change applies to bachelor's and master's degrees, and not to PhDs (which retain a 3-year option). All of these changes in UK visa policies for international students could potentially discourage international students from studying in the U.K. and have an adverse impact on our business.

Other governments where our client institutions are located, including in the U.S., may introduce measures from time to time to manage the growth of the international student population in their respective countries, which may have adverse effects on our business. For example, the U.S. government's recent announcement to impose a $100,000 filing fee per new H-1B visa could adversely impact demand for international students to attend our client institutions in the U.S. The new H-1B visa fee does not apply to international students already in the U.S. looking to apply for a status change. In June 2026, the U.S. District Court for the District of Massachusetts issued an order barring implementation of the $100,000 fee, which the U.S. Court of Appeals for the First Circuit declined to stay in July 2026, and on September 30, 2026, the U.S. District Court for the Northern District of California separately blocked implementation of the fee. The U.S. government has since extended the presidential proclamation imposing the fee for an additional year, and in August 2026, the U.S. Department of Homeland Security proposed a rule that would establish a permanent fee of approximately $103,000 for certain new H-1B petitions. The status and validity of the fee therefore remain subject to ongoing litigation and rulemaking. In addition, in 2025 U.S. policy shifts prompted dramatic action to rescind student visas (including deportation of students), plan additional cutbacks to the volume of international student visa issuances, and more closely scrutinize applications for international student visas, and to cut government support for higher education, adding to uncertainty around the number of students coming to the U.S. to study in the near future. In July 2026, the U.S. Department of Homeland Security published a final rule that would replace the open-ended "duration of status" for F-1 visa holders with a fixed maximum admission period of up to four years. Although the U.S. District Court for the District of Massachusetts preliminarily enjoined implementation of the rule on September 14, 2026, the day before it was scheduled to take effect, and the U.S. government has appealed that decision, the rule, if ultimately implemented, would create additional administrative burdens and potential visa uncertainty for international students studying in the U.S. and near-term immigration friction could temper growth in overall U.S. inbound international student enrollment, which may adversely impact our revenue and results of operations. Delays in issuances of visas or visa denials – which could be exacerbated by the periodic U.S. government shutdowns – may discourage prospective international students from choosing U.S. institutions as places for study. Recent proposals in Congress to tighten visa stay rules and to implement the "OPT Fair Tax Act" could further dampen demand among international students to study in the U.S. The existing rules and any introduction of new rules further limiting the attractiveness of international study by the governments of countries where our client institutions are located has and is expected in the near term to continue to adversely impact the growth of our business in the applicable regions. In addition to caps on international students, government changes to other visa or

student insurance requirements (for example, no longer requiring a one year tuition deposit as a condition to issuance of a student visa, or eliminating a need to procure insurance) may negatively impact payment volume. The existing rules and any introduction of new rules further limiting potential payment flows or the attractiveness of international study by the governments of countries where our client institutions are located has and could continue to adversely impact our business, operating results, and financial condition. Changes to U.S. immigration policy can also dampen demands for international study.

In addition, some clients' customers may find that higher education is an unnecessary investment during uncertain economic times and defer enrollment in educational institutions until the economy grows at a stronger pace, or they may turn to less costly forms of secondary education, thus decreasing our education payment volumes. A significant decrease in the payment volume and resulting revenue from clients and their customers in this market would have an adverse effect on our business, operating results and financial condition.

A number of recent actual and proposed U.S. policy changes and enforcement practices could reshape the U.S. private secondary and higher education landscape, impacting students, our client educational institutions, and the wider educational framework in the United States.

In 2025, there were a number of actions and policies proposed or taken which have unsettled the U.S. private secondary and higher education sector, a historically significant source of clients and revenue for us. Any one or combination of these potential acts and policies coming to fruition or further developing – or even a perception or fear of occurrence – could negatively affect student enrollment at U.S. private boarding schools and colleges and universities, lead to diminishing operating budgets, and adversely affect our business and operating results and financial condition. Among these proposed or actual policies are:

- Restrictions on issuances and revocations of student visas, and deportation of students studying in the U.S. High profile instances of students with traditionally protective immigration status being arrested, deported, or having their student visas revoked have drawn widespread media attention. There have similarly been proposals put forth to expand the scope of bans on visa issuances. Diplomatic tensions between the U.S. and other countries can evoke visa restrictions specifically targeting students which would impact their ability to study in the U.S. Changes in U.S. immigration regulations or other laws, practices and frequency or methods of enforcement which discourage immigration or international study could adversely affect our education vertical or growth rate in the future. Reduced or disrupted international study patterns are likely to reduce the payment volumes we process and harm our operating results.
- Reductions in government funding. There have been a number of instances of actual or threatened withholdings of federal funding to U.S. institutions of higher learning in general as well as to higher-profile U.S. colleges and universities. While some schools have worked out a negotiated arrangement with the U.S. government to allow for funding to continue in whole or in part – subject to specified conditions – others have not, and unreconciled instances continue to create an environment of uncertainty. Changes at the federal level regarding education policy could have a ripple effect on state funding for higher education. This could result in financial uncertainty for public universities that rely on state support, potentially leading to tougher budgetary constraints. Any such reductions could adversely affect the financial health of colleges and universities, leading to diminished operational budgets, fewer student services, and declines in enrollment, which could reduce the demand for our services and negatively impact our operating results.
- Cutbacks to, or elimination of, student loan programs and the U.S. Department of Education. Alterations in student loan regulations or a reduction in U.S. government support for loan programs – particularly for international study – could exacerbate the financial burden on students and their families and make the cost of attending college prohibitively expensive for families. This situation might discourage prospective students from enrolling, thereby affecting overall college attendance rates. We have historically, and expect to continue to, process U.S. student loan payments and a loss of these payment flows or a reduction in the number of students enrolling in higher education institutions that accept U.S. student loan payments could adversely affect our business.
- Public image and perception. The perception of these real or proposed policies – especially with respect to immigration and availability of student visas – and their potential to make it more challenging for international students to study in the United States could result in a significant drop in enrollment numbers. This decline would particularly impact our U.S. client institutions that rely heavily on tuition revenue generated from international students. In addition, other nations may implement more attractive visa policies, which could entice international students to choose educational opportunities outside of the United States. Although we have client institutions in countries around the world where international students may choose to study if they are increasingly uncomfortable studying in the

U.S., the cost of attending a school in these jurisdictions may be significantly less than in the U.S., and our payment volumes may suffer as a result.

After a period during which interviews and applications for student visas to study in the U.S. were temporarily suspended, in June 2025 the U.S. Department of State (DOS) resumed scheduling visa interview appointments for international students and exchange visitors while it considered new social media vetting measures. New student and exchange visitor visa policies, including the temporary pause and expanded vetting, could impact the amount of international students successfully enrolling as students in the U.S., which may adversely affect our revenue and results of operations. Some of these expected impacts include:

- Requests for deferred admissions, increased student inquiries/concerns, and delays in expected enrollment;
- Visa appointment cancellations, unavailability or delays in scheduling interviews as well as higher visa rejection rates - especially as to potential students from the countries that send the most students to the United States; and
- Students pivoting away from study and research in the United States. According to some studies, the top five countries that international students and scholars have indicated they are turning to instead of the United States are: United Kingdom, Australia, Canada, China, and Germany. The European and Asian study destinations that are gaining in market share of student interest often carry lower tuition and related costs of living relative to the United States, which can result in lower volume of payments processed within our education vertical.

The expanded social media screening process applied by the DOS to student visa applicants establishes that, of those students seeking expedited appointments, priority should be given to those attending universities with lower international enrollment (15% or less). This change potentially disadvantages those seeking to study at more internationally diverse institutions and marks a significant departure from previous DOS guidance that prioritized students based on the start of their academic studies. Administrative processing issues, a new requirement that applicants provide DOS access to social media accounts, and the resource-intensive nature of the new screening requirements is expected to create longer wait times and processing delays. All of these factors – and other related uncertainties that will surface as the new standards are implemented – can contribute to a decline in international enrollment in U.S. academic institutions, which could adversely affect our business.

In addition, in the U.S., the “One Big Beautiful Bill” Act (OBBBA) contains a number of provisions with the potential to significantly change the landscape for financing undergraduate and graduate study and which could adversely affect the demand for higher education in the U.S. The OBBBA limits Pell Grant awards (which provide gift aid to low-income students), eliminates the Grad PLUS program, and sets new limits for graduate and professional students for Direct Unsubsidized Loans. The new bill also caps parent loans to finance undergraduate education, and changes student loan repayment options, among other modifications. More specifically, the structural changes to federal higher education financing under the OBBBA include:

- **Elimination of Graduate PLUS Loans:** The Grad PLUS loan program was eliminated for new borrowers starting July 1, 2026 (with legacy grandfathering options available for up to three academic years for existing borrowers).
- **New Borrowing Caps:**
  - **Graduate & Professional:** Annual borrowing for Direct Unsubsidized Loans is capped at $20,500 ($100,000 aggregate) for general graduate programs and $50,000 ($200,000 aggregate) for designated professional programs.
  - **Parent PLUS:** Annual borrowing is capped at $20,000 per student, with a $65,000 aggregate limit per dependent.
  - **Lifetime Cap:** A cumulative lifetime federal student loan borrowing cap of $257,500 is established (excluding Parent PLUS).

Most of these changes went into effect July 1, 2026 and while management actively monitors institutional adaptation to these regulatory updates, the impacts of the bill may affect U.S. student enrollment in undergraduate and postgraduate programs, which could materially and adversely affect our revenue and results of operations.

In October 2025, the current administration introduced a proposal termed the “Compact for Academic Excellence in Higher Education,” under which select U.S. universities would be invited to accept a set of federal policy conditions—such as freezing tuition rates, limiting international student enrollment, altering admissions criteria, and certifying adherence to specified ideological and governance standards—in exchange for preferential access to federal funding and grants. A number of major U.S. research universities have declined to sign the compact, citing concerns regarding academic freedom, institutional autonomy and constitutional protections, while a small number of institutions have signed or agreed

to adopt the compact's conditions. Several major higher education associations, including the American Council on Education and NASFAA, have publicly opposed the compact. Certain institutions that have declined to sign the compact have reported increased scrutiny of, or delays or freezes in, previously approved federal funding. Because a meaningful portion of Flywire's revenue is generated through cross-border payment services and tuition facilitation for higher-education institutions, changes in federal higher-education policy could indirectly but materially affect us. If major client universities (especially large public and private institutions) decline to engage in or are disqualified from federal funding programs due to a refusal or failure to comply with compact terms, they may downsize enrollments (particularly of international students), constrain capital expenditures, or restructure their financial operations. Such shifts could reduce payment volumes, delay implementation of new systems, and reduce demand for value-added services like foreign-exchange hedging, deferred payments, or collections.

Moreover, uncertainty stemming from the compact's adoption or rejection could exacerbate institutional risk in the sector. Universities may postpone upgrades, IT transitions, or third-party service contracts pending clarity on their federal funding status. They may also prioritize internal compliance or legal capabilities over vendor innovation. If key clients delay or scale back programs, Flywire's financial performance — including revenue growth, margins, or client retention — could be materially and adversely affected.

Finally, reputational or policy backlash could create reputational or regulatory risk for providers of educational payments solutions. If the compact becomes politically controversial or perceived as ideologically driven, vendors aligning with affected institutions might face increased scrutiny from policymakers, advocacy groups, or the press. While Flywire operates globally and across verticals, even marginal negative sentiment or regulatory uncertainty in the education payments space could make client acquisition or retention more challenging.

On October 8, 2026, the Department of Homeland Security issued a Notice of Proposed Rulemaking that would require higher education institutions to pay a $70,000 fee for an initial Optional Practical Training (OPT) recommendation—and $30,000 for extensions—for F-1 international students seeking post-graduation work authorization in the United States. While the proposed rule remains subject to a public comment period, potential revisions, and anticipated legal challenges before any final implementation, a significant reduction in foreign student enrollment or post-graduate work pathways resulting from these prohibitive costs could adversely impact cross-border payment volumes and cross-border tuition revenue within the Company's U.S. higher education vertical.

The healthcare industry is rapidly evolving and the market for technology-enabled payment services that empower healthcare clients and their customers is relatively immature and unproven. If we are not successful in promoting the benefits of our solutions, our growth may be limited.

The market for our payment solutions is subject to rapid and significant changes. The market for technology-enabled payment services that empower healthcare clients and their customers is characterized by rapid technological change, new product and service introductions, increasing patient financial responsibility, consumerism and engagement, the ongoing shift to value-based care and reimbursement models, and the entrance of non-traditional competitors. In addition, there may be a limited-time opportunity to achieve and maintain a significant share of this market due in part to the rapidly evolving nature of the healthcare and technology industries and the substantial resources available to our existing and potential competitors. The market for technology-enabled payment services that empower healthcare clients and their customers is relatively new and unproven, and it is uncertain whether this market will achieve and sustain high levels of demand and market adoption.

In order to remain competitive, we are continually involved in a number of projects to compete with these new market entrants by developing new solutions, growing our client base and penetrating new markets. Some of these projects include the expansion of our integration capabilities and the expansion of our mobile solutions. These projects carry risks, such as cost overruns, delays in delivery, performance problems and lack of acceptance by our clients. Our integration partners may also decide to develop and offer their own patient engagement solutions that are similar to our solutions. In addition, the decisions we make on allocation of engineering resources, reliance on, integration with or discontinuance of, legacy systems or those acquired in acquisition, or the pace at which we remain technologically current within our internal systems and customer payment platforms, may negatively affect the morale of our engineering teams and the payment experiences our clients wish to feature to their customers. We may lose engineering talent or healthcare clients as a result, which could have a material adverse effect on our business and results of operations.

Our success depends on providing high-quality payment solutions that healthcare clients use to improve their financial and operational performance, allowing them to collect payments and enhance their revenue lifecycle management objectives. If we cannot adapt to rapidly evolving industry standards and technology and increasingly

sophisticated and varied healthcare client and customer payment needs, our existing technology could become undesirable, obsolete or harm our reputation. We must continue to invest significant resources in our personnel and technology in a timely and cost-effective manner in order to enhance our existing solutions and introduce new high-quality solutions that existing clients and potential new clients will want. Our operating results would also suffer if our innovations are not responsive to the needs of our existing clients or potential new clients, are not appropriately timed with market opportunity, are not effectively brought to market or significantly increase our operating costs. If our new or modified product and service innovations are not responsive to the preferences of healthcare clients and their customers, emerging industry standards or regulatory changes, are not appropriately timed with market opportunity or are not effectively brought to market, we may lose existing clients or be unable to obtain new clients and our results of operations may suffer.

We believe demand for our payment solutions in the healthcare industry has been driven in large part by more patient responsibility for out-of-pocket spend, a trend towards higher deductibles for health care services, increased digitization in payments, and the tailoring of payment offers and increased patient engagement. Our success also depends to a substantial extent on the ability of our solutions to increase the volume of our clients' customers payments, and our ability to demonstrate the value of our solutions to our clients. If our existing clients do not recognize or acknowledge the benefits of our solutions or our solutions do not drive payment volume, then the market for our solutions might not develop at all, or it might develop more slowly than we expect, either of which could adversely affect our operating results. A significant decrease in the payment volume and resulting revenue from our clients and their customers in the healthcare industry may have an adverse effect on our business, operating results and financial condition.

In addition, we have limited insight into trends that might develop and affect our healthcare business. We might make errors in predicting and reacting to relevant business, legal and regulatory trends and healthcare reform, which could harm our business. If any of these events occur, it could materially adversely affect our business, financial condition or results of operations.

Finally, our competitors, including major EHR providers, may have the ability to devote more financial and operational resources than we can to developing new technologies and services, including services that provide improved operating functionality, and adding features to their existing service offerings. Relationships with companies in the EHR space and business focused on revenue lifecycle management are critical to leverage if we are to add to our healthcare customer portfolio. However, intense competition and rising costs experienced by certain major EHR providers has resulted, in certain cases, in increased financial strain on these businesses, and in at least one notable instance, an action to seek bankruptcy protection. To the extent we have outstanding amounts owed to us by companies that seek bankruptcy protection or cease operations, it may become difficult for us to be paid in full in a timely manner, if at all. Many of these companies may offer products and services similar to ours and may have greater name recognition, longer operating histories, stronger and more dependent client relationships, larger marketing budgets, and greater resources than us. If successful, their development efforts could render our solutions less desirable, resulting in the loss of our existing clients or a reduction in the fees we generate from our solutions.

Our business serving clients in the travel sector may be sensitive to events affecting the travel industry in general.

Events like regional or larger scale conflicts, war or other military conflict, including the conflicts between Russia and Ukraine, the conflict between Israel and Hamas, and the U.S. and Israeli military conflict with Iran, terrorist attacks, mass shooting incidents, natural disasters, such as hurricanes, earthquakes, closures, or geographical disruptions of critical natural resources, supply chains, fires, droughts, floods and volcanic activity, including events resulting from climate change, and travel-related health events, pandemics or other public health emergencies, have had a negative impact on the travel industry and affect travelers' behavior by limiting their ability or willingness to visit certain locations. In addition, the travel industry can be negatively impacted by adverse economic conditions in the United States and globally, including economic slowdown, recessionary trends, heightened interest rates and inflation. Heightened conflict between the U.S. and Iran, and the resulting volatility in energy prices and regional security, may cause significant shifts in global travel patterns and consumer confidence. Any such disruptions could result in the cancellation or deferral of travel bookings among our travel vertical clients, leading to an elevated risk of uncollectible chargebacks and a reduction in our total payment volume. We are not in a position to evaluate the net effect of these circumstances on our business as these events are largely unpredictable; however, we believe there has been and may continue to be negative impact to our business due to such events. Furthermore, in the longer term, our business might be negatively affected by regulatory changes, financial pressures on or changes to the travel industry. For example, certain jurisdictions, particularly in Europe, have implemented or are considering implementing regulations intended to address the issue of "overtourism" including by restricting access to city centers or popular tourist destinations or limiting accommodation offerings in surrounding areas, such as by restricting construction of new hotels or the renting of homes or apartments. Such regulations could adversely

affect travel and the volume of travel related payments that we process for our clients. In addition, any hostility towards tourists may depress international travel. The United States has implemented or proposed, or is considering, various changes in laws, regulations or policies such as the imposition of tariffs or sanctions that could affect U.S. trade policy or practices, relations with other countries and travel permits, which could also adversely affect travel to or from the United States. If such events result in a long-term negative impact on the travel industry, such impact could have a material adverse effect on our business. The payment volume from our travel vertical represented less than 10% of our total payment volume during the year ended December 31, 2025. Because we seek to grow the payment volume and the revenue from this vertical in the future through various initiatives, including our Sertifi acquisition, failure to grow our payment volume and resulting revenue from this industry, may have an adverse effect on our business, operating results and financial condition.

If we are unable to enter or expand new client verticals or sub-verticals, including our relatively new B2B payment vertical, or if our solutions for any new vertical fail to achieve market acceptance, our operating results could be adversely affected and we may be required to reconsider our growth strategy.

Our growth strategy is influenced, in part, on our ability to expand into new client verticals and sub-verticals, including our relatively new B2B payment vertical. The B2B payment vertical represents a relatively new market for us, and we have limited prior experience with the key ERP platforms that are critical to the B2B payment vertical. Accordingly, our lack of experience in the B2B payment vertical and with the key ERP platforms may result in operational difficulties, which could cause a delay or failure to integrate and realize the benefits of entering into this vertical. In addition, B2B payments carry a higher risk profile than education or healthcare receivables, and we will be required to devote more resources to manage the increased risk inherent in these payments. Banking and other payment services partners may be more reluctant to support B2B payment flows, and countries with currency controls are less likely to permit payments of a B2B nature. Our payment volume and resulting revenue from serving the B2B vertical is highly sensitive to restrictions on the cross-border commerce on which our clients rely, and declining economic conditions, increases in the costs or unavailability of imported goods and services due to imposition of tariffs, sanctions or other restrictions, could adversely affect our development of this vertical or our overall operating results and financial condition. The payment volume and resulting revenue from our B2B payment vertical during the year ended December 31, 2025 represented, and is expected for the foreseeable future to represent, less than 10% of our total payment volume and revenue. We expect both the payment volume and the revenue from this vertical to grow over time. As such, failure to grow our payment volume and resulting revenue from our B2B payment vertical may have an adverse effect on our business, operating results and financial condition.

We may be unable to identify new verticals or sub-verticals that meet our criteria for selecting industries that our solutions are ideally suited to address. In addition, our market validation process may not support entry into selected verticals due to our perception of the overall market opportunity or of the willingness of market participants within those verticals to adopt our solutions.

Even if we choose to enter new verticals or sub-verticals, our market validation process does not guarantee our success. We may be unable to tailor our solutions for a new vertical or, in the event that we enter a new vertical by way of a strategic acquisition, we may be unable to leverage the acquired platform in time to take advantage of the identified market opportunity, and any delay in our time-to-market could expose us to additional competition or other factors that could impede our success. In addition, any solution we develop or acquire for a new vertical may not provide the functionality required by potential clients or their customers and, as a result, may not achieve widespread market acceptance within the new vertical. To the extent we choose to enter new verticals, whether organically or via strategic acquisition, we may invest significant resources to develop and expand the functionality of our solutions to meet the needs of customers in those verticals, which investments will occur in advance of our realization of revenue from them.

Consolidation in the payment processing or enablement industry could have a material adverse effect on our business, financial condition and results of operations.

Many payment processing or enablement industry participants are consolidating to create larger and more integrated financial processing systems with greater market power. We expect regulatory and economic conditions to result in additional consolidation in the healthcare industry in the future. As consolidation accelerates, the economies of scale of our clients' organizations may grow. If a client experiences sizable growth following consolidation, it may determine that it no longer needs to rely on us and may reduce its demand for our solutions. In addition, as payment processing providers consolidate to create larger and more integrated systems with greater market power, these providers may try to use their market power to negotiate fee reductions for our solutions. Finally, consolidation may also result in the acquisition or future development by our clients of products and services that compete with our solutions. Any of these

potential results of consolidation could have a material adverse effect on our business, financial condition and results of operations.

We may be adversely affected by global economic and political instability.

As we seek to continue to operate and expand our business, our overall performance will depend in part on worldwide economic and geopolitical conditions. Economies domestically and internationally have been affected from time to time by falling demand for a variety of goods and services, restricted credit, poor liquidity, heightened interest rates, reduced corporate profitability, employment pressures in services sectors, volatility in the banking ecosystem or credit, equity and foreign exchange markets, bankruptcies, as well as war, terrorist activity, political or social unrest, civil strife and other geopolitical uncertainty, or the effects of ongoing diplomatic and trade friction between Canada and India and the U.S. and countries such as Canada, Mexico and China, and the resulting impact on business continuity and travel, supply chain disruptions, inflation, security issues, and overall uncertainty with respect to the economy, including with respect to tariff and trade issues. To the extent that inflationary pressures and other global factors including concerns of restrictions on global supplies, including but not limited to oil, due to conflict in the Middle East lead to an economic recession, demand for our solutions, our business and financial condition could be negatively impacted. In addition, from time to time we have reduced expenses and needed to restructure or reorganize certain portions of our operations, including our restructuring announced in February 2025, in order to align our business with market conditions and our strategies, any of which can result in near term expense and harm to our growth prospects.

For example, on February 24, 2022, Russian military forces invaded Ukraine, and continued conflict and disruption in the region is likely, and on October 7, 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and military targets. Hamas also launched extensive rocket attacks on the Israeli population and industrial centers located along Israel's border with the Gaza Strip and in other areas within the State of Israel. On October 8, 2023, Israel formally declared war on Hamas, and thereafter commenced military operations against Hamas. After two years of steady conflict, an agreement was reached to end hostilities in October 2025. It is difficult to predict if the additional steps identified as part of a peace plan will be achieved in a timely fashion if at all, or if hostilities will recommence, and if so, their duration.

The most recent outbreak of hostilities and military strikes involving the U.S. and Israel alliance positioned against Iran, and Iran's restriction of traffic through the Strait of Hormuz has amplified global economic uncertainty. The Israel Defense Force (IDF), the national military of Israel, is a conscripted military service, subject to certain exceptions. In March 2026, the IDF approved the call-up of up to 400,000 reservists to support operations across multiple fronts, including Iran and Hezbollah. It is possible that there will be further military reserve duty call-ups in the future, which may affect our business due to a shortage of skilled labor and loss of institutional knowledge, and necessary mitigation measures we may take to respond to a decrease in labor availability, such as overtime and third-party outsourcing, for example, may have unintended negative effects and adversely impact our business, financial condition and results of operations.

Although the length, impact and outcome of these conflicts are highly unpredictable, these conflicts could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as an increase in cyberattacks and espionage. Further, heightened conflict between the U.S. and Iran, and the resulting volatility in energy prices and regional security, may cause significant shifts in global travel patterns and consumer confidence. Any such disruptions could result in the cancellation or deferral of travel bookings among our travel vertical clients, leading to an elevated risk of uncollectible chargebacks and a reduction in our total payment volume.

We are actively monitoring the situations in Ukraine and the Middle East and assessing any potential impact on our business, but to date have not experienced any material impact. We have no way to predict the progress or outcome of the conflicts in Ukraine and the Middle East or any peace that has or may be reached, as the conflicts, and any resulting government reactions, continue to develop beyond our control and can quickly change. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. As the adverse effects of these conflicts continue to develop and potentially spread, both in Europe, the Middle East and through the rest of the world, our clients, and customer behavior, may be negatively impacted, which could negatively affect sales and sales cycles and overall demand for our solutions. Further or prolonged impacts on the global economy could also cause businesses to curtail business expenses, which could hinder our ability to attract new clients or result in a decrease in payment volume. It is not possible to predict the ultimate broader consequences of these conflicts and any of the abovementioned factors could

have a material adverse effect on our business, financial condition and results of operations, particularly to the extent the conflict escalates to involve additional countries, further economic sanctions and wider military conflicts. Any such disruptions could also magnify the impact of other risks described in this Quarterly Report on Form 10-Q.

In addition, political tensions between the U.S. and countries, such as Canada, Mexico and China, have recently escalated due to, among other things, U.S. policy shifts, and could have an adverse effect on our operating results. Rising political tensions could reduce levels of trade, investments, technological and educational exchanges, travel and other economic activities between the U.S. and such other countries, which would have a material adverse effect on global economic conditions and the stability of global financial markets. Since February 2025, the U.S. government has enacted, and continues to enact, a series of new tariffs, including a tariff on all imports and additional "reciprocal" tariffs targeting imports from specified countries. These tariffs and other changes in U.S. trade policy have triggered, and could continue to trigger, retaliatory actions by affected countries, including retaliatory tariffs or other protectionist measures that could harm our business, results of operations and financial condition. The tariff policy environment has been and can be expected to continue to be dynamic. The ultimate impact of these newly enacted and potential future tariffs or other restrictions on international trade will depend on various factors, including the ultimate levels of such tariffs, how long such tariffs remain in place, and how other countries respond to the U.S. tariffs. Any of these factors could have a material adverse effect on our business, prospects, financial condition and results of operations. We cannot assure you that, if the political tension between the U.S. and other countries intensifies and further regulations affecting our business are passed, our business will not be materially and adversely affected.

Inflation and heightened interest rates have and may in the future result in decreased demand for our solutions, increases in our operating costs including our labor costs, constrained credit and liquidity, and volatility in financial markets and the banking ecosystem. The Federal Reserve lowered interest rates by 25 basis points on each of September 17, 2025, October 29, 2025, and December 10, 2025, but on September 16, 2026, raised the federal funds target range by 25 basis points to 3.75% to 4.00%. Interest rates remain elevated, and there continues to be uncertainty in the changing market and economic conditions, including the effects of additional measures that have and could be taken by the Trump administration, the Federal Reserve and other government agencies, related to concerns over inflation risk. A sharp rise in interest rates could have an adverse impact on the fair market value of securities we may invest in as part of our portfolio investments, which could adversely affect our financial results.

Risks Related to Our Operations

We may not be able to scale our business quickly enough to meet our growing client base, and if we are not able to grow efficiently, our operating results could be harmed.

As usage of our solutions grows and we sign additional clients and technology partners, we will need to devote additional resources to improving and maintaining our infrastructure and global payments network and integrating with third-party applications to maintain the performance of our solutions. In addition, we will need to appropriately scale our internal business systems, including client support, our 24x7 multilingual support to clients' customers and risk and compliance operations, to serve our growing client base. We are currently actively engaged in a comprehensive, company-wide operational and systems transformation program, which encompasses a re-architecting of our data infrastructure, consolidation and upgrade of our enterprise and billing systems and underlying operating models, alongside the strategic alignment of our organizational structure, talent, and internal processes. Ultimately, this foundational work is intended to position the Company for continued scalability and long-term growth.

Any failure of or delay in these efforts could result in interruptions to our solutions, impaired system performance, and reduced client satisfaction, resulting in decreased sales to clients, lower renewal rates by existing clients, the issuance of service credits, or requested refunds, all of which could hurt our revenue growth. If sustained or repeated, these performance issues could reduce the attractiveness of our solutions to clients and their customers and could result in lost client opportunities and lower renewal rates, any of which could hurt our revenue growth, client loyalty, and our reputation. Even if we are successful in these efforts to scale our business, they will be expensive and complex, and require the dedication of significant management time and attention. We could also face inefficiencies or service disruptions as a result of our efforts to scale or improve our internal infrastructure. We cannot be sure that the expansion and improvements to our internal infrastructure will be effectively implemented on a timely basis, if at all, and such failures could adversely affect our business, operating results, and financial condition.

We enable the transfer of large sums of funds to our clients daily, and are subject to the risk of errors, which could result in financial losses, damage to our reputation, or loss of trust in our brand, which would harm our business and financial results.

For the years ended December 31, 2025 and 2024, we processed over $37.6 billion and over $29.7 billion in payments on our solutions, respectively. For the nine months ended September 30, 2026, we processed approximately $37.4 billion in payments on our solutions. We have grown rapidly and seek to continue to grow, and our business is subject to the risk of financial losses as a result of chargebacks for client-related losses, credit losses, operational errors, software defects, service disruption, employee or partner misconduct, security breaches, or other similar actions or errors in our solutions. As a provider of accounts receivable and other payment solutions, we enable the transfer of funds to our clients from their customers. Software errors in our solutions, including as a result of ordinary course updates to our software and systems, and operational errors by our FlyMates and business partners may also expose us to losses. Payments companies are frequent targets of social engineering and AI "deepfake" attacks. In our business model, subject to certain exceptions, we function as a merchant of record in connection with the receipt of payments by our clients' customers, which subjects us to chargeback risk in the event a client's customer cancels or otherwise does not receive the services for which such customer paid. This risk is heightened in sectors characterized by advanced bookings, extended delivery timelines, or elevated economic sensitivity—such as our travel, B2B, and for-profit education verticals. In these verticals, payors frequently purchase services, travel accommodations, or educational courses well in advance of performance. If a client in these or other sectors experiences severe financial difficulty, restructuring, or insolvency, or enters bankruptcy proceedings before fulfilling its obligations, payors may initiate chargebacks or demand full refunds. Because we act as merchant of record, payment card networks and acquiring banks hold us directly liable for these chargebacks. Although our client contracts allow us to pass such chargeback risk to our client, if a client has gone out of business or we are otherwise unable to collect on the chargeback, we will bear the economic loss, which can negatively impact our business.

Moreover, our trustworthiness and reputation are fundamental to our business. As a global payments enablement and software company, the occurrence of any credit losses, operational errors, software defects, service disruption, employee misconduct, security breaches, or other similar actions or errors in our solutions could result in financial losses to our business and our clients, loss of trust, damage to our reputation, or termination of our agreements with strategic partners, each of which could result in:

- loss of clients or a reduction in use of our solutions by our clients' customers;
- lost or delayed market acceptance and acquisition of new clients;
- legal claims against us;
- regulatory enforcement action; or
- diversion of our resources, including through increased service expenses or financial concessions, and increased insurance costs.

There can be no assurance that the insurance we maintain to cover losses resulting from our errors and omissions will cover all losses or our coverage will be sufficient to cover our losses. If we suffer significant losses or reputational harm as a result, our business, operating results, and financial condition could be adversely affected.

Our management of our operating funds and client funds may be reliant on a limited number of our banking partners and other financial institutions.

As to certain verticals that we may choose to serve, as well as in selected geographical locations, our network of banking and other financial institution partners may be limited. As a result, although we seek to distribute financial and credit risk among multiple financial institutions, from time to time there may be a concentration of operating funds or client fund flows among a more limited number of financial institution partners. These partners are generally heavily regulated by national and local governments, and in some locations may be involved in a multitude of related businesses or part of larger, higher-profile financial conglomerates. These partners and suppliers are often subject to strict regulatory requirements and enforcement actions or may experience failures to satisfy capital adequacy conditions that result in a suspension of operations, seizure of assets or closure, which could materially impact the safeguarding of our operating funds or client funds. If we are not able to access, or are delayed in accessing, our own funds or if client funds were in any way impacted, we could be adversely impacted, including by experiencing reputational damage and claims for restitution, potentially interfering with our existing client relationships or making us less attractive to potential new clients.

Our marketable securities portfolio is subject to credit, liquidity, market, and interest rate risks that could cause its value to decline significantly and materially adversely affect our business, financial condition, results of operations, and prospects.

We maintain an investment portfolio of marketable securities. These investments are subject to general credit, liquidity, market, and interest rate risks that can affect the income that we receive from our investments, the net realizable value of our investments, and our ability to sell them, which may be exacerbated by market downturns or events that affect global financial markets. As a result, we may experience a significant decline in value or loss of liquidity of our investments, which could materially adversely affect our business, financial condition, results of operations, and prospects. We attempt to mitigate these risks through diversification of our investments and continuous monitoring of our portfolio's overall risk profile, but the value of our investments may nevertheless decline. To the extent that we increase the amount of our security investments in the future, these risks could be exacerbated.

Volatility in the banking and financial services ecosystems may impact our bank partnerships and relationships, which could adversely affect our operations and liquidity.

Instability and volatility in the banking and financial services ecosystems, including limited liquidity, defaults, non-performance or other adverse developments that affect the banking ecosystem, or concerns or rumors about any such events or other similar risks, has and may in the future increase uncertainty in the global economy and the risk of a recession. Volatility in the banking and financial services sectors may impact our bank partnerships and relationships, which could adversely affect our operations and liquidity.

Our cash equivalents include money market funds, which are AAA-rated and comprised of liquid, high-quality debt securities issued by the U.S. government. Our access to our cash and cash equivalents and client funds could be significantly impacted in volatile markets given our concentration in government money market funds or impaired by the financial institutions with which we have arrangements directly, if such financial institutions are facing liquidity constraints or failures. We regularly maintain cash balances at third-party financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. A failure of a depository institution to return these deposits, or if a depository institution is subject to other adverse conditions in the financial or credit markets, could further impact access to our invested cash or cash equivalents and could adversely impact our operating liquidity, financial performance and ability to recover or repay client funds. If one or more of our bank partners were to fail and enter receivership proceedings, we may not be able to withdraw our or our clients' funds in excess of FDIC insurance limits, or may not be able to withdraw such funds in a timely manner, which could adversely affect our brand, business and results of operations, and may lead to regulatory or other claims or litigation, which may be costly to address.

In addition, investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any material decline in available funding or our ability to access our cash and cash equivalents could adversely impact our ability to meet our operating expenses, result in breaches of our contractual obligations or result in violations of federal or state wage and hour laws, any of which could have material adverse impacts on our operations and liquidity.

If we are unable to maintain or expand our ability to offer a variety of local and international payment methods for our clients to make available to their customers, or if we fail to continue to grow and develop preferred payment choices, our business may be materially and adversely affected.

The continued growth and development of our proprietary global payments network will also depend on our ability to anticipate and adapt to changes in client and customer behavior. For example, behavior may change regarding the use of credit and debit card transactions, including the relative increased use of cash, cryptocurrencies, other emerging or alternative payment methods and credit card systems that may include strong regional preferences that we or our processing partners do not adequately support. Any failure to timely integrate emerging payment methods into our solutions, anticipate behavior changes, or contract with payment processing partners that support such emerging payment technologies could cause our clients to use our solutions less, resulting in a corresponding loss of revenue, in the event such methods become popular among their customers.

In particular, the emergence and growing adoption of cryptocurrencies, including stablecoins, and related blockchain-based payment solutions may disrupt the traditional payments ecosystem in ways that could adversely affect our business. These technologies may enable new or existing competitors to offer cross-border payment and settlement services that are faster, lower cost, or otherwise more attractive than our solutions, including direct wallet-to-wallet transfers or alternative settlement rails that bypass intermediary financial institutions. As a result, merchants, payers, or financial institution partners in the verticals we serve may shift volume away from our platform or demand lower pricing, which could erode our revenue and margins. In addition, stablecoin- or cryptocurrency-based payment models may

reduce foreign exchange spreads, transaction fees, or other economic components of our offerings, alter customer expectations regarding speed and transparency, and increase competition from fintech companies, payment networks, or technology providers that leverage these technologies. The regulatory treatment of cryptocurrencies and stablecoins remains uncertain and continues to evolve, and new frameworks could accelerate adoption or enable broader participation by competitors. If cryptocurrencies or stablecoins gain broader acceptance as payment or settlement mechanisms, or if we are unable to adapt our platform, pricing, or product strategy effectively in response to these developments, our business, operating results, and financial condition could be harmed.

The number and variety of the payment methods we offer or currencies we are able to service may not meet client expectations, or the costs borne by our clients' customers in completing payments may become unsuitable. Accordingly, we may need to change our pricing strategies or reduce our prices, which could harm our revenue, gross profit, and operating results.

We utilize a number of payment providers to clear and settle transactions for our clients, including payments providers such as China UnionPay Co. Ltd. and Adyen N.V. If the services provided by these partners become unavailable due to extended outages or interruptions or because they are no longer available on commercially reasonable terms or prices, or due to regulatory restrictions or for any other reason, our expenses could increase and our ability to process certain payments could be materially interrupted, all of which could harm our business, financial condition, and results of operations. In addition, our agreements with these providers include certain terms and conditions. These providers have broad discretion to change their terms of service and other policies with respect to our business, and those changes may be unfavorable to us. Therefore, we believe that maintaining successful partnerships with these payment providers is critical to our success.

We, our strategic partners and our clients obtain and process large amounts of personal and sensitive data. Any real or perceived improper or unauthorized use of, disclosure of, or access to such data could harm our reputation as a trusted brand, as well as have a material adverse effect on our business.

We, our strategic partners and our clients, and the third-party vendors that we use, obtain and process large amounts of sensitive data, including personally identifiable information, also referred to as "personal data," and other potentially sensitive data related to our clients, their customers and each of their transactions, as well as a variety of such data relating to our own workforce and internal operations. We face risks, including to our reputation as a trusted brand, in the handling and protection of this data, and these risks will increase as our business continues to expand to include new solutions and technologies.

We are responsible for data security for ourselves and for third parties with whom we partner and under the rules and regulations established by the payment networks, such as Visa, Mastercard and American Express, and debit card networks and by industry regulations and standards that may be promulgated by organizations such as NACHA, which manages the governance of the ACH network in the United States. These third parties include our distribution partners and other third-party service providers and agents. We and other third parties collect, process, store and/or transmit personal and sensitive data, such as names, addresses, social security numbers, credit or debit card numbers and expiration dates, driver's license numbers and bank account numbers. We have ultimate liability to the payment networks and to our clients for our failure or the failure of third parties with whom we contract to protect this data in accordance with PCI DSS and network requirements. The loss, destruction or unauthorized modification or disclosure of merchant or cardholder data by us or our contracted third parties could result in significant fines, sanctions, claims, litigation and proceedings or actions against us by the payment networks, governmental entities, clients, client customers or others and damage our reputation.

Similarly, there are existing regulatory regimes designed to protect the privacy of categories of personal or otherwise sensitive data. Relevant U.S. federal privacy laws include the FERPA, the Gramm-Leach-Bliley Act (GLBA), and HIPAA.

We also are subject to stringent contractual obligations relating to the handling of such data, including obligations that are more restrictive than legally required. For example, under HIPAA, the information we collect during the payment experience may include protected health Information (PHI), and as such, we are considered a "business associate" of the U.S. healthcare clients we serve, and we are required to enter into a business associate agreement (BAA) with these clients. The BAAs largely mirror some of the statutory obligations contained in HIPAA, but many contain additional contractual undertakings that give these clients additional remedies in the event of a breach of our obligations to protect the confidentiality of the client's PHI or otherwise meet our contractual obligations. Privacy laws impose a variety of compliance burdens on us and our clients, such as requiring notice to individuals of privacy practices, providing individuals with certain rights to prevent the use and disclosure of protected information, and also imposing requirements for

safeguarding and proper destruction of personal information through the issuance of data security standards or guidelines. Privacy laws grant audit rights to our regulators and those of our clients. Any unauthorized disclosure of PHI or other data we are obligated to protect by regulation or contract could result in significant fines, sanctions, or requirements to take corrective action and could materially adversely affect our reputation and business.

Threats may derive from human error, fraud, or malice on the part of employees or third parties, or from accidental technological failure. For example, certain of our FlyMates have access to personal and sensitive data that could be used to commit identity theft or fraud. Concerns about security increase when we transmit information electronically because such transmissions can be subject to attack, interception, or loss. Also, computer viruses can be distributed and spread rapidly over the Internet and could infiltrate our systems or those of our contracted third parties. Denial of service or other attacks could be launched against us for a variety of purposes, including interfering with our solutions or to create a diversion for other malicious activities. These and other types of actions and attacks could disrupt our delivery of solutions or make them unavailable. Any such actions or attacks against us or our contracted third parties could impugn our reputation, force us to incur significant expenses in remediating the resulting impacts, expose us to uninsured liability, result in the loss of our bank sponsors or our ability to participate in the payment networks, increase our risk of regulatory scrutiny and the costs associated with such scrutiny, subject us to lawsuits, fines or sanctions, distract our management, or increase our costs of doing business.

We and our contracted third parties could be subject to security breaches by hackers. Our encryption of data and other protective measures may not prevent unauthorized access to or use of personal and sensitive data. A breach of a system may subject us to material losses or liability, including payment network fines, assessments and claims for unauthorized purchases with misappropriated credit, debit or card information, impersonation, or other similar fraud claims. A misuse of such data or a cybersecurity breach could harm our reputation and deter clients and their customers from using electronic payments generally and our solutions specifically, thus reducing our revenue. In addition, any such misuse or breach could cause us to incur costs to correct the breaches or failures, expose us to uninsured liability, increase our risk of regulatory scrutiny and the costs associated with such scrutiny, subject us to lawsuits, and result in the imposition of material penalties and fines under state and federal laws or by the payment networks. The insurance coverage we maintain to cover cyber risks may be insufficient to cover all losses. In addition, a significant cybersecurity breach of our systems or communications could result in payment networks prohibiting us from processing transactions on their networks or the loss of our bank sponsors that facilitate our participation in the payment networks, either of which could materially impede our ability to conduct business.

Additionally, it is also possible that unauthorized access to sensitive customer and business data may be obtained through inadequate use of security controls by our clients, suppliers or other vendors.

We have administrative, technical, and physical security measures in place, and we have policies and procedures in place to both evaluate the security protocols and practices of our vendors and to contractually require service providers to whom we disclose personal data to implement and maintain privacy and security measures. However, we cannot provide assurance that the contractual requirements related to security and privacy that we impose on our service providers will be followed, or that those requirements, or our internal measures, will be adequate to prevent the unauthorized use or disclosure of data. If our privacy protection or security measures or those of the previously mentioned third parties are inadequate or are breached as a result of third-party action, employee or contractor error, malfeasance, malware, phishing, hacking attacks, system error, software bugs or defects in our solutions, trickery, process failure, or otherwise, and, as a result, there is improper disclosure of, or someone obtains unauthorized access to or extract funds or sensitive information, including personally identifiable information, on our systems or our partners' systems, or if we suffer a ransomware or advanced persistent threat attack, or if any of the foregoing is reported or perceived to have occurred, our reputation and business could be damaged. Recent high-profile security breaches and related disclosures of personal and sensitive data by large institutions suggest that the risk of such events is significant, even if privacy protection and security measures are implemented and enforced. If personal or sensitive information is lost or improperly disclosed or threatened to be disclosed, we could incur significant costs associated with remediation and the implementation of additional security measures, including costs to deploy additional personnel and protection technologies, train employees, and engage third-party experts and consultants. In addition, we may incur significant liability and financial loss and may be subject to regulatory scrutiny, investigations, proceedings, and penalties and our reputation may be harmed. Additional risks will emerge to the extent we incorporate artificial intelligence in our solutions. Artificial intelligence algorithms or automated processing of data may be flawed, and datasets may be insufficient or may use third party artificial intelligence with unclear intellectual property rights or interests. Inappropriate or controversial data practices by us or others could subject us to lawsuits, regulatory investigations, legal and financial liability, or reputational harm. Additionally, our use of artificial intelligence may create additional cybersecurity risks or increase cybersecurity risks, including risks of security breaches and incidents.

Under our terms of service and our contracts with strategic partners and clients, if there is a breach of payment information that we store, we could be liable for their losses and related expenses. Additionally, if our own confidential business information were improperly disclosed, our business could be materially and adversely affected. A core aspect of our business is the reliability and security of our solutions. Any perceived or actual breach of security, regardless of how it occurs or the extent of the breach, could have a significant impact on our reputation as a trusted brand, cause us to lose existing partners or clients, prevent us from obtaining new partners, clients or customers, require us to expend significant funds to remedy problems caused by breaches and implement measures to prevent further breaches, and expose us to legal risk and potential liability including those resulting from governmental or regulatory investigations, class action litigation, and costs associated with remediation, such as fraud monitoring and forensics. Any actual or perceived security breach at a company providing services to us or our clients could have similar effects.

We cannot be certain that our insurance coverage will be adequate for data handling or data security liabilities actually incurred, that insurance will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, including our financial condition, operating results, and reputation.

Cyberattacks and security vulnerabilities can disrupt our business and harm our competitive position.

Cyber incidents have been increasing in sophistication and frequency and can include third parties gaining access to employee or customer data using stolen or inferred credentials, computer malware, viruses, spamming, phishing attacks, ransomware, card skimming code, and other deliberate attacks and attempts to gain unauthorized access. Providers of payment and accounts receivable software have frequently been targeted by such attacks and due to the wars in the Ukraine and Middle East and continued political uncertainty involving Russia and Ukraine, Israel and Hamas and the ongoing conflict between the U.S., Iran and Israel, respectively, and potentially other regions of Europe and the Middle East, there is an increased likelihood that escalation of tensions could result in cyberattacks that could either directly or indirectly impact our operations. In addition, the development and implementation of AI technologies may further increase our exposure to or exacerbate the risks of cyberattacks or other security incidents, particularly where such technologies are exploited by third parties to breach our or other parties' systems, including when such technologies are used to target our employees or impersonate members of senior management in order to gain unauthorized access to our systems. In addition, vulnerabilities in widely used third-party and open-source software, programming languages and other technology components on which we, our clients and our third-party providers rely may be discovered and exploited by threat actors, in some cases before a patch or other remediation is available or before it can be fully deployed across affected systems, and the use of AI tools to identify and exploit such vulnerabilities may shorten the time between their discovery or disclosure and their exploitation. Because of this, we face additional cybersecurity challenges, including threats to our own IT infrastructure or those of our clients, our clients' customers, and/or third-party providers, that may take a variety of forms ranging from stolen bank accounts, business email compromise, client employee fraud, account takeover, or check fraud, to "mega breaches" targeted against payment and accounts receivable software, which could be initiated by individual or groups of hackers or sophisticated cyber criminals using any of the methods described above. A cybersecurity incident or breach could result in disclosure of confidential information and intellectual property, or cause production downtimes and compromised data. We have in the past experienced cybersecurity incidents of limited scale, and we may in the future experience other data security incidents or breaches affecting personally identifiable information or other confidential business information. We may be unable to anticipate or prevent techniques used in the future to obtain unauthorized access or to sabotage systems because they change frequently and often are not detected until after an incident has occurred. As we increase our client base and our brand becomes more widely known and recognized, third parties may increasingly seek to compromise our security controls or gain unauthorized access to our sensitive corporate information or our clients' (or our clients' customers') data.

Our business policies and internal security controls may not keep pace with these evolving threats. Despite the internal control measures, and security procedures we employ to safeguard our systems, we may still be vulnerable to a security breach, intrusion, or loss or theft of personal or sensitive data, which may harm our business, reputation and future financial results. The lost revenue and containment, remediation, investigation, legal and other costs could be significant and may exceed our insurance policy limits or may not be covered by insurance at all. Further, we may be subject to regulatory enforcement actions and litigation that could result in financial judgments or the payment of settlement amounts and disputes with insurance carriers concerning coverage. In addition, sufficient insurance coverage may become increasingly expensive to maintain as incidents increase globally.

Our risk management efforts may not be effective to prevent fraudulent activities by our clients, FlyMates or other third parties, which could expose us to material financial losses and liability and otherwise harm our business.

Our software provides payment facilitation solutions for a large number of our clients and their customers. We are responsible for performing KYC reviews of our clients, sanctions screening their customers, and monitoring transactions for fraud. We have been and may continue to be targeted by parties who seek to commit acts of financial fraud using techniques such as stolen identities and bank accounts, advanced uses of AI for fraudulent purposes, compromised business email accounts, employee or insider fraud, account takeover, false applications, and fake invoicing. We may suffer losses from acts of financial fraud committed by our clients, our clients' customers and purported customers, our FlyMates and payment partners or third parties.

The techniques used to perpetrate fraud are continually evolving and we may not be able to identify all risks created by new solutions or functionality. Our risk management policies, procedures, techniques, and processes may not be sufficient to identify all of the risks to which we are exposed, to enable us to prevent or mitigate the risks we have identified, or to identify additional risks to which we may become subject in the future. Furthermore, our risk management policies, procedures, techniques, and processes may contain errors or our FlyMates or agents may commit mistakes or errors in judgment as a result of which we may suffer large financial losses. The software-driven and highly automated nature of our solutions could enable criminals and those committing fraud to steal significant amounts of money accessing our solutions. As greater numbers of our clients' customers use our solutions, and we serve clients in industries that are at higher risk for fraudulent activity, our exposure to material risk losses from a single client, or from a small number of clients, will increase. In addition, our clients or their customers may suffer losses from acts of financial fraud by third parties posing as us through account takeover, credential harvesting, use of stolen identities and various other techniques, which could harm our reputation, consume significant time of our compliance, security and client relations teams to investigate and remediate, or prompt us to reimburse our clients for such losses in order to maintain client business relationships.

Our current business, the changing and uncertain economic, geopolitical and regulatory environment, and our anticipated domestic and international growth will continue to place significant demands on our risk management and compliance efforts. As our business grows and becomes more complex, we will need to continue developing and improving and investing in our risk management infrastructure, policies, procedures, techniques, and processes. As techniques used to perpetrate fraud on our solutions evolve, we may need to modify our solutions to mitigate fraud risks. As our business grows and becomes more complex, we may be less able to forecast and carry appropriate reserves in our books for fraud related losses. Further, these types of fraudulent activities targeting our solutions can also expose us to civil and criminal liability, governmental and regulatory sanctions as well as potentially cause us to be in breach of our contractual obligations to our clients and partners.

We rely on a third-party digital asset partner to process stablecoin transactions and facilitate fiat conversion. Any operational failure, security breach, or regulatory action affecting our third-party digital asset partner could expose us to additional financial, regulatory, operational, and market risks that could adversely affect our business, financial condition, and results of operations.

To enable our clients to offer stablecoin payment options, we partner with a third-party digital asset service provider (Digital Asset Partner). Under this arrangement, the Digital Asset Partner receives the stablecoins directly from the client's customer, converts the digital assets into fiat currency, and settles the fiat currency to us for payout to our client. We do not buy, sell, receive, transmit, custody, hold, issue, or exchange digital assets. However, we are highly dependent on the operational and financial stability of our Digital Asset Partner. If our Digital Asset Partner experiences system outages, cybersecurity breaches, insolvency, or loss of its regulatory authorizations or banking relationships, the conversion and settlement of funds could be delayed or frozen (temporarily or permanently).

Stablecoins also introduce additional operational and cybersecurity risks. The blockchain networks and digital wallets our Digital Asset Partner uses to process stablecoin transactions may be vulnerable to congestion, security breaches, hacking, phishing attacks, software bugs, hard forks, and network failures. Any of these could result in the loss or theft of stablecoin funds, for which we may have limited recourse due to the decentralized and irreversible nature of blockchain transactions. If our Digital Asset Partner, the public blockchain networks, or any stablecoin issuers experience insolvency, operational disruptions, or fraudulent activity, our Digital Asset Partner's ability to process payments or convert stablecoins to fiat currency could be impaired, potentially leading to financial losses or liquidity constraints.

Although we operate exclusively in fiat currency, our Digital Asset Partner's processing of stablecoin payments indirectly exposes us to complex, evolving, and uncertain digital asset regulations. The regulatory environment surrounding stablecoins remains uncertain and rapidly evolving. Legislatures and regulatory bodies, including foreign authorities, continue to evaluate whether stablecoins constitute securities, commodities, or other regulated financial instruments. Although our business model is limited to receiving and settling in fiat currency, regulators may interpret existing laws and regulations to apply to our activities or our integration with our Digital Asset Partner. In addition, new laws, regulations, or enforcement actions could impose significant compliance obligations on our Digital Asset Partner or on us, including additional licensing, AML and KYC requirements. This could restrict our ability to continue collaborating with our Digital Asset Partner, result in unfavorable changes in use, transfer, and redemption of stablecoins, or impose tax liabilities upon stablecoin holders. Noncompliance with such regulations, even unintentional, could result in fines, penalties, legal proceedings, and reputational harm. Furthermore, if a stablecoin issuer is deemed non-compliant with applicable laws, it could disrupt our payment operations or expose us to liability for including a non-compliant stablecoin as a payment option in our client's checkout.

The stablecoins utilized in our payment flows may be subject to "de-pegging" events ("De-pegging Event") and market volatility and are not protected by deposit insurance. Although stablecoins are designed to maintain a stable value while being pegged to fiat currencies like the U.S. dollar, the stability and reliability of stablecoins are not guaranteed and depend on various factors beyond our control, including the financial health of the issuing entity, the adequacy and liquidity of reserve assets, and the effectiveness of the underlying stabilization mechanisms. A stablecoin that our Digital Asset Partner handles may experience a significant devaluation or De-pegging Event, where its market value drops materially below its intended fiat value peg due to algorithmic failures, lack of adequate reserve assets, or panic selling. If a De-pegging Event occurs during the window between a payer initiating a checkout and our Digital Asset Partner executing the conversion from stablecoin to fiat, it could result in a shortfall of fiat funds delivered to us, causing us to incur losses. A De-pegging Event could also cause disruptions in transaction processing and may cause our clients or our client's customers to lose confidence in us. All of these things could negatively impact our financial condition, operations, and reputation. Moreover, stablecoins are not subject to any deposit insurance protection scheme, and the presence of fiat currency reserves is not a guarantee for redemption. There is a possibility that the assets that stablecoin issuers hold in reserves are not sufficient or may not be available for redemption at times of extremely high demand. Volatility spikes in the cryptocurrency markets also might lead to De-pegging Events.

Stablecoins are a relatively new payment method, and they present additional risks related to market acceptance. If clients or their customers lose confidence in stablecoins due to volatility, scandals, legislative or regulatory actions, or other factors, demand for stablecoin payment options could decline or we would be forced to incur costs to adapt to such changes. Conversely, if we cease enabling stablecoin as a payment method in response to these risks, we may alienate a segment of our client or client's customer base that prefers cryptocurrency payments, potentially reducing our market competitiveness.

Fluctuations in the broader cryptocurrency market could also indirectly impact stablecoin transactions. A significant downturn in cryptocurrency prices or public sentiment could trigger redemption pressures on stablecoin issuers, straining their reserves and increasing the likelihood of instability. Such events could disrupt our Digital Asset Partner's payment processing capabilities and financial position and, in turn, negatively impact our financial condition, operations, and reputation

If we fail to adapt and respond effectively to rapidly and significantly changing technology, evolving industry standards, changing regulations, and changing business needs, requirements, or preferences, or if we fail to continue to grow and develop our payments solutions, our business may be materially and adversely affected.

Our future success depends in large part on the continued growth and development of our payments solutions. If such activities are limited, restricted, curtailed or degraded in any way, or if we fail to continue to grow and develop our payments solutions, our business may be materially and adversely affected. The market for payments enablement solutions is relatively new and subject to changes in technology, regulatory regimes, industry standards, payment methods, regulations and client and customer needs. Rapid and significant technological changes, evolving industry standards, changing regulations and business needs continue to confront the verticals in which we operate, including developments in digital banking, open banking, mobile financial apps, as well as developments in cryptocurrencies and in tokenization (e.g., replacing sensitive data such as payment card information) with symbols (tokens) to keep the data safe), blockchain, and artificial intelligence, including machine learning. The success of our business will depend, in part, on our ability to adapt and respond effectively to these changes through methods which include launching new solutions and incorporating new technologies, such as generative artificial intelligence, into our solutions.

The success of any new product and service, or any enhancements or modifications to existing solutions, depends on several factors, including the timely completion, introduction, and market acceptance of such solutions, enhancements, and modifications. Our engineering and software development teams operate in different locations across the globe (including teams in Spain, Romania, the United States, Israel and Australia), which can create logistical challenges. If we are unable to effectively coordinate with our global technology and development teams to enhance our solutions, add new payment methods or develop new solutions that keep pace with technological and regulatory changes to achieve market acceptance, or if new technologies emerge that are able to deliver competitive solutions that are more effective, secure, convenient or cost effective than our solutions, our business, operating results, and financial condition would be adversely affected. Furthermore, modifications to our existing solutions or technology will increase our technology and development expenses. Any failure of our solutions to operate effectively with existing or future network solutions and technologies could reduce the demand for our solutions, result in clients or clients' customer dissatisfaction and adversely affect our business.

We use artificial intelligence (AI) in our solutions and services which may result in operational challenges, legal liability, reputational harm, competitive risks and regulatory and enhanced fraud concerns that could adversely affect our business and results of operations.

We incorporate AI, including generative AI, into our solutions and services, including into our payor virtual assistant self-help chatbot. We may also incorporate or resell third-party AI technology into the services we provide to our clients. In addition, as part of our broader digital transformation strategy, we are integrating artificial intelligence to support our internal business functions and exploring additional uses for the future. These technologies are complex and rapidly evolving and building them requires significant investment in infrastructure and personnel with no assurance that we will realize the desired or anticipated benefits. There is no assurance that the usage of such AI-powered solutions, whether developed in-house or sourced from third-parties, will enhance our business, or otherwise help our operations become more effective, efficient, or profitable. The models underlying our AI-powered solutions may be incorrectly or inadequately designed or implemented. They may also be trained on, or otherwise use, biased, incomplete, inaccurate, misleading, or poor-quality data or algorithms, any of which may not be easily detectable. AI-powered solutions may also be adversely impacted by unforeseen defects, technical challenges, cyberattacks, cybersecurity breaches, service outages or other similar incidents, or material performance issues. Accordingly, our use or delivery to our clients of AI-powered solutions may inadvertently reduce our effectiveness and efficiency or generate unintentional or unexpected outputs (including any AI-generated content, analyses, or recommendations) that are, or are perceived to be, biased, incomplete, inaccurate, misleading, poor-quality, unethical, or otherwise deficient or flawed, do not match our business goals, standards, or values, do not comply with our policies or procedures, harm our brand or reputation, negatively impact our clients or clients’ customers or partners, or otherwise interfere with the performance of our business.

The rapid adoption of generative AI technologies—such as OpenAI’s ChatGPT, Anthropic's Claude and similar tools—may adversely impact certain categories of our traditional clients, including online learning platforms and education technology providers. As students increasingly use AI tools as substitutes for conventional digital learning and tutoring services, these clients could experience reduced demand for their offerings, which in turn may decrease the volume of transactions processed through our platform and negatively affect our results of operations.

Our competitors may more successfully or more quickly incorporate AI into their products and achieve higher market acceptance of their AI solutions, which could impair our ability to compete effectively and adversely affect our results of operations, and we may also encounter new risks, challenges, and unintended consequences as a result of our use of AI. For example, the issue of intellectual property ownership and license rights surrounding AI technologies has not been fully addressed by U.S. or international courts or federal or state laws and regulations. We may not have adequate rights to use the data on which our AI-powered solutions rely. To the extent that we do not have sufficient rights to use the data used in, or produced by, the AI-powered solutions employed in our business and operations, we could be exposed to intellectual property claims or mandatory compliance with open-source software or other license terms. Further, any content or other output created by us using AI-powered solutions may not be subject to copyright protection, which may adversely affect our ability to commercialize or use, or the validity or enforceability of any IP rights in, such content or other output.

Our use of AI may also lead to novel cybersecurity or privacy risks, including those that implicate the confidential and personal information of users of AI-powered solutions, which may adversely affect our operations and reputation and expose us to legal liability or regulatory risks, including with respect to third-party IP rights or privacy, publicity, contractual, or other rights. If any of our employees, contractors, or other third parties with whom we partner input confidential or personal information while using any third-party AI-powered solution in connection with our business or the products, solutions, and services they provide to us, such practice may lead to the inadvertent disclosure of such confidential or

personal information, which may impact our ability to realize the benefit of, or adequately obtain, maintain, protect, defend, and enforce our IP rights in, such information or otherwise harm our competitive position, reputation, or business.

The European Union's Artificial Intelligence Act (the EU AI Act), which would apply beyond the European Union's borders, came into force in August 2024, and various other governments have proposed or adopted policy and regulatory responses to oversee the use of AI. There is a risk that our current or future AI-powered solutions may obligate us to comply with the applicable requirements of the EU AI Act, which may impose additional costs on us, increase our risk of liability and fines, or otherwise adversely affect our business, financial condition, operating results, and future prospects. Compliance with other regulations as well as social and ethical standards and client expectations relating to AI may require significant research and development costs as well as management and employee attention. Any actual or perceived failure to comply with these laws, regulations, ethical standards or expectations could include severe penalties, reputational harm, and slow adoption of AI in our solutions and services. In addition, our business may be disrupted if any of the third-party AI services we use become unavailable due to extended outages or commercially unreasonable terms of service.

In addition, the nefarious and fraudulent uses of AI by bad actors could lead to reputational damage if we fail, or are perceived to fail, to align our AML, KYC, sanctions and verification screening policies, procedures and protocols to detect fraudulent activity relating to the use of AI. Such failures may result in financial loss to our business, other fines, penalties or disciplinary actions imposed by regulators, lawsuits and claims from negatively impacted clients or payors, and may also erode trust in the use of our services by clients and our clients' customers. Although we take steps designed to mitigate the risks associated with the use of AI in our business and operations, our use or the use of AI for fraudulent purposes by bad actors may present ethical, reputational, technical, operational, legal, competitive, or regulatory risks, any of which could adversely affect our business, financial condition, operating results, and future prospects.

Our operational and systems transformation program may not be successful.

Our operational and systems transformation initiative involves a multi-year roadmap with accelerated focus and planned "go lives" over its first 18-months aimed at rebuilding our foundational enterprise operating systems, consolidating disparate software applications, establishing a certified data architecture, and deploying enterprise-wide agentic artificial intelligence workflows. Because this initiative involves a highly complex, multi-dimensional modification of our people, processes, governance, and technology, it is subject to substantial execution risks. Inadequate or defective implementation of core enterprise software platforms, and shortcomings in the consolidation and/or integration of disparate software applications (and in certain instances replacing legacy applications with new ones) could result in significant project delays, systemic operational disruptions, or total project failure. In addition, we may have challenges implementing these replacement systems and driving efficient and effective adoption and use within our employee base, which can create lapses in productivity and magnify the potential for human error. Furthermore, if our data architecture fails to enforce proper data governance and data contracts, or if there are material errors or discrepancies in data conversion and migration cycles, our upstream business metrics will be compromised. This could lead to a systemic failure to achieve our target "Single Source of Truth," which would severely undermine the performance, reliability, and security of our downstream models and automated forecasting tools.

The vast operational scope of the transformation program demands a significant commitment of internal subject matter experts and has resulted in a substantial focus of management and engineering resources away from day-to-day operations and business-as-usual strategic goals. By aligning our core innovation strategies so heavily with specific strategic partners, and centering our digital infrastructure around select technical ecosystems, we face considerable opportunity costs and reliance on third-party vendors to deliver timely on architected solutions. These dependencies could cause us to lose valuable opportunities to spend capital on, or develop, alternative or superior technologies that may emerge in the rapidly evolving artificial intelligence and data management markets. If our management team is unable to successfully balance these competing operational demands, our core product timelines, client relationship management activities, and global payment network support capabilities may suffer, which could materially and adversely affect our competitive positioning, financial health, and overall growth trajectory.

Financially, the transformation program requires a substantial financial commitment, including initial capital expenditure alongside millions of dollars in incremental recurring software-as-a-service (SaaS) licensing fees and ongoing platform investments. Despite our efforts to maintain rigid budget discipline, we face the distinct possibility of significant cost overruns due to unforeseen engineering complexities, integration bottlenecks across disparate third-party systems, regional talent constraints, evolving global regulatory standards, or extended vendor deployment timelines. The ultimate commercial success and return on investment of the transformation program are deeply contingent upon our ability to capture significant long-term operational savings and drive aggressive structural productivity gains. If we experience

implementation delays, high personnel attrition within our newly reorganized data and systems squads, or an inability to successfully transition historical manual and spreadsheet-based workflows into automated processes, our anticipated cost structure improvements will fail to materialize. Under such circumstances, we may not achieve our anticipated cost savings or operating efficiencies, which could result in asset impairments and harm our operating margins and net income.

Changes to payment card networks fees or rules could harm our business.

We are required to comply with Mastercard, American Express, and Visa payment card network operating rules and the rules of other regional card (such as China UnionPay or JCB) or payment providers, in connection with our solutions. We have agreed to reimburse our merchant acquirers for any fines they are assessed by payment card networks as a result of any rule violations by us. We may also be directly liable to the payment card networks for rule violations. The payment card networks set and interpret the card operating rules. The payment card networks could adopt new operating rules or interpret or reinterpret existing rules that we or our processors might find difficult or even impossible to follow, or costly to implement. For example, the card networks could adopt new rules or reinterpret existing rules to substantially modify how we offer credit card payment methods to our clients, or impose new fees or costs (including demanding a cash reserve from Flywire) that could negatively impact our margins.

Card networks also could modify security or fraud detection methodologies that could have a downstream impact on our business, and force us to change our solutions, payment experience or security protocols, which may increase our operating costs. We also may seek to introduce other card-related solutions in the future, which would entail additional operating rules. As a result of any violations of rules, new rules being implemented, or increased fees, we could lose our ability to offer certain cards as a payment method to our clients' customers, or such payments could become prohibitively expensive for us or for our clients.

Additionally, from time to time, American Express and the card networks, including Visa and Mastercard, increase the fees that they charge processors. Changes in pricing, fee structures, or network rules by American Express or other card networks could adversely affect our costs and margins. We rely on global card networks, including American Express, to process certain payment types, and these networks may from time to time modify their interchange rates, assessments, discount fees, or other pricing components, or apply different cost structures based on the nature of an underlying transaction (such as education, travel, healthcare, or other categories) or the manner in which Flywire or our transactions are classified under their rules. If a card network were to reclassify Flywire, our customers, or specific payment flows, or to increase fees applicable to one or more of our core verticals, we may be unable to fully pass those increased costs on to customers without adversely affecting demand, competitiveness, or customer relationships. We could attempt to pass these increases along to our clients and their customers, but this strategy might result in the loss of clients to our competitors who do not pass along the increases. If competitive practices prevent us from passing along the higher fees to our clients and their customers in the future, we may have to absorb all or a portion of such increases, which may increase our operating costs and reduce our profit margins. If we are unable to offer credit cards as a payment method to our clients' customers, our business would be adversely affected.

If we do not or cannot maintain the compatibility of our solution with evolving software solutions used by our clients, or the interoperability of our solutions with those of our third-party payment providers, payment networks and key software vendors, our business may be materially and adversely affected.

Flywire's platform is designed to integrate with a broad ecosystem of ERP and financial management systems, such as Workday and Oracle for B2B payments, Oracle, Workday and Ellucian for education, Epic Systems for healthcare, and Rezdy for travel. These integrations enhance our ability to streamline complex flows, improve operational efficiency, and deepen our value proposition across vertical markets. We automatically synchronize suppliers, clients, client customers, invoices, and payment transactions between our solutions and these systems. This two-way sync eliminates duplicate data entry and provides the basis for managing cash-flow through an integrated solution for accounts receivable, and payments.

In addition, we are subject to certain standard terms and conditions with these partners. These partners have broad discretion to change their terms of service and other policies, and those changes may be unfavorable to us. Therefore, we believe that maintaining successful partnerships with these providers is critical to our future success.

We also rely on our proprietary global payment network comprised of leading global, regional and local banks and technology and payment partners. If we do not or cannot maintain the interoperability of their products or services or the products of our key software vendors that are integral to our solutions, our business may be materially and adversely affected. These third parties periodically update and change their systems, and although we have been able to adapt our

solutions to their evolving needs in the past, there can be no guarantee that we will be able to do so in the future. In particular, if we are unable to adapt to such changes, we may not be able to utilize these strategic partners and we may lose access to large numbers of clients as a result.

If any of the third party software providers change the features of their APIs, discontinue their support of such APIs, restrict our access to their APIs, or alter the terms governing their use in a manner that is adverse to our business, we will not be able to provide synchronization capabilities, which could significantly diminish the value of our solutions and harm our business, operating results, and financial condition.

If we fail to maintain, protect and enhance our brand, our ability to expand our client base will be impaired and our business, operating results, and financial condition may suffer.

We believe that further developing, maintaining, protecting and enhancing our brand domestically and on a global basis is important to support the marketing and sale of our existing and future solutions to existing and new clients and to attracting additional and strategic partners. Successfully further developing, maintaining and enhancing our brand will depend largely on the effectiveness of our marketing and demand generation efforts, our ability to provide reliable and seamless solutions that continue to meet the needs of our clients and their customers at competitive prices, our ability to maintain our clients' trust, our ability to continue to develop new functionality, solutions, and our ability to successfully differentiate our solutions from competitive solutions. Our brand promotion activities may not generate client awareness or yield increased revenue, and even if they do, any increased revenue may not offset the expenses we incur in maintaining and building our brand. If we fail to successfully promote and maintain our brand or if we incur excessive expenses in this effort, our business could suffer.

The introduction and promotion of new solutions, as well as the promotion of existing solutions, may be partly dependent on our visibility on third-party advertising platforms, such as Google, LinkedIn, Facebook, or X. Changes in the way these platforms operate or changes in their advertising prices, data use practices or other terms could make the maintenance and promotion of our products and services and our brands more expensive or more difficult. If we are unable to market and promote our brands on third-party platforms effectively, our ability to acquire new clients would be materially harmed.

Harm to our brand can arise from many sources, including failure by us or our partners and service providers to satisfy expectations of service and quality; inadequate protection or misuse of sensitive information; fraud committed by third parties using our solutions; compliance failures and claims; litigation, regulatory and other claims; errors caused by us or our partners; and misconduct by our partners, service providers, or other counterparties. In addition, negative statements about us can cause and have caused a decline in the market price of our common stock, divert our management's attention and resources, and could cause other adverse impacts to our business. Partners with whom we maintain relationships could engage in behavior or use their platforms to communicate directly with our clients and their customers in a manner that reflects poorly on our brand and such behavior or communications may adversely affect us. Further, negative publicity or commentary regarding the partners who are, or are perceived to be, affiliated with us may also damage our reputation, even if the negative publicity or commentary is not directly related to us. Any negative publicity about the industries we operate in or our company, the quality and reliability of our solutions, our risk management processes, changes to our products and services, our ability to effectively manage and resolve customer complaints, our privacy, data protection, and information security practices, litigation, regulatory activity, policy positions, and the experience of our clients and their customers with us, our products or services could adversely affect our reputation and the confidence in and use of our solutions. If we do not successfully maintain, protect or enhance our brands, our business could be materially and adversely affected.

If we lose key members of our management team or are unable to attract and retain executives and employees we need to support our operations and growth, our business may be harmed.

Our success and future growth depend upon the continued services of our management team and other key employees. Our Chief Executive Officer, Michael Massaro, and our President and Chief Operating Officer, Rob Orgel, are critical to our overall management, as well as the continued development of our solutions, strategic partnerships, culture, relationships with financial institutions, and strategic direction. From time to time, there may be changes in our management team resulting from the hiring or departure of executives and key employees, which could disrupt our business. Our senior management and key employees are employed on an at-will basis. Changes in our senior management may be disruptive to our business, and, if we are unable to manage an orderly transition, our business may be adversely affected. We currently have "key person" insurance on our Chief Executive Officer, Michael Massaro, but not for any other members of our management team. Certain of our key employees have been with us for a long period of

time and have fully vested stock options or other long-term equity incentives that are or may become valuable and are publicly tradable subject to Rule 144 limitations, which may reduce the incentive for each of these key employees to remain at our company. We cannot ensure that we will be able to retain the services of any members of our senior management or other key employees or that we would be able to timely replace members of our senior management or other key employees should any of them depart. The loss of our Chief Executive Officer, or our President and Chief Operating Officer, or one or more of our senior management, or other key employees could harm our business, and we may not be able to find adequate replacements.

The failure to attract and retain additional qualified personnel could prevent us from executing our business strategy and growth plans.

To execute our business strategy, we must attract and retain highly qualified personnel. Competition for executive officers, software developers, compliance and risk management personnel and other key employees in our industry and locations is intense and increasing, especially in the U.S., where wage inflation has been increasing. We compete with many other companies for software developers with high levels of experience in designing, developing, and managing payment systems, as well as for skilled legal and compliance and risk operations professionals. Many of the companies with which we compete for experienced personnel have greater resources than we do and can frequently offer such personnel substantially greater compensation than we can offer. In addition, immigration policy and regulatory changes may also affect our ability to hire, mobilize, or retain some of our global talent. If we fail to identify, attract, develop and integrate new personnel, or fail to retain and motivate our current personnel, our growth prospects would be adversely affected.

We rely on highly skilled employees, including software engineers and product specialists, many of whom are foreign nationals working in the United States under H-1B and other temporary work visas. In September 2025, the U.S. government announced its plans to require employers pay a $100,000 filing fee per H-1B visa petition to bring new H-1B workers into the U.S. The new H-1B visa fee would not apply to international students already in the U.S. looking to apply for a status change, but this new requirement would significantly increase the cost of employing new foreign nationals in the U.S and could materially impact our operating expenses and our ability to attract specialized talent. If these visa-related costs remain in effect or increase further, we may be required to reduce our reliance on new H-1B visa holders or absorb materially higher personnel costs, either of which could negatively affect our financial performance. In addition, the number of H-1B visas available each year is limited by quota and lottery, and future changes in immigration laws or enforcement could further restrict our access to qualified foreign workers. Our inability to recruit or retain critical technical and operational talent—whether due to higher visa costs, policy changes, or processing delays—could hinder our ability to innovate, maintain our technology infrastructure, or expand internationally. In June 2026, the U.S. District Court for the District of Massachusetts issued an order barring implementation of the $100,000 fee, which the U.S. Court of Appeals for the First Circuit declined to stay in July 2026, and on September 30, 2026, the U.S. District Court for the Northern District of California separately blocked implementation of the fee. The U.S. government has since extended the presidential proclamation imposing the fee for an additional year, and in August 2026, the U.S. Department of Homeland Security proposed a rule that would establish a permanent fee of approximately $103,000 for certain new H-1B petitions. The status and validity of the fee therefore remain subject to ongoing litigation and rulemaking.

The new visa fee requirement could also indirectly affect our global operations. Increased hiring costs in the United States may lead us to reallocate engineering or compliance resources abroad, resulting in higher coordination costs, reduced operational efficiency, or delays in product development. If we are unable to effectively manage these transitions or attract equivalent talent in other jurisdictions, our business, financial condition, and results of operations could be materially and adversely affected.

If we cannot maintain our company culture as we grow, our success and our business may be harmed.

We believe our culture has been a key contributor to our success to date and that the critical nature of the solutions that we provide promotes a sense of greater purpose and fulfillment in our FlyMates. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel, which is critical to our growth, and to effectively focus on and pursue our corporate objectives. As we grow and continue to develop our infrastructure, we may find it difficult to maintain these important aspects of our culture. If we fail to maintain our culture, our business and competitive position may be adversely affected.

Our sales cycles may be long and vary.

We devote significant resources to establish relationships with new clients and deepen relationships with existing clients. The sales cycles of our solutions tend to vary depending on the client industry sector which makes forecasting more complex and uncertain.

In addition, sales and sale cycles may be based in part or entirely on factors, or perceived factors, not directly related to the features of our solutions, including, among others, a client or prospective client's projection of business growth, uncertainty about economic conditions (including as a result of heightened inflationary conditions, regulatory concerns, recession concerns, priorities of the U.S. presidential administration and related changes in laws, regulations or policies, and the escalation of hostilities between Russia and Ukraine, or the ongoing conflict between the U.S., Iran and Israel in the Middle East or the failure of an agreed-upon peace in the conflict between Israel and Hamas to become permanent), capital budgets, anticipated cost savings from the implementation of our solution, potential preference for internally-developed software solutions, perceptions about our business and solutions, more favorable terms offered by potential competitors, and previous technology investments. Mid-market and large enterprises tend to have more complex operating environments than smaller businesses, making it often more difficult and time-consuming for us to demonstrate the value of our solutions to prospective clients. The decision to use our solutions may also be an enterprise-wide decision, and require us to provide greater levels of education regarding the use and benefits of our solutions, which may result in additional time, effort, and money spent on our sales cycle without any assurance that our efforts will be successful in generating any sales. Often, major hospital systems and national or state higher education systems will solicit service offers by issuing RFPs, which are generally a time- and resource-intensive process, with no assurances of being selected as a vendor after the RFP process is completed. Additionally, large enterprises typically have longer implementation cycles, especially hospital and education systems, require greater product functionality and scalability and a broader range of services, demand that vendors take on a larger share of risks, sometimes require longer testing periods that delay general availability of our solutions, and expect greater payment flexibility from vendors. All of these factors can add further risk to business conducted with these clients. If we fail to realize an expected sale from a large end-client in a particular quarter or at all, our business, operating results, and financial condition could be materially and adversely affected.

In addition, we may face unexpected deployment challenges with enterprise clients. It may be difficult to deploy our software solutions if a client has unexpected database, hardware or software technology issues, or if a client insists on a more customized or unique solution that is time intensive or that we have little prior experience in delivering. Decisions on timing of deployments may also be impacted by cost and availability of personnel. Any difficulties or delays in the initial implementation could cause clients to reject our solutions or lead to the delay or non-receipt of future orders, in which case our business, operating results and financial condition would be harmed.

We typically incur significant upfront costs in our client relationships, and if we are unable to develop or grow these relationships over time, we are unlikely to recover these costs and our operating results may suffer.

We devote significant resources to establish relationships with new clients and deepen relationships with existing clients. Our sales cycle for our solutions can be variable, typically ranging from three to nine months from initial contact to contract execution. However, there is potential for our sales cycle to extend beyond three to nine months. During the period of our sales cycle, our efforts involve educating our clients about the use, technical capabilities and benefits of our solutions. Our operating results depend in substantial part on our ability to deliver a successful client experience and persuade our clients to grow their relationship with us over time. As we expect to grow rapidly, our client acquisition costs could outpace our build-up of recurring revenue, and we may be unable to reduce our total operating costs through economies of scale such that we are unable to maintain profitability. Any increased or unexpected costs or unanticipated delays, including delays caused by factors outside of our control, could cause our operating results to suffer.

If we fail to offer high-quality client support, or if our support is more expensive than anticipated, our business and reputation could suffer.

Our clients and their customers rely on our support services to resolve issues and realize the full benefits provided by our solutions. High-quality support is also important for the expansion of the use of our solutions with existing clients and their customers. We provide multilingual support over chat, email or via telephone. The number of our clients, and the number of their customers utilizing our solutions, has grown significantly and such growth, as well as any future growth, will put additional pressure on our client service organization. If we do not help our clients and their customers quickly resolve issues and provide effective ongoing support, or if our support personnel or methods of providing support are insufficient to meet the needs of our clients and their customers, our ability to retain clients and their customers and acquire new clients and customers could suffer, and our reputation with existing or potential clients could be harmed. Providing an exceptional client experience requires significant time and resources from our client service team. Therefore,

failure to scale our client service organization adequately may adversely impact our business results and financial condition.

In addition, as we continue to operate and grow our operations and continue to expand to new jurisdictions, we need to be able to provide efficient client service that meets our clients' needs globally at scale. In geographies where we sell through our channel partners, if we are unable to provide a high quality client experience tailored to the language and culture of the applicable jurisdiction, our business operations and reputation may suffer.

We may require additional capital to support the growth of our business, and this capital might not be available on acceptable terms, if at all.

We have funded our operations since inception primarily through equity and debt financings, sales of our solutions, and fees. We cannot be certain if our operations will continue to generate sufficient cash to fully fund our ongoing operations or the growth of our business. We intend to continue to make investments to support our business, which may require us to engage in equity or debt financings to secure additional funds. Additional financing may not be available on terms favorable to us, if at all. If adequate funds are not available on acceptable terms, we may be unable to invest in future growth opportunities, which could harm our business, operating results, and financial condition. If we incur additional debt, the debt holders would have rights senior to holders of common stock to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends on our common stock. Furthermore, if we issue additional equity securities, stockholders will experience dilution, and the new equity securities could have rights senior to those of our common stock. Because our decision to issue securities in the future will depend on numerous considerations, including factors beyond our control, we cannot predict or estimate the amount, timing, or nature of any future issuances of debt or equity securities. As a result, our stockholders bear the risk of future issuances of debt or equity securities reducing the value of our common stock and diluting their interests.

Our business could be harmed as a result of the risks associated with our acquisitions.

As part of our business strategy, we have in the past and intend to continue to seek to acquire or invest in businesses, products or technologies that could complement or expand our business, enhance our technical capabilities or otherwise offer growth opportunities by providing us with additional intellectual property, client relationships and geographic coverage. The pursuit of potential acquisitions may divert the attention of management and cause us to incur various expenses in identifying, investigating, and pursuing suitable acquisitions, whether or not such acquisitions are completed. In connection with any potential acquisitions, particularly of businesses with legacy or less robust information technology and cybersecurity controls than ours, we may face heightened vulnerability to cybersecurity threats, including pre-existing or undiscovered compromises which may lead to data loss, interruptions, increased integration and remediation costs, regulatory investigations, reputational harm, and other adverse impacts. In addition, we can provide no assurances that we will be able to find and identify desirable acquisition targets or that we will be successful in entering into a definitive agreement with any one target. In addition, even if we reach a definitive agreement with a target, there is no assurance that we will complete any future acquisition or if we do acquire additional businesses, we may not be able to integrate them effectively following the acquisition or effectively manage the combined business following the acquisition.

Any acquisitions we undertake or have recently completed, including the acquisitions of Sertifi in February 2025 and Invoiced in August 2024, will likely be accompanied by business risks which may include, among other things:

- the effect of the acquisition on our financial results, strategic position or reputation;
- the failure of an acquisition to result in expected benefits, which may include benefits relating to enhanced revenues, technology, human resources, costs savings, operating efficiencies, goodwill and other synergies;
- the difficulty, cost and management effort required to integrate the acquired businesses, including costs and delays in implementing common systems and procedures and costs and delays caused by communication difficulties;
- the assumption of certain known or unknown liabilities of the acquired business, including litigation-related liabilities;
- the reduction of our cash available for operations and other uses, the increase in amortization expense related to identifiable assets acquired, potentially dilutive issuances of equity securities or the incurrence of debt;
- a lack of experience in new markets, new geographies, new business culture, products or technologies or an initial dependence on unfamiliar distribution partners;
- the possibility that we will pay more than the value we derive from the acquisition;

- the impairment of relationships with our clients, clients' customers, partners or suppliers or those of the acquired business; and
- the potential loss of key employees of the acquired business.

These factors could harm our business, results of operations or financial condition.

Sertifi has been the largest acquisition in our operating history. We may not realize the anticipated benefits of our acquisition of Sertifi on the expected timeline or at all, which could adversely affect our business and financial results. Achieving expected synergies depends on, among other things, the successful integration and reconciliation of Sertifi's platform and data with our existing systems, the effective monetization of acquired payment flows, and the onboarding and migration of Sertifi's legacy customers to Flywire's platform, each of which may prove more complex, time-consuming, or costly than anticipated. Delays or challenges in these areas could increase operating expenses, limit revenue growth, and reduce the strategic and financial benefits we expected from the transaction.

In addition to the risks commonly encountered in the acquisition of a business or assets as described above, we may also experience risks relating to the challenges and costs of closing a transaction. The risks described above may be exacerbated as a result of managing multiple acquisitions at once.

Systems failures and resulting interruptions in the availability of our solutions and core payment platform could harm our business.

Our systems and payment platform and those of our service providers and partners have experienced from time to time, and may experience in the future, service interruptions or degradation because of hardware and software defects or malfunctions, distributed denial-of-service and other cyberattacks, insider threats, human error, earthquakes, hurricanes, floods, fires, and other natural disasters, including events resulting from climate change, war or other military conflict, including the continuation or escalation of the conflicts between Russia and Ukraine, Israel and Hamas, and the ongoing conflict between the U.S., Iran and Israel, respectively, power losses, disruptions in telecommunications services, fraud, computer viruses or other malware, or other events. Some of our systems are not fully redundant, and our disaster recovery planning may not be sufficient for all possible outcomes or events. In addition, as a provider of payments solutions targeted to highly regulated clients in industries such as education and healthcare, we are subject to heightened scrutiny by regulators that may require specific business continuity, resiliency and disaster recovery plans, and more rigorous testing of such plans, which are costly and time-consuming to implement, and may divert our resources from other business priorities.

A prolonged interruption in the availability, speed, or functionality of our solutions, payment platform or payment methods could materially harm our business. Frequent or persistent interruptions in our solutions could cause current or potential clients and their customers to believe that our systems are unreliable, leading them to switch to our competitors or to avoid or reduce the use of our solutions, and could permanently harm our reputation and brand. Moreover, if any system or platform failure or similar event results in damages to our clients or their customers and business partners, these clients, customers or partners could seek significant compensation or contractual penalties from us for their losses, and those claims, even if unsuccessful, would likely be time-consuming and costly for us to address.

We have undertaken and continue to make certain technology and network upgrades and redundancies which are designed to improve the reliability of our solutions and payment platform. These efforts are costly and time-consuming, involve significant technical risk and may divert our resources from new features and solutions, and there can be no guarantee that these efforts will succeed. Because we are a regulated payments institution in certain jurisdictions, frequent or persistent interruptions could lead to regulatory scrutiny, significant fines and penalties, and mandatory and costly changes to our business practices, and ultimately could cause us to lose existing licenses that we need to operate or prevent or delay us from obtaining additional licenses that may be required for our business.

We use public cloud hosting with AWS and depend on AWS' ability to protect their data centers against damage or interruption from natural disasters, power or telecommunications failures, criminal acts, and similar events. Our operations depend on protecting the cloud infrastructure hosted by AWS by maintaining the configuration, architecture, and interconnection specifications, as well as the information stored in these virtual data centers and transmitted by third-party internet service providers. On limited occasions, we have experienced service disruptions in the past, and may experience interruptions or delays in our solutions in the future. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the data storage services we use. Although we have disaster recovery plans that utilize various data storage locations, any incident affecting our data storage or internet service providers' infrastructure that may be caused by fire, flood, severe storm, earthquake, power loss,

telecommunications failures, unauthorized intrusion, computer viruses and disabling devices, natural disasters, war or other military conflict, including an escalation of the conflicts between Russia and Ukraine, or in the Middle East involving the U.S., Israel, Hamas and Iran, terrorist attacks, negligence, and other similar events beyond our control could negatively affect our solutions. Any prolonged service disruption affecting our solutions could damage our reputation with current and potential clients, expose us to liability, cause us to lose clients, or otherwise harm our business. In the event of damage or interruption to our solutions, our insurance policies may not adequately compensate us for any losses that we may incur.

In addition, we may experience financial losses due to a number of factors, including:

- third party disruptions, including potential outages at network providers and other suppliers;
- supply chain impacts, including shortages of goods, raw materials, increased prices or delays in shipment;
- challenges to the availability and reliability of our network due to changes to normal operations;
- increased cyber and payment fraud risk, as cybercriminals attempt DDoS related attacks, phishing scams and other disruptive actions, given the shift to online banking, e-commerce and other online activity, as well as more FlyMates working remotely; and
- system failures or outages, including any potential disruptions due to significantly increased global demand on certain cloud-based systems, could compromise our ability to provide our solutions in a timely manner, which could harm our ability to conduct business or delay our financial reporting. Such failures could adversely affect our operating results and financial condition.

Our solutions and payment platform are accessed by many of our clients and their customers, often at the same time. As we continue to expand the number of clients that we serve and solutions that we are able to offer to our clients and their customers, we may not be able to scale our technology to accommodate the increased capacity requirements, which may result in interruptions or delays in service. In addition, the failure of data centers, internet service providers, or other third-party service providers to meet our capacity requirements could result in interruptions or delays in access to our solutions or platform or impede our ability to grow our business and scale our operations. If our third-party infrastructure service agreements are terminated, or there is a lapse of service, interruption of internet service provider connectivity, or damage to data centers, we could experience interruptions in access to our solutions as well as delays and additional expense in arranging new facilities and services.

We also rely on components, applications, and services supplied by third parties, including payment service providers and merchant acquirer partners which subjects us to risks. If these third parties experience operational interference or disruptions, breach their agreements with us, fail to perform their obligations and meet our expectations, or experience a cybersecurity incident, our operations could be disrupted or otherwise negatively affected, which could result in client dissatisfaction, regulatory scrutiny, and damage to our reputation and brand, and materially and adversely affect our business.

In addition, we are continually improving and upgrading our systems and technologies. Implementation of new systems and technologies is complex, expensive, and time-consuming. If we fail to timely and successfully implement new systems and technologies, or improvements or upgrades to existing information systems and technologies, or if such systems and technologies do not operate as intended, this could have an adverse impact on our business, internal controls (including internal controls over financial reporting), results of operations, and financial condition.

Risks Related to Our Legal, Regulatory and Compliance Landscape

We handle cross-border and domestic payments and plan to expand our solutions to new clients, to accept and settle payments in new countries and in new currencies, and to increase our global network to allow us to offer local and alternative payment methods, creating a variety of operational challenges; additionally, our domestic and international operations subject us to increased risks, which could harm our business.

Our business is subject to risks inherent in conducting business globally, including cross-border payments and domestic payments in the United States and certain other markets. Our handling of domestic and cross-border payments to our clients generates a significant portion of our revenues, with a substantial portion of such revenues coming from payments processed from Asia (including India, China and Korea). We expect that international revenues will continue to account for a significant percentage of total net revenues for the foreseeable future, and that in particular, the proportion of our revenue from Asia will continue to increase. Current events, including the potential implementation of tariffs, the possibility of renegotiated trade deals and international tax law treaties, priorities of the U.S. presidential administration

and related changes in laws, regulations or policies, United States-China and Canada-India diplomatic and trade friction, heightened tensions between China and Taiwan and the continuation or escalation of the conflicts between Russia and Ukraine, Israel and Hamas and Israel, the U.S., and Iran, respectively, create a level of uncertainty, and potentially increased complexity, for multinational companies. These uncertainties could have a material adverse effect on our business and our results of operations and financial condition. In addition, international operations are subject to various risks which could have a material adverse effect on those operations or our business as a whole, including:

- foreign currency exchange rate volatility;
- adverse economic conditions in the United States and globally, including economic slowdown, heightened interest rates, inflation, recession concerns and the disruption, volatility and tightening of credit and capital markets;
- risks related to compliance with multiple complex, potentially conflicting and changing governmental laws and regulations;
- local licensing and reporting obligations or the imposition of currency controls which make it impossible or increasingly difficult for our clients to collect payments from international customers;
- local regulatory and legal obligations related to privacy, data protection, data localization, and user protections;
- the need to localize our solutions, including offering clients and their customers the ability to transact business in the local currency and adapting our solutions to local preferences, in markets in which we may have limited or no experience;
- trade barriers, tariffs and changes in trade regulations;
- the impact of government sanctions on our ability to offer services in a region, such as sanctions issued by the U.S. and other countries against Russia;
- difficulties in developing, staffing, and managing a large number of varying foreign operations as a result of distance, language, and cultural differences;
- stringent local labor laws and regulations;
- limitations on the repatriation of cash, including imposition or increase of withholding and other taxes on remittances and other payments by foreign subsidiaries;
- diplomatic friction, political or social unrest, war or other military conflict, including the continuation or escalation of the conflicts between Russia and Ukraine, Israel and Hamas and Israel, the U.S., and Iran, respectively, economic instability, repression, or human rights issues;
- natural disasters, global pandemics or other public health emergencies, acts of war, and terrorism;
- compliance with U.S. laws and foreign laws prohibiting corrupt payments to government officials, such as the Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act, and other local anti-corruption laws;
- compliance with U.S. and foreign laws designed to combat money laundering and the financing of terrorist activities;
- retaliatory tariffs and restrictions limiting free movement of currency and an unfavorable trade environment, including as a result of political conditions and changes in the laws, regulations or policies in the United States and elsewhere and as described in more detail below;
- antitrust and competition regulations;
- expanded compliance with potentially conflicting and changing laws of taxing jurisdictions where we conduct business and applicable U.S. tax laws as they relate to international operations, the complexity and adverse consequences of such tax laws, and potentially adverse tax consequences due to changes in such tax laws or levels of enforcement, including the Inflation Reduction Act of 2022, which includes a minimum corporate tax which could result in an additional tax liability in a given year;
- expected or actual extended federal government shutdowns or the priorities of the U.S. presidential administration and related changes in laws, regulations or policies;
- national or regional differences in macroeconomic growth rates; and
- increased difficulties in collecting accounts receivable.

Foreign operations may also expose us to political, social, regulatory and economic uncertainties affecting a country or region, or to political hostility to investments by foreign or private equity investors. Many financial markets are not as

developed or as efficient as those in the United States, and as a result, liquidity may be reduced and price volatility may be higher in those markets than in more developed markets. The legal and regulatory environment may also be different, particularly with respect to bankruptcy and reorganization, and may afford us less protection as a creditor than we may be entitled to under U.S. law. Financial accounting standards and practices may differ, and there may be less publicly available information in respect of such companies.

Restrictions imposed or actions taken by foreign governments could include exchange controls, seizure or nationalization of foreign deposits and adoption of other governmental restrictions which adversely affect the prices of securities or the ability to repatriate profits. For instance, we process a substantial amount of payments from China. The Chinese government imposes controls on the convertibility of the Renminbi, the currency of China, into foreign currencies and, in certain cases, the remittance of currency out of China. The Chinese government may at its discretion further restrict access in the future to foreign currencies for current account transactions, or impose regulatory requirements that may require modifications to our business model for our clients' payors located in China. In addition, income received by us from sources in some countries may be reduced by withholding and other taxes. Any such taxes paid by us will reduce the net income or return from such investments. While we will take these factors into consideration in making investment decisions, including when hedging positions, no assurance can be given that we will be able to fully avoid these risks or generate sufficient risk-adjusted returns.

Violations of the complex foreign and U.S. laws, rules and regulations that apply to our cross-border operations may result in fines, criminal actions, or sanctions against us, our officers, or FlyMates; prohibitions on the conduct of our business; and damage to our reputation. Although we have implemented policies and procedures designed to promote compliance with these laws, there can be no assurance that our FlyMates, contractors, or agents will not violate our policies. These risks are inherent in our cross-border operations and expansion, may increase our costs of doing business internationally, and could harm our business.

Payments and other financial services-related regulations and oversight are material to our business. Our failure to comply could materially harm our business.

The local, state, and federal laws, rules, regulations, licensing schemes, and industry standards in the United States and other jurisdictions in which we operate that govern our business include, or may in the future include, those relating to consumer finance and consumer protection, cross-border and domestic money transmission, foreign exchange, payments services (such as money transmission, payment processing, and settlement services), AML and CFT, escheatment, international sanctions regimes, and compliance with the PCI DSS. These laws, rules, regulations, licensing schemes, and standards are enforced by multiple authorities and governing bodies in the United States, including the Department of the Treasury, the Federal Deposit Insurance Corporation, the SEC, CFPB, the Federal Trade Commission, self-regulatory organizations, and numerous state and local regulators and law enforcement agencies. Our clients also have their own regulatory obligations, and they expect our solutions to comply with the regulatory requirements that are applicable to their businesses. For additional discussion about the regulatory environment that we and our clients operate in, please see “Business–Regulation and Industry Standards” in our Annual Report on Form 10-K for the year ended December 31, 2025. As we expand into new jurisdictions, the number of foreign laws, rules, regulations, licensing schemes, and standards governing our business will expand as well. In addition, as our business and solutions continue to develop and expand, we may become subject to additional laws, rules, regulations, licensing schemes, and standards. We may not always be able to accurately predict the scope or applicability of certain laws, rules, regulations, licensing schemes, or standards to our business, particularly as we expand into new areas of operations, which could have a significant negative effect on our existing business and our ability to pursue future plans.

Certain of our subsidiaries are registered with FinCEN. Our subsidiary Flywire Global Corp. has obtained licenses to operate as a money transmitter (or the statutory equivalent) in 46 U.S. jurisdictions, and is in the process of applying for a license in, to the best of our knowledge, all U.S. states and territories where such licensure or registration is required in order to be able to offer additional business lines in the future. As a licensed money transmitter, we are (and in the states where we are awaiting licensure, will be) subject to obligations and restrictions with respect to the investment of client funds, reporting requirements, bonding requirements, minimum capital requirements, and inspection by state regulatory agencies concerning various aspects of our business. Evaluation of our compliance efforts, as well as the questions of whether and to what extent our solutions are considered money transmission, are matters of regulatory interpretation and could change over time. In addition, there are substantial costs involved in maintaining and renewing our licenses, certifications, and approvals, and we could be subject to fines or other enforcement action if we are found to violate disclosure, reporting, AML, CFT, capitalization, corporate governance, or other requirements of such licenses.

If we fail to predict how a U.S. law or regulation or a law or regulation from another jurisdiction in which we operate will be applied to us, we could be subject to additional licensure requirements and/or administrative enforcement actions. This could also require changes to the manner in which we conduct some aspects of our business or potential product changes, and require us to pay fines, penalties, or compensation to clients for past non-compliance. At the federal level, we are registered as a MSB with FinCEN. For additional discussion of the requirements of our MSB registration, please see "Business – Regulation and Industry Standards." At the state level, we rely on various exemptions from state money transmitter licensing requirements, and regulators may find that we have violated applicable laws or regulations because we are not licensed or registered as a money transmitter in all of the U.S. jurisdictions we service. We believe, based on our business model, that we have valid exemptions from licensure under various state money transmission laws, either expressly as a payment processor or agent of the payee, or pursuant to common law as an agent of the payee. While we believe we have defensible arguments in support of our positions under the state money transmission statutes, we have not expressly obtained confirmation of such positions from the state banking departments who administer the state money transmission statutes. It is possible that certain state banking departments may determine that our activities are not exempt. Any determination that we are in fact required to be licensed under the money transmission statute of a state where we are not yet licensed may require substantial expenditures of time and money to remediate and could lead to liability in the nature of penalties or fines, costs, legal fees, reputational damage or other negative consequences. We could be required to cease operations in some or all of the U.S. jurisdictions we service and where we are not yet licensed, which determination would have a materially adverse effect on our business, including our financial condition, operating results, and reputation. In the past, certain competitors have been found to violate laws and regulations related to money transmission, and they have been subject to fines and other penalties by regulatory authorities.

Recent changes to card payment regulation announced by the Reserve Bank of Australia may also adversely affect our business in Australia, operating results, and financial condition. In particular, the elimination of merchant surcharging on certain card networks, which took effect in October 2026, may increase the cost of card acceptance for merchants that use our platform and reduce the economics associated with domestic and cross-border payment transactions processed in Australia. These changes require select merchants to begin absorbing card-related costs, which are partially mitigated by new domestic interchange fee caps. In addition, beginning April 1, 2027, interchange fee caps will apply to transactions on foreign-issued cards acquired in Australia, which may further affect the economics of cross-border payment transactions processed in Australia. These changes may compress margins on certain domestic payment flows or reduce the attractiveness of card-based payment methods relative to alternative payment options, and require us to modify our pricing, routing, or product strategies. In addition, these regulatory developments may prompt issuers, networks, or other market participants to adjust their fee structures, incentives, or processing practices in ways that could further impact transaction volumes or revenue derived from Australian payment activity. Any of these effects, individually or in the aggregate, could adversely impact our business, operating results, and financial condition.

The adoption of new money transmitter or MSB statutes in jurisdictions or changes in regulators' interpretation of existing state and federal money transmitter or MSB statutes or regulations could subject us to new registration or licensing requirements. There can be no assurance that we will be able to obtain or maintain any such licenses in all of the jurisdictions we service, and, even if we were able to do so, there could be substantial costs and potential product changes involved in maintaining such licenses, which could have a material and adverse effect on our business. These factors could impose substantial additional costs, involve considerable delay to the development or provision of our solutions, require significant and costly operational changes, or prevent us from providing our solutions in any given market.

The regulatory environment in which we operate is subject to constant change, and new regulations could make aspects of our business as currently conducted no longer possible.

As a result of the regulations applicable to our business, we could be subject to investigations and resulting liability, including governmental fines, restrictions on our business, or other sanctions, and we could be forced to cease conducting certain aspects of our business with residents of certain jurisdictions, be forced to change our business practices in certain jurisdictions, or be required to obtain additional licenses or regulatory approvals. For example, because a majority of voters in the U.K. approved an exit from the E.U. (commonly referred to as Brexit), we were required to obtain a license from a member state of the EEA which would allow us to continue to provide our solutions to clients located in the EEA under a principle known as "passporting". We were able to obtain a license as an authorized payment institution from the Bank of Lithuania in September 2019 and subsequently obtained the right to passport our solutions to other EEA member states.

Government agencies may impose new or additional rules on money transmission, which may increase our costs of doing business, including, but not limited to regulations that:

- prohibit, restrict, and/or impose taxes or fees on money transmission transactions in, to or from certain countries or with certain governments, individuals, and entities;
- impose additional client identification and client due diligence requirements;
- impose additional reporting or recordkeeping requirements, or require enhanced transaction monitoring;
- limit the types of entities capable of providing money transmission services, or impose additional licensing or registration requirements;
- impose minimum capital or other financial requirements;
- limit or restrict the revenue that may be generated from money transmission, including revenue from the transaction value associated with the payment method used by our clients' customers and platform-related fees for access to our solutions and invoice and payment plan fees;
- require enhanced disclosures to our money transmission clients or their customers;
- require the principal amount of money transmission transactions originated in a country to be invested in that country or held in trust until paid;
- limit the number or principal amount of money transmission transactions that may be sent to or from a jurisdiction, whether by an individual or in the aggregate; and
- restrict or limit our ability to process transactions using centralized databases, for example, by requiring that transactions be processed using a database maintained in a particular country or region.

We are subject to governmental laws and requirements regarding economic and trade sanctions, AML and CFT that could impair our ability to compete in international markets or subject us to criminal or civil liability if we violate them.

We are currently required to comply with U.S. economic and trade sanctions administered by OFAC and we have processes in place designed to comply with the OFAC regulations as well as similar requirements in the foreign jurisdictions in which we already operate. As part of our compliance efforts, we scan our clients and their customers against watch lists promulgated by OFAC and certain other international agencies. Our application can be accessed from nearly anywhere in the world, and if our service is accessed from a sanctioned country or otherwise accessed or used in violation of applicable trade and economic sanctions, we could be subject to fines or other enforcement actions. In the course of enhancing our sanctions compliance function, we initiated an internal review that identified issues related to our compliance with sanctions, including payments that may have originated from sanctioned jurisdictions or sanctioned persons. We have made voluntary submissions to OFAC to report the apparent violations and to provide supplemental information. Flywire is currently engaging with OFAC to resolve these matters. Although the internal review completed to date suggests that any loss incurred as a result of this matter would not be material to our business, if OFAC ultimately concludes any violation has occurred in connection with these or other transactions, it could result in penalties, fines, costs, and restrictions on our ability to do business, which could also harm our operating results.

We are also subject to various AML and CFT laws and regulations around the world that prohibit, among other things, our involvement in transferring the proceeds of criminal or terrorist activities. In the United States, most of our solutions are subject to AML laws and regulations, including the BSA, and similar laws and regulations. The BSA, among other things, requires MSBs to develop and implement risk-based AML programs, to report large cash transactions and suspicious activity, and in some cases, to collect and maintain information about clients who use their services and maintain other transaction records. Regulators and third-party auditors have identified gaps in how similar businesses have implemented AML programs, and we could likewise be subject to significant fines, penalties, inquiries, audits, investigations, enforcement actions, and criminal and civil liability if our AML program is found to be insufficient by a regulator.

Our business operations in other parts of the world such as the U.K., Lithuania, Canada, Australia, Hong Kong, New Zealand, Indonesia and Singapore are subject to similar laws and requirements. Regulators in the United States and globally continue to increase their scrutiny of compliance with these obligations, which may require us to further revise or expand our compliance program, including the procedures we use to verify the identity of our clients and to monitor transactions on our system, including payments to persons outside of the United States. Regulators regularly re-examine the transaction volume thresholds at which we must obtain and keep applicable records or verify identities of clients, and

any change in such thresholds could result in greater costs for compliance. Similarly, as a condition to doing business with us, our banking and other strategic partners also impose ongoing obligations on us related to AML and CFT and sanctions screening. Any failure on our part to maintain the necessary processes and policies to comply with these regulations and requirements, or to adapt our processes and policies to changes in laws, would subject us to penalties, fines, or loss of key relationships which would have a material adverse effect on our business and results of operations. Furthermore, government sanctions imposed with respect to Russia's invasion of Ukraine in early 2022 are impacting our ability to offer our services in the region, and additional sanctions could be imposed in the future. Further instability or tension in Russia, Ukraine, and the surrounding region could also cause us to adjust our operating model, which would increase our costs of operations.

Any actual or perceived failure to comply with governmental regulation and other legal obligations, particularly those related to privacy, data protection, and information security, could harm our business. Compliance with such laws could also result in additional costs and liabilities to us or inhibit sales of our solutions.

Our clients and their customers store personal and business information, financial information and other sensitive information through our solutions. In addition, we collect, store, and process personal and business information and other data from and about actual and prospective clients, their customers, our FlyMates and our service providers and other business partners, as well as their personnel. Our handling of data is subject to a variety of laws and regulations, including regulation by various government agencies, such as the U.S. Federal Trade Commission (FTC), and various state, local, and foreign agencies. Our data handling is also subject to contractual obligations and industry standards.

The U.S. federal and various state and foreign governments have adopted or proposed limitations on the collection, distribution, use, and storage of data relating to individuals and businesses, including the use of contact information and other data for marketing, advertising, and other communications with individuals and businesses. In the United States, various laws and regulations apply to the collection, processing, disclosure, and security of certain types of data, including the Electronic Communications Privacy Act, the Computer Fraud and Abuse Act, the Gramm Leach Bliley Act, FERPA, HIPAA, and the now in question E.U.-U.S. and Swiss—U.S. Privacy Shield protections, as well as state laws relating to privacy and data security. Additionally, the FTC and many state attorneys general are interpreting federal and state consumer protection laws as imposing standards for the online collection, use, dissemination, and security of data. For example, California enacted the CCPA, which took effect on January 1, 2020 and became enforceable by the California Attorney General on July 1, 2020, and broadly defines personal information. The CCPA creates new individual privacy rights for consumers (as that term is broadly defined) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA requires covered companies to provide certain disclosures to California consumers about its data collection, use and sharing practices, provide such consumers with ways to opt-out of certain sales or transfers of personal information, provides for civil penalties for violations, and allows for a new private right of action for data breaches that has resulted in an increase in data breach litigation. It remains unclear, however, how the CCPA will be interpreted. As currently written, it will likely impact our business activities and exemplifies the vulnerability of our business to not only cyber threats but also the evolving regulatory environment related to personal data and protected health information. CCPA and CPRA enforcement actions have resulted in significant penalties, and the California Privacy Protection Agency has continued to expand its enforcement activities.

Additionally, the California Privacy Rights Act (CPRA), which was passed in November 2020 and became effective on January 1, 2023, imposed additional obligations on companies covered by the legislation and significantly modified the CCPA, including by expanding consumers' rights with respect to certain sensitive personal information. The CPRA also created a new state agency that is vested with authority to implement and enforce the CCPA and the CPRA. The effects of the CCPA and the CPRA are potentially significant and may require us to modify our data collection or processing practices and policies and to incur substantial costs and expenses in an effort to comply and increase our potential exposure to regulatory enforcement and/or litigation.

The laws and regulations relating to privacy and data security are evolving, can be subject to significant change, and may result in ever-increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions. The CCPA, in particular, has prompted a number of proposals for new federal and state-level privacy legislation, which could increase our potential liability and adversely affect our business. Several states in the U.S. have proposed or enacted laws that contain obligations similar to the CCPA and CPRA that have taken effect or will take effect in coming years. The U.S. federal government also is contemplating federal privacy legislation. The effects of recently proposed or enacted legislation potentially are far-reaching. Such legislation may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment of resources in compliance programs, impact strategies and the availability of previously useful data and could result in increased compliance costs and/or changes in business practices and policies.

Many of the foreign jurisdictions where we or our clients operate or conduct business, including the E.U., have laws and regulations dealing with the collection, use, storage, and disclosure and other handling (collectively, processing) of personal information, which in some cases are more restrictive than those in the U.S. In addition to regulating the processing of personal information within the relevant jurisdictions, these legal requirements often also apply to the processing of personal information outside these jurisdictions, where there is some specified link to the relevant jurisdiction. For example, we have multiple offices in Europe and serve clients and their customers throughout the E.U., where the GDPR went into effect in 2018. The GDPR, which is also the law in Iceland, Norway, Liechtenstein, and—to a large degree—the U.K., has an extensive global reach and imposes robust obligations relating to the processing of personal information, including documentation requirements, greater control for data subjects (e.g., the "right to be forgotten" and data portability), security requirements, notice requirements, restrictions on sharing personal information, data governance obligations, data breach notification requirements, and restrictions on the export of personal information to most other countries. The solutions that we currently offer subject us to many of these laws and regulations in many of the foreign jurisdictions where we operate or conduct business, and these laws and regulations may be modified or subject to new or different interpretations, and new laws and regulations may be enacted in the future.

Legal developments have created compliance uncertainty regarding some transfers of personal information from the U.K. and EEA to locations where we or our clients operate or conduct business, including the United States and potentially Singapore, particularly with respect to cross-border transfers. Under the GDPR, such transfers can take place only if certain conditions apply or if certain data transfer mechanisms are in place. In July 2020, the Court of Justice of the E.U. ruled in its "*Schrems II*" decision (C-311/18), that the Privacy Shield, a transfer mechanism used by thousands of companies to transfer data between those jurisdictions and United States (and also used by us), was invalid and could no longer be used due to the strength of United States surveillance laws. In September 2020, the Federal Data Protection and Information Commissioner of Switzerland (where the law has a similar restriction on the export of personal information) issued an opinion concluding that the Swiss-U.S. Privacy Shield Framework does not provide an adequate level of protection for data transfers from Switzerland to the United States pursuant to Switzerland's Federal Act on Data Protection. We and our clients continue to use alternative transfer strategies, including SCCs, while the authorities interpret the *Schrems II* decision and the validity of alternative data transfer mechanisms. The SCCs, though previously approved by the European Commission, have faced challenges in European courts (including being called into question in the *Schrems II* decision), and may be further challenged, suspended or invalidated for transfers to some or all countries. For example, guidance regarding *Schrems II* issued by the European Data Protection Board (which is comprised of representatives from every E.U. member state's top data protection authority) have cast serious doubt on the validity of SCCs for most transfers of personal information to the United States. At present, there are few if any viable alternatives to the Privacy Shield and the SCCs, so such developments may necessitate further expenditures on local infrastructure, changes to internal business processes, changes to clients and clients' customer facing solutions, or may otherwise affect or restrict our sales and operations.

On June 4, 2021, the European Commission released the final Implementing Decision on SCCs (New SCCs) for the transfer of personal data from the E.U. to "third countries" such as the US. The New SCCs will repeal and replace the existing SCCs (dating from 2001, 2004 and 2010) and address the entry into force of the GDPR) and the July 2020 decision of the CJEU in Schrems II, which invalidated the E.U.-U.S. Privacy Shield. The New SCCs broadly follow the draft implementing decision on standard contractual clauses (Draft SCCs) issued by the European Commission on November 12, 2020, but there are some material differences. The Draft SCCs' significant and extensive new requirements for data importers that act as controllers (for example, obligations to give notice to data subjects and to notify personal data breaches to EU authorities) remain, but have been aligned more closely with the GDPR requirements. While the New SCCs are not immediately in force, compliance with them will be required for new transfer agreements entered into from late September 2021. SCCs then in effect were required to be replaced with the New SCCs by December 27, 2022.

On July 10, 2023, the European Commission formally approved the new EU-U.S. Data Privacy Framework (the "Framework"), under which European entities will now be able to transfer personal data to Framework participants in the U.S. without having to put in place additional data protection safeguards or use the Standard Contractual Clauses for data transfers. Flywire has self-certified our compliance with the EU-U.S. Data Privacy Framework, the UK Extension to the EU-U.S. Data Privacy Framework, and the Swiss-U.S. Data Privacy Framework with the U.S. Department of Commerce and continues to maintain our active certification.

E.U. data protection authorities have the power to impose administrative fines for violations of the GDPR of up to a maximum of €20 million or 4% of a corporate family's total worldwide global turnover for the preceding fiscal year, whichever is higher. Such penalties are in addition to any civil litigation claims by clients, data subjects or other third parties. We believe that the solutions that we currently offer subject us to the GDPR and other laws and regulations relating to privacy, data protection, and information security, and these may be modified or subject to new or different

interpretations in the future. We will need to take steps to address compliance obligations in this rapidly evolving legal environment, but we cannot assure you that we will be able to implement changes in a timely manner or without significant disruption to our business, or that such steps will be effective, and we may face the risk of liability and loss of business.

In addition, further to the U.K. exit from the E.U. on January 31, 2020, the GDPR ceased to apply in the U.K. at the end of the transition period on December 31, 2020. However, as of January 1, 2021, the U.K.'s European Union (Withdrawal) Act 2018 incorporated the GDPR (as it existed on December 31, 2020 but subject to certain U.K. specific amendments) into U.K. law (referred to as the U.K. GDPR). The U.K. GDPR and the U.K. Data Protection Act 2018 set out the U.K.'s data protection regime, which is independent from but aligned to the E.U.'s data protection regime. Non-compliance with the U.K. GDPR may result in monetary penalties of up to £17.5 million or 4% of worldwide revenue, whichever is higher. Like the GDPR, the U.K. GDPR restricts personal data transfers outside the U.K. to countries not regarded by the U.K. as providing adequate protection (this means that personal data transfers from the U.K. to the EEA remain free flowing).

On June 28, 2021, the European Commission adopted an adequacy decision under the GDPR, thereby recognizing that the U.K.'s data protection system continues to provide the same protections with respect to personal data as when it was an EU member state, and enabling the continued exchange of personal data between the E.U. and the U.K. The adequacy decision facilitates the implementation of the E.U.-U.K. Trade Cooperation Agreement, which foresaw the need for bilateral data flow and continued cooperation. The adequacy decision included a 'sunset clause', limiting its duration to four years. On December 19, 2025, the European Commission formally renewed its data adequacy decisions for the U.K., reaffirming that the U.K. maintains an equivalent level of personal data protection under its post-Brexit framework, including updates made by the U.K.'s Data (Use and Access) Act 2025. Following a technical six-month extension granted in June 2025 to review the new legislation, this decision allows personal data to continue flowing freely between the European Economic Area (EEA) and the U.K. without requiring additional transfer safeguards through December 27, 2031.

The U.K.'s Data (Use and Access) Act 2025 overhauled the U.K. data governance framework by establishing Digital Verification Services standards, creating "Smart Data" sharing schemes, and updating U.K. GDPR rules to streamline automated decision-making and subject access requests. In certain respects, these regulatory changes ease administrative data burdens and facilitate digitized identity verification across our U.K. education and healthcare client networks, while requiring updates to customer complaint handling timelines and data privacy compliance workflows.

This lack of clarity on future U.K. laws and regulations and their interaction with E.U. laws and regulations could add legal risk, uncertainty, complexity and cost to our handling of E.U. personal information and our privacy and data security compliance programs. It is possible that over time the U.K. Data Protection Act 2018 could become less aligned with the GDPR, which could require us to implement different compliance measures for the U.K. and the E.U. and result in potentially enhanced compliance obligations for E.U. personal data.

In Asia, there has been an increase in both regulation and enforcement of privacy laws. The Act on Protection of Personal Information originally enacted in June 2020 by the Japanese government, was amended and came into effect on April 1, 2022 (Amended APPI). Since the passage of the Amended APPI, a number of implementing regulations and supporting documents have been released, addressing the requirements for transferring personal data outside Japan, notifying security breaches and creating pseudonymous information exempt from certain obligations under the Amended APPI. On April 7, 2026, the Japanese Cabinet approved and submitted to the Diet a bill to amend the APPI, which includes both deregulatory measures and strengthened regulatory provisions. Key highlights among other matters include: a new consent exemption for statistical processing (e.g., AI development); broader relaxation of consent requirements; specific protections for children's personal data; new rules on biometric data; and regulatory relief for entrusted data processors. Assuming the bill passes the Diet in 2026, the new rules are expected to take full effect by 2028 at the latest. We have taken steps to address compliance obligations that apply to us under the Amended APPI, but cannot assure you that such steps will be effective, and we may face the risk of increased costs, liability and loss of business.

China (home to the most online users in the world) passed its DSL and its PIPL in 2021. The DSL applies to a wide range of data processing activities including, but not limited to, processing personal information. With extraterritorial scope and severe fines and penalties, these laws are set to impose an increasingly complex and comprehensive legal framework for processing personal information when doing business in China. The PIPL is enforced and administered by the Cyberspace Administration of China and relevant state and local government departments. The law draws from the GDPR, with heavy penalties up to the greater of 5% of the previous year's revenue (possibly global) or $7.7 million. Chinese authorities have demonstrated a willingness to impose significant fines for violations of PIPL and other privacy laws, as evidenced by enforcement actions against Alibaba Group Holding Ltd and Didi Global Inc. in 2022.

As a reaction to data security concerns, in 2022, the Australian parliament approved a bill to amend the country's privacy legislation, significantly increasing the maximum penalties for companies and data controllers who suffer large-scale data breaches to the greater of: (i) AU$50 million, (ii) three times the value of any benefit obtained through the misuse of information, and (iii) 30% of a company's adjusted turnover in the relevant period. Previously, the penalty for severe data exposures was AU$2.22 million, which the Australian parliament considered inadequate to incentivize companies to improve their data security mechanisms. The Office of the Australian Information Commissioner has new regulatory tools and flexibility that should, together with an ongoing focus on funding enforcement, see a more proactive regulator with capacity and capability to investigate and litigate more privacy incidents in Australia.

We have taken steps to address compliance obligations that apply to us under the Amended APPI, the DSL, the PIPL and applicable Australian regulations, but cannot assure you that such steps will be effective, and we may face the risk of increased costs, liability and loss of business.

In addition to government regulation, privacy advocates and industry groups may propose new and different self-regulatory standards that, if adopted, may apply to us, or which clients or clients' customers may require us to adopt. Because the interpretation and application of privacy and data protection laws, regulations, rules, and other standards are still uncertain, it is possible that these laws, rules, regulations, and other actual or alleged legal obligations, such as contractual or self-regulatory obligations, may be interpreted and applied in a manner that is inconsistent with our existing data management practices or the functionality of our solutions. If so, in addition to the possibility of fines, lawsuits and other claims, we could be required to fundamentally change our business activities and practices or modify our software, which could have an adverse effect on our business. Any failure or perceived failure by us to comply with laws, regulations, policies, legal, or contractual obligations, industry standards, or regulatory guidance relating to privacy or data security, may result in governmental investigations and enforcement actions, litigation, fines and penalties, or adverse publicity, and could cause our clients and partners to lose trust in us, which could have an adverse effect on our reputation and business. We expect that there will continue to be new proposed laws, regulations, and industry standards relating to privacy, data protection, marketing, consumer communications, and information security, and we cannot determine the impact such future laws, regulations, and standards may have on our business. Future laws, regulations, standards, and other obligations or any changed interpretation of existing laws or regulations could impair our ability to develop and market new functionality and maintain and grow our client base and increase revenue. Future restrictions on the collection, use, sharing, or disclosure of data, or additional requirements for express or implied consent of our clients, partners, or end users for the use and disclosure of such information could require us to incur additional costs or modify our solutions, possibly in a material manner, and could limit our ability to develop new functionality.

If we are not able to comply with these laws or regulations, or if we become liable under these laws or regulations, we could be directly harmed, and we may be forced to implement new measures to reduce our exposure to this liability. This may require us to expend substantial resources or to discontinue certain solutions, which would negatively affect our business, financial condition, and operating results. In addition, the increased attention focused upon liability issues as a result of lawsuits and legislative proposals could harm our reputation or otherwise adversely affect the growth of our business. Furthermore, any costs incurred as a result of this potential liability could harm our operating results.

We are subject to anti-corruption, anti-bribery, and similar laws, and non-compliance with such laws can subject us to criminal or civil liability and harm our business.

We are subject to the FCPA, the U.K. Bribery Act, U.S. domestic bribery laws, and other anti-corruption laws. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees, and their third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public sector. These laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. We maintain operations and serve clients around the world. Although we do not target government entities as clients, some of our clients may receive funding or other support from local, state, provincial or national governments. As we maintain and seek to increase our international cross-border business and expand operations abroad, we may engage with business partners and third-party intermediaries to market our solutions and to obtain necessary permits, licenses, and other regulatory approvals. In addition, we or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our FlyMates, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities.

While we maintain policies and training programs for our FlyMates related to anti-corruption, anti-bribery and gift giving, and include representations regarding legal compliance in our contracts with vendors and strategic partners, there

can be no assurances that these policies, training programs or contractual provisions will be observed or enforceable. We cannot assure you that all of our FlyMates and agents will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. As we increase our international business, our risks under these laws may increase.

Detecting, investigating, and resolving actual or alleged violations of anti-corruption laws can require a significant diversion of time, resources, and attention from senior management. In addition, noncompliance with anti-corruption or anti-bribery laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, enforcement actions, fines, damages, other civil or criminal penalties, injunctions, suspension or debarment from contracting with certain persons, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas are received or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal proceeding, our business, operating results, and financial condition could be materially harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees.

In February 2022, following Russia's invasion of Ukraine, the United States and other countries announced sanctions against Russia. The sanctions by the United States and other countries against Russia to date include restrictions on selling or importing goods, services or technology in or from affected regions, travel bans and asset freezes impacting connected individuals and political, military, business and financial organizations in Russia, severing Russia's largest bank from the U.S. financial system, barring some Russian enterprises from raising money in the U.S. market and blocking the access of Russian banks to financial markets. The United States and other countries could impose wider sanctions and take other actions should the conflict further escalate. While it is difficult to anticipate the impact the sanctions announced to date may have on us, any further sanctions imposed or actions taken by the United States or other countries, and any retaliatory measures by Russia in response, could increase our costs, reduce our sales and earnings or otherwise have an adverse effect on our operations.

If we fail to adequately protect our proprietary rights, our competitive position could be impaired and we may lose valuable assets, generate less revenue and incur costly litigation to protect our rights.

Our success is dependent, in part, upon protecting our proprietary technology. We rely on a combination of copyrights, trademarks, service marks, trade secret laws, the domain name dispute resolution mechanism, confidentiality procedures, and contractual provisions to establish and protect our proprietary rights. However, effective protection of intellectual property rights is expensive, both in terms of application and maintenance costs, as well as the costs of defending and enforcing those rights, and the steps we take to protect our intellectual property may be inadequate. We do not have patents covering any of our technology and do not actively pursue patents. Any of our trademarks, or other intellectual property rights may be challenged or circumvented by others, or narrowed or invalidated through administrative process or litigation. There can be no guarantee that others will not independently develop similar solutions or duplicate any of our solutions. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain. Despite our precautions, it may be possible for unauthorized third parties to copy our solutions and use information that we regard as proprietary to create solutions that compete with ours.

We pursue registration of copyrights, trademarks, and domain names in the United States and in certain jurisdictions outside of the United States, but doing so may not always be successful or cost-effective. We may be unable or, in some instances, choose not to obtain legal protection for our intellectual property, and our existing and future intellectual property rights may not provide us with competitive advantages or distinguish our solutions from those of our competitors. The laws of some foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States, and effective intellectual property protection and mechanisms may be uncertain or unavailable in those jurisdictions. We may need to expend additional resources to defend our intellectual property in such countries, and the inability to do so could impair our business or adversely affect our international expansion. Particularly given the international nature of the Internet, the rate of growth of the Internet, and the ease of registering new domain names, we may not be able to detect unauthorized use of our intellectual property or take prompt enforcement action. Furthermore, the growing use of generative artificial intelligence presents an increased risk of unintentional and/or unauthorized disclosure or use of our intellectual property rights.

We endeavor to enter into agreements with our FlyMates, consultants and contractors and with parties with whom we do business in order to acquire intellectual property rights developed as a result of service to us, as well as to limit access to and disclosure of our proprietary information. No assurance can be given that our intellectual property related agreements with our FlyMates, consultants, contractors clients, their customers, or strategic partners and others will be effective in controlling access to and distribution of our solutions and proprietary information, potentially resulting in the

unauthorized use or disclosure of our trade secrets and other intellectual property, including to our competitors, which could cause us to lose any competitive advantage resulting from this intellectual property. Further, these agreements do not prevent our competitors or partners from independently developing technologies that are substantially equivalent or superior to our solutions. In addition, individuals not subject to invention assignment agreements may make adverse ownership claims to our current and future intellectual property.

To protect our intellectual property rights, we may be required to spend significant resources to monitor, protect and defend these rights. Litigation may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Such litigation could be costly, time consuming, and distracting to management and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our solutions, impair the functionality of our solutions, delay introductions of new features, integrations, and capabilities, result in our substituting inferior or more costly technologies into our solutions, or injure our reputation. In addition, we may be required to license additional technology from third parties to develop and market new features, integrations, and capabilities, and we cannot be certain that we could license that technology on commercially reasonable terms or at all, and our inability to license this technology could harm our ability to compete.

We may in the future be subject to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

We may in the future become subject to intellectual property disputes. Lawsuits are time-consuming and expensive to resolve and they divert management's time and attention. We cannot predict the outcome of lawsuits and cannot assure you that the results of any such actions will not have an adverse effect on our business, operating results, or financial condition. During litigation, we may become subject to provisional rulings, including preliminary injunctions requiring us to cease some or all of our operations. We may decide to settle legal disputes on terms that are unfavorable to us. Furthermore, such disputes, even those without merit, may subject us to an unfavorable judgment that we may not choose to appeal or that may not be reversed upon appeal. In such a situation, we could be required to pay substantial damages or license fees to third party patent owners. In addition, we may also be required to modify, redesign, reengineer, or rebrand our solutions, or stop making, licensing, or providing solutions that incorporate the asserted intellectual property. Alternatively, we may enter into a license agreement to continue practices found to be in violation of a third party's rights. If we are required, or choose to enter into, royalty or licensing arrangements, such arrangements may not be available on reasonable terms or at all. In addition, we may also be contractually obligated to indemnify our clients in the event of infringement of a third party's intellectual property rights.

Our use of "open source" software could negatively affect our ability to offer and sell access to our solutions and subject us to possible litigation.

We use open source software in our solutions and expect to continue to use open source software in the future. There are uncertainties regarding the proper interpretation of and compliance with open source licenses, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to use such open source software, and consequently to provide or distribute our solutions. Although use of open source software has historically been free, several open source providers have begun to charge license fees for use of their software. If our current open source providers were to begin to charge for these licenses or increase their license fees significantly, this would increase our research and development costs and have a negative impact on our results of operations and financial condition.

Additionally, we may from time to time face claims from third parties claiming ownership of, or seeking to enforce the terms of, an open source license, including by demanding release of source code for the open source software, derivative works or our proprietary source code that was developed using, or that is distributed with, such open source software. These claims could also result in litigation and could require us to make our proprietary software source code freely available, require us to devote additional research and development resources to change our solutions or incur additional costs and expenses, any of which could result in reputational harm and would have a negative effect on our business and operating results. In addition, if the license terms for the open source software we utilize change, we may be forced to reengineer our solutions or incur additional costs to comply with the changed license terms or to replace the affected open source software. Further, use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of software or indemnification for third party infringement claims. Although we have implemented policies to regulate the use and

incorporation of open source software into our solutions, we cannot be certain that we have not incorporated open source software in our solutions in a manner that is inconsistent with such policies.

Indemnity and liability provisions in various agreements potentially expose us to substantial liability for intellectual property infringement, data protection, and other losses.

Our agreements with some of our technology partners and certain clients include indemnification provisions under which we agree to indemnify them for losses suffered or incurred as a result of claims of intellectual property infringement, data protection, damages caused by us to property or persons, or other liabilities relating to or arising from our solutions or other contractual obligations. Some of these indemnity agreements provide for uncapped liability and some indemnity provisions survive termination or expiration of the applicable agreement. Large indemnity payments could harm our business, operating results, and financial condition. We may incur substantial liability, and we may be required to cease use of certain functions of our solutions, as a result of intellectual property related claims. Any dispute with a client or technology partner with respect to these obligations could have adverse effects on our relationship with that client or technology partner and other existing or new clients or technology partners, and harm our business and operating results. In addition, although we carry insurance, our insurance may not be adequate to indemnify us for all liability that may be imposed, or otherwise protect us from liabilities or damages with respect to claims alleging compromises of client or clients' customer data, and any such coverage may not continue to be available to us on acceptable terms or at all.

New or revised tax regulations, unfavorable resolution of tax contingencies or changes to enacted tax rates could adversely affect our tax expense.

As a multinational organization, we may be subject to taxation in several jurisdictions around the world with increasingly complex tax laws, the application, interpretation and enforcement of which can be uncertain. Changes in tax laws or their interpretations could result in changes to enacted tax rates and may require complex computations to be performed that were not previously required, significant judgments to be made in interpretation of the new or revised tax regulations and significant estimates in calculations, as well as the preparation and analysis of information not previously relevant or regularly produced. Future changes in enacted tax rates could negatively affect our results of operations.

For example, the Inflation Reduction Act of 2022 includes a minimum tax equal to fifteen percent of the adjusted financial statement income of certain corporations as well as a one percent excise tax on share buybacks, effective for tax years beginning in 2023. When effective, it is possible that the minimum tax could result in an additional tax liability over the regular federal corporate tax liability in a given year based on differences between book and taxable income (including as a result of temporary differences).

The vast majority of states have considered or adopted laws that impose tax collection obligations on out-of-state companies. States where we have nexus may require us to calculate, collect, and remit taxes on sales in their jurisdiction. Additionally, the Supreme Court of the United States ruled in South Dakota v. Wayfair, Inc. et al (Wayfair) that online sellers can be required to collect sales and use tax despite not having a physical presence in the buyer’s state. In response to Wayfair, or otherwise, states or local governments may enforce laws requiring us to calculate, collect, and remit taxes on sales in their jurisdictions. We may be obligated to collect and remit sales and use tax in states in which we have not collected and remitted sales and use tax. A successful assertion by one or more states requiring us to collect taxes where we historically have not or presently do not do so could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest. The imposition by state governments or local governments of sales tax collection obligations on out-of-state sellers could also create additional administrative burdens for us, put us at a perceived competitive disadvantage if they do not impose similar obligations on our competitors, and decrease our future sales, which could adversely affect our business and operating results.

Relevant foreign taxing authorities may disagree with our determinations as to whether we have established a taxable nexus, often referred to as a “permanent establishment”, or the income and expenses attributable to specific jurisdictions. In addition, these authorities may take aggressive tax recovery positions that the funds flows we process are subject to value added tax or goods and services tax. If disagreements with relevant taxing authorities on other unknown matters were to occur, and our position was not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows and lower overall profitability of our operations.

Our tax returns and positions are subject to review and audit by federal, state, local and international taxing authorities. An unfavorable outcome to a tax audit could result in higher tax expense, thereby negatively affecting our results of operations and cash flows. We have recognized estimated liabilities on the balance sheet for material known tax exposures relating to deductions, transactions and other matters involving some uncertainty as to the proper tax treatment

of the item. These liabilities reflect what we believe to be reasonable assumptions as to the likely final resolution of each issue if raised by a taxing authority. While we believe that the liabilities are adequate to cover reasonably expected tax risks, there can be no assurance that, in all instances, an issue raised by a tax authority will be finally resolved at a financial amount no more than any related liability. An unfavorable resolution, therefore, could negatively affect our financial position, results of operations and cash flows in the current and/or future periods.

Our ability to use our net operating losses (NOLs) to offset future taxable income may be subject to certain limitations.

As of September 30, 2026, we had U.S. federal NOL carryforwards of approximately $18.3 million and state NOL carryforwards of approximately $79.4 million. The federal and material state NOL carryforwards will both begin to expire in 2031. Ownership changes, as defined under Internal Revenue Code Section 382 and similar state provisions, may limit the amount of federal and state NOL and credit carryforwards that can be utilized annually to offset future federal and state taxable income and tax. Generally, an ownership change occurs when the ownership percentage of 5% or greater stockholders increases by more than 50% over a three-year period. Accordingly, the purchase of our stock in amounts greater than specified levels could limit our ability to utilize federal and state NOL and credit carryforwards for tax purposes.

During 2022, we completed a Section 382 study and as a result of the ownership changes identified, $1.6 million of Flywire's NOLs and $0.2 million of Simplificare Inc.'s NOLs will expire unutilized, assuming sufficient taxable income is generated in the future. We updated our Section 382 study through the 2024 tax year and determined there are no additional limitations in using federal and state NOL and credit carryforwards.

Risks Related to Being a Public Company

As a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting, and if we fail to continue to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable laws and regulations could be impaired.

As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley Act), the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank), the listing requirements of The Nasdaq Global Select Market (Nasdaq), and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time consuming, or costly, and increase demand on our systems and resources. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. It may require significant resources and management oversight to maintain and, if necessary, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business and operating results. To comply with these requirements, we may need to hire more employees in the future or engage outside consultants, which would increase our costs and expenses.

As a "large accelerated" filer, we are required, pursuant to Section 404 of the Sarbanes-Oxley Act (Section 404), to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to maintain our internal controls, implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations. Ineffective internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock.

This assessment includes disclosure of any material weaknesses identified by our management in our internal control over financial reporting and our independent registered public accounting firm is required to issue an opinion on the effectiveness of our internal control over financial reporting. We expect to continue to incur significant expenses and devote substantial management effort toward ensuring compliance with the auditor attestation requirements of Section 404.

An independent assessment of the effectiveness of our internal controls could detect problems that our management's assessment might not. Undetected material weaknesses in our internal controls could lead to financial

statement restatements and require us to incur the expense of remediation. We are required to disclose changes made in our internal control and procedures on a quarterly basis. To comply with the requirements of being a public company, we have undertaken and expect to need to continue to undertake various actions, such as implementing new internal controls and procedures, hiring risk professionals, accounting and internal audit staff, and engaging outside consultants, which will increase our operating expenses.

We are actively engaged in the ongoing costly process of maintaining compliance with Section 404. We may not be able to complete our evaluation, testing, and any required remediation in a timely fashion. During the evaluation and testing process, if we identify material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal control over financial reporting is effective.

If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control, including as a result of a material weakness, we could lose investor confidence in the accuracy and completeness of our financial reports, which could cause the price of our common stock to decline, and we may be subject to investigation or sanctions by the SEC. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on Nasdaq.

We will continue to incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

As a public company, we will continue to incur significant legal, accounting, and other expenses as a result of operating as a public company, which increased starting in 2023 as a result of becoming a "large accelerated" filer. The Sarbanes-Oxley Act, Dodd-Frank, the listing requirements of the Nasdaq, and other applicable securities rules and regulations impose various requirements on public companies. Our management and other personnel devote a substantial amount of time to compliance with these requirements and interacting with public company investors and securities analysts. These obligations and constituents require significant attention from our management team and could divert their attention away from the day-to-day management of our business, which could harm our business, operating results, and financial condition. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. We cannot predict or estimate the amount of additional costs we will incur as a public company or the specific timing of such costs.

Risks Related to Ownership of Our Common Stock

The price of our common stock may be volatile or may decline regardless of our operating performance and you may not be able to resell your shares at or above the price you paid for them.

An active or liquid market in our common stock may not be sustainable.

The market price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- overall performance of the equity markets;
- our operating performance and the performance of other similar companies;
- delays in the roll out of new solutions;
- changes in our projected operating results that we provide to the public, our failure to meet these projections or changes in recommendations by securities analysts that elect to follow our common stock;
- regulatory actions with respect to our payment solutions;
- regulatory or legal developments in the United States and other countries, including the priorities of the U.S. presidential administration and related changes in laws, regulations or policies;
- the level of expenses related to our solutions;
- announcements of acquisitions, strategic alliances or significant agreements by us or by our competitors;
- developments or disputes concerning patent applications, issued patents or other intellectual property or proprietary rights;
- recruitment or departure of key personnel;

- the economy as a whole and market conditions in our industry;
- political or social unrest, war or other military conflict, including the continuation or escalation of the conflicts between Russia and Ukraine, or between Israel and Hamas and the ongoing conflict between the U.S., Iran and Israel (or other combatants in the region), respectively, economic instability, repression, or human rights issues;
- variations in our financial results or the financial results of companies that are perceived to be similar to us;
- financing or other corporate transactions, or inability to obtain additional funding;
- cutbacks or withholding of funding to, and real or perceived hostility towards higher education institutions in the U.S.;
- restrictions that negatively impact international travel, study or commerce, including actual or threatened revocation of visas, mass deportations, or delays in issuances of visas;
- changes in the structure of payment systems;
- actual or threatened imposition of tariffs, trade wars including the effects of ongoing United States-China and Canada-India diplomatic and trade friction;
- trading activity by a limited number of stockholders who together beneficially own a majority of our outstanding common stock;
- the size of our market float; and
- any other factors discussed in this Quarterly Report on Form 10-Q and our other SEC filings.

In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies.

Concerns over economic recession, heightened interest rates and inflation, supply chain delays and disruptions, priorities of the U.S. presidential administration and Congress and related changes in laws, regulations or policies, trade wars, unemployment, or prolonged government shutdown may contribute to increased volatility and diminished expectations for the economy and markets. Additionally, concern over geopolitical issues may also contribute to prolonged market volatility and instability. For example, the conflict between Russia and Ukraine or Israel and Hamas and/or Iran could lead to disruption, instability and volatility in global markets and industries. The U.S. government and other governments in jurisdictions have imposed severe economic sanctions and export controls against Russia and Russian interests, have removed Russia from the SWIFT system, and have threatened additional sanctions and controls. The full impact of these measures, as well as potential responses to them by Russia, is unknown.

Our business and operations could be negatively affected by securities litigation or stockholder activism.

From time to time, we may be subject to securities class actions, derivative suits or other securities-related legal actions.

In the past, securities class action litigation have often been brought against a company following a decline in the market price of its securities. In July 2025, we and certain of our current and former officers were named as defendants in a securities class action complaint captioned Hickman v. Flywire Corporation filed in the United States District Court for the Eastern District of New York on behalf of a putative class of investors who purchased Flywire securities from February 28, 2024, through February 25, 2025. In January 2026, the complaint was amended to, among other matters, remove a former officer from the claim and modify the class period to the time period between May 21, 2024 through February 25, 2025. Plaintiffs' counsel filed a second amended complaint on May 7, 2026, which among other matters, added new allegations and another named plaintiff. Plaintiffs allege that the defendants violated Sections 10(b) and 20(a) of the Exchange Act by purportedly overstating the strength and sustainability of our revenue growth and understating the negative impact of certain government permit and visa related policies on the business. The lawsuit seeks unspecified damages, costs, attorneys' fees, and other relief. We believe we have strong defenses against the asserted claims and intend to vigorously defend ourselves and we filed a motion to dismiss in response to the second amended complaint on June 15, 2026. On September 28, 2026, the Company submitted its reply memorandum of law in further support of its motion to dismiss the second amended class action complaint.

In addition, stockholder activism, which could take many forms and arise in a variety of situations, has been increasing recently, and universal proxy rules could significantly lower the cost and further increase the ease and likelihood of stockholder activism. This risk is especially relevant for us because technology companies have experienced significant stock price volatility in recent years. Volatility in our stock price or other reasons may in the future cause us to

become the target of securities litigation or stockholder activism. Securities litigation and stockholder activism, including potential proxy contests, could result in substantial costs, including significant legal fees and other expenses, and divert our management and board of directors' attention and resources from our business. Additionally, securities litigation and stockholder activism could give rise to perceived uncertainties as to our future, adversely affect our relationships with clients and business partners, adversely affect our reputation, and make it more difficult to attract and retain qualified personnel. Our stock price could also be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any securities litigation and stockholder activism.

Any claims or litigation, even if fully indemnified or insured, could adversely affect our relationships with clients and business partners, damage our reputation, decrease client or their customers' demand for our solutions and make it more difficult to attract and retain qualified personnel, making it more difficult for us to compete effectively. In addition, lawsuits or legal claims involving us may increase our insurance premiums, deductibles or co-insurance requirements or otherwise make it more difficult for us to maintain or obtain adequate insurance coverage on acceptable terms, if at all. Furthermore, while we maintain insurance for certain potential liabilities, such insurance does not cover all types and amounts of potential liabilities and is subject to various exclusions, as well as caps on amounts recoverable. Even if we believe that a claim is covered by insurance, insurers may dispute our entitlement to recovery for a variety of potential reasons, which may affect the timing and, if the insurers prevail, the amount of our recovery. Our exposure under these matters may also include our indemnification obligations, to the extent that we have any, to current and former officers and directors against losses incurred in connection with these matters, including reimbursement of legal fees and other expenses.

As a result, lawsuits involving us, or our officers or directors, could have a material adverse effect on our business, reputation, financial condition, results of operations, liquidity and the trading price of our common stock.

Raising additional capital may cause dilution to our existing stockholders, restrict our operations or require us to relinquish rights to our intellectual property on unfavorable terms to us.

We may finance our cash needs through a combination of equity offerings, debt financings and strategic partnership agreements. We may seek additional capital through a variety of means, including through strategic partnership arrangements, public or private equity or debt financings, third-party funding and marketing and distribution arrangements, as well as other strategic alliances and licensing arrangements or any combination of these approaches. However, disruptions in the capital markets, particularly with respect to financial technology companies, could make any financing more challenging, and there can be no assurance that we will be able to raise capital on commercially reasonable terms or at all. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms may include liquidation preferences or other rights, powers or preferences that may adversely affect your rights as a stockholder. To the extent that debt financing is available, and we choose to raise additional capital in the form of debt, such debt financing may involve agreements that include covenants limiting or restricting our ability to take certain actions, such as incurring additional debt, making capital expenditures or declaring dividends.

If we are unable to raise additional funds through equity or debt financing or through collaborations or strategic partnerships when needed, we may be required to delay, limit, reduce or terminate the development of our solutions or commercialization efforts.

We may allocate our cash and cash equivalents in ways that you and other stockholders may not approve.

Our management has broad discretion in the application of our cash and cash equivalents. Because of the number and variability of factors that determine our use of our cash and cash equivalents, their ultimate use may vary substantially from their currently intended use. Our management might not apply cash and cash equivalents in ways that ultimately increase the value of your investment. The failure by our management to apply these funds effectively could harm our business. We may invest our cash and cash equivalents in short-term, investment-grade, interest-bearing securities, which may not yield a favorable return to our stockholders. If we do not invest or apply our cash and cash equivalents in ways that enhance stockholder value, we may fail to achieve expected financial results, which could cause our stock price to decline.

We cannot guarantee that our Repurchase Program will be fully implemented or that it will enhance stockholder value, and share repurchases could affect the price of our common stock.

In August 2024, we announced that our Board of Directors authorized the Repurchase Program, pursuant to which we may, from time to time, purchase shares of our voting and non-voting common stock for an aggregate purchase price not to exceed $150.0 million. In July 2025, our Board of Directors approved an increase in the aggregate amount of voting

and non-voting common stock outstanding that may be repurchased under the Repurchase Program by an additional $150.0 million, bringing the total authorized amount under the Repurchase Program to $300.0 million. As of September 30, 2026, approximately $122.7 million remained available for repurchases under the Repurchase Program.

Repurchases under the Repurchase Program may be made through a variety of methods and are subject to market and business conditions, levels of available liquidity, cash requirements for other purposes, regulatory, and other relevant factors. The timing, pricing, and size of share repurchases under the Repurchase Program will depend on a number of factors, including price, corporate and regulatory requirements, capital allocation alternatives, and general market and economic conditions. The Repurchase Program does not obligate us to repurchase any minimum dollar amount or number of shares, and may be suspended or discontinued by our Board of Directors at any time, which may result in a decrease in the price of our common stock.

Repurchases under the Repurchase Program will decrease the number of outstanding shares of our common stock and therefore could affect the price of our common stock and increase its volatility. The existence of the Repurchase Program could also cause the price of our common stock to be higher than it would be in the absence of such a program and could reduce the market liquidity for our common stock. Repurchases under the Repurchase Program will diminish our cash reserves, which could impact our ability to further develop our business and service any future indebtedness. There can be no assurance that any share repurchases will enhance stockholder value because the market price of our common stock may decline below the levels at which we repurchased such shares. Any failure to repurchase shares after we have announced our intention to do so may negatively impact our reputation and investor confidence in us and may negatively impact our common stock price. Although the Repurchase Program is intended to enhance long-term stockholder value, short-term price fluctuations could reduce the program's effectiveness.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about us or our business. If industry analysts cease coverage of us, the trading price for our common stock would be negatively affected. If one or more of the analysts who cover us downgrade our common stock or publish inaccurate or unfavorable research about our business, our common stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our common stock could decrease, which might cause our common stock price and trading volume to decline.

Sales of substantial amounts of our common stock in the public markets could cause the market price of our common stock to decline.

The price of our common stock could decline if there are substantial sales of our common stock, particularly sales by our directors, executive officers and significant stockholders, or if there is a large number of shares of our common stock available for sale and the market perceives that sales will occur. We had a total of 122,494,955 shares of our voting common stock outstanding as of September 30, 2026. Other than shares held by directors, executive officers and other affiliates that are subject to volume limitations under Rule 144 under the Securities Act and various vesting agreements, these shares of common stock generally are freely tradable without restrictions or further registration under the Securities Act.

Certain of our stockholders have rights, subject to some conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or our stockholders. We registered shares of common stock that we have issued and may issue under our equity incentive plans. These shares will be able to be sold freely in the public market upon issuance, subject to securities laws.

The market price of the shares of our common stock could decline as a result of the sale of a substantial number of our shares of common stock in the public market or the perception in the market that the holders of a large number of shares intend to sell their shares.

The concentration of our stock ownership will likely limit your ability to influence corporate matters, including the ability to influence the outcome of director elections and other matters requiring stockholder approval.

As of September 30, 2026, our current executive officers, directors and the holders of more than 5% of our outstanding voting common stock, in the aggregate, beneficially owned a significant percentage of our outstanding voting common stock. As a result, these stockholders, acting together, will have significant influence over all matters that require approval by our stockholders, including the election of directors and approval of significant corporate transactions.

Corporate actions might be taken even if other stockholders oppose them. This concentration of ownership might also have the effect of delaying or preventing a change of control of our company that other stockholders may view as beneficial.

We do not intend to pay dividends on our common stock, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.

We have never declared or paid any cash dividend on our common stock and do not currently intend to do so for the foreseeable future. We currently anticipate that we will retain all available funds and any future earnings for reinvestment to fund the development, operation, expansion and growth of our business and to fund our Repurchase Program and do not anticipate declaring or paying any cash dividends for the foreseeable future. In addition, our senior secured revolving credit syndication loan currently limits our ability to pay dividends on our equity securities, and any future debt financing arrangement may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on our common stock. Any return to stockholders will therefore be limited to the appreciation of their stock. Therefore, the success of an investment in shares of our common stock will depend upon any future appreciation in their value. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which our stockholders have purchased their shares.

Delaware law and provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make a merger, tender offer or proxy contest difficult, thereby depressing the trading price of our common stock.

Our status as a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law (DGCL) may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of our company more difficult, including the following:

- a classified board of directors with three-year staggered terms, which could delay the ability of stockholders to change the membership of a majority of our board of directors;
- the ability of our board of directors to issue shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquiror;
- the exclusive right of our board of directors to elect a director to fill a vacancy created by the expansion of our board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- the requirement that a special meeting of stockholders may be called only by a majority vote of our entire board of directors, the chairman of our board of directors or our chief executive officer, which could delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- the requirement for the affirmative vote of holders of at least 66 2/3% of the voting power of all of the then-outstanding shares of the voting stock, voting together as a single class, to amend the provisions of our amended and restated certificate of incorporation or our amended and restated bylaws, which may inhibit the ability of an acquiror to effect such amendments to facilitate an unsolicited takeover attempt; and
- advance notice procedures with which stockholders must comply to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of us.

In addition, as a Delaware corporation, we are subject to Section 203 of the DGCL. These provisions may prohibit large stockholders, in particular those owning 15% or more of our outstanding voting stock, from merging or combining with us for a certain period of time. A Delaware corporation may opt out of this provision by express provision in its original certificate of incorporation or by amendment to its certificate of incorporation or bylaws approved by its stockholders. However, we have not opted out of this provision.

These and other provisions in our amended and restated certificate of incorporation, amended and restated bylaws and Delaware law could make it more difficult for stockholders or potential acquirors to obtain control of our board of directors or initiate actions that are opposed by our then-current board of directors, including delay or impede a merger, tender offer or proxy contest involving our company. The existence of these provisions could negatively affect the price of our common stock and limit opportunities for you to realize value in a corporate transaction.

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

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the DGCL, our certificate of incorporation or our bylaws or any action asserting a claim against us that is governed by the internal affairs doctrine. This provision would not apply to claims brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our amended and restated certificate of incorporation provides further that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. These choices of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other FlyMates and may discourage these types of lawsuits. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive-forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. If a court were to find the exclusive-forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business.

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

Recent Sales of Unregistered Equity Securities

None.

Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Plans

During the period covered by this Quarterly Report on Form 10-Q, other than as set forth below, no director or officer of the Company "adopted" or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" as each term is defined in Item 408(a) of Regulation S-K.

On September 9, 2026, Michael Massaro, our Chief Executive Officer, adopted a trading arrangement for the sale of shares of our common stock that is intended to satisfy the affirmative defense conditions of Securities Exchange Act Rule 10b5-1(c) (a Rule 10b-5 Trading Plan). Mr. Massaro's Rule 10b-5 Trading Plan provides for the sale of up to 600,000 shares of common stock pursuant to the terms of the plan. The plan is effective through February 1, 2028 unless earlier terminated in accordance with the terms of the plan.

On September 11, 2026, Cosmin Pitigoi, our Chief Financial Officer, adopted a Rule 10b-5 Trading Plan for the sale of shares of our common stock. Mr. Pitigoi's Rule 10b-5 Trading Plan provides for the sale of up to 182,452 shares of common stock pursuant to the terms of the plan. The plan is effective through December 31, 2027 unless earlier terminated in accordance with the terms of the plan.

Item 6. Exhibits

Exhibit Number	Description
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema with embedded linkbase documents.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith

** The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10-Q and are not deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FLYWIRE CORPORATION

Date: November 3, 2026

By: /s/ Michael Massaro

Michael Massaro
Chief Executive Officer and Director
(Principal Executive Officer)

Date: November 3, 2026

By: /s/ Cosmin Pitigoi

Cosmin Pitigoi
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Massaro, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended September 30, 2026 of Flywire Corporation;

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

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

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

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

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

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

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

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

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

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

Date: November 3, 2026

By: /s/ Michael Massaro

Michael Massaro
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Cosmin Pitigoi, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended September 30, 2026 of Flywire Corporation;

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

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

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

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

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

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

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

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

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

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

Date: November 3, 2026

By: /s/ Cosmin Pitigoi

Cosmin Pitigoi
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Flywire Corporation (the "Company") on Form 10-Q for the quarter ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: November 3, 2026

By: /s/ Michael Massaro

Michael Massaro
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Flywire Corporation (the "Company") on Form 10-Q for the quarter ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: November 3, 2026

By: /s/ Cosmin Pitigoi

Cosmin Pitigoi
Chief Financial Officer
(Principal Financial and Accounting Officer)