




 Upstart

**AI DAY**

2025



**WELCOME**



Upstart

# AIDAY

A G E N D A

DAVE GIROUARD, CO-FOUNDER & CEO  
The Opportunity

PAUL GU, CO-FOUNDER & CTO  
Our AI Advantage

Break

CHANTAL RAPPORT, CMO  
Our Category-of-One Business

SANJAY DATTA, CFO  
Profitability and Resilience

Executive Q&A

# FORWARD LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

During the course of AI Day, and throughout this presentation, the executive team of Upstart Holdings, Inc. (the “Company”, “we”, or “our”) may make “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include all statements, other than statements of historical fact discussed during AI Day and contained in this presentation, including but not limited to, information or predictions concerning our future financial performance, including our financial outlook for Q1 2025 and the full fiscal year 2025, projected growth and other strategies, business plans and objectives, potential market and growth opportunities, competitive position, technological or market trends and industry environment. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “intend,” “potential,” “would,” “continue,” “ongoing” or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. This presentation should be reviewed in conjunction with the accompanying audio-visual recording available on Upstart’s Investor Relations website ([ir.upstart.com](http://ir.upstart.com)). Important context or clarifications provided during the live AI Day discussion may not be fully captured here. Upstart assumes no responsibility for any misunderstanding or incomplete interpretation resulting from reviewing these materials without the benefit of the live AI Day discussion.

Forward-looking statements are based on information available at the time those statements are made or management’s good faith beliefs and assumptions as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in, or suggested by, the forward-looking statements. In light of these risks and uncertainties, the events and circumstances contemplated by the forward-looking statements made in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. These risks and uncertainties are more fully described in our filings and reports that we may file from time to time with the Securities and Exchange Commission (the “SEC”), including “Risk Factors” in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. These risks and uncertainties include, but are not limited to: our ability to manage the adverse effects of macroeconomic conditions and disruptions in the banking sector and credit markets, including inflation and related changes in interest rates and monetary policy; our ability to access sufficient loan funding, including through securitizations, committed capital and other co-investment arrangements, whole loan sales and warehouse credit facilities; the effectiveness of our credit decisioning models and risk management efforts, including reflecting the impact of macroeconomic conditions on borrowers’ credit risk; our ability to retain existing, and attract new, lending partners; our future growth prospects and financial performance; our ability to manage risks associated with the loans on our balance sheet; our ability to improve and expand our platform and products; and our ability to operate successfully in a highly-regulated industry. Moreover, we operate in very competitive and rapidly changing environments, and new risks may emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Additional information will be available in other future reports that we file with the SEC from time to time, which could cause actual results to vary from expectations. Except as required by law, Upstart does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation. Some charts in this presentation display metrics over differing periods. These variations are intentional and reflect our effort to present data in the most relevant and efficient way possible and for you to appreciate the nuances of our business.

This presentation and the live AI Day discussion may include references to certain non-GAAP financial measures, including, but not limited to, contribution profit, contribution margin adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss), and adjusted net income (loss) per share. These non-GAAP financial measures are in addition to, and not a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures. For example, other companies may calculate similarly-titled non-GAAP financial measures differently. Please refer to the appendix for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable GAAP measures and please see our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q for a description of non-GAAP financial measures that may be referenced in this presentation and the live AI Day discussion.



 Upstart

**AI DAY**

2025



# DAVE GIROUARD

Co-founder & Chief Executive Officer

**WELCOME**

# TODAY'S GOALS



- ✓ Help you understand the size of the AI lending opportunity
- ✓ Help you understand why Upstart will win
- ✓ Convince you to buy our stock and hold it forever

# WHY WE DO THIS

**WE DID NOT START AS AN  
AI COMPANY**

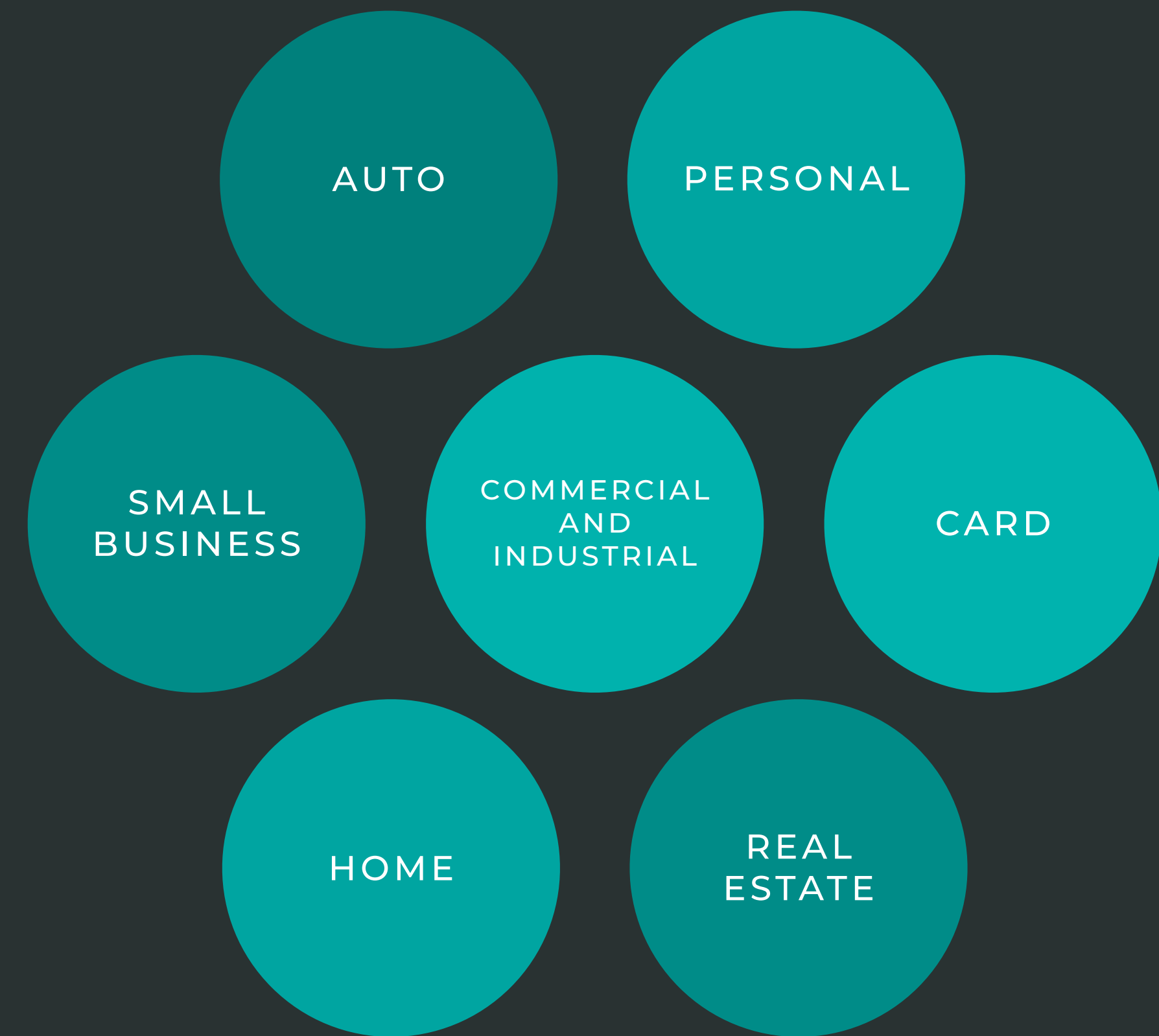
**UPSTART'S SUCCESS IS A WIN  
FOR CONSUMERS, LENDERS  
AND THE ECONOMY**

**MISSION-DRIVEN  
COMPANIES STOP AT NOTHING  
TO ACHIEVE THEIR GOALS**

**THE MARKET**  
is unimaginably large

**>\$25 TRILLION**

in credit originated globally each year



Based on internal estimates. Categories listed are sample lending opportunities.

# AT LEAST \$1 TRILLION

in revenue is available to the platform that  
originates and services that credit

# AI WILL BRING UNPRECEDENTED CHANGE AND DISRUPTION TO MOST MARKETS



Education



Healthcare



Transportation



Media & Entertainment



Financial Services



Manufacturing



Professional Services



Defense & Warfare

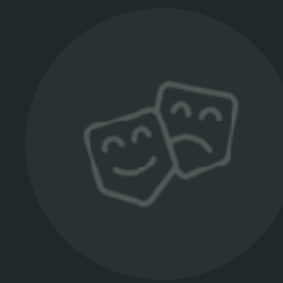


Retail & E-commerce

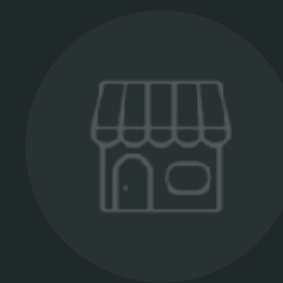


Energy & Utilities

# AI WILL BRING UNPRECEDENTED CHANGE AND DISRUPTION TO MOST MARKETS



Financial Services



**CREDIT IS A  
FIRST-TIER CANDIDATE**

# What can I help with?

List the global industries that are likely to be most impacted by AI



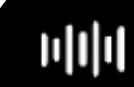
Attach



Search



Reason



Voice

List the global industries that are likely to be most impacted by AI

Here's the list of **global industries expected to be most impacted by AI**, based on projected economic value, automation potential, and transformative use cases:

---

### 1. Healthcare

- **Impact Areas:** Diagnostics, drug discovery, personalized medicine, radiology, operational efficiency.
  - **Why:** High data volume + high stakes = perfect fit for AI augmentation (not just automation).
- 

### 2. Financial Services

- **Impact Areas:** Fraud detection, underwriting, trading algorithms, robo-advisors, customer service.
  - **Why:** Data-rich, regulated, and already tech-heavy-AI boosts speed and precision.
- 

### 3. Retail & E-Commerce

- **Impact Areas:** Recommendation engines, inventory forecasting, customer service bots, dynamic pricing.
- **Why:** Huge customer datasets + real-time decisions = massive AI value.

List the global industries that are likely to be most impacted by AI

## 2. Financial Services

- **Impact Areas:** Fraud detection, underwriting, trading algorithms, robo-advisors, customer service.
- **Why:** Data-rich, regulated, and already tech-heavy-AI boosts speed and precision.



Customer acquisition



People & data



Credit losses

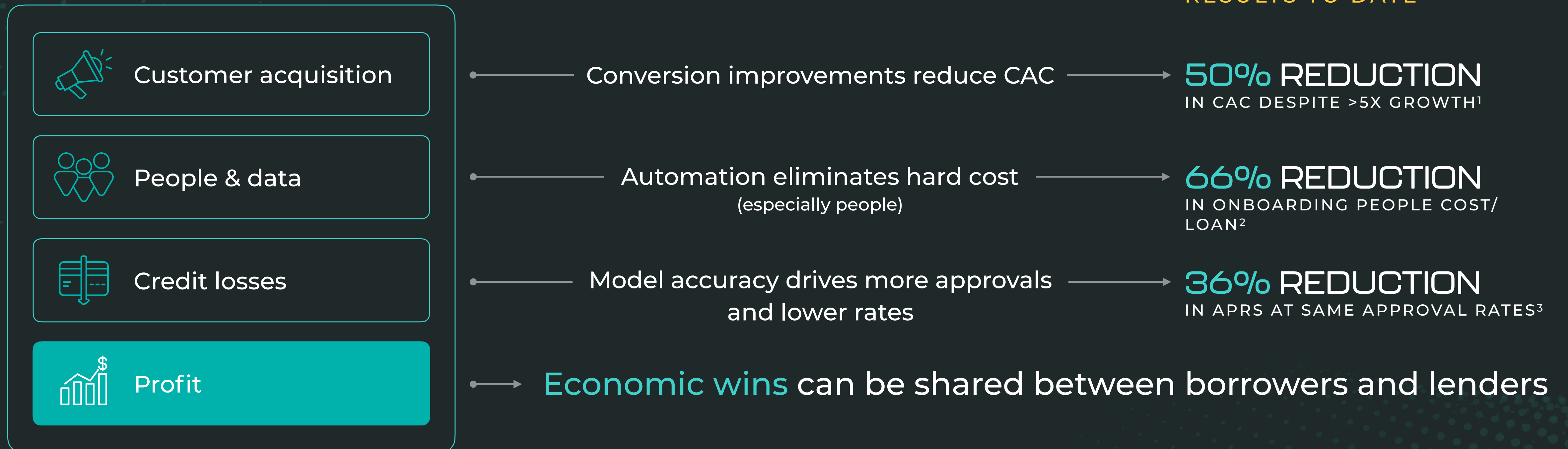


Profit

# WHY DO LOANS COST SO MUCH?

# HOW DOES AI IMPACT THE PRICE OF A LOAN?

## RESULTS TO DATE



(1) Q1'25 vs. Q1'19.  
(2) Q1'25 vs. CY22.  
(3) Current vs. traditional model.

**WHY DOES GETTING A  
LOAN SUCK SO MUCH?**




Endless applications



Documentation requests



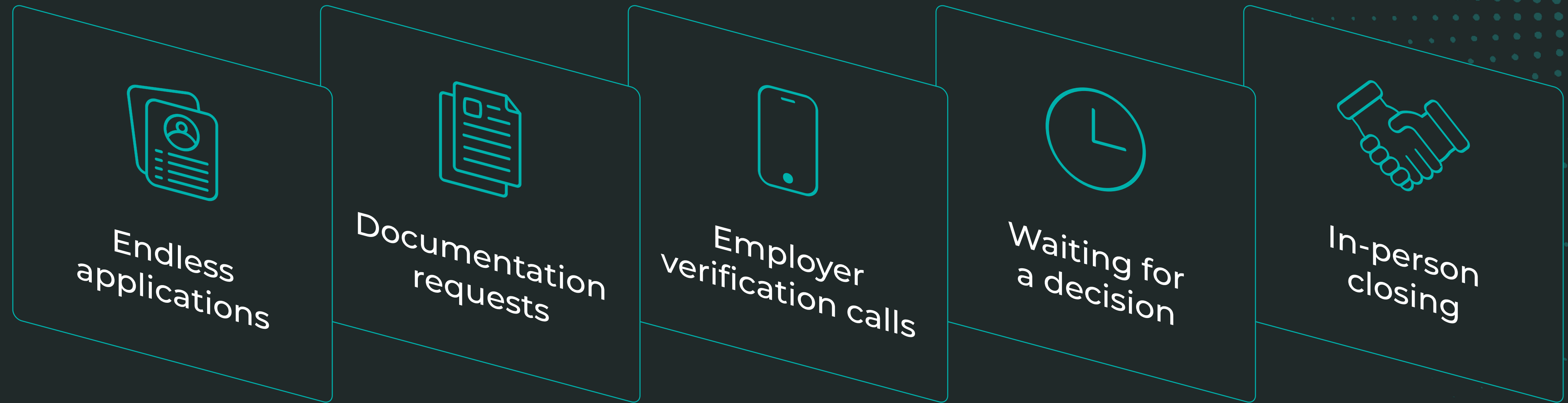
Employer verification calls



Waiting for a decision



In-person closing



# HOW DOES AI IMPACT THE BORROWING EXPERIENCE?

# ~90% OF UPSTART LOANS HAVE NONE OF THESE



Endless applications



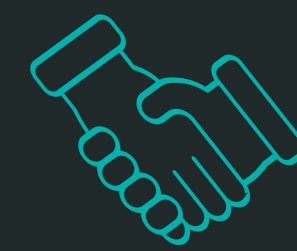
Documentation requests



Employer verification calls



Waiting for a decision



In-person closing



**UPSTART IS BUILDING THE  
FOUNDATION MODEL FOR CREDIT**

# UPSTART IS BUILDING THE FOUNDATION MODEL FOR CREDIT

 SEPARATION

# UPSTART IS BUILDING THE FOUNDATION MODEL FOR CREDIT

 SEPARATION

 AUTOMATION

# UPSTART IS BUILDING THE FOUNDATION MODEL FOR CREDIT

 SEPARATION

 AUTOMATION

 CALIBRATION

# UPSTART IS BUILDING THE FOUNDATION MODEL FOR CREDIT

 SEPARATION

 AUTOMATION

 CALIBRATION

 GENERALIZATION

# UPSTART IS BUILDING THE FOUNDATION MODEL FOR CREDIT

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 AUTOMATION

 CALIBRATION

 GENERALIZATION

 PERSONALIZATION

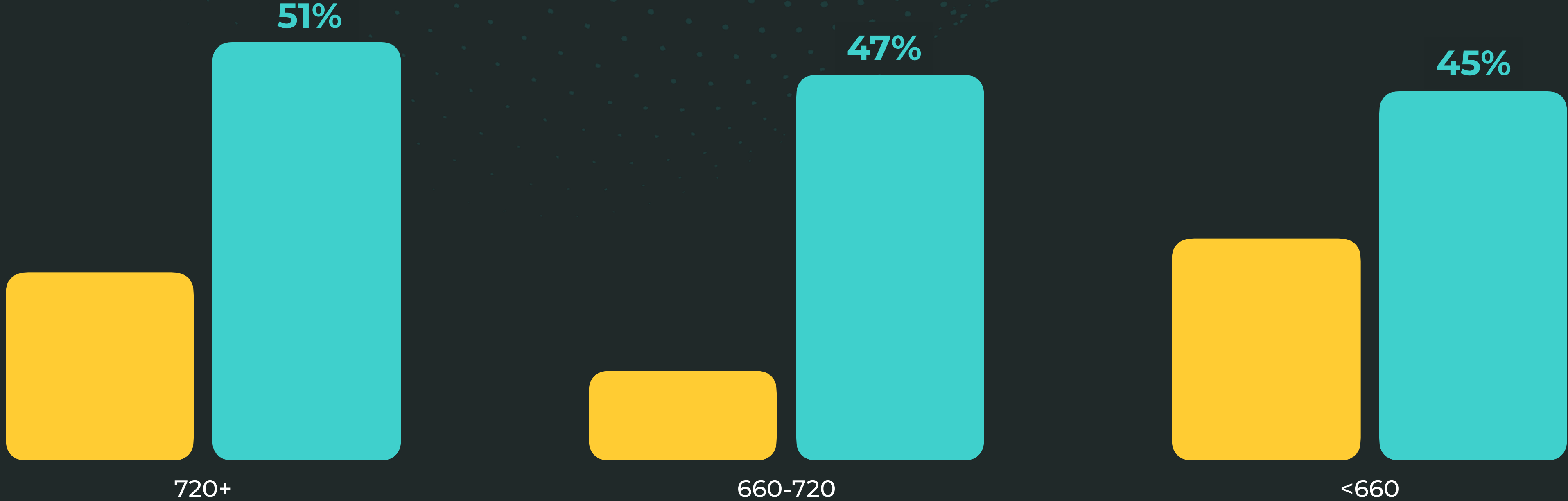
# 2025 PRIORITIES

- ✓ 10x our advantage in AI
- ✓ Prepare our funding supply for rapid growth
- ✓ Return to GAAP profitability in 2H
- ✓ Giant leaps toward best rates, best process for all

# INCREDIBLE PROGRESS TOWARD "BEST RATES"

UPSTART WIN RATES IN PERSONAL LOANS VERSUS DIGITAL PEERS

Closest peer Upstart



Source: Based on internal analysis of third-party data from 4/9-5/6.



 Upstart

**AI DAY**

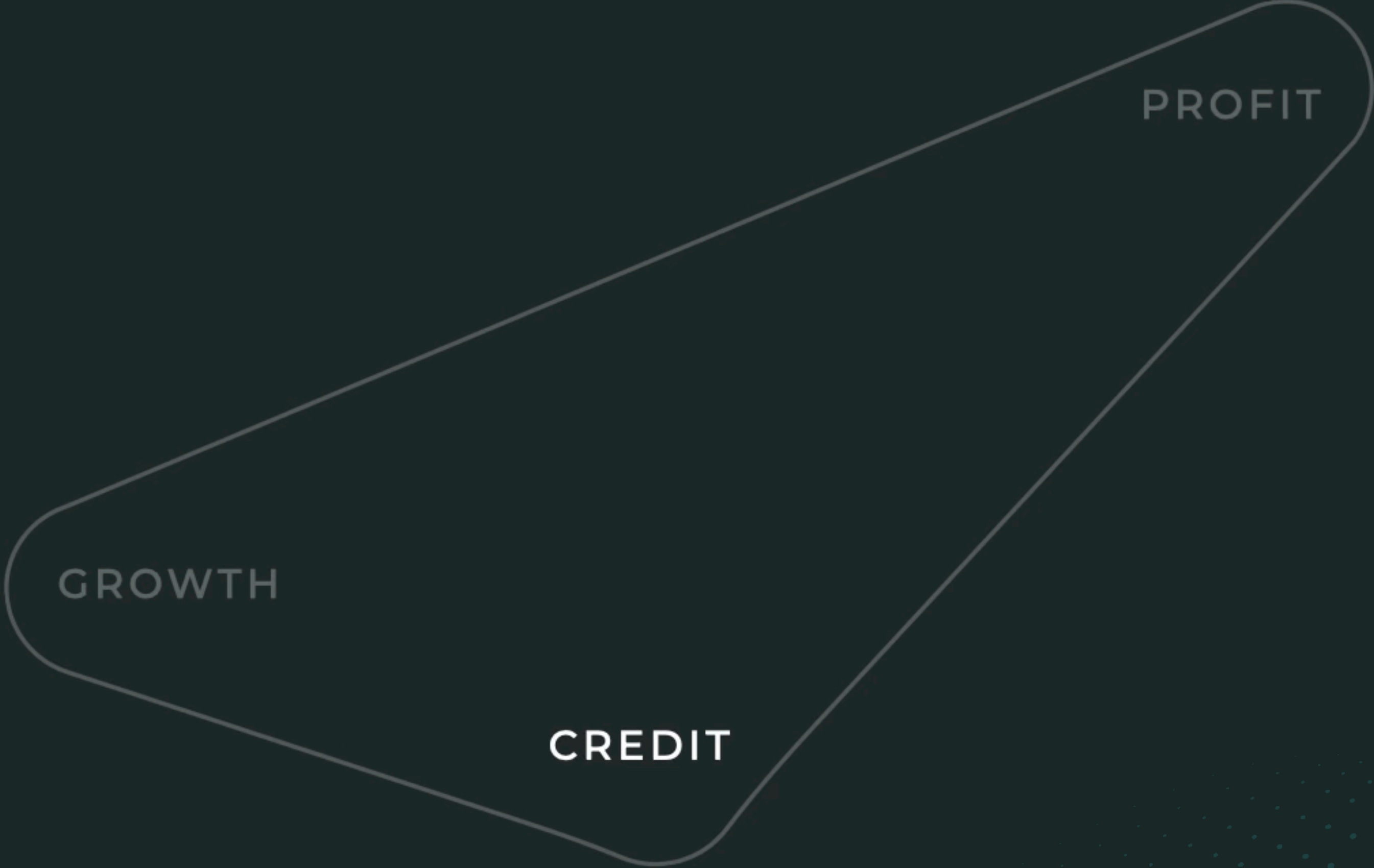
2025



# PAUL GU

Co-founder & Chief Technology Officer

OUR AI ADVANTAGE

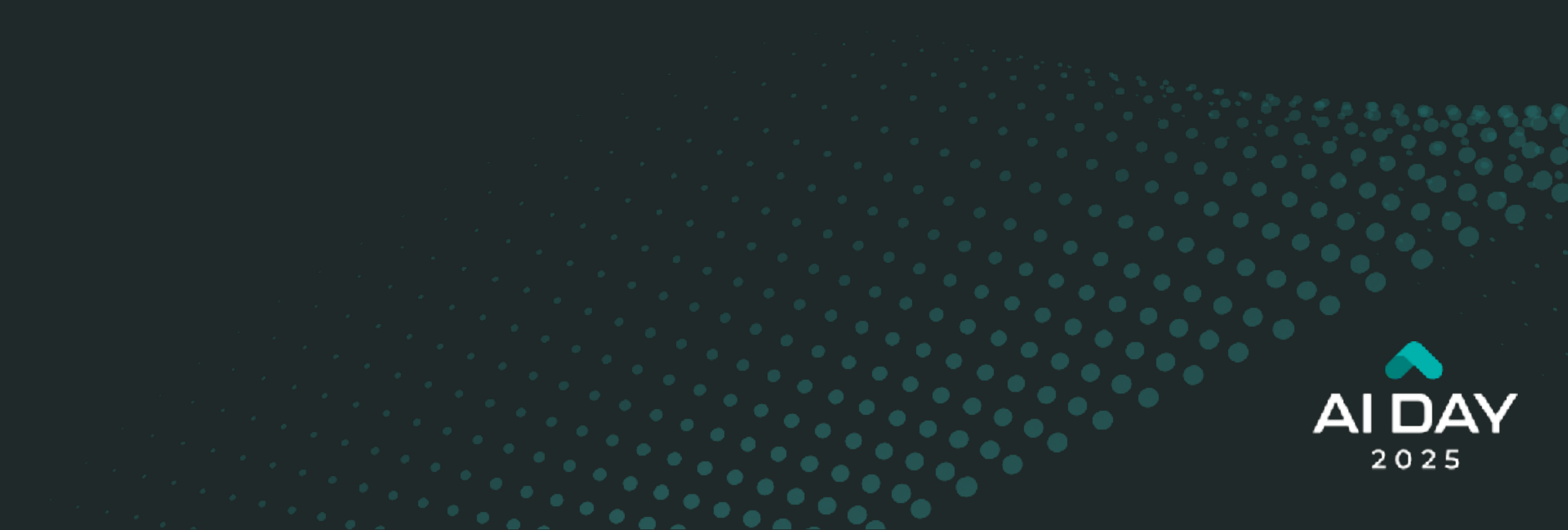


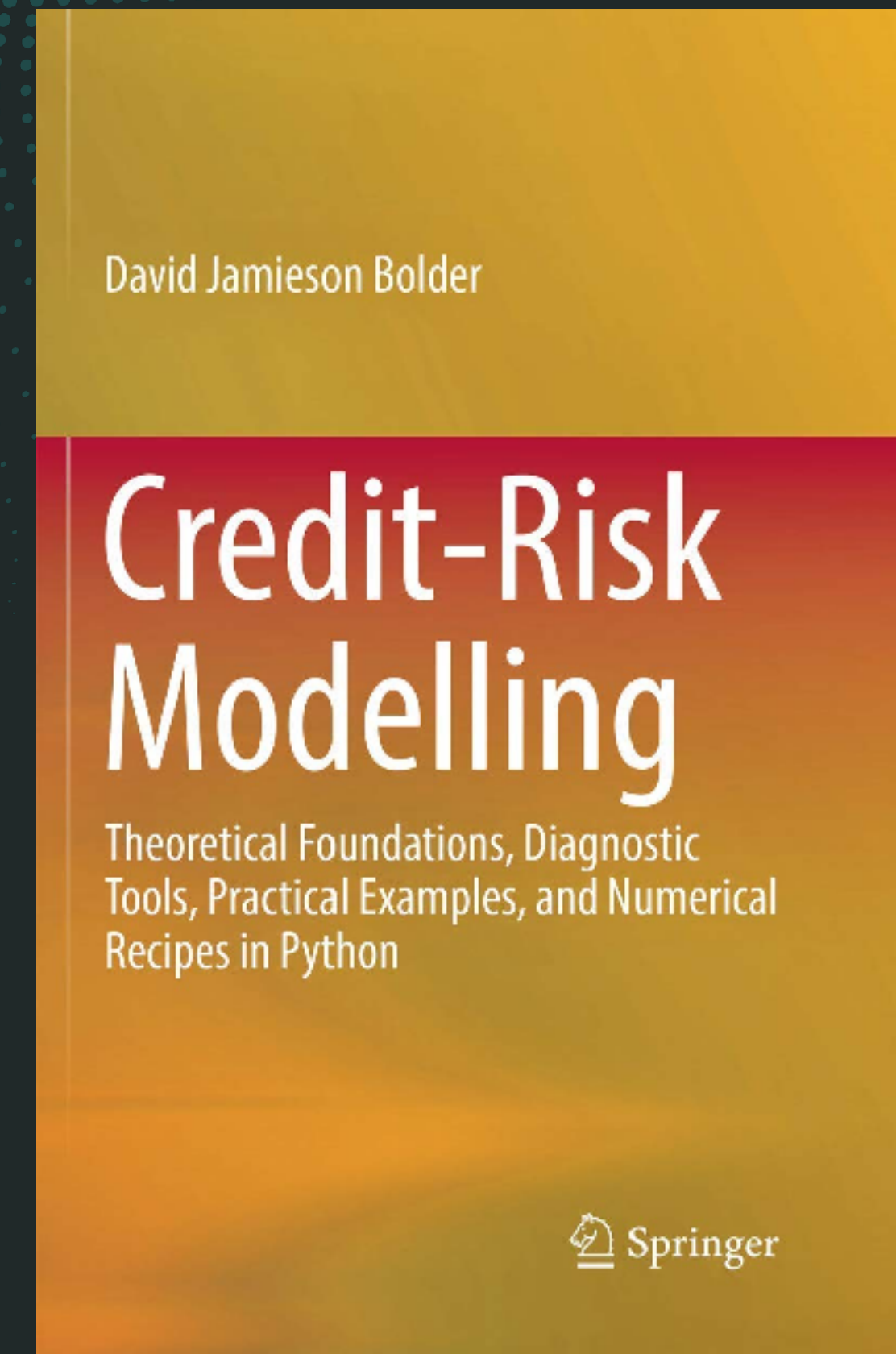
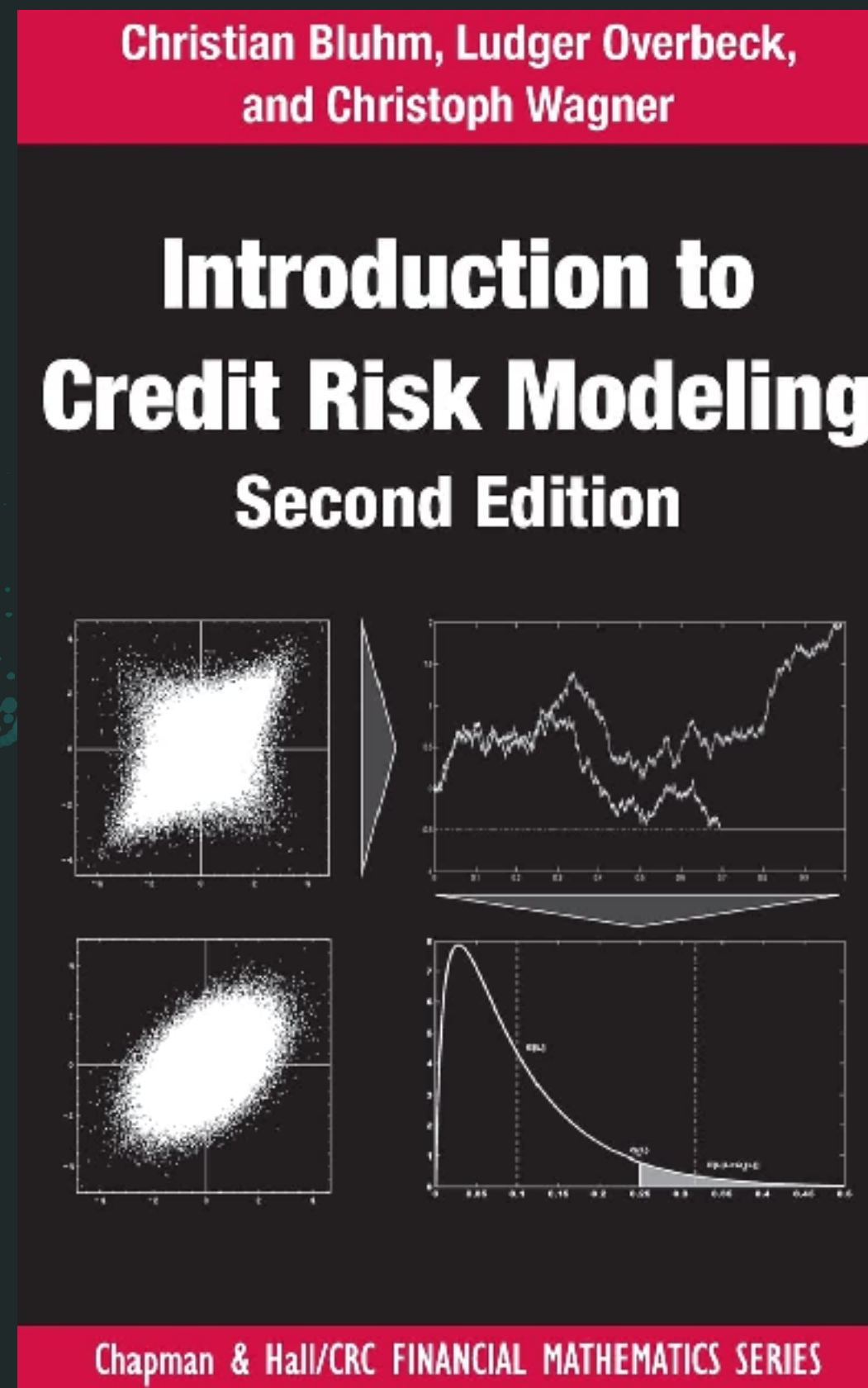
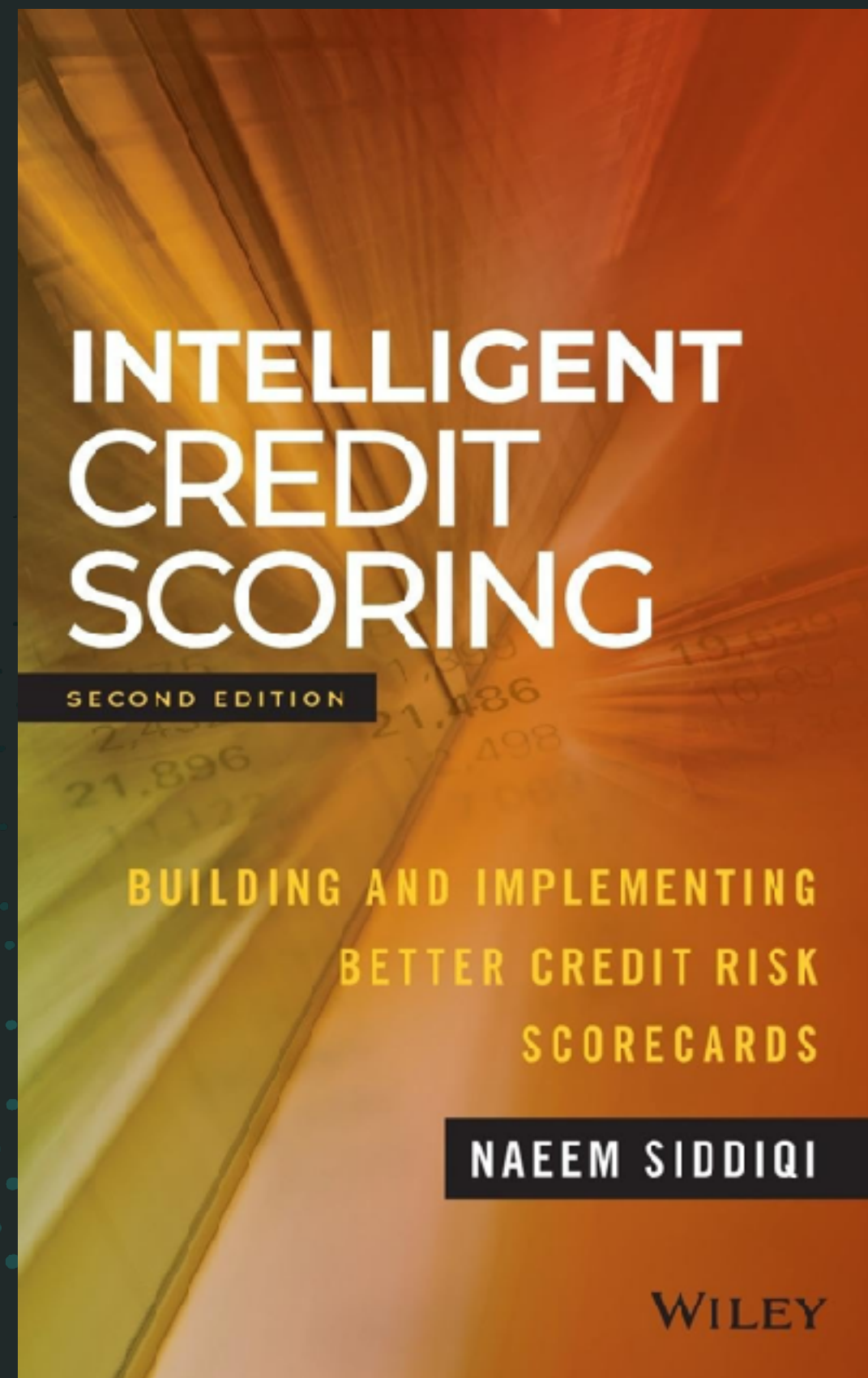


PROFIT

CREDIT

GROWTH





## Preliminary Scorecard

In general, the final scorecards produced in this stage consist of between 8 and 15 characteristics, although in larger banks with a lot of data, I have seen those with 18 to 30 characteristics. This is done to ensure a comprehensive risk profile that includes all the reasonable variables, as well as a more stable scorecard whose predictive powers will be strong even if the profile of one or two characteristics were to change. Scorecards with too few characteristics are generally unable to withstand the test of time, as they are susceptible to minor changes in the applicant profile.

## Logistic Regression

Logistic regression is a common technique used to develop scorecards in most financial industry applications, where the predicted variable is binary. In cases where the predicted variable is continuous, such as modeling loss given default, linear regression is used. The rest of this section will deal with using multiple logistic regression to predict a binary outcome (good/ bad)

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Logistic regression, like most other predictive modeling methods, uses a set of predictor characteristics to predict the likelihood (or probability) of a specific outcome (the target). The equation for the logit transformation of a probability of an event is shown by:

$$\text{Logit}(p_i) = \beta_0 + \beta_1 X_1 + \dots + \beta_k X_k$$

## Designing a Scorecard

While it is possible to build a scorecard by putting all the characteristics into the regression

continuous, such as modeling loss given default, linear regression is used. The rest of this section will deal with using multiple logistic regression to predict a binary outcome (good/ bad).

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$$\text{Logit}(p_i) = \beta_0 + \beta_1 X_1 + \dots + \beta_k X_k$$

## Designing a Scorecard

While it is possible to build a scorecard by putting all the characteristics into the regression model and generating a statistically optimal outcome, this method may not produce results that are operationally ideal. The scorecard developer would typically rely on some statistical measures such as p-values, Gini, chi-square, R-squared, and others to determine the quality of the outcome. There are, however, some business goals that need to be considered when developing scorecards.

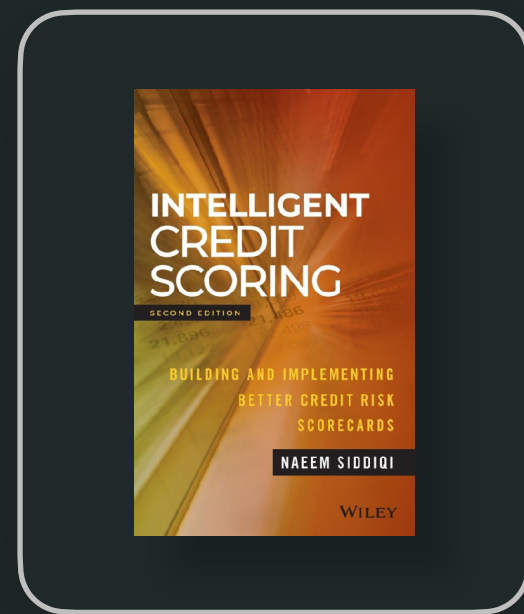
Age		Delq at Bureau		Time at Res		Score	Odds
18-24	20	0	55	0-6	12	300	30
25-29	32	1-2	40	7-18	25	301	31
30-37	46	3-5	12	19-36	38	302	33
38-45	56	6+	5	37+	50	303	34
45+	80					.	.

There are, however, some business goals that need to be considered when developing scorecards.

<b>Age</b>		<b>Delq at Bureau</b>		<b>Time at Res</b>		<b>Score</b>	<b>Odds</b>
18-24	20	0	55	0-6	12	300	30
25-29	32	1-2	40	7-18	25	301	31
30-37	46	3-5	12	19-36	38	302	33
38-45	56	6+	5	37+	50	303	34
45+	80					.	.
						.	.
<b>R/O Burden</b>		<b>Region</b>		<b>Inq 6 mth</b>		320	60
0	15	Major Urban	20	0	50	.	.
1-9	40	Minor Urban	25	1-3	30	340	120
10-25	30	Rural	15	4-5	15		
26-50	25						
50-69	20						
70-85	15						
86-99	10						
100+	5						



## TRAINING DATAPPOINTS



2013



## TRAINING DATAPOINTS

Education variables

2013

2014

0.06M

# 5,111

TRAINING DATAPPOINTS

Ensemble of algorithms

2013

2014

2015

0.12M

# 101,986

TRAINING DATAPPOINTS

0.06M

Instant approval

2013

2014

2015

2016

# 429,261

TRAINING DATAPPOINTS

0.6M

0.25M

XGBoost with censoring

2013

2014

2015

2016

2017

# 1,100,430

TRAINING DATAPPOINTS

1.2M

0.6M

Revenue science

2013

2014

2015

2016

2017

2018

3M

# 2,603,130

TRAINING DATAPPOINTS

1.5M

Loan-month

2013

2014

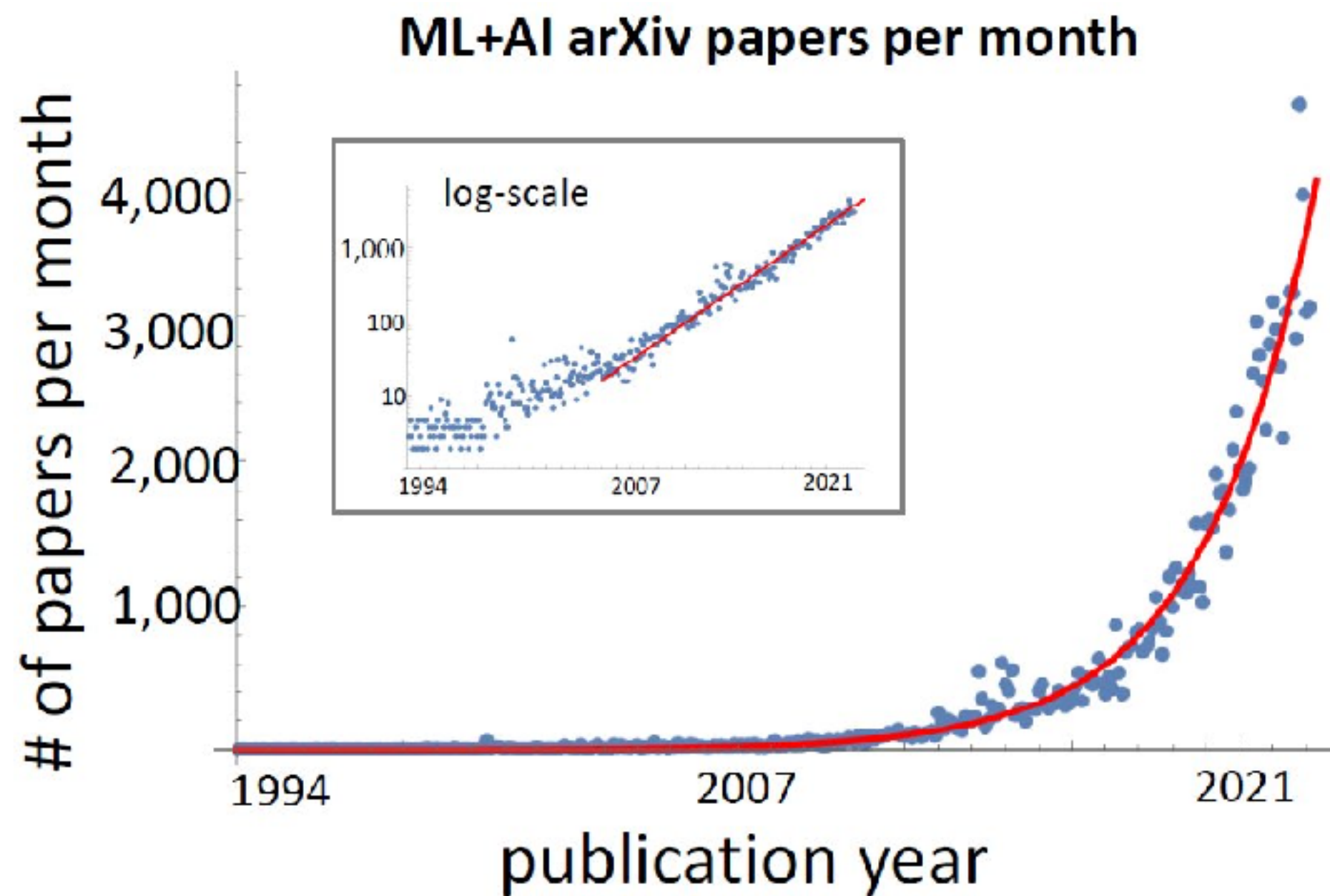
2015

2016

2017

2018

2019



## The Unreasonable Effectiveness of Recurrent Neural Networks

May 21, 2015

There's something magical about Recurrent Neural Networks (RNNs). I still remember when I trained my first recurrent network for [Image Captioning](#). Within a few dozen minutes of training my first baby model (with rather

## Tree Boosting With XGBoost – Why Does XGBoost Win “Every” Machine Learning Competition?

Synced tech analyst reviews the thesis “Tree Boosting With XGBoost - Why Does XGBoost Win ‘Every’ Machine Learning Competition”, which investigates how XGBoost differs from traditional MART, and XGBoost’s superiority in machine learning competition.

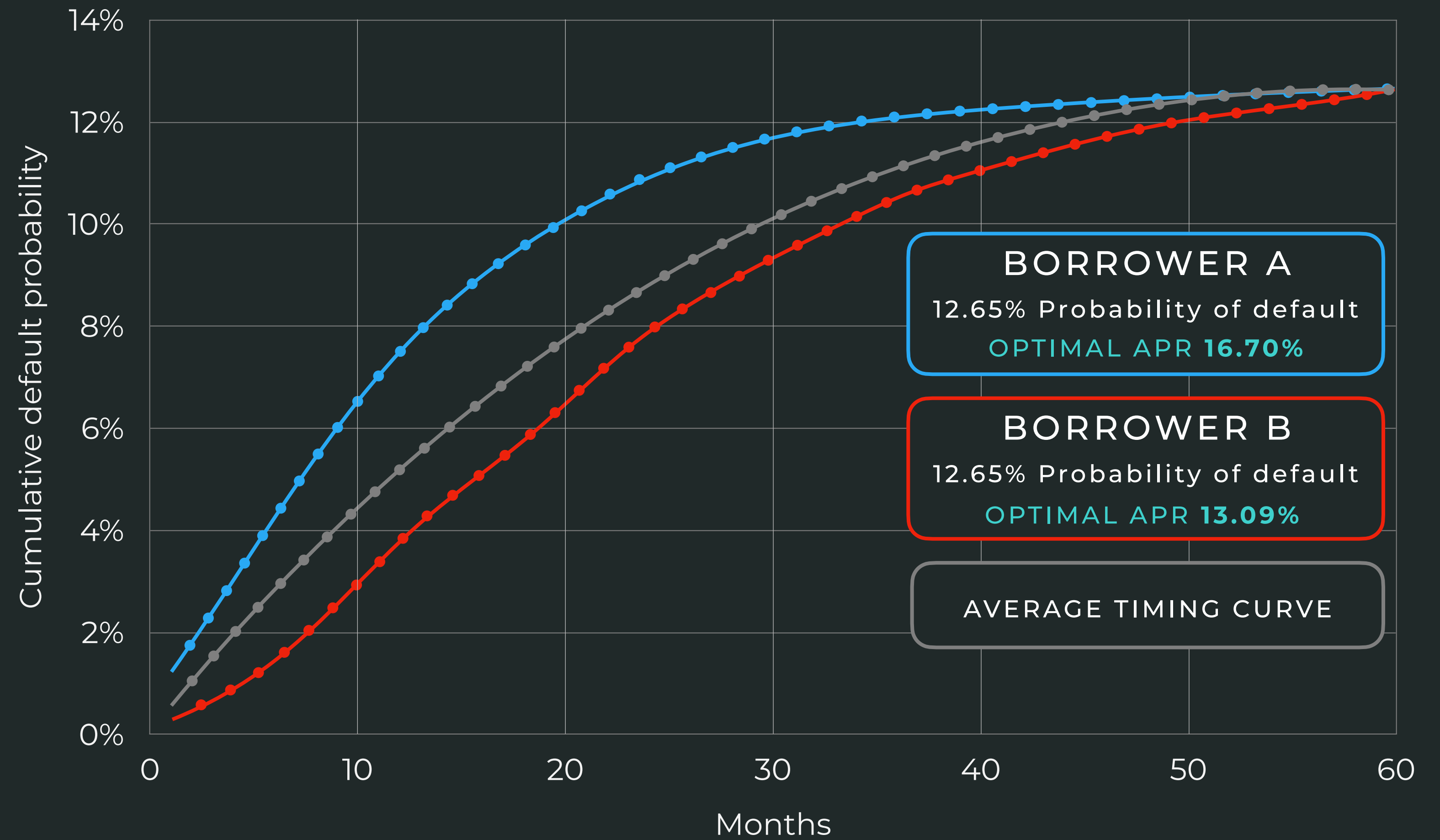
BY SYNCED  
2017-10-22

COMMENTS 4

**BUT LOANS ARE A  
"SURVIVAL" PROBLEM**

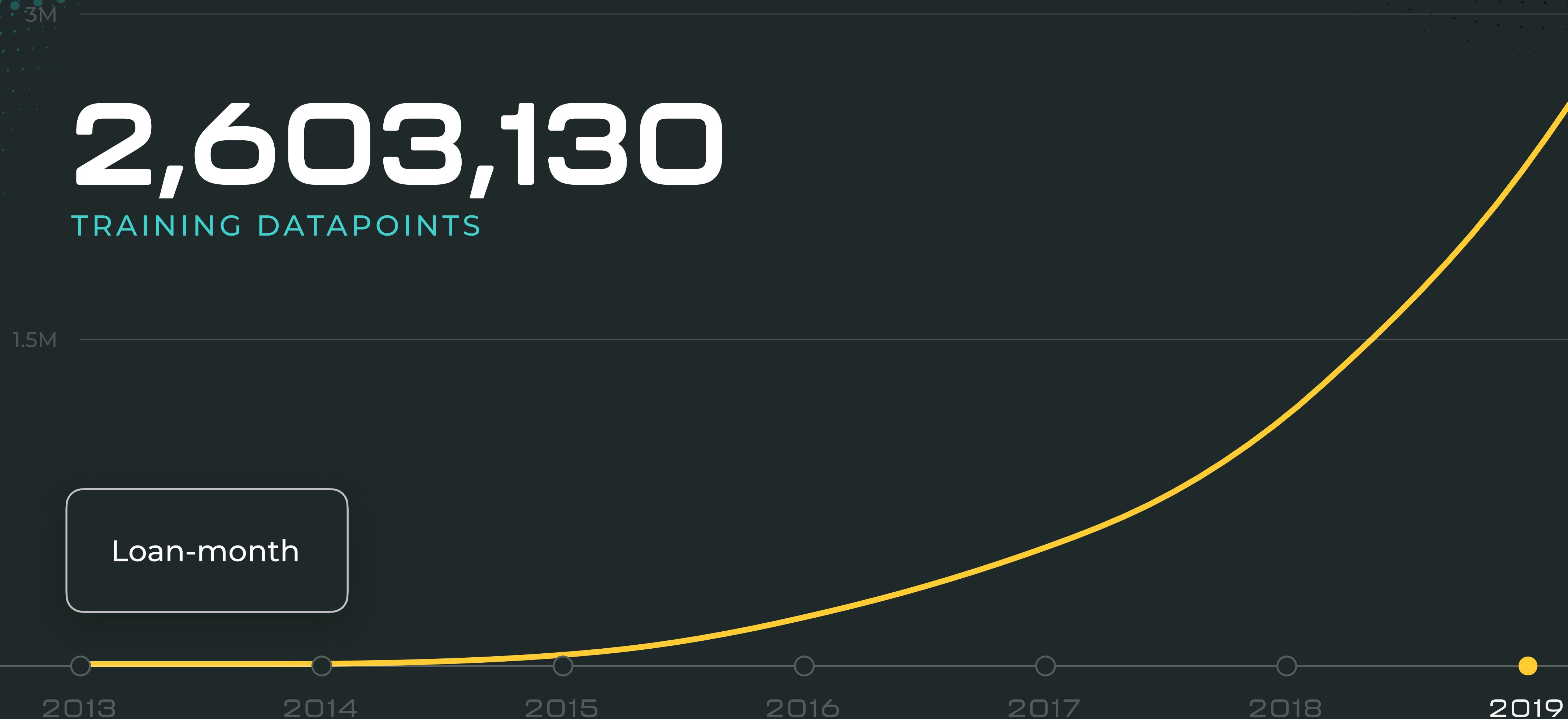
POST-LOAN MONTH

# DEFAULT CDFs



# 2,603,130

TRAINING DATAPPOINTS



# 5,286,411

TRAINING DATAPOINTS

6M

3M

Neural networks

2013

2014

2015

2016

2017

2018

2019

2020

12M

# 10,042,546

TRAINING DATAPPOINTS

6M

LDAs and SHAP

2013

2014

2015

2016

2017

2018

2019

2020

2021

30M

# 20,701,366

TRAINING DATAPOINTS

15M

Proprietary loss function

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

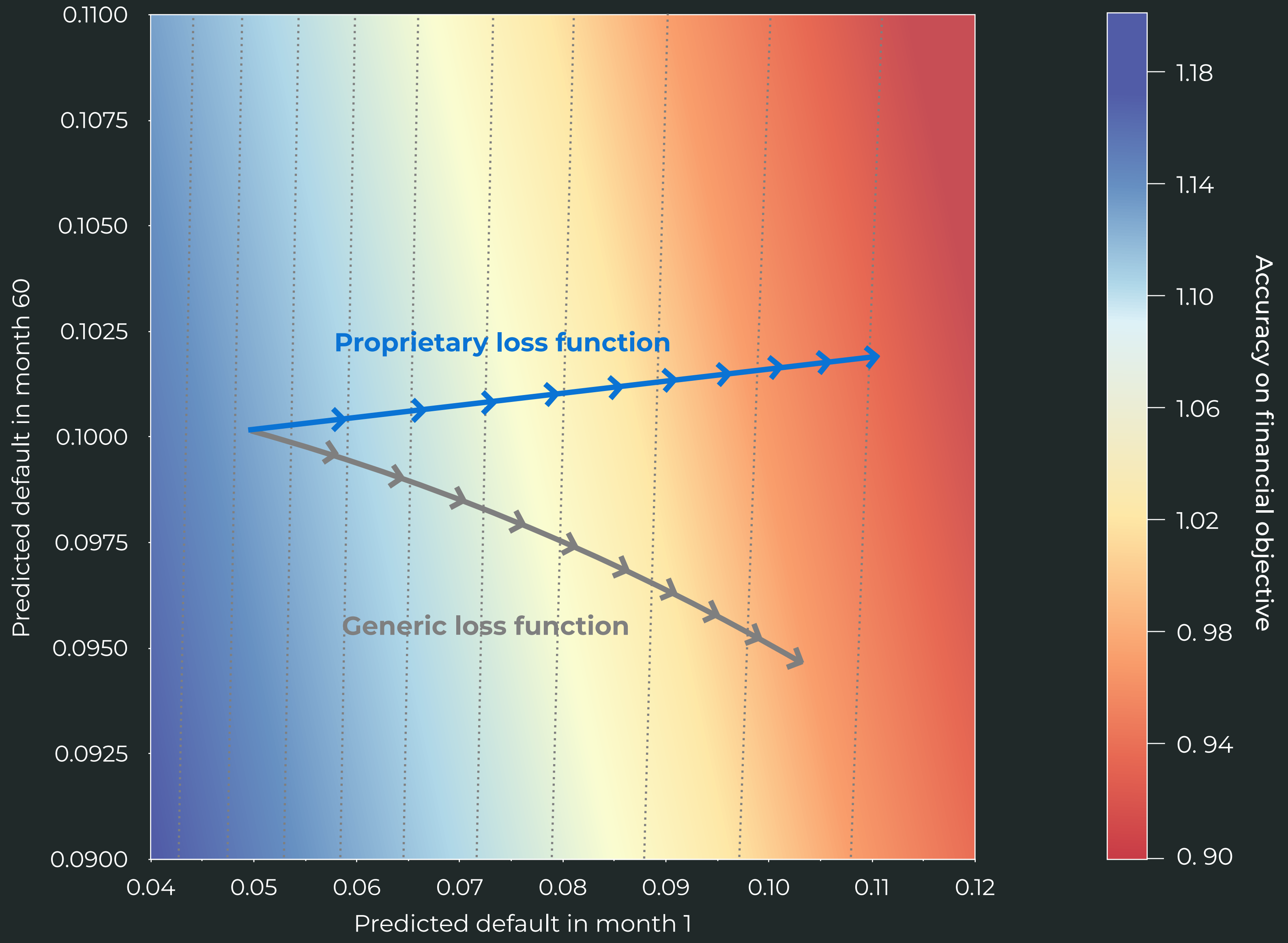
# GENERIC LOSS FUNCTION

$$-\frac{1}{N} \sum_{i=1}^N y_i \cdot \log(p(y_i)) + (1 - y_i) \cdot \log(1 - p(y_i))$$

Loan that defaults in month 1 = Loan that defaults in month 60

Loan that defaults = Loan that prepays

Loan predicted to default in month 60 and defaults in month 59 = Loan predicted to default in month 1 and defaults in month 59



30M

# 20,701,366

TRAINING DATAPOINTS

15M

Proprietary loss function

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

50M

# 43,831,287

TRAINING DATAPOINTS

25 M

Dynamic macro

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

70M

# 65,795,540

TRAINING DATAPPOINTS

35M

APR as a feature

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

# UPSTART MATRIX COMPRESSION

Data repeats

Borrower ID	Credit score	Education	Bank balance	Loan amount	Time	Loan month index	Outcome
10000	714	BA	\$4000	\$10000	2023-01	1	0
10000	714	BA	\$4000	\$10000	2023-02	2	0
10000	714	BA	\$4000	\$10000	2023-03	3	0
10000	714	BA	\$4000	\$10000	2023-04	4	0
...	...	...	...	...	...	...	...
10000	714	BA	\$4000	\$10000	2025-04	28	0
10000	680	HS	\$5000	\$7500	2024-01	1	0
10000	680	HS	\$5000	\$7500	2024-02	2	0
...	...	...	...	...	...	...	...
10000	680	HS	\$5000	\$7500	2025-01	13	1

Data is unique

# UPSTARTXGB CAN REDUCE MEMORY CONSUMPTION 30-60X

Borrower ID	Credit score	Education	Bank balance	Loan amount	Time	Loan month index
10000	714	BA	\$4000	\$10000	0	0
10000	0	0	0	0	2023-01	1
10000	0	0	0	0	2023-02	2
10000	0	0	0	0	2023-03	3
...	...	...	...	...	...	...
10000	0	0	0	0	2025-04	28
10000	680	HS	\$5000	\$7500	0	0
10000	0	0	0	0	2024-01	1
...	...	...	...	...	...	...
10000	0	0	0	0	2025-01	13

Novel  
"block sparse  
matrix" format

ML algorithms  
rewritten to  
support this  
data structure

70M

# 65,795,540

TRAINING DATAPPOINTS

35M

APR as a feature

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

100M

# 91,124,212

TRAINING DATAPPOINTS

50M

Embeddings

2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

# WHY THIS MATTERS

 SEPARATION

 AUTOMATION

 CALIBRATION

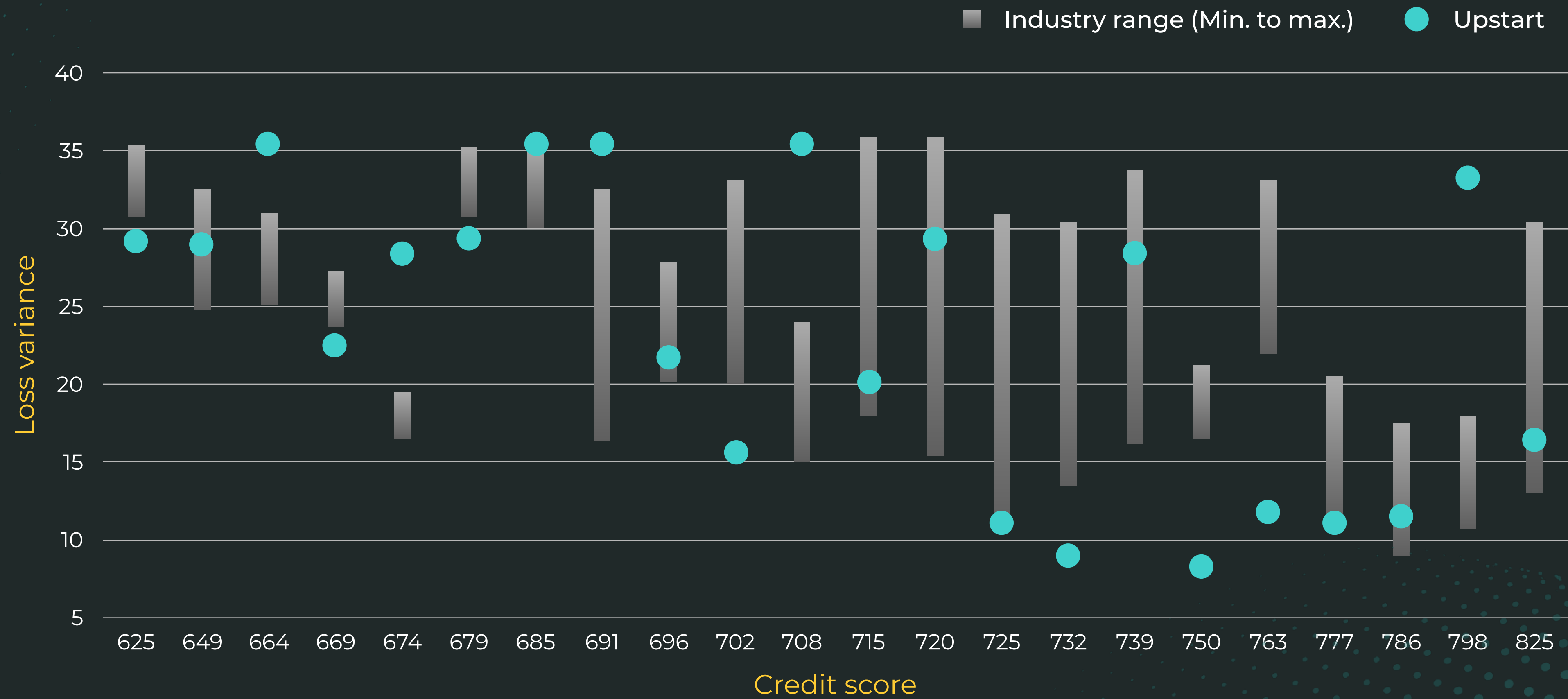
 GENERALIZATION

 PERSONALIZATION

# WHY THIS MATTERS

 SEPARATION

# UPSTART VS INDUSTRY PRICING FOR RANDOM LOAN SAMPLE



Source: Based on internal analysis of third-party data from 4/9-5/6.

THE SCENARIO

5 YEARS  
AGO

TRADITIONAL MODEL

- FICO 666
- 5.8 years of credit history
- \$61k annual income

Decision:

**REJECT**

Probability of default is 32%

THE SCENARIO

5 YEARS  
AGO

TRADITIONAL MODEL

- FICO 666
- 5.8 years of credit history
- \$61k annual income

REJECT

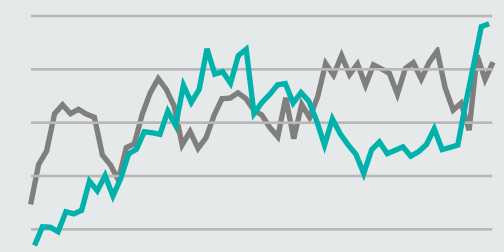
UPSTART MODEL

- JD from University of Pittsburgh
- Lawyer for the City of Philadelphia
- Low debt use relative to others in similar circumstances

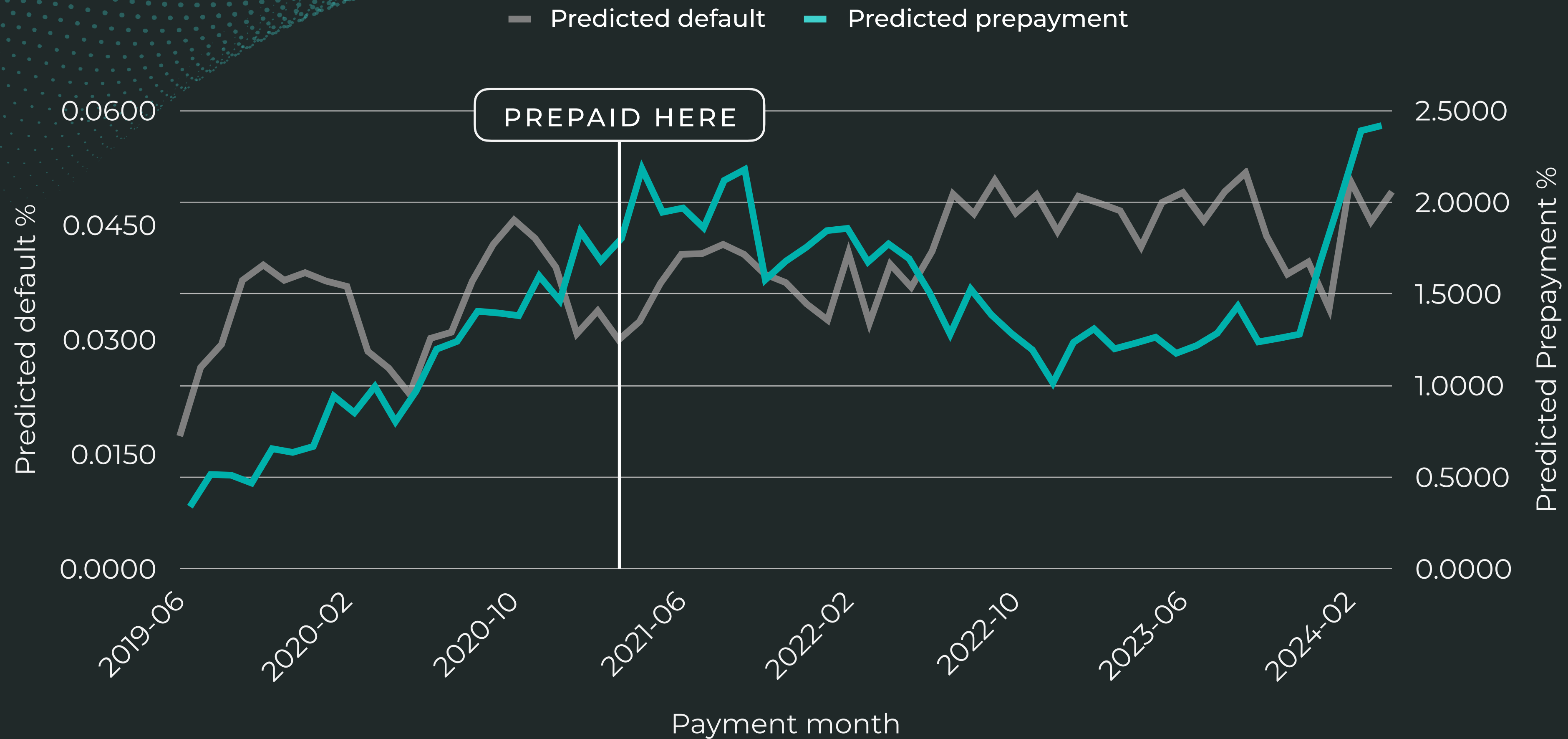
Decision:

**APPROVE**

Probability of default is 2%



# OUTCOME: 21 ON-TIME PAYMENTS BEFORE FULLY PAYING OFF LOAN



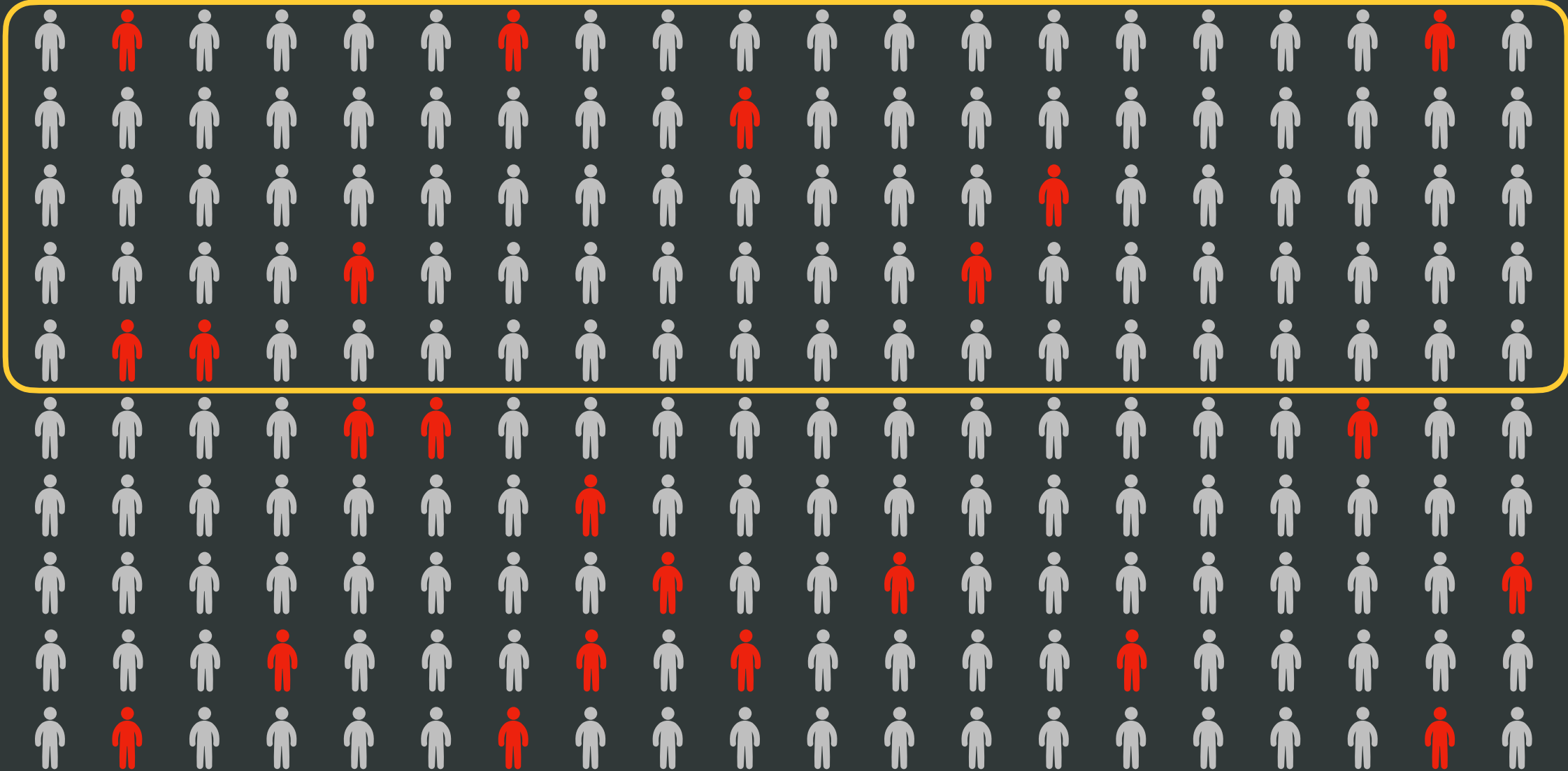
TRADITIONAL  
MODEL



UPSTART  
MODEL



TRADITIONAL MODEL



50%  
APPROVAL RATE

9%  
DEFAULT RATE



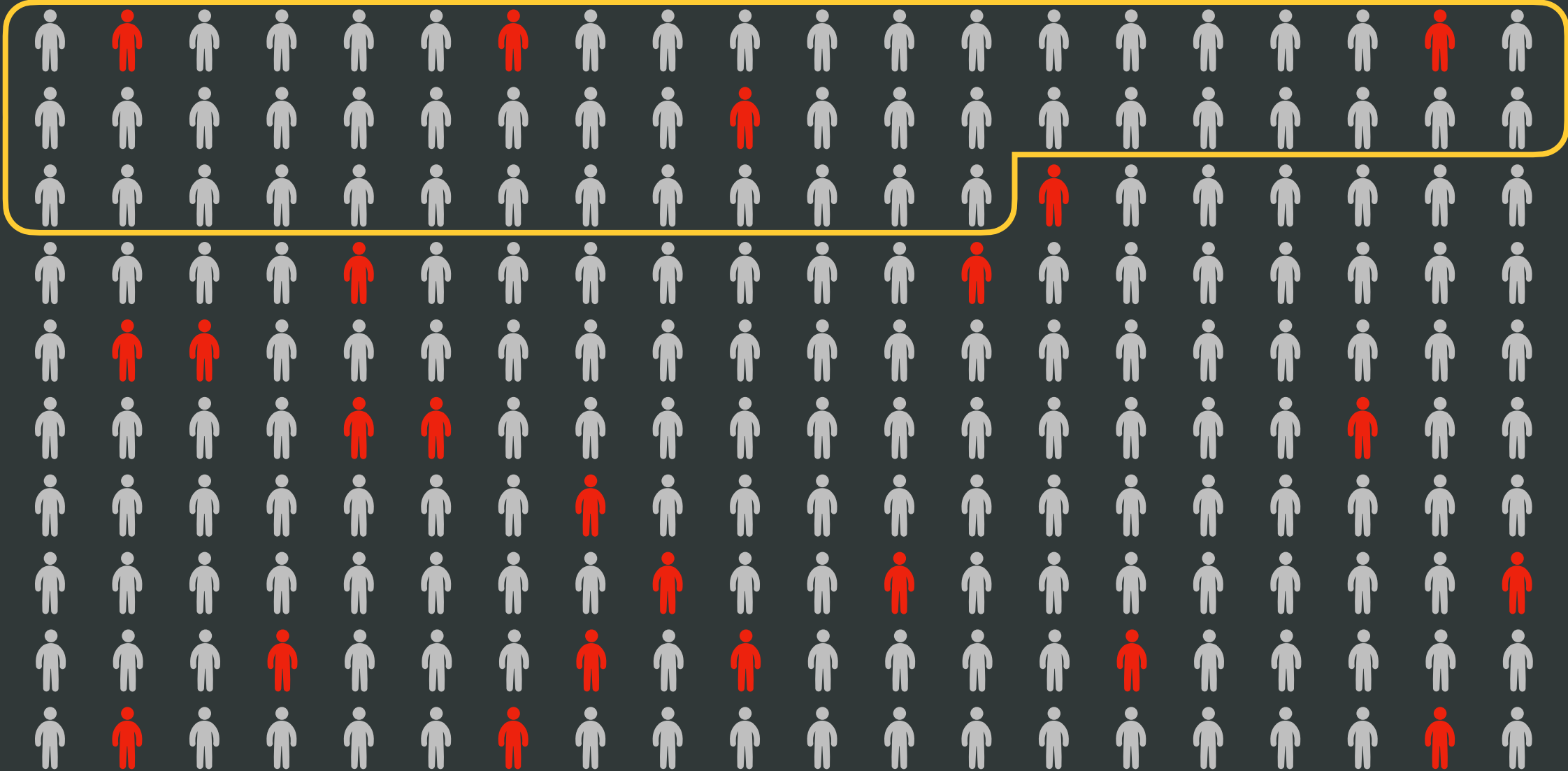
UPSTART MODEL



50%  
APPROVAL RATE

5%  
DEFAULT RATE

TRADITIONAL MODEL

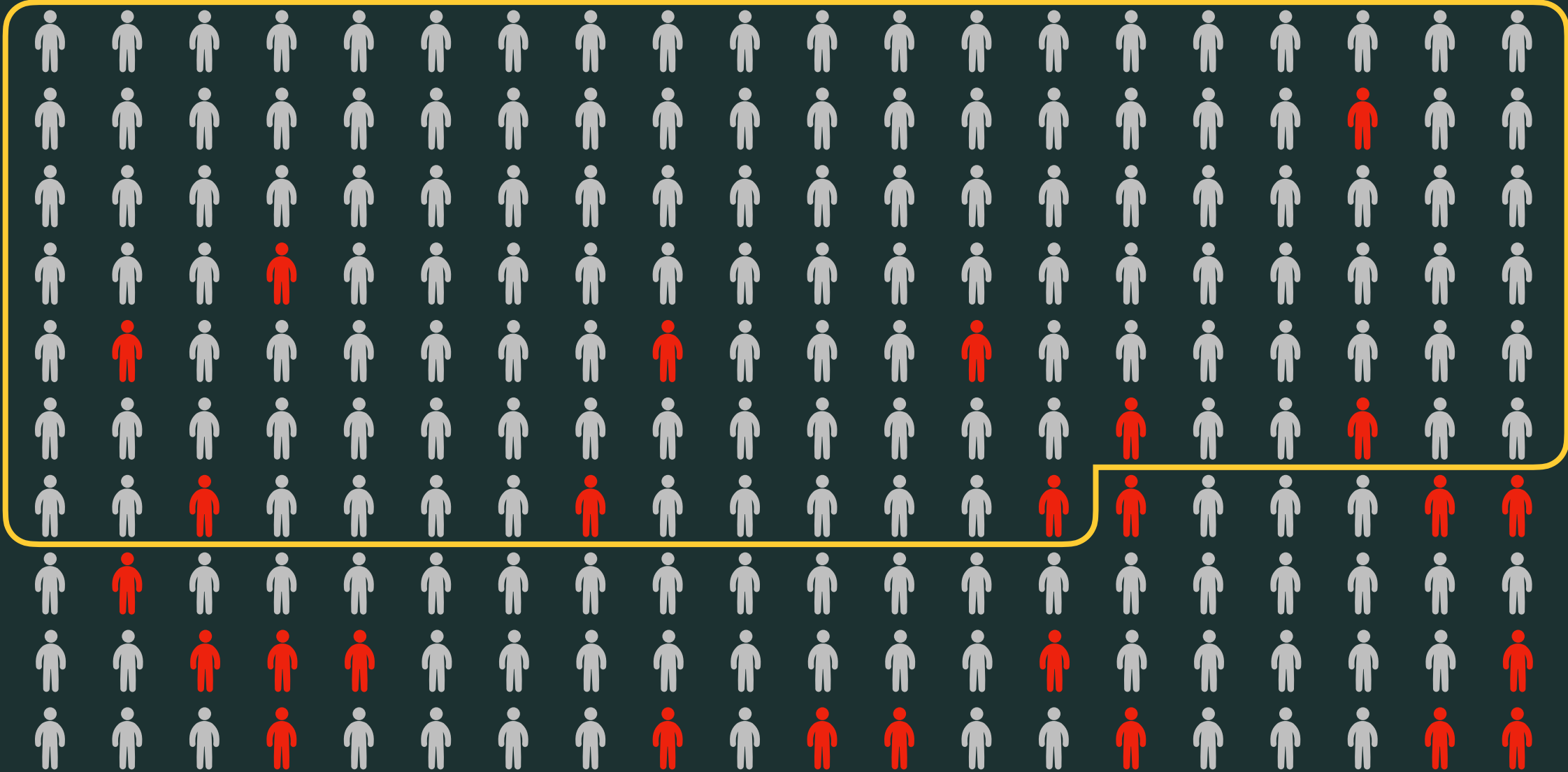


27%  
APPROVAL RATE

7.5%  
DEFAULT RATE



UPSTART MODEL



67%  
APPROVAL RATE

7.5%  
DEFAULT RATE

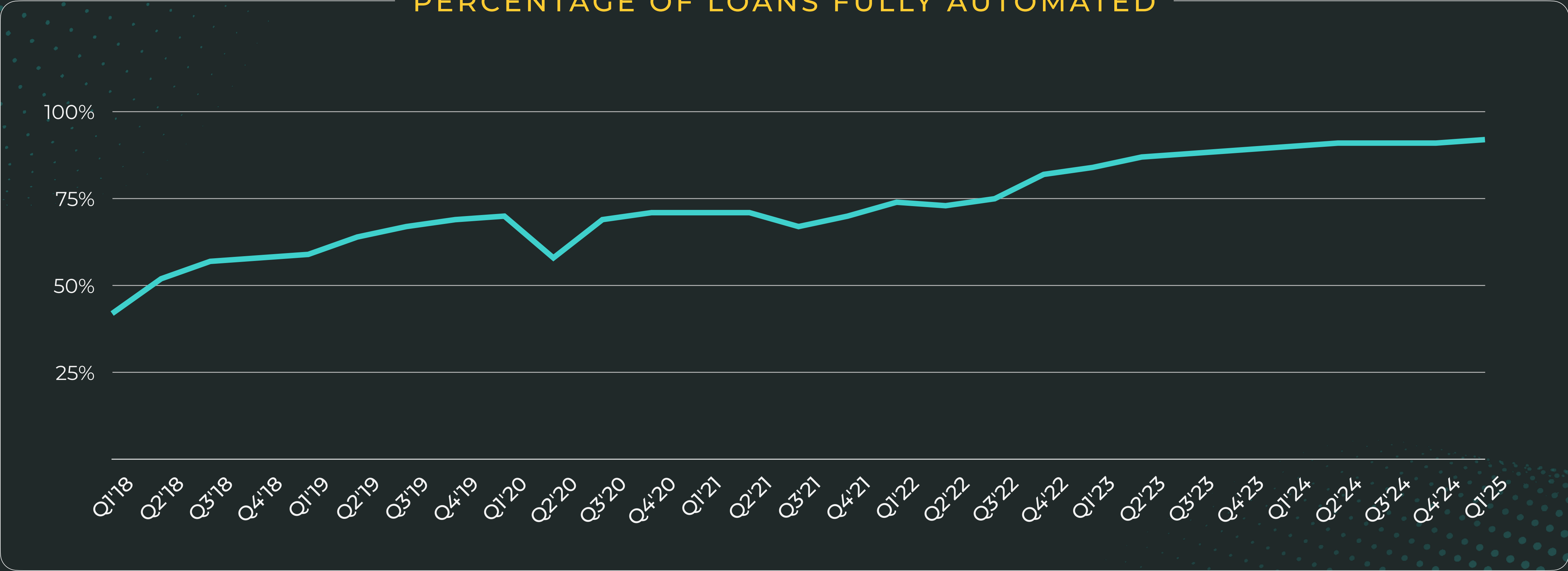
# WHY THIS MATTERS

 SEPARATION

 AUTOMATION

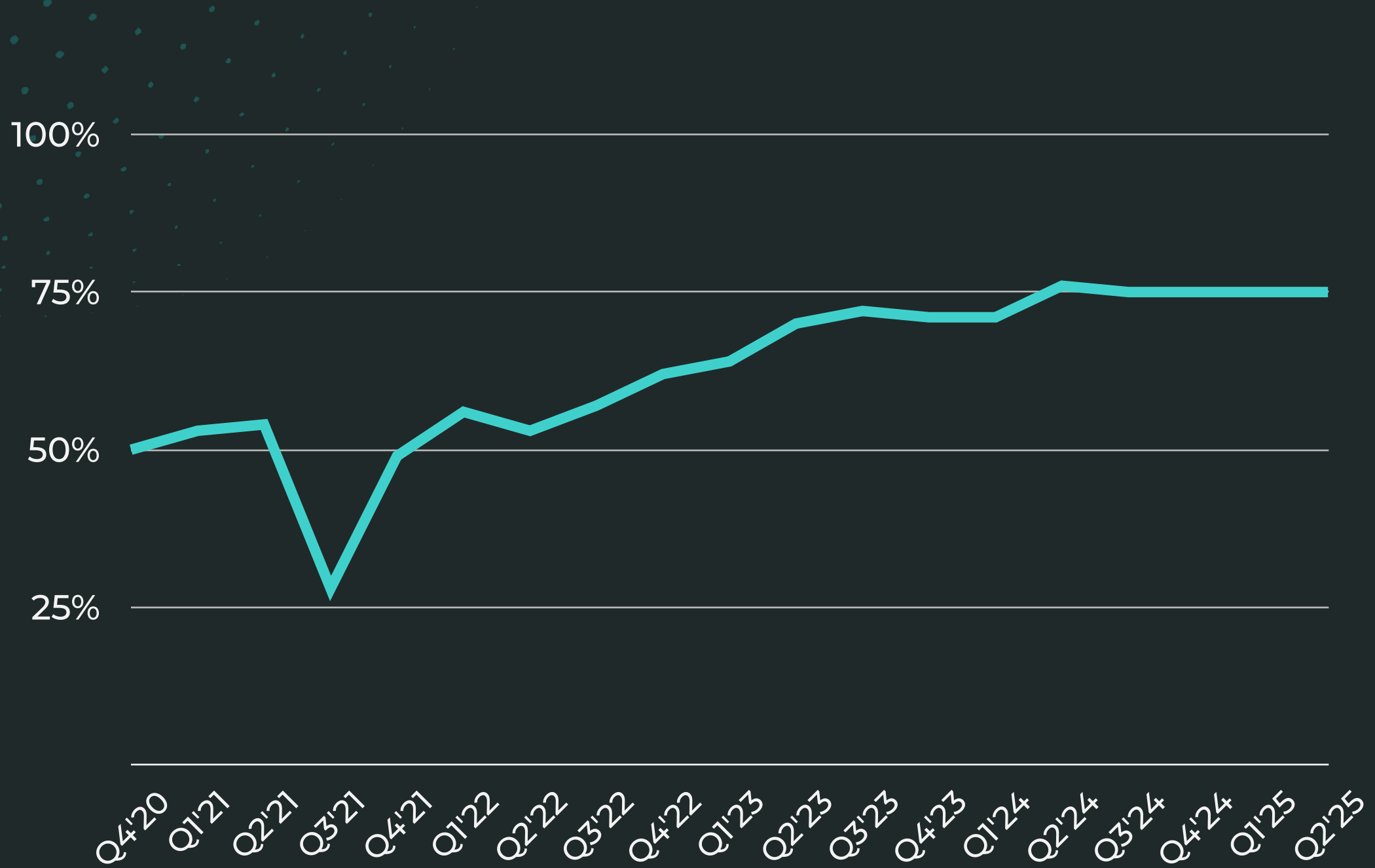
# FULLY AUTOMATED LOANS

PERCENTAGE OF LOANS FULLY AUTOMATED

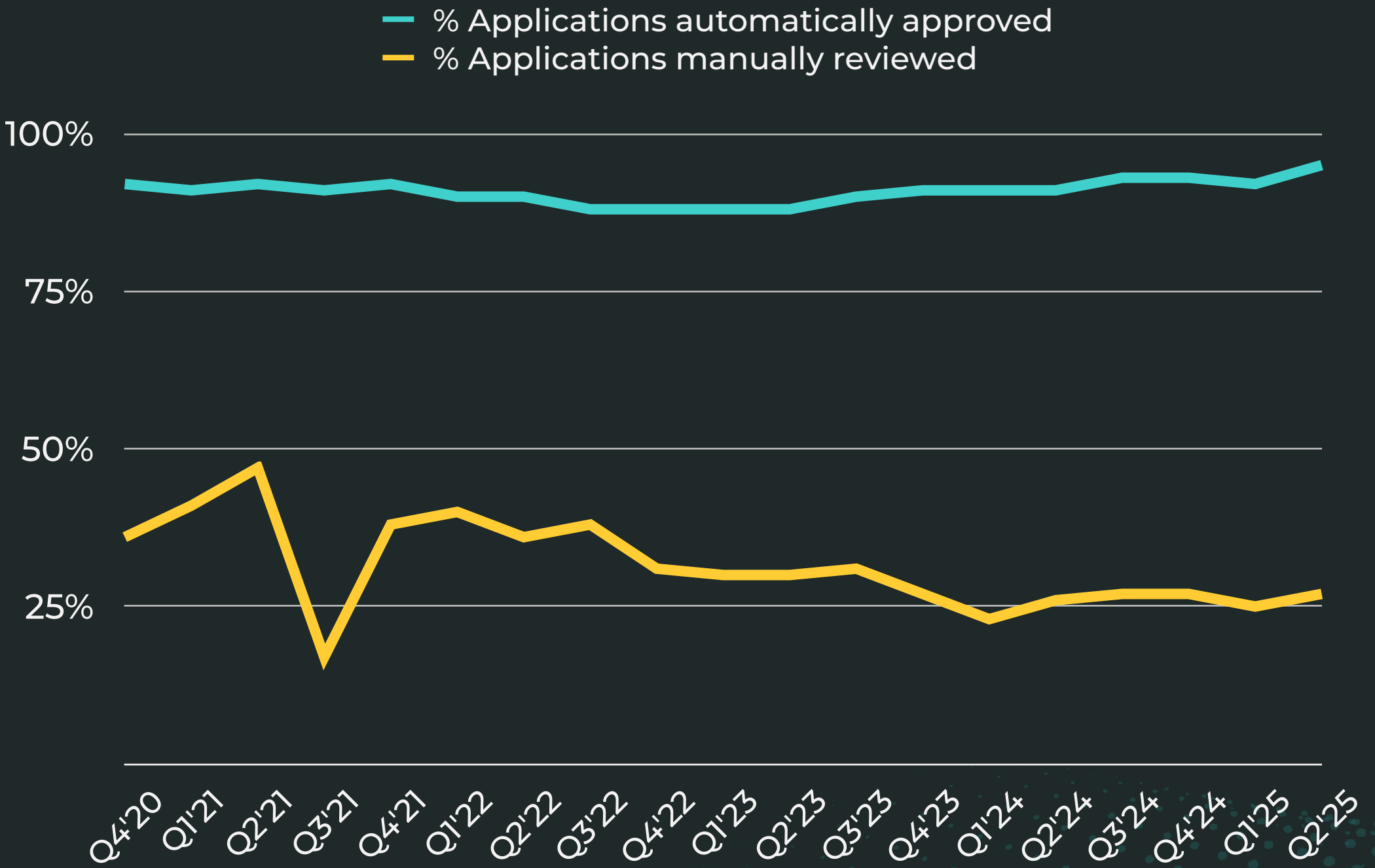


# FULLY AUTOMATED LOANS

## % APPLICATIONS AUTOMATICALLY APPROVED



## CONVERSION TO LOANS



# WHY THIS MATTERS

 SEPARATION

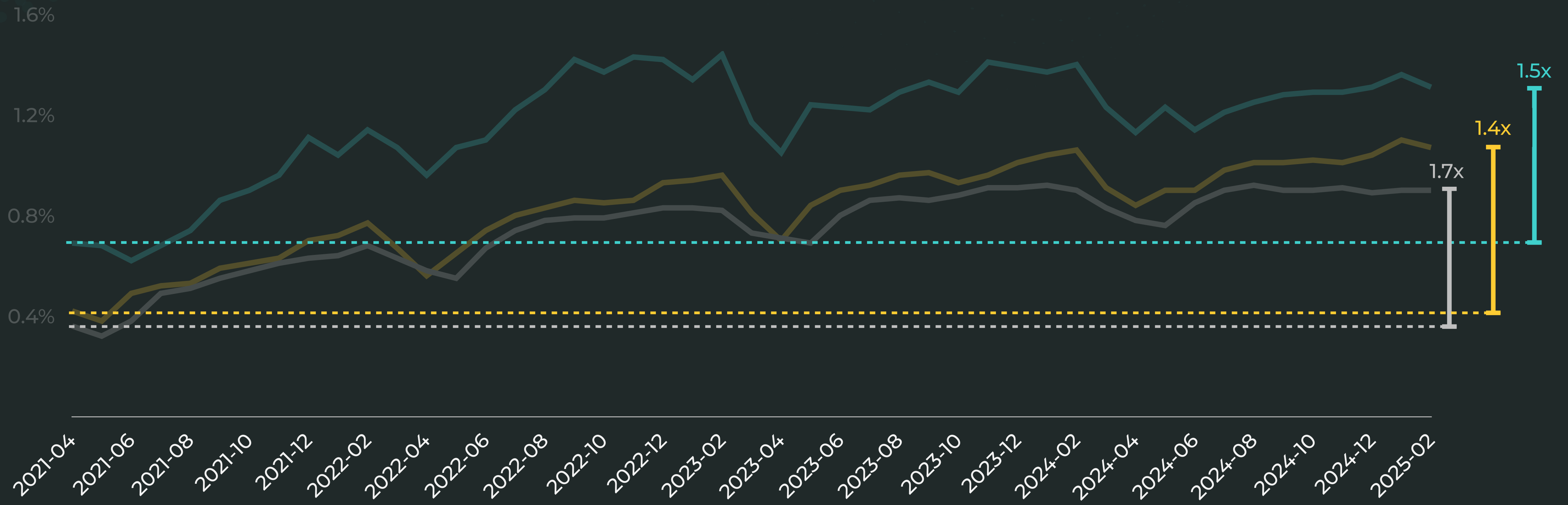
 AUTOMATION

 CALIBRATION

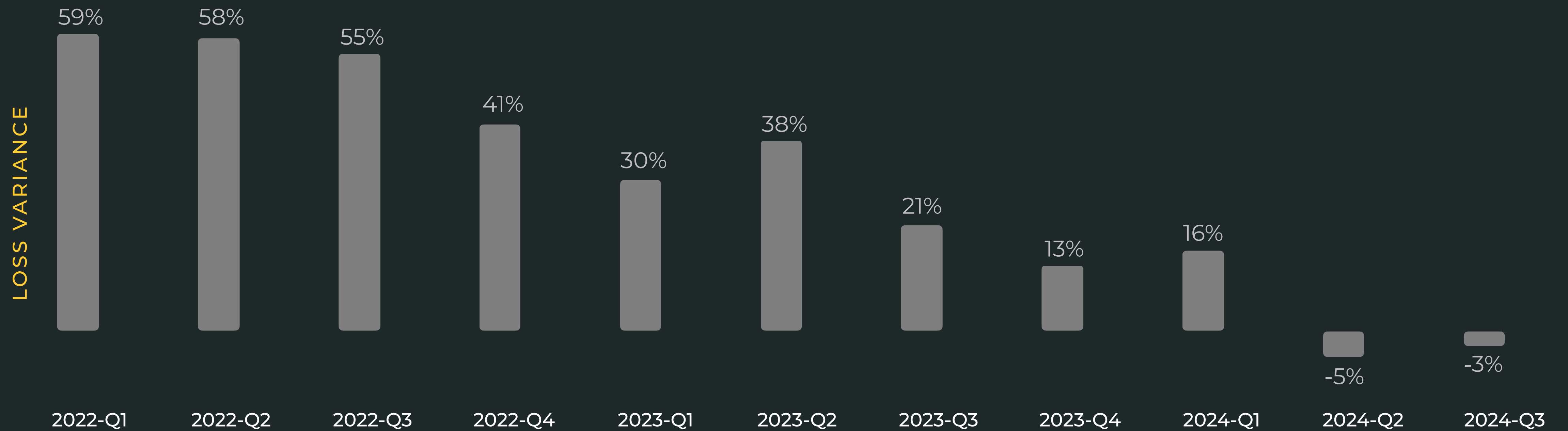
# CONSUMER CREDIT POST-COVID

60-90 DAY DELINQUENCIES (TRANSUNION DATA)

Personal loan   Card   Auto

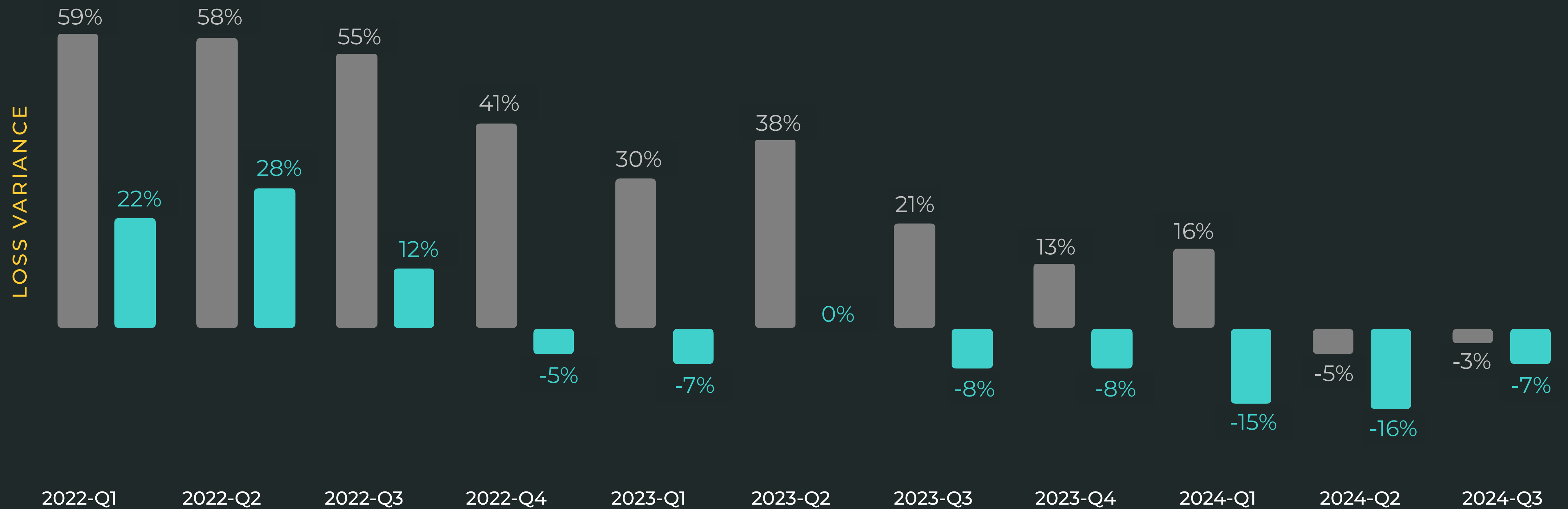


# HOW OUR MODEL DID



# TODAY'S MODEL

IN COMPARISON



# WHY THIS MATTERS

 SEPARATION

 AUTOMATION

 CALIBRATION

 GENERALIZATION

# MODEL FEATURES BY PRODUCT

Product	Education variables	Ensemble of algorithms	Instant approval	Revenue science	Loan month	Neural networks	LDAs and SHAP	Proprietary loss function	Dynamic macro	APR as a feature	Embeddings
SDL	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
AUTO REFI	✓	✓	✓		✓	✓	✓		✓	✓	✓
AUTO RETAIL		✓			✓	✓	✓		✓	✓	
HELOC	✓	✓	✓		✓		✓				

# WHY THIS MATTERS

 SEPARATION

 AUTOMATION

 CALIBRATION

 GENERALIZATION

 PERSONALIZATION

TARGETED LOAN  
MODIFICATIONS

TARGETED DEBT  
SETTLEMENT

TARGETED  
LOW-COST  
INTERVENTIONS

TARGETED  
HIGH-TOUCH  
INTERVENTIONS

**1%** REDUCTION IN  
CHARGE-OFF



**1%** INCREASE  
IN REVENUE

AT CONSTANT COST\*

OPTIMIZED  
PAYMENT DUE  
DATES

AGENT &  
BORROWER  
MATCHING

AI AGENT  
SERVICING

\*Approximate

Short-term credit



Home



Auto



Unsecured installment



PROFIT

CREDIT

GROWTH





 Upstart

**AI DAY**

2025



# CHANTAL RAPPOORT

Chief Marketing Officer & SVP of Growth

**OUR CATEGORY-OF-ONE  
BUSINESS**

# CREDIT MATTERS



# NEW REALITIES OF LENDING

Banks losing market share

# NEW REALITIES OF LENDING

Banks losing market share

Loans will be shopped

# NEW REALITIES OF LENDING

Banks losing market share

Loans will be shopped

AI is a commitment

# NEW REALITIES OF LENDING

Banks losing market share

Loans will be shopped

AI is a commitment

Private credit emerges

# THE BUSINESS MODEL THAT WINS



Leading  
foundation model



Intelligent  
marketplace



Winning  
brand



UPSTART'S WINNING BUSINESS MODEL

# LEADING FOUNDATION MODEL

# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



Positive selection



Accelerated learnings



Superior product

# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



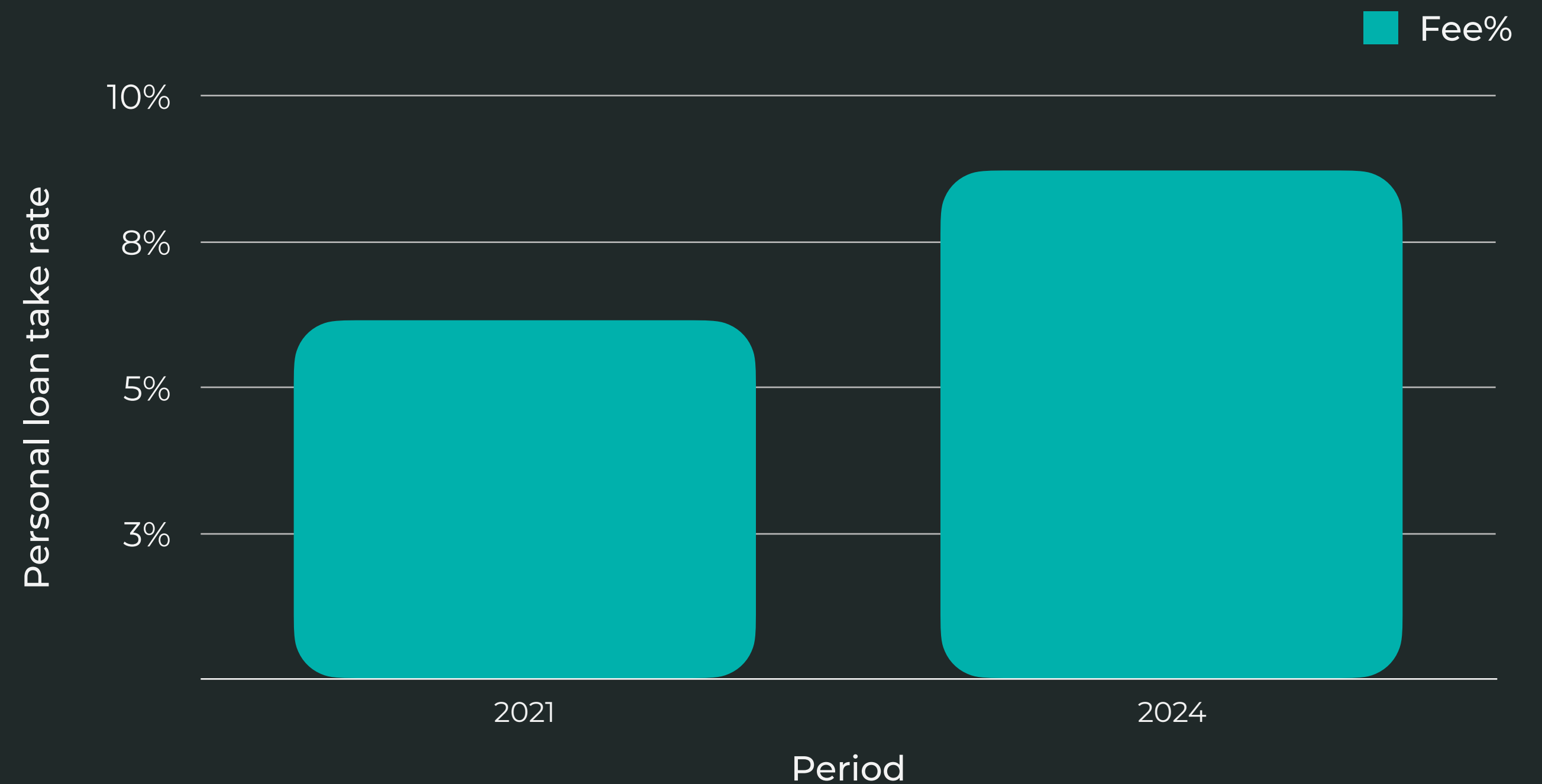
Positive selection



Accelerated learnings



Superior product



# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



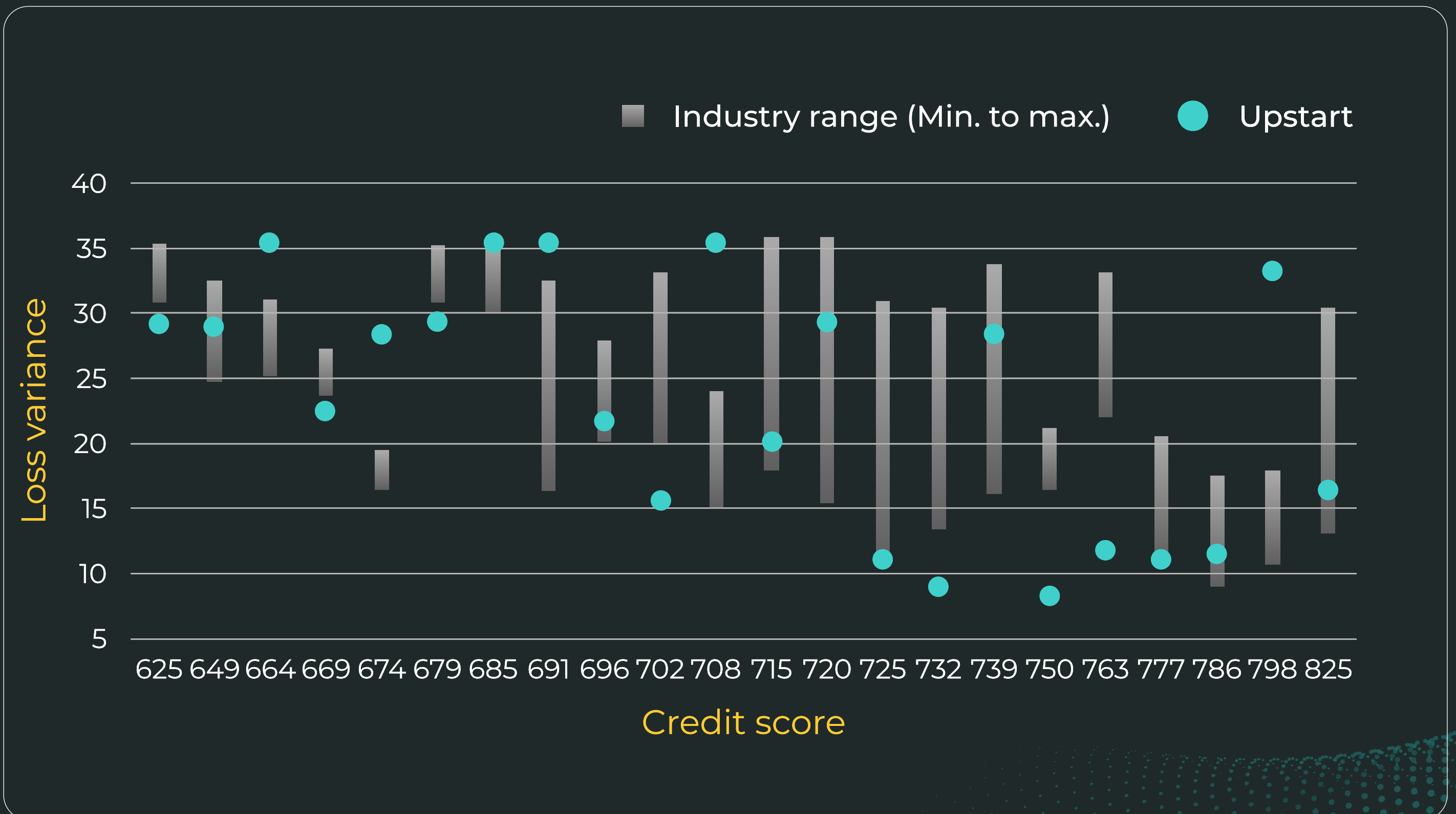
Positive selection



Accelerated learnings



Superior product



Source: Based on internal analysis of third-party data from 4/9-5/6.

# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



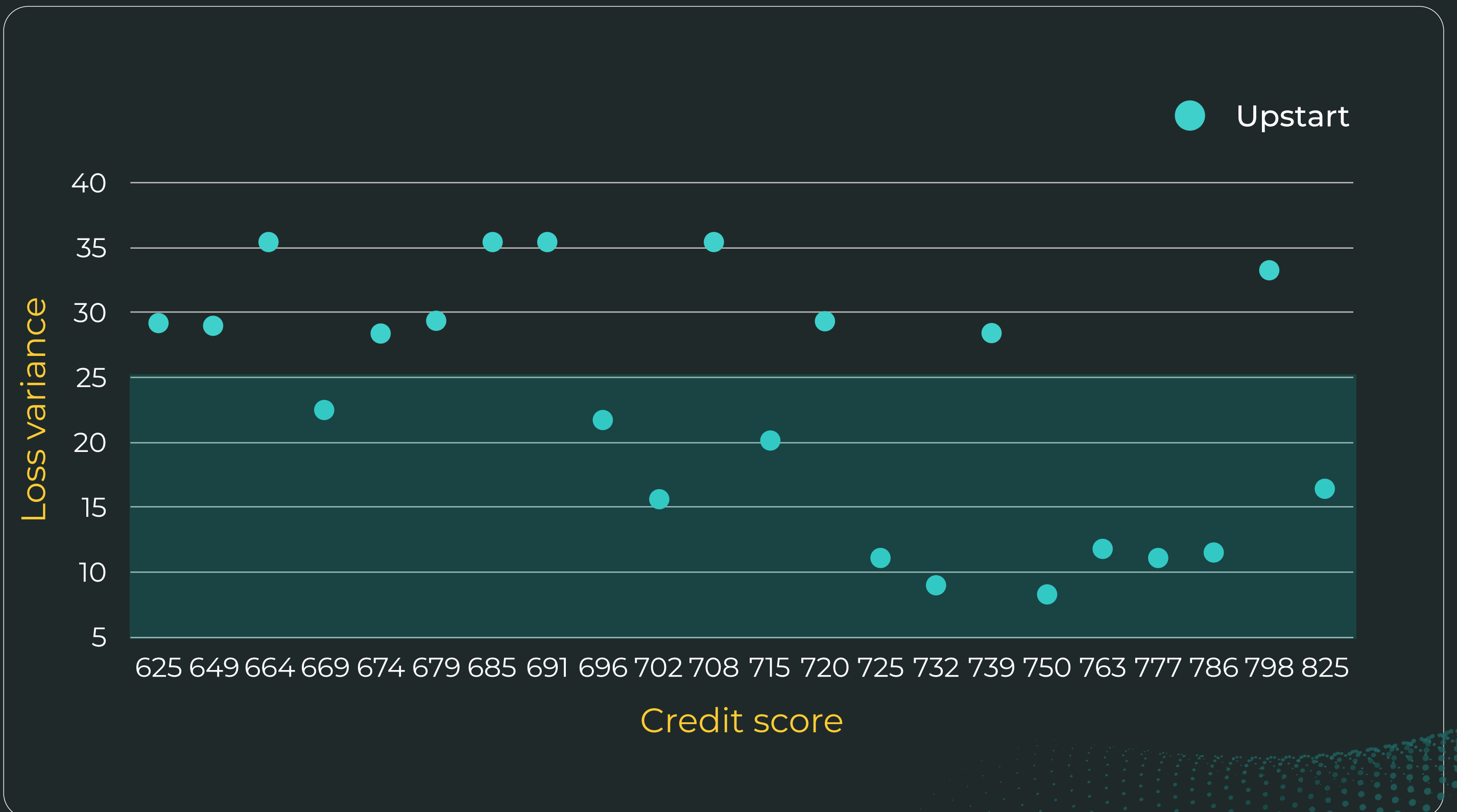
Positive selection



Accelerated learnings



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# WHAT ARE THE PROOF POINTS OF LEADING AI?



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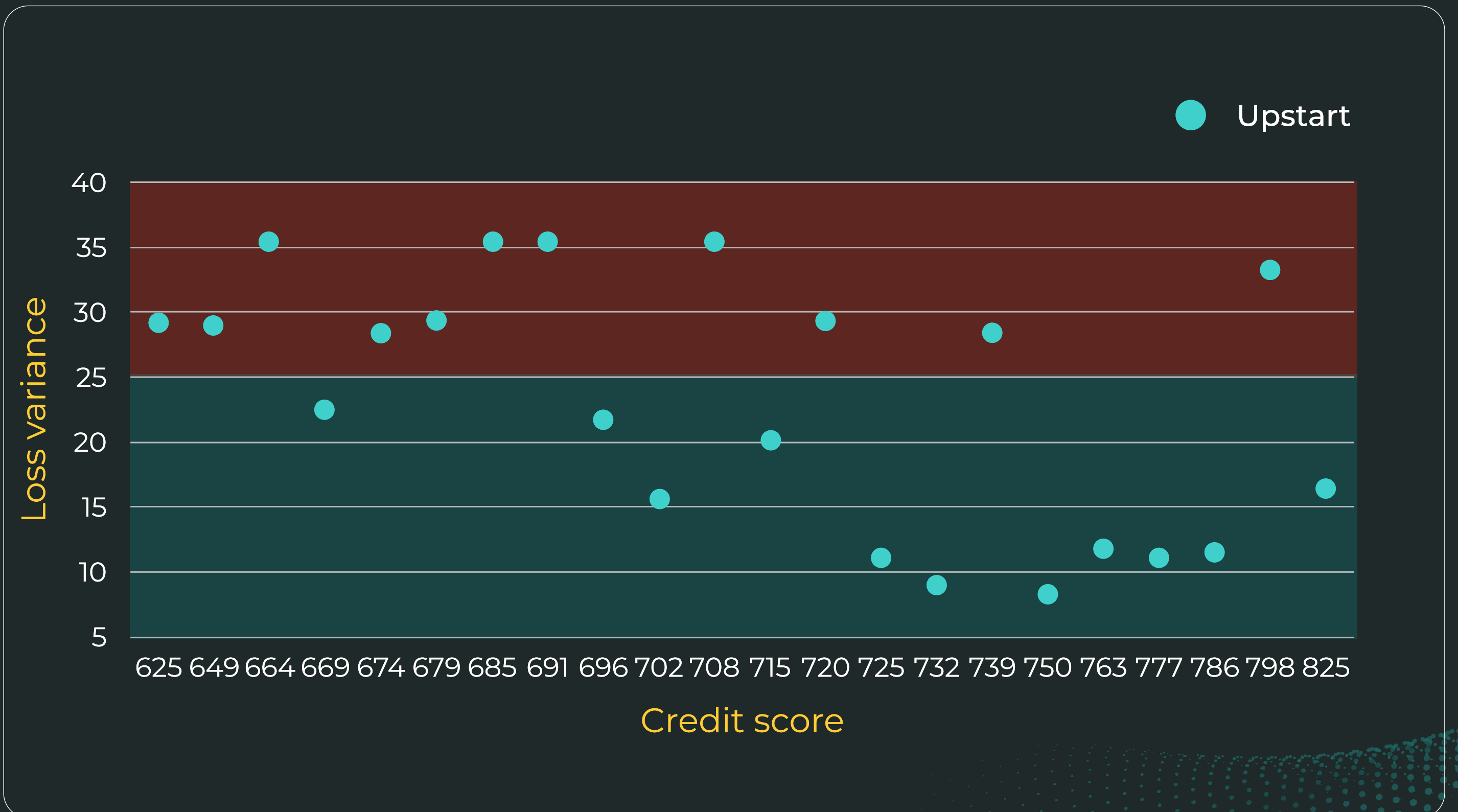
Positive selection



Accelerated learnings



Superior product



Source: Based on internal analysis of third-party data from 4/9-5/6.

# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



Positive selection



Accelerated learnings



Superior product

1

% Increase  
in accuracy

# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



Positive selection



Accelerated learnings



Superior product

1 : 13

% Increase  
in accuracy

% Increase  
in conversion

# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



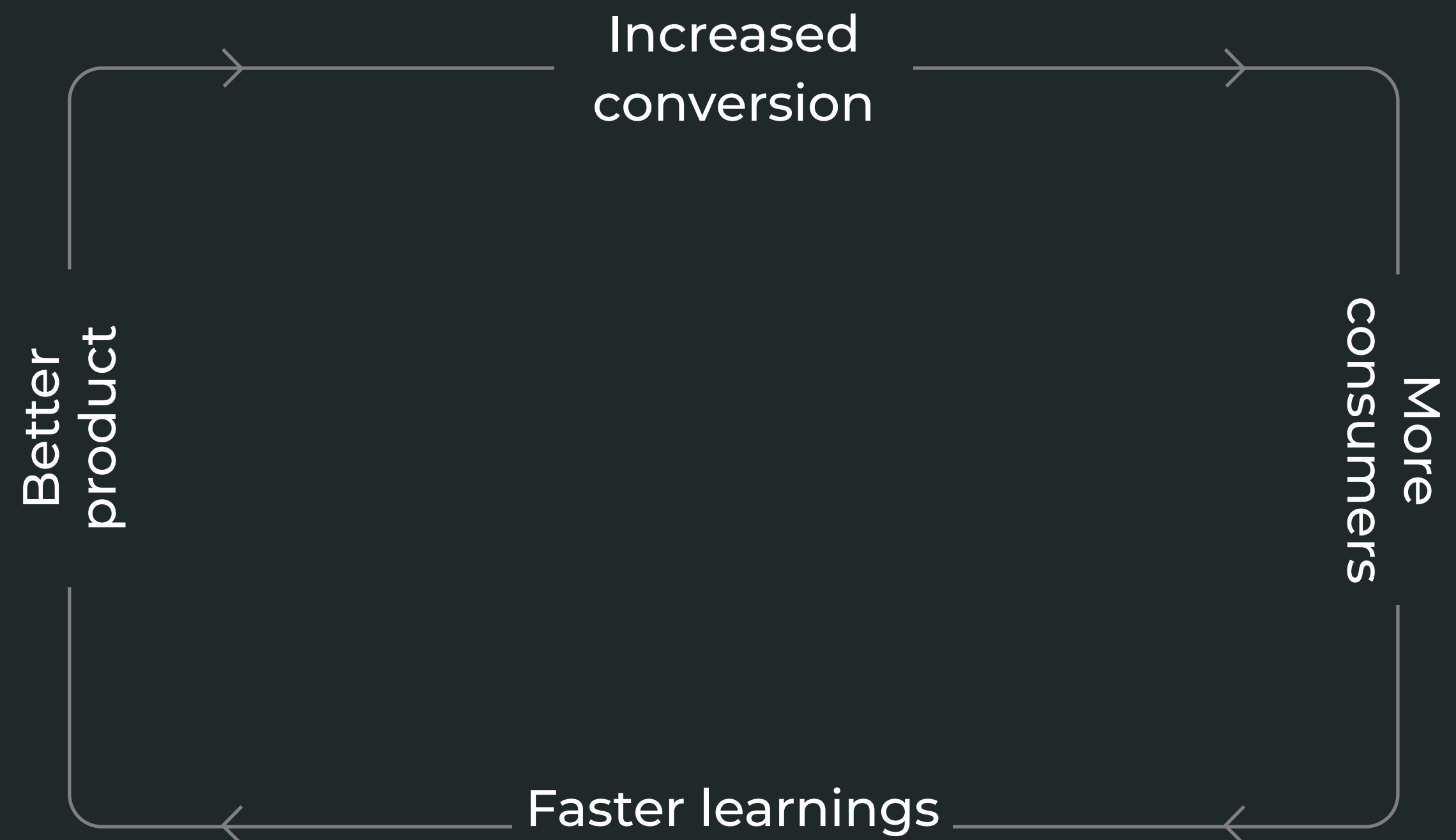
Positive selection



Accelerated learnings



Superior product



# WHAT ARE THE PROOF POINTS OF LEADING AI?



Pricing power



Positive selection



Accelerated learnings



Superior product

**BEST RATES,  
BEST PROCESS  
FOR ALL**



UPSTART'S WINNING BUSINESS MODEL

# MARKETPLACE CAPITAL

LENDER

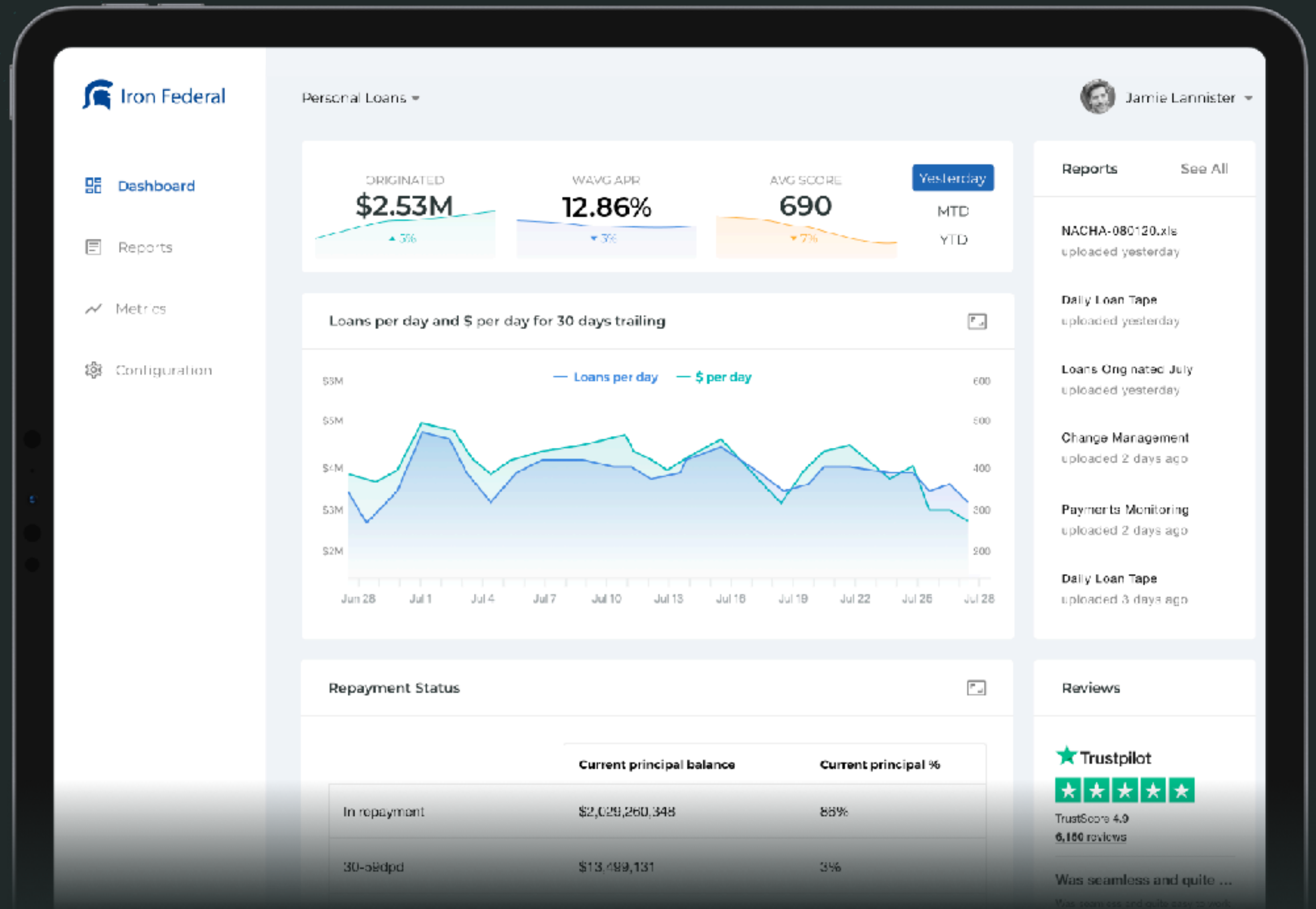


CONSUMER



INTELLIGENT MARKETPLACE

# COMPETITION AMONG DIVERSE CAPITAL SOURCES



# MARKETPLACE AUCTION CREATES STRUCTURAL ADVANTAGES



## SCALABLE

Serve more  
borrowers across  
more credit tiers



## EFFICIENT

Optimize rates  
and returns  
dynamically



## FLEXIBLE

Deploy more  
adaptable capital  
sources





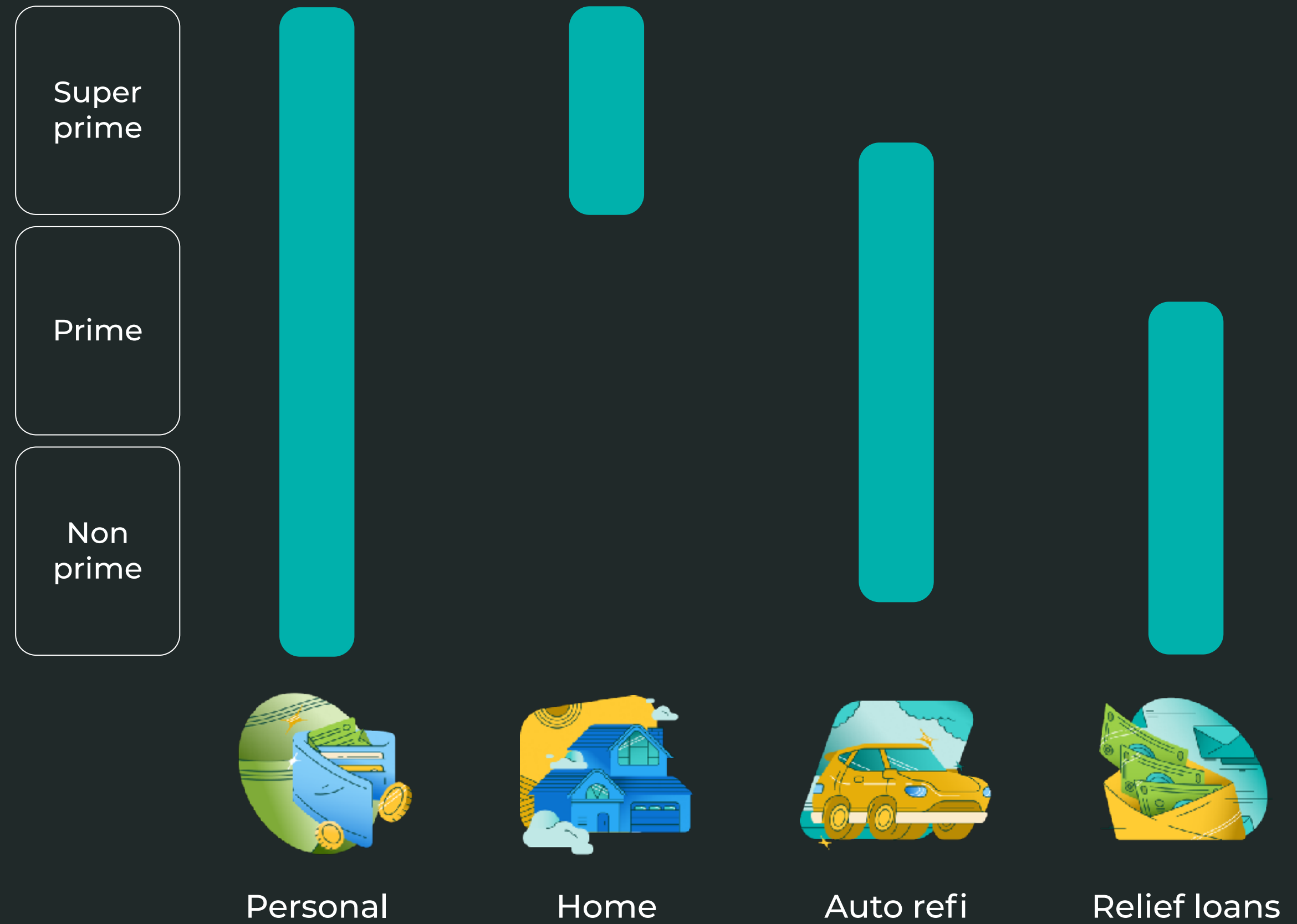
UPSTART'S WINNING BUSINESS MODEL

# THE WINNING BRAND

BRAND ADVANTAGE

# SOMETHING FOR EVERYONE

## CURRENT PRODUCT COVERAGE



BRAND ADVANTAGE

# LENDING FOR A LIFETIME

OF OUR CUSTOMERS...



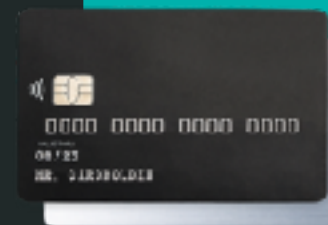
**76%**

of applicants have cars



**40%**

of applicants own homes



**30%**

of borrowers are likely to take out another loan within 5 years

BRAND ADVANTAGE

**WE LIVE  
FOR SPEED**



BRAND ADVANTAGE

**>90% OF  
PERSONAL LOANS  
APPROVED  
AUTOMATICALLY**



Source: Based on internal analysis.

BRAND ADVANTAGE

# THE FIRST INSTANT AUTO REFINANCE



Source: Based on internal analysis.

BRAND ADVANTAGE

HELOC  
>2X FASTER THAN  
THE INDUSTRY



Source: Based on internal analysis.

BRAND ADVANTAGE

# THE REVIEWS SPEAK FOR THEMSELVES



**The process was very easy, quick, & legit!**

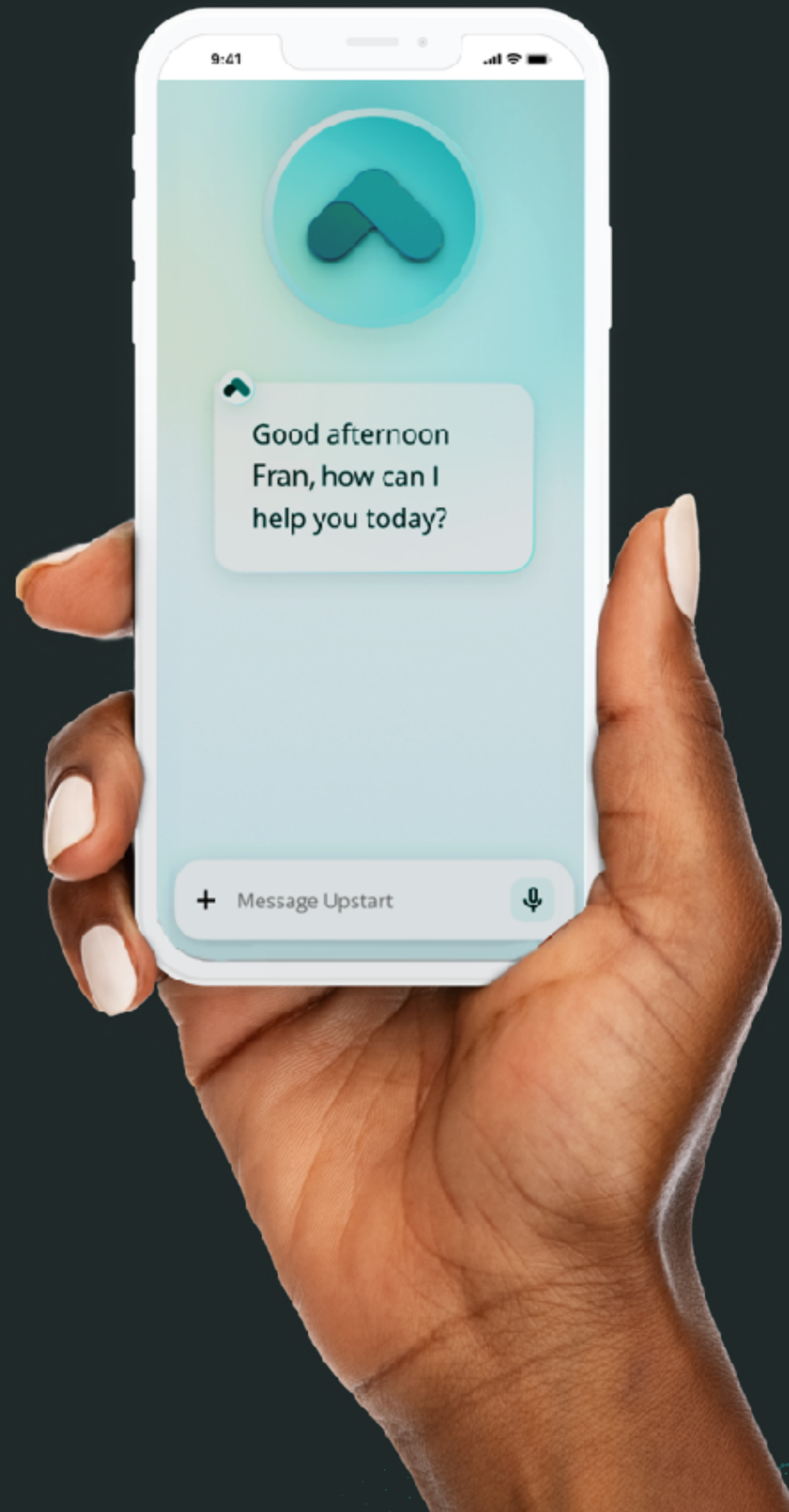
The process was very easy & quick...[and] the interest rate!!! I haven't seen an interest rate offer this good in YEARS. I will be able to pay off debts without my payment being eaten up by interest. They have won me over as a customer & I will definitely tell others.



**The Upstart loan process for credit...**

The Upstart loan process for credit card consolidation was

# UNLIMITED POTENTIAL





BRINGING IT TOGETHER

# AUTOMOBILE REFINANCING

# A \$0 BILLION MARKET?



# MEET FRAN



11:53 AM

Applies for a personal loan

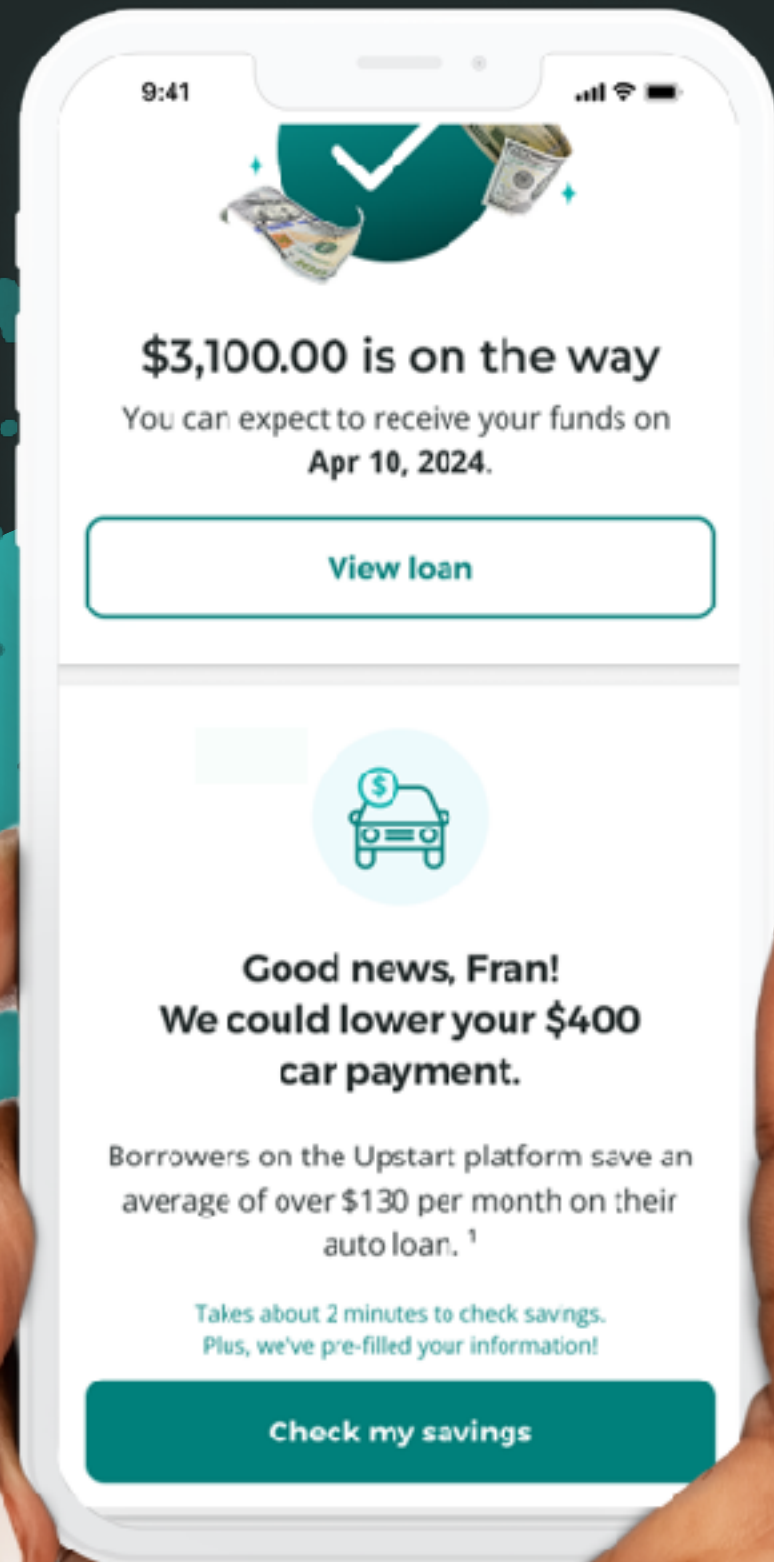


11:53 AM

Applies for a personal loan

12:03 PM

Loan processed



11:53 AM

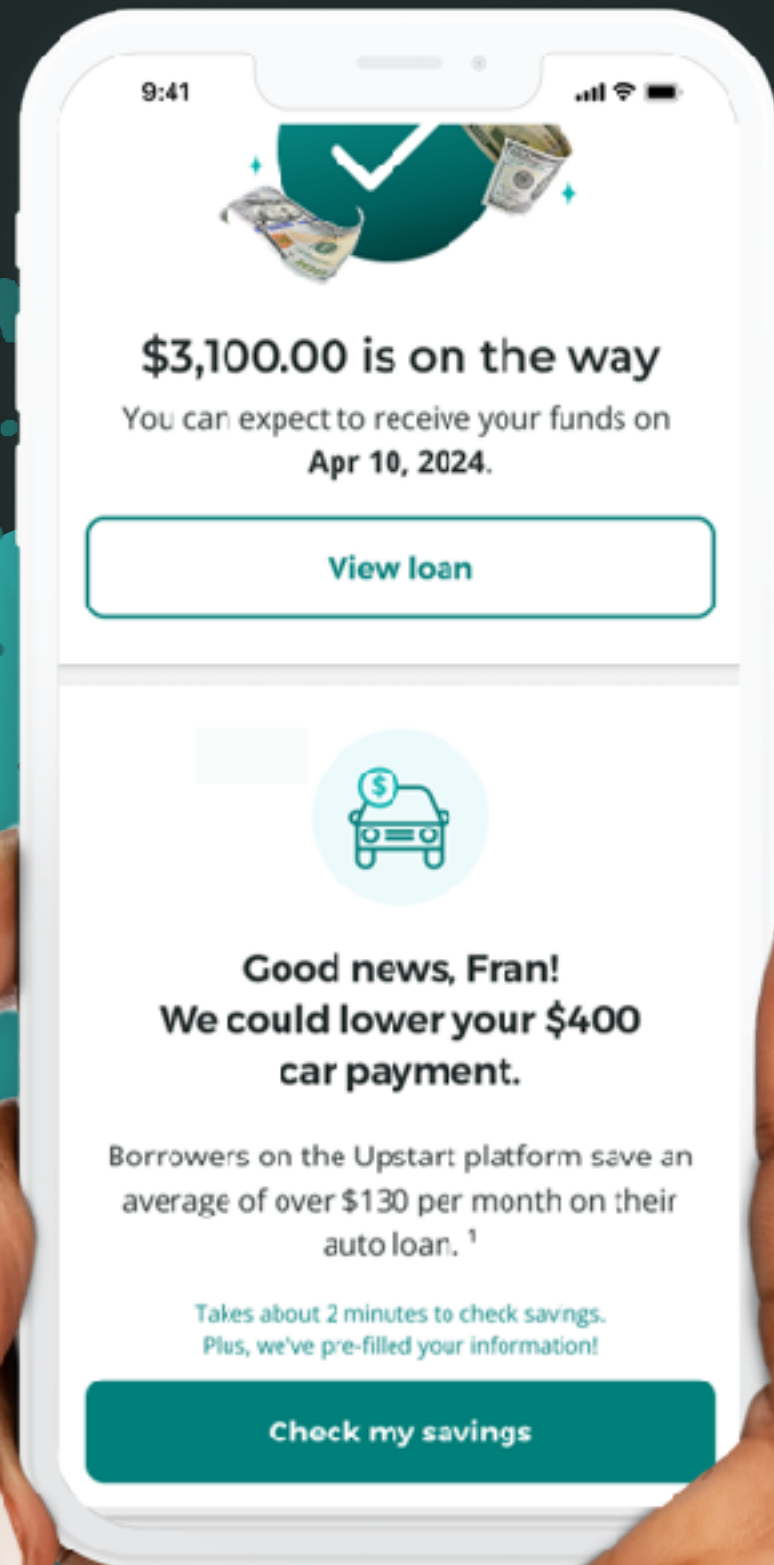
Applies for a personal loan

12:03 PM

Loan processed

12:05 PM

Applies for an auto refi loan



11:53 AM

Applies for a personal loan

12:03 PM

Loan processed

12:05 PM

Applies for an auto refi loan

12:14 PM

Refinances her car

## FEEDBACK

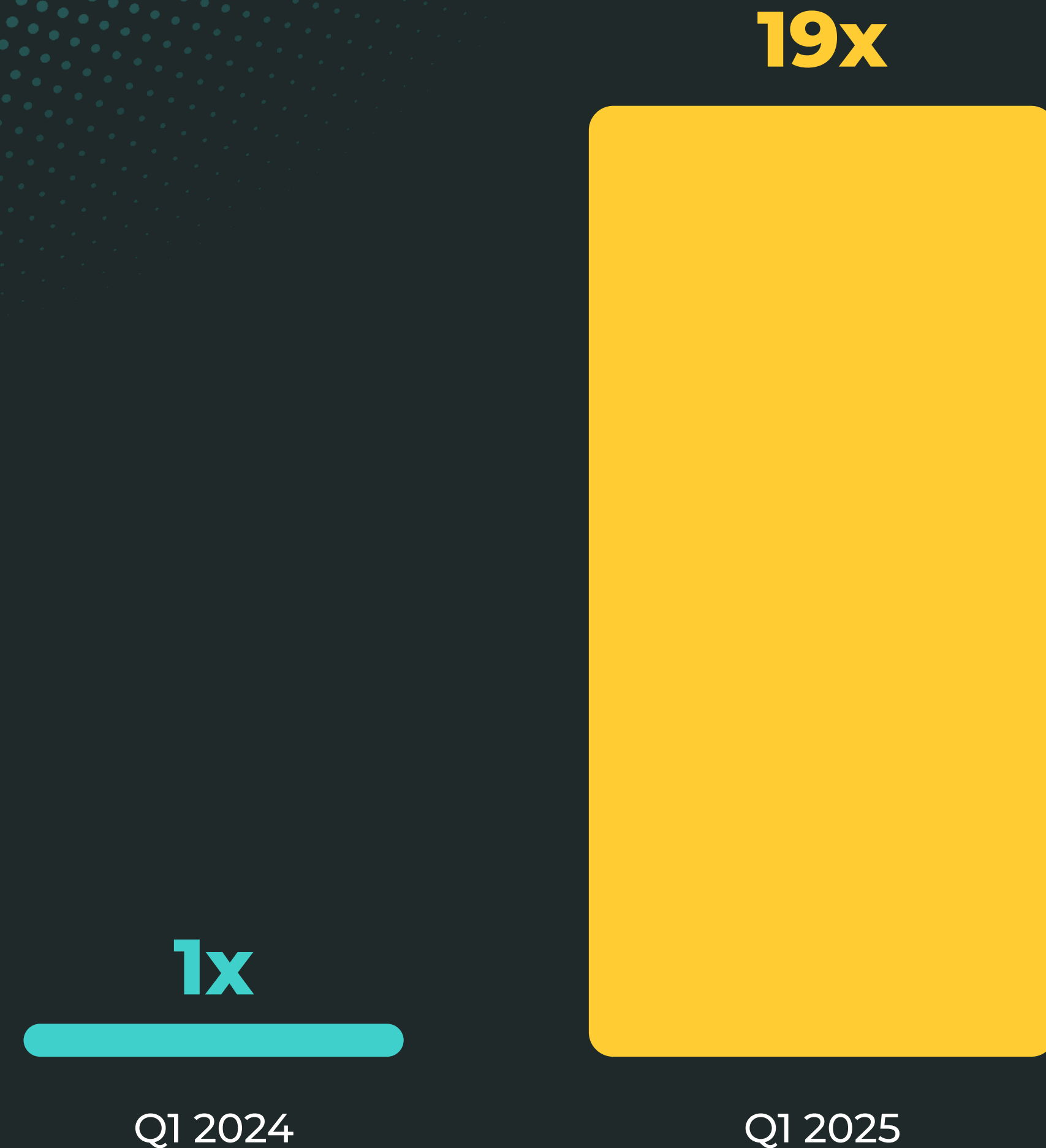
“

I am extremely grateful to you. You can't imagine how much help you have given me.

**I would recommend you to all my family and friends** without a doubt the best. ”

Thank you.

# ACCELERATING EARLY PRODUCT GROWTH



Q1 2024

Q1 2025

Auto refi originations





## WHERE WE ARE TODAY

- ✓ **TRUSTED BY MILLIONS**  
Over 3M borrowers served
- ✓ **CATEGORY-LEADING AI**  
8x better risk separation
- ✓ **MARKETPLACE AUCTION**  
100+ partners funding full credit spectrum
- ✓ **EXPANDING PRODUCT BREADTH**  
4+ lending products
- ✓ **GROWING LIFETIME VALUE**  
0% CAC second loans

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## OUR VISION

-  **ALWAYS-ON CREDIT**  
For 100% of Americans
-  **EVERYTHING STORE FOR CREDIT**  
To borrow, manage, and optimize all credit
-  **GENERATIONAL BRAND**  
From first loan to life-long relationship
-  **A CATEGORY OF ONE**  
We are peerless



# THE FUTURE OF CREDIT IS HERE



 Upstart

**AI DAY**

2025



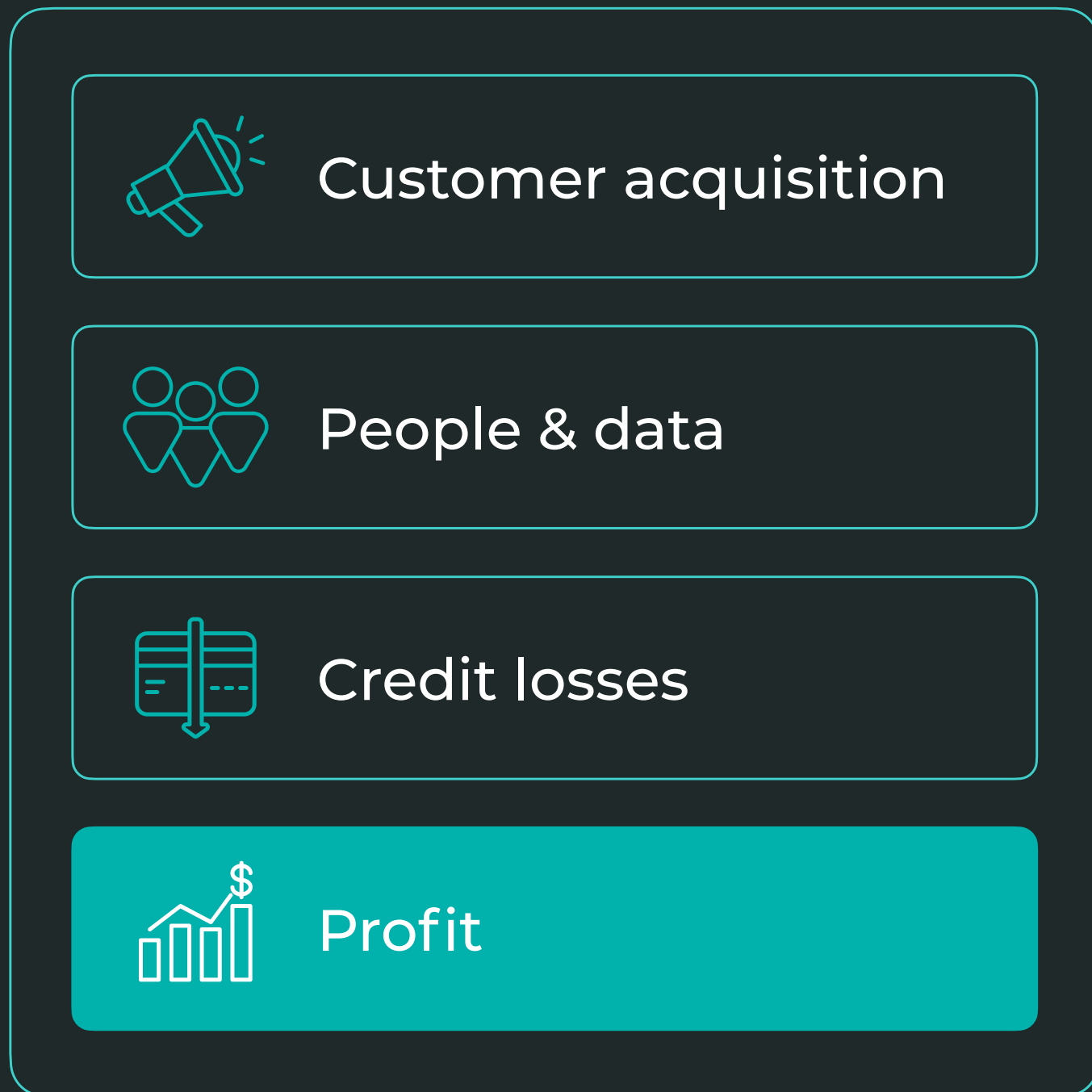
# SANJAY DATTA

Chief Financial Officer

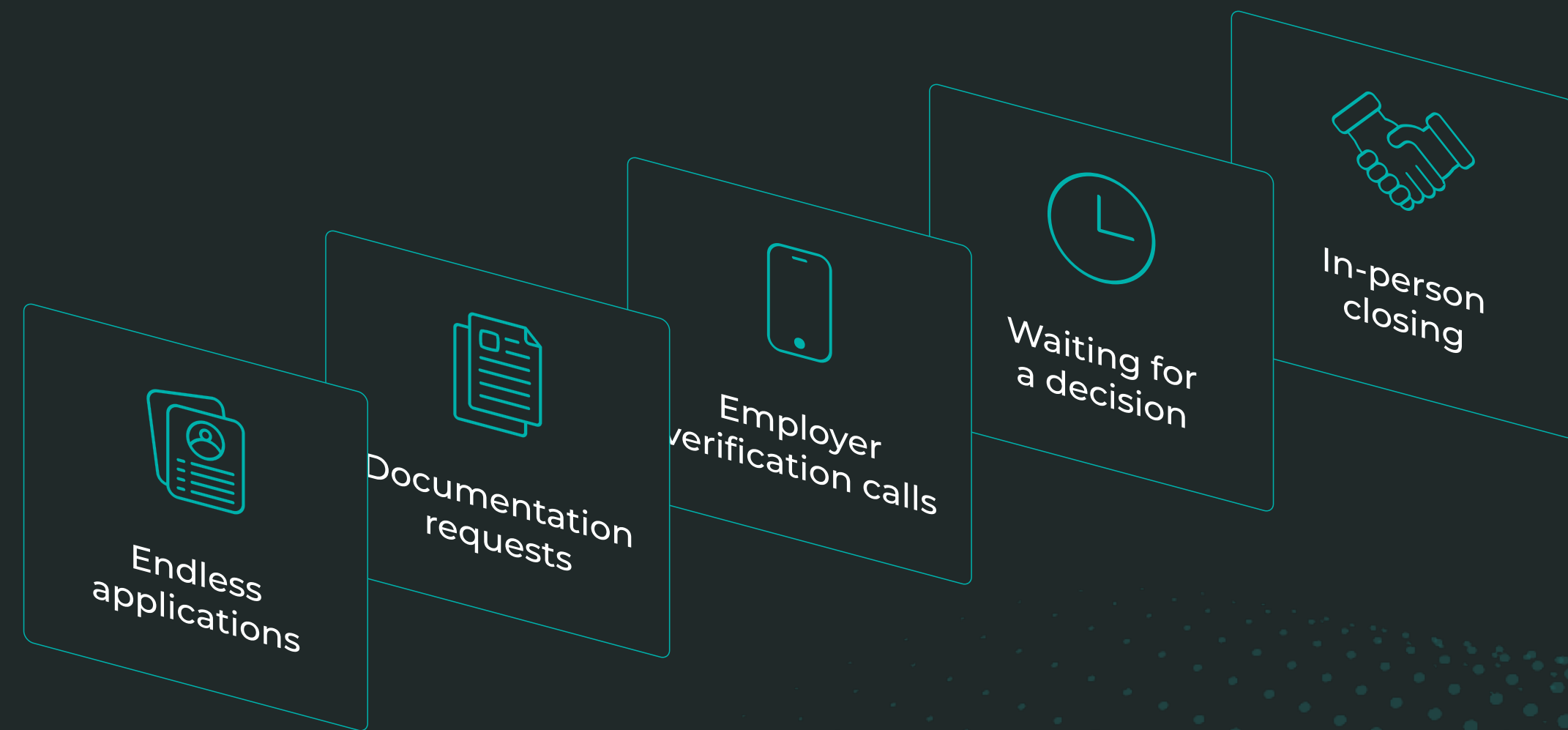
**PROFITABILITY AND  
RESILIENCE**

# THE MARKET OPPORTUNITY IS VAST

WHY DO LOANS COST SO MUCH?



WHY DOES GETTING A LOAN SUCK SO MUCH?



# UPSTART IS BUILDING THE FOUNDATION MODEL FOR CREDIT

 SEPARATION

 AUTOMATION

 CALIBRATION

 GENERALIZATION

 PERSONALIZATION

# OUR CATEGORY-OF-ONE BUSINESS

BEST RATES, BEST PROCESS FOR ALL

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We are peerless

# UPSTART AI + BUSINESS MODEL = UNIQUE FINANCIAL PROFILE

 Growth

 Pricing power

 Margins

 Operating leverage

 Profits

# UPSTART AI + BUSINESS MODEL = UNIQUE FINANCIAL PROFILE



Growth



Pricing power



Margins

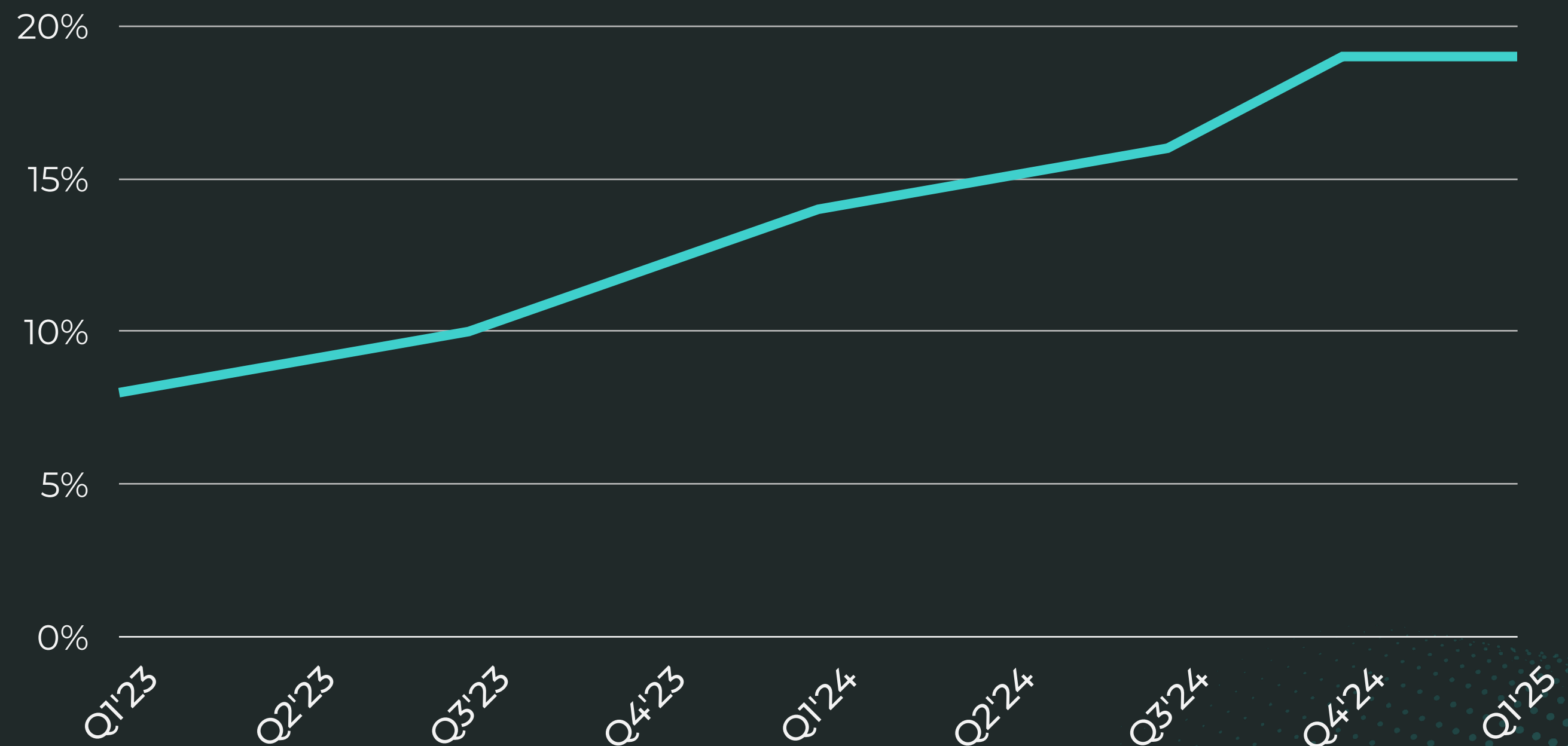


Operating leverage



Profits

CONVERSION RATE



# UPSTART AI + BUSINESS MODEL = UNIQUE FINANCIAL PROFILE



Growth



Pricing power



Margins

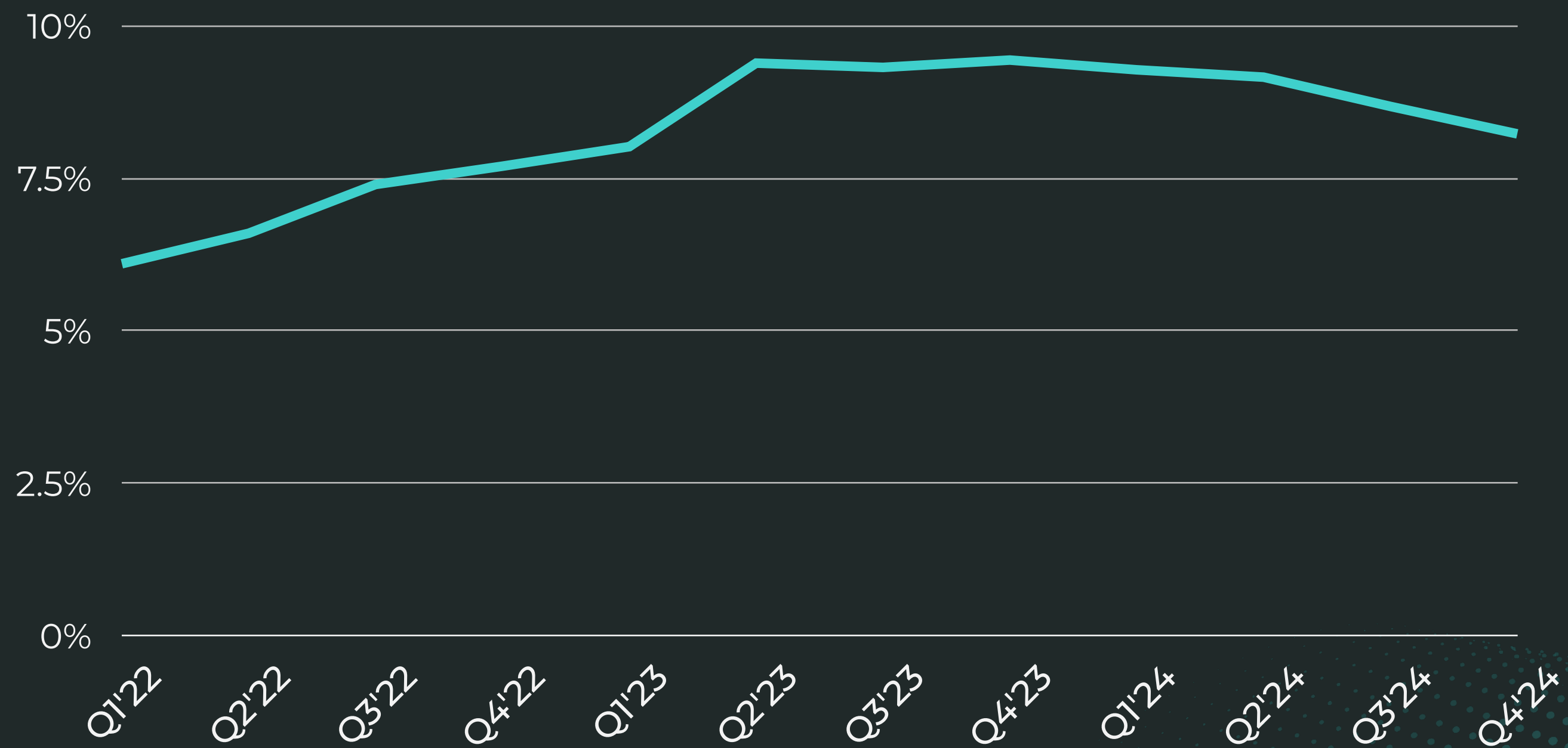


Operating leverage



Profits

PERSONAL LOAN TAKE RATE



# UPSTART AI + BUSINESS MODEL = UNIQUE FINANCIAL PROFILE



Growth



Pricing power



Margins

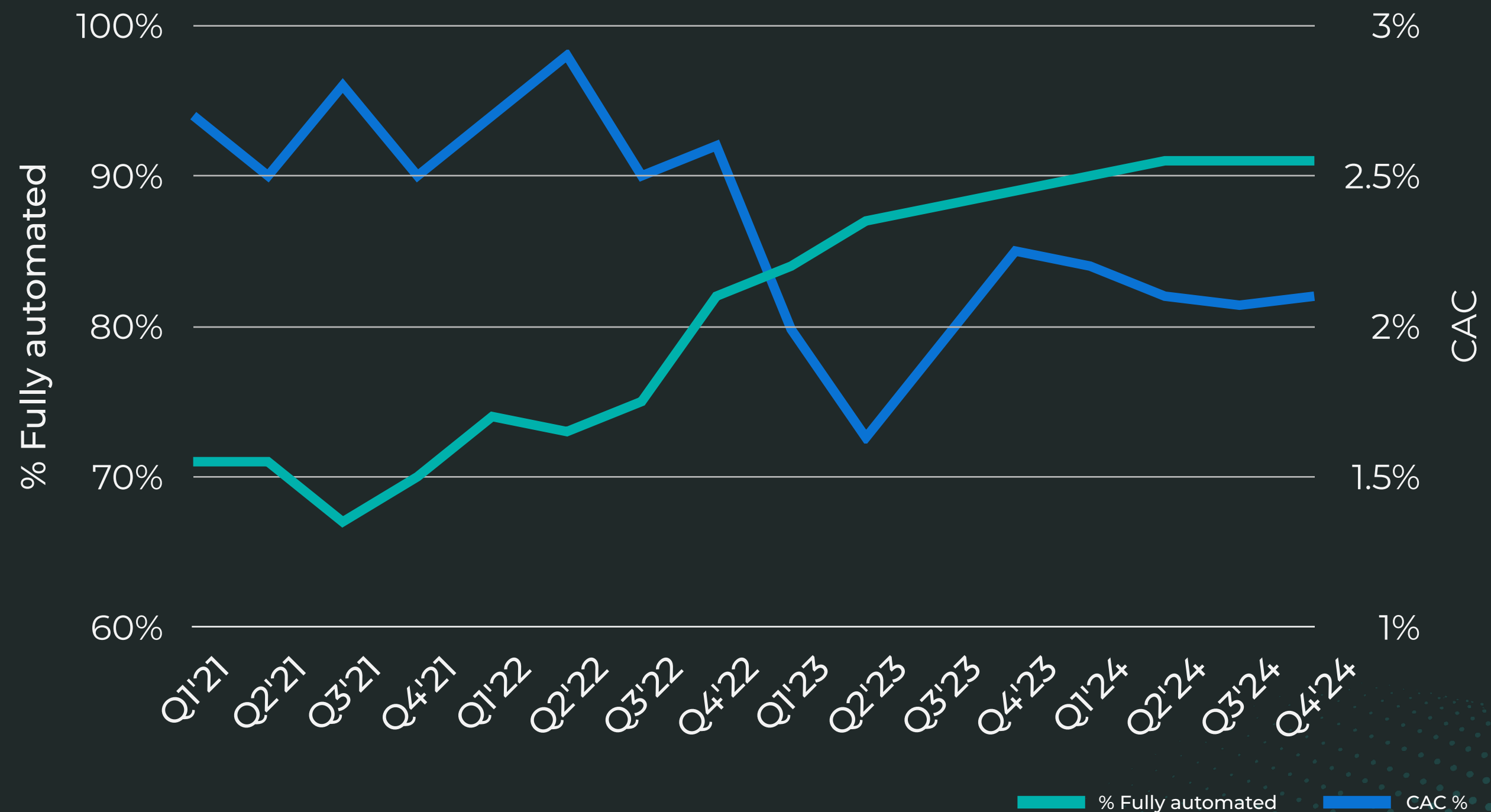


Operating leverage



Profits

CAC AND % FULLY AUTOMATED





Growth



Pricing power



Margins

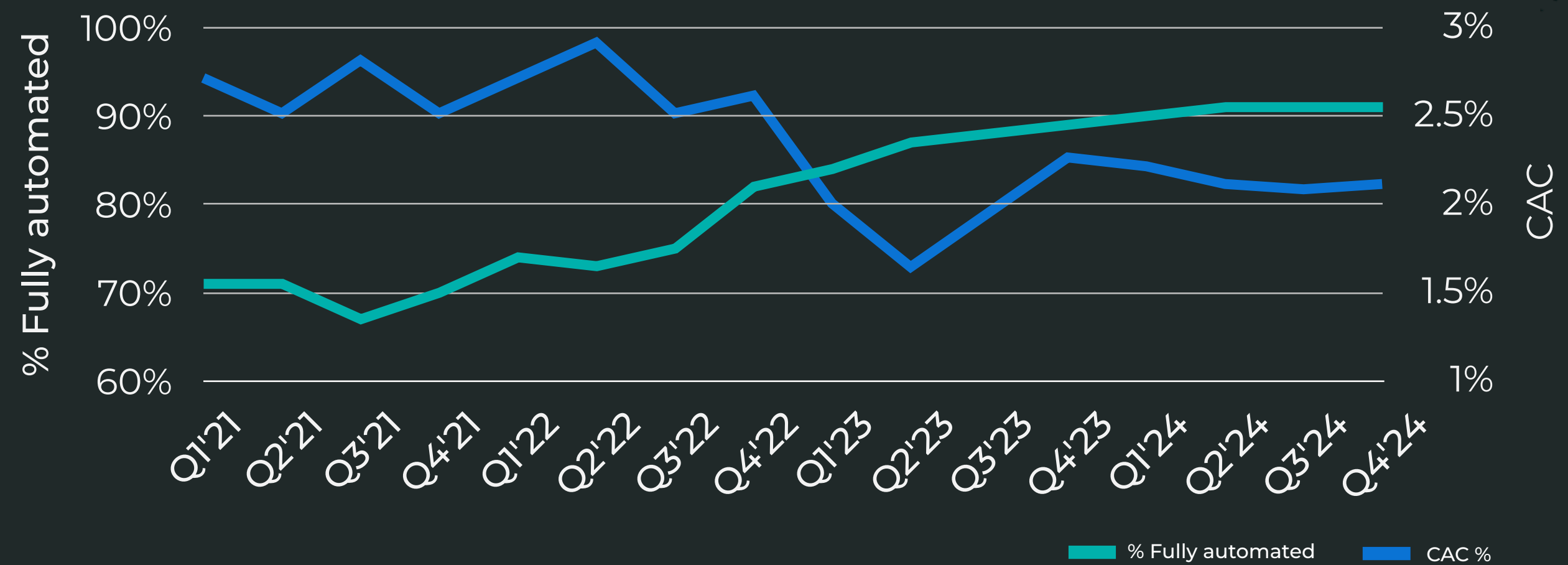


Operating leverage

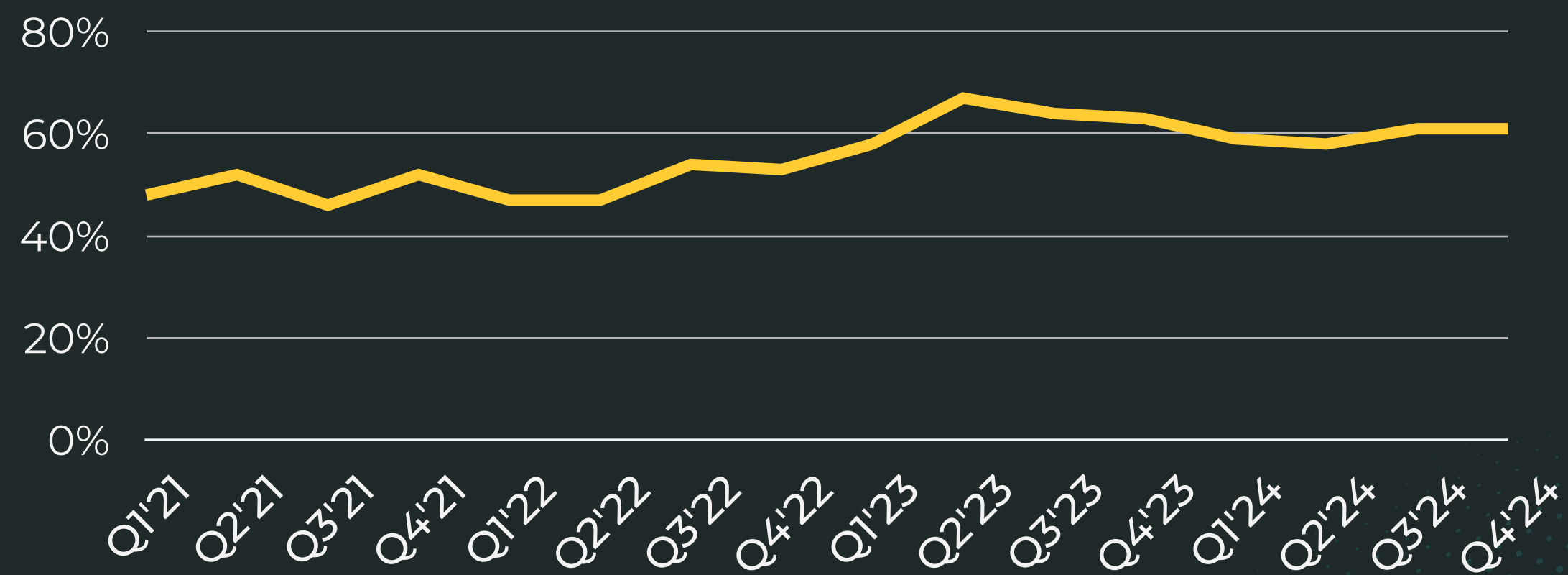


Profits

### CAC AND % FULLY AUTOMATED



### CONTRIBUTION MARGIN



# UPSTART AI + BUSINESS MODEL = UNIQUE FINANCIAL PROFILE



Growth



Pricing power



Margins

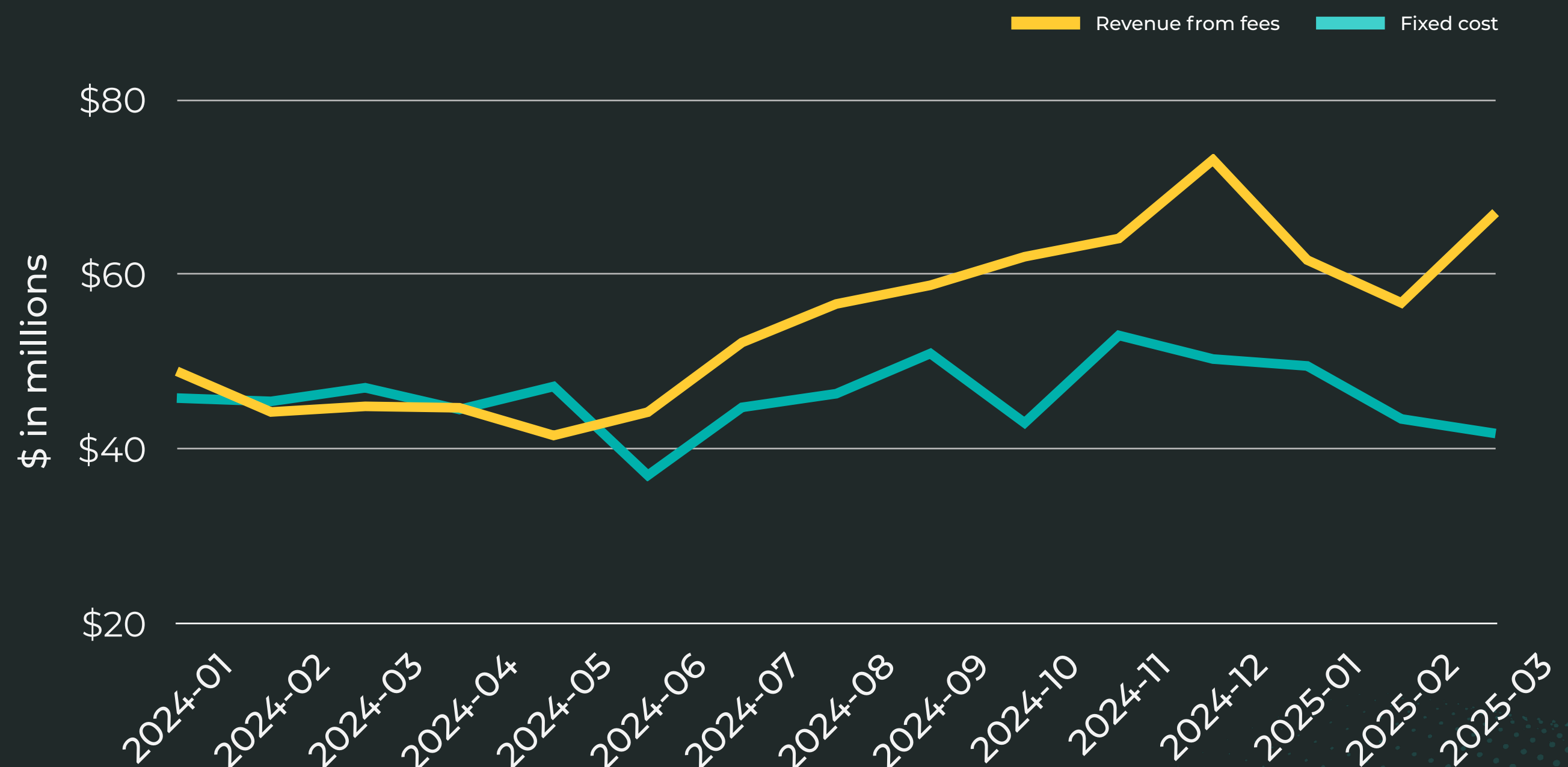


Operating leverage



Profits

MONTHLY FEE REVENUE VS. FIXED COST



Fixed costs capture headcount-related costs along with recurring business expenses that tend to remain constant regardless of origination volume.

# UPSTART AI + BUSINESS MODEL = UNIQUE FINANCIAL PROFILE



Growth



Pricing power



Margins

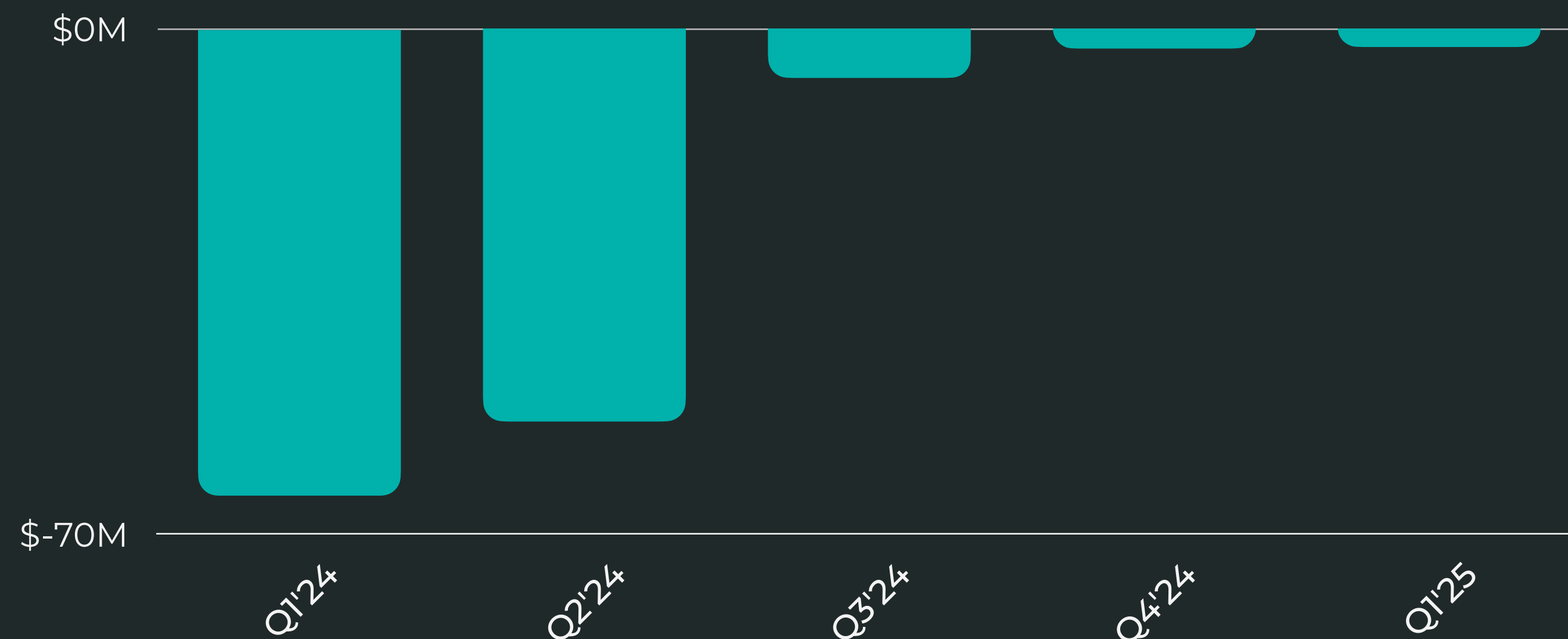


Operating leverage



Profits

NET INCOME (LOSS): STEADY PROGRESS LAST 5 QUARTERS



# OUR TECHNOLOGY + BUSINESS MODEL = UNIQUE FINANCIAL PROFILE



Growth



Pricing power



Margins



Operating leverage



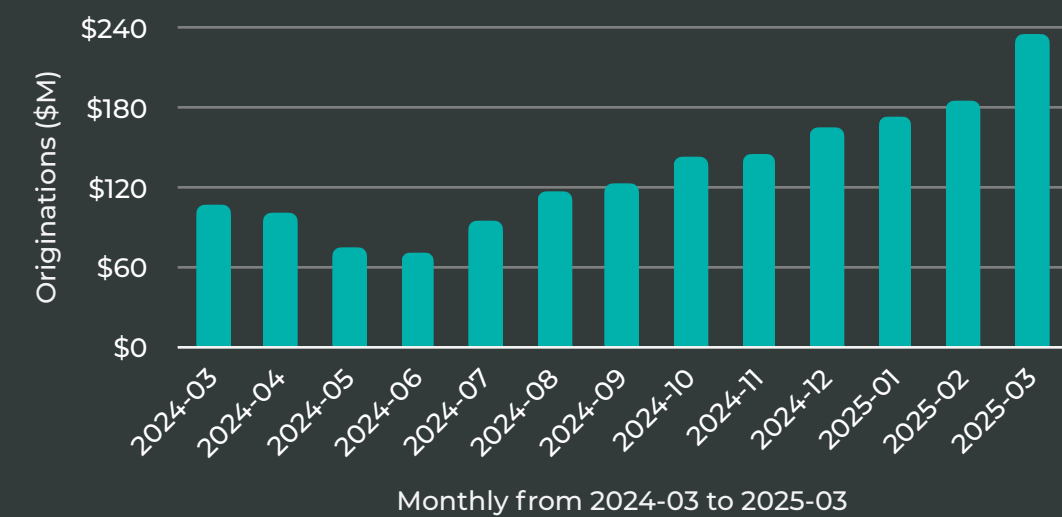
Profits



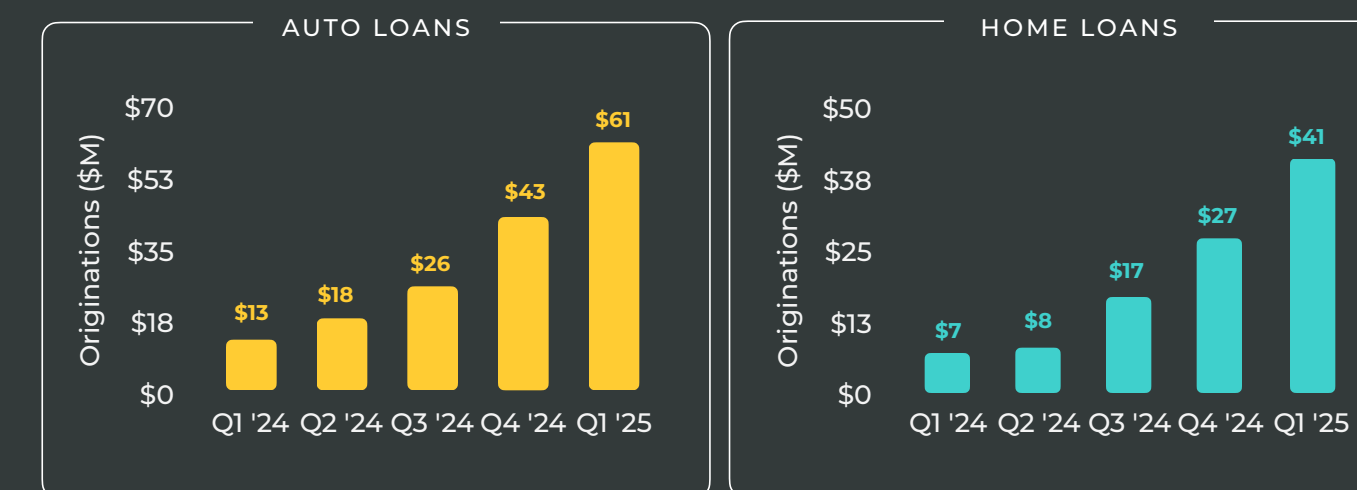
Low capital  
intensity

# BUSINESS MODEL RESILIENCE

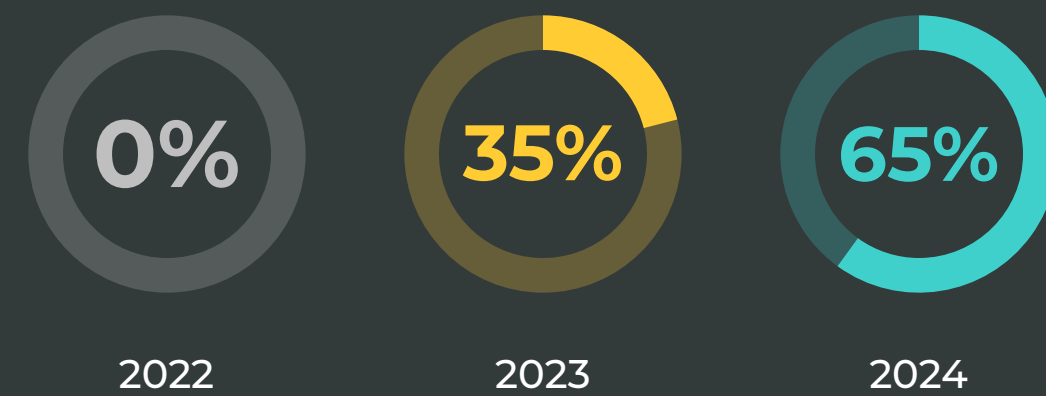
## Borrower diversity



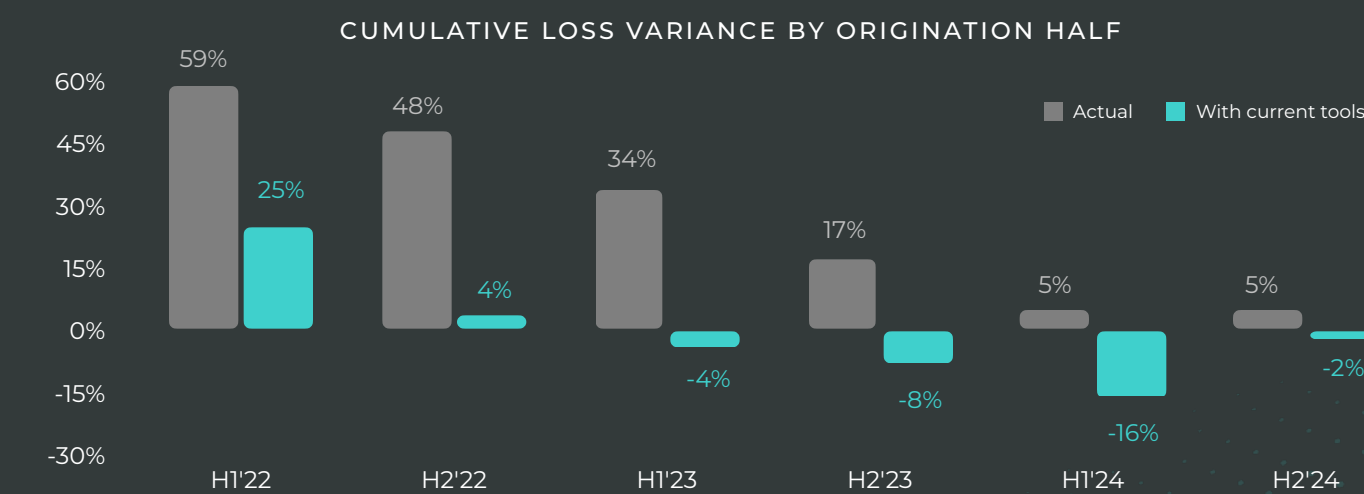
## Product diversity



## Funding resilience

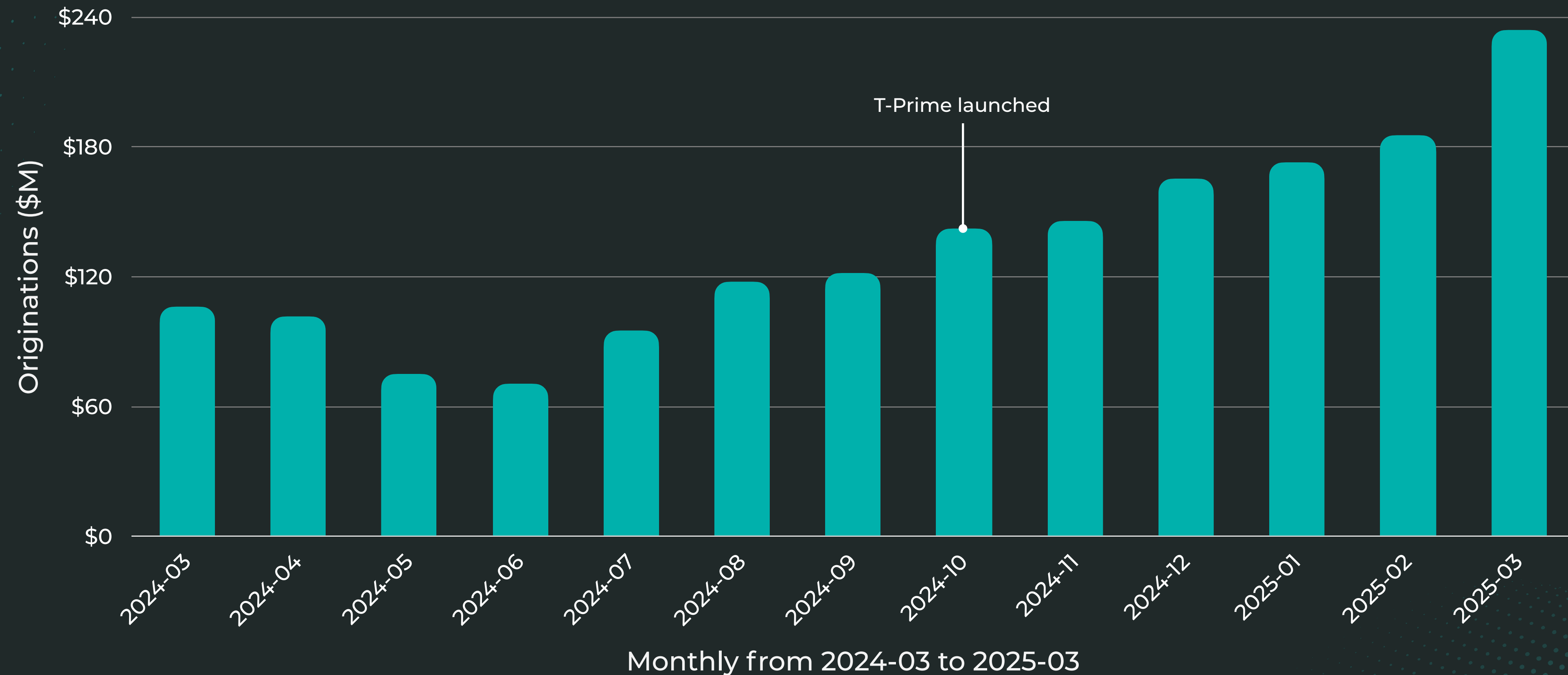


## Macro-tooling



# BORROWER DIVERSITY

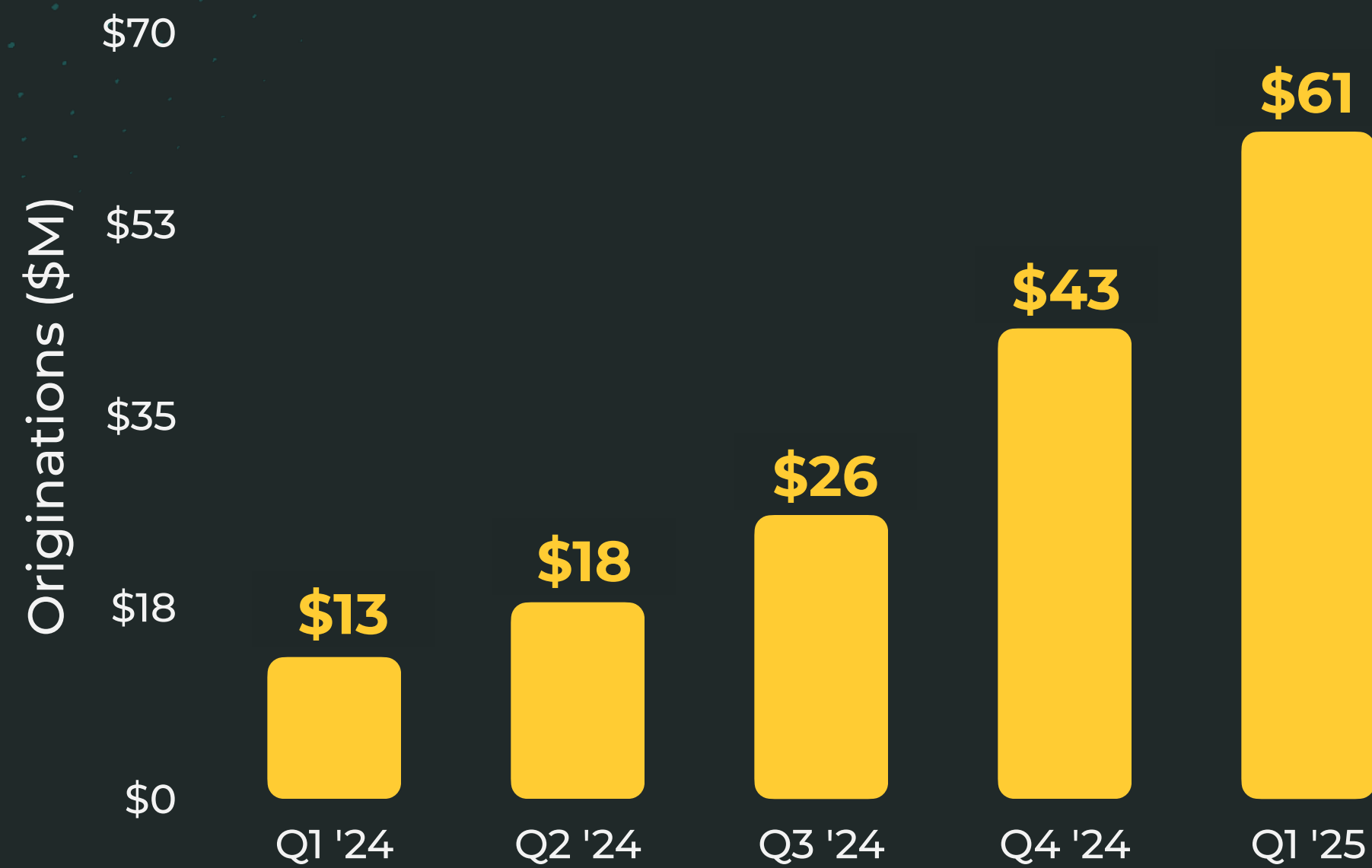
## SUPER-PRIME ORIGINATIONS (FICO >720)



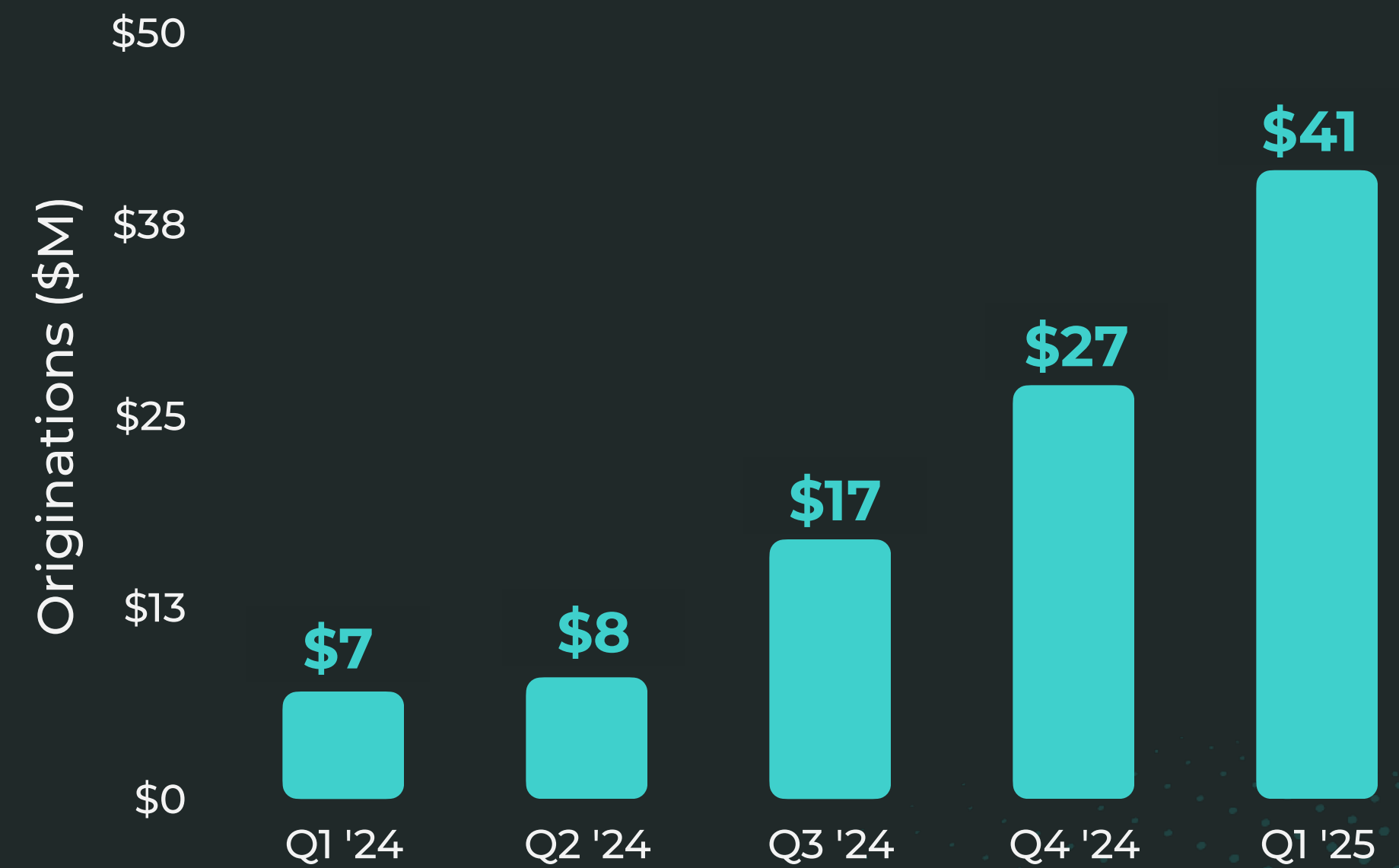
Originations refers to Transaction Volume, Dollars. Chart refers to Personal Loans.

# PRODUCT DIVERSITY

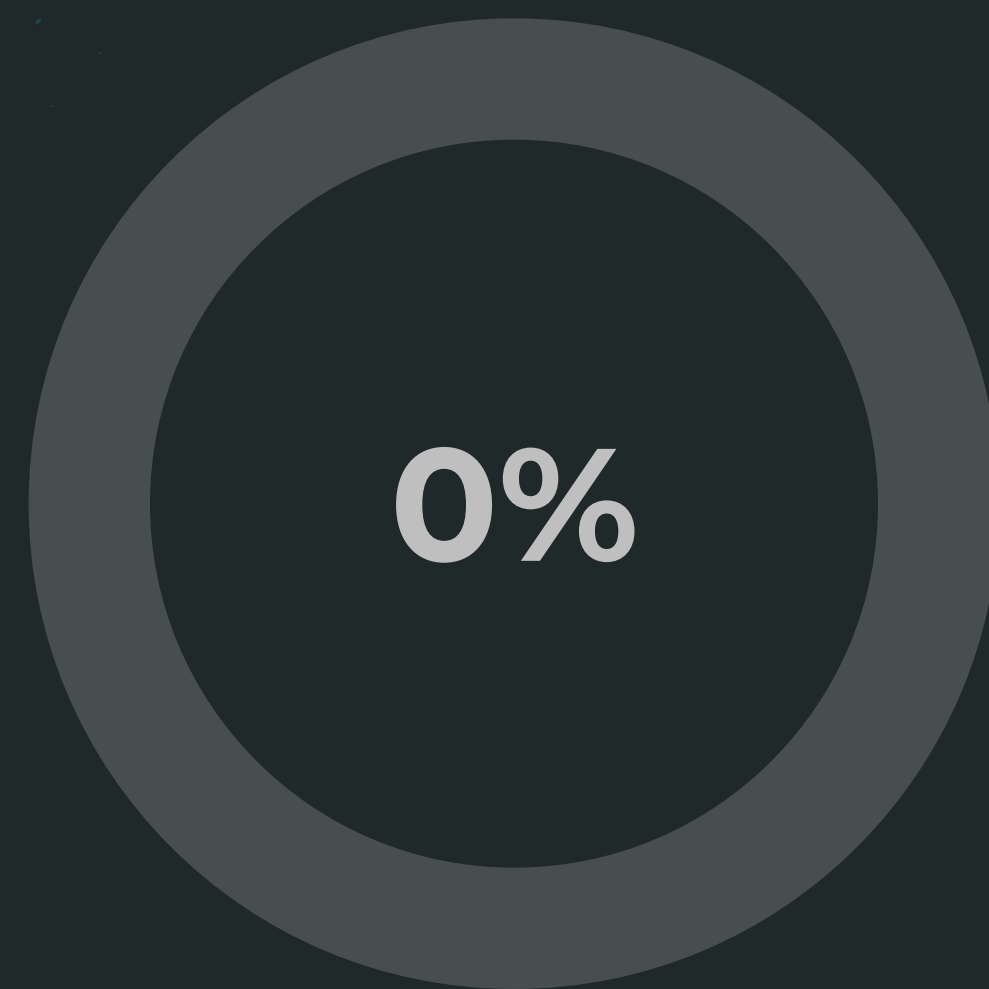
## AUTO LOANS



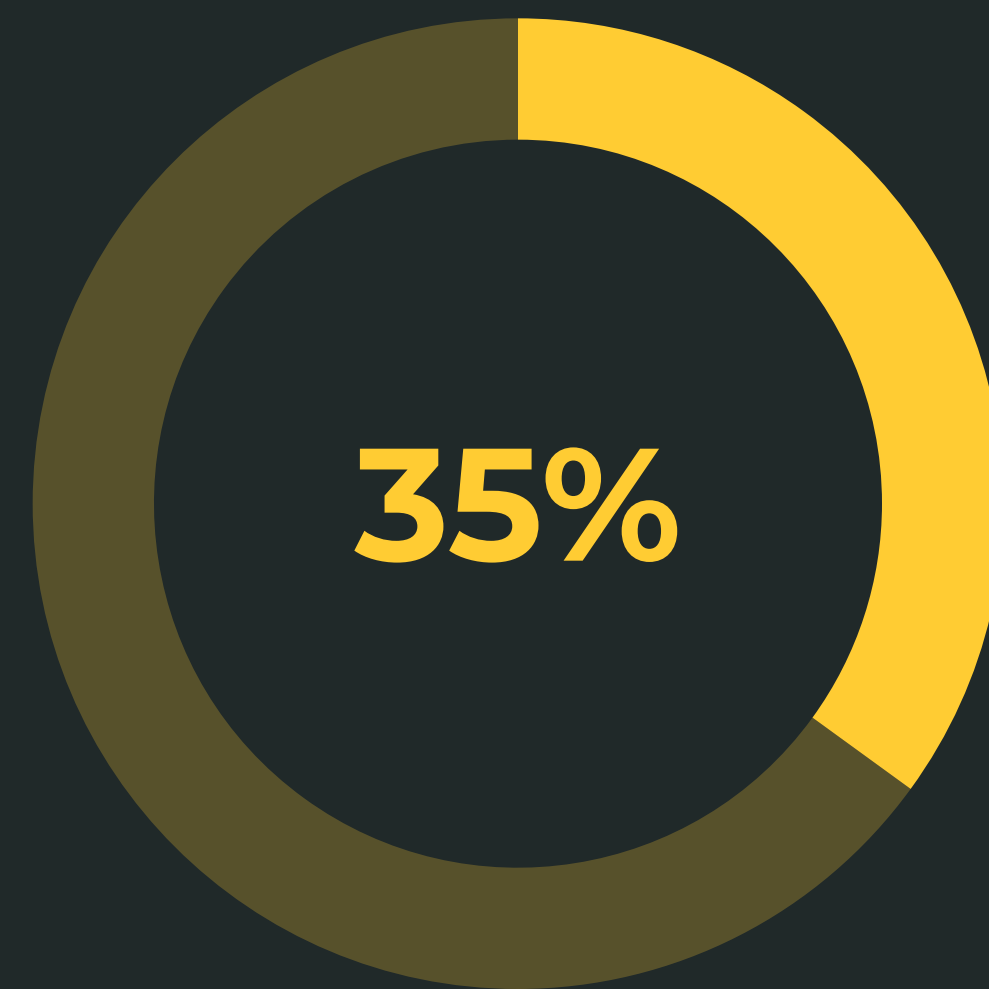
## HOME LOANS



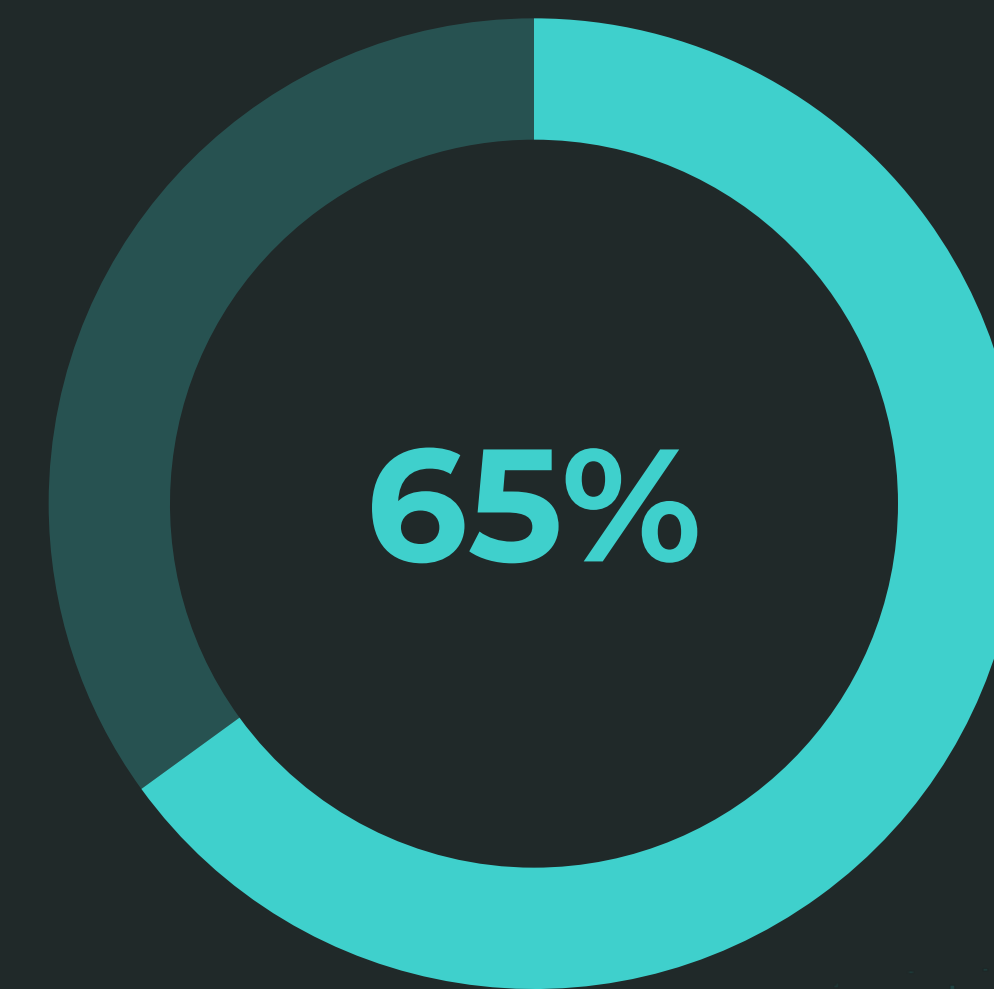
# FUNDING RESILIENCE



2022



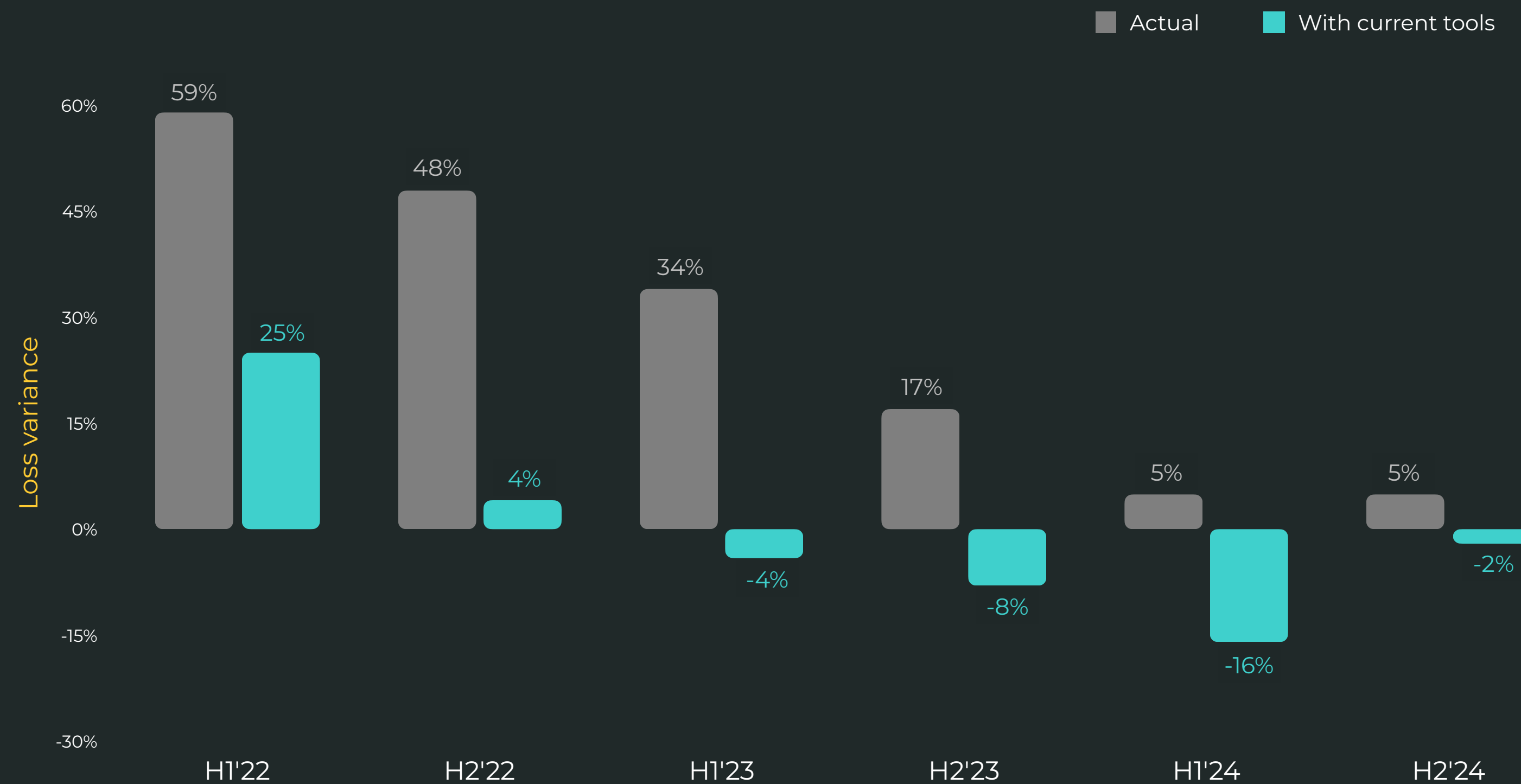
2023



2024

# MACRO-TOOLING

CUMULATIVE LOSS VARIANCE BY ORIGINATION HALF



**>50%**  
of the credit  
underperformance  
experienced would  
have been avoided

# FUTURE REVENUE MODELS

RATABLE FEE  
REVENUE

SUBSCRIPTIONS

REVOLVING

SERVICING  
FOR ALL



THANK YOU

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(\$ IN MILLIONS)

	Fiscal 2021				Fiscal 2022				Fiscal 2023				Fiscal 2024			
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Revenue from fees, net</b>	\$116.2	\$187.3	\$210.4	\$287.4	\$314.0	\$258.3	\$179.3	\$155.6	\$117.1	\$143.7	\$146.8	\$152.8	\$138.1	\$130.5	\$167.6	\$199.3
<b>Loss from operations</b>	\$15.6	\$36.3	\$28.6	\$60.4	\$34.8	-\$32.1	-\$58.1	-\$58.5	-\$131.8	-\$33.3	-\$43.8	-\$47.5	-\$67.5	-\$55.5	-\$45.2	-\$4.8
<b>Operating margin</b>	13%	19%	14%	21%	11%	-12%	-32%	-38%	-113%	-23%	-30%	-31%	-49%	-43%	-27%	-2%
<b>Sales and marketing, net of borrower acquisition costs</b>	\$3.3	\$5.0	\$6.2	\$11.4	\$9.6	\$11.9	\$10.3	\$11.2	\$11.7	\$4.8	\$9.4	\$10.6	\$10.3	\$9.7	\$10.5	\$11.2
<b>Customer operations, net of borrower verification and servicing costs</b>	\$3.1	\$4.5	\$7.6	\$6.6	\$6.1	\$6.9	\$7.7	\$9.5	\$10.8	\$8.1	\$7.9	\$7.0	\$7.3	\$7.5	\$6.8	\$7.5
<b>Engineering and product development</b>	\$19.0	\$31.4	\$37.1	\$46.5	\$50.0	\$57.0	\$66.2	\$64.0	\$110.1	\$58.0	\$54.9	\$57.2	\$63.1	\$58.5	\$64.9	\$67.2
<b>General, administrative, and other</b>	\$20.0	\$26.1	\$34.4	\$42.1	\$43.5	\$46.9	\$47.8	\$47.1	\$52.7	\$50.4	\$53.5	\$55.8	\$57.6	\$53.0	\$59.9	\$60.4
<b>Interest income, interest expense, and fair value adjustments, net</b>	-\$5.2	-\$6.6	-\$18.0	-\$17.5	\$3.8	\$30.2	\$22.1	\$8.7	\$14.2	\$7.9	\$12.2	\$12.5	\$10.3	\$2.9	\$5.5	-\$19.7
<b>Contribution profit</b>	<b>\$55.8</b>	<b>\$96.7</b>	<b>\$95.9</b>	<b>\$149.5</b>	<b>\$147.8</b>	<b>\$120.9</b>	<b>\$96.0</b>	<b>\$82.0</b>	<b>\$67.6</b>	<b>\$95.9</b>	<b>\$94.2</b>	<b>\$95.6</b>	<b>\$81.1</b>	<b>\$76.1</b>	<b>\$102.4</b>	<b>\$121.9</b>
<b>Contribution margin</b>	<b>48%</b>	<b>52%</b>	<b>46%</b>	<b>52%</b>	<b>47%</b>	<b>47%</b>	<b>54%</b>	<b>53%</b>	<b>58%</b>	<b>67%</b>	<b>64%</b>	<b>63%</b>	<b>59%</b>	<b>58%</b>	<b>61%</b>	<b>61%</b>



# AI DAY

2 0 2 5



 Upstart

**AI DAY**

2025