



Robinhood Markets, Inc.

Earnings Presentation Third Quarter 2024

October 30, 2024

Disclaimers

This Presentation Relates to Robinhood’s Broader Earnings Announcement Disclosures

This presentation accompanies the third quarter 2024 earnings announcement webcast of Robinhood Markets, Inc. (including its consolidated subsidiaries, “we,” “Robinhood,” or the “Company”) and should be read together with Robinhood’s earnings announcement press release. Hyperlinks to our third quarter 2024 webcast, and press release can be found together with these slides on Robinhood’s investor relations website at investors.robinhood.com.

Key Performance Metrics

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

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

This presentation includes financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Our non-GAAP financial measures include adjusted earnings before interest, taxes, depreciation, and amortization (“Adjusted EBITDA”), Adjusted EBITDA Margin, Adjusted Operating Expenses, Adjust Operating Expenses and SBC, Adjusted Operating Expenses and SBC excluding the 2021 Founders Award Cancellation, and SBC excluding the 2021 Founders Award Cancellation. Definitions, explanations, and reconciliations to the most comparable GAAP financial measures can be found in the Appendix.

Cautionary Note Regarding Forward-Looking Statements

This presentation and the related webcast contain forward-looking statements regarding our expected financial performance and our strategic and operational plans, including (among others) statements regarding our expected financial performance and our strategic and operational plans, including (among others) statements regarding that we continue to add value to Robinhood Gold; that average cumulative Net Deposits tend to grow over time across our Funded Customer cohorts; that we continue to gain market share; that we continue to anticipate dilution of 2% or less in 2024; that with over \$5B in corporate cash and investments, we are well positioned to continue deploying capital; that we believe the strength of our balance sheet gives us the flexibility to run our business while investing for future growth; that we continue to expect to complete our share repurchase authorization over a total of two to three years; that our results after the first 3 quarters of the year have already broken through a number of full year records and, we have another quarter in front of us to take our results even higher; that we’re working hard to increase the rollout of the Robinhood Gold card, but we’re being patient and carefully studying customer behavior as we grow, so that we manage credit risk to profitably scale over time; that we’re further increasing confidence that we can scale the Gold card significantly over time; that we expect contra revenues to grow sequentially by a similar amount in Q4 and then grow much slower in 2025; that we’ve decided to wind down the 1% Gold deposit boost in November to focus on offers that resonate more with customers; that our share repurchase program lowers our share count and positions us to increase EPS and free cash flow per share over time; that we’re continuing to repurchase shares daily in Q4; that options contracts look to be one of the highest months ever; that crypto notional volumes are on track to exceed the Q3 monthly average; that we’re really excited about finishing the year strong; that we believe we are well-positioned to drive higher earnings and free cash flow per share over time; that we’re excited to expand our addressable market; that index options are in beta testing with employees now, and we look forward to rolling them out to customers soon; that we continue to believe that Futures can be a nine-figure revenue business for us over time; that we have a lot of momentum in our active trader offering as we close out the year; and that our team continues to work incredibly hard to deliver even more value to our customers, as well as all statements about our FY 2024 financial outlook. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “believe,” “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “estimate,” “predict,” “potential,” or “continue,” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Our forward-looking statements are subject to a number of known and unknown risks, uncertainties, assumptions, and other factors that may cause our actual future results, performance, or achievements to differ materially from any future results expressed or implied in this presentation and the related webcast. Reported results should not be considered an indication of future performance. Factors that contribute to the uncertain nature of our forward-looking statements include, among others: our limited operating experience at our current scale; the difficulty of managing our business effectively, including the size of our workforce, and the risk of continued declining or negative growth; the fluctuations in our financial results and key metrics from quarter to quarter; our reliance on transaction-based revenue, including payment for order flow (“PFOF”), and the risk of new regulation or bans on PFOF and similar practices; our exposure to fluctuations in interest rates and rapidly changing interest rate environments; the difficulty of raising additional capital (to provide liquidity needs and support business growth and objectives) on reasonable terms, if at all; the need to maintain capital levels required by regulators and self-regulatory organizations; the risk that we might mishandle the cash, securities, and cryptocurrencies we hold on behalf of customers, and our exposure to liability for processing, operational, or technical errors in clearing functions; the impact of negative publicity on our brand and reputation; the risk that changes in business, economic, or political conditions that impact the global financial markets, or a systemic market event, might harm our business; our dependence on key employees and a skilled workforce; the difficulty of complying with an extensive, complex, and changing regulatory environment and the need to adjust our business model in response to new or modified laws and regulations; the possibility of adverse developments in pending litigation and regulatory investigations; the effects of competition; our need to innovate and invest in new products, services, technologies, and geographies in order to attract and retain customers and deepen their engagement with us in order to maintain growth; our reliance on third parties to perform some key functions and the risk that processing, operational or technological failures could impair the availability or stability of our platforms; the risk of cybersecurity incidents, theft, data breaches, and other online attacks; the difficulty of processing customer data in compliance with privacy laws; our need as a regulated financial services company to develop and maintain effective compliance and risk management infrastructures; the risks associated with incorporating artificial intelligence technologies into some of our products and processes; the volatility of cryptocurrency prices and trading volumes; the risk that our platforms and services could be exploited to facilitate illegal payments; and the risk that substantial future sales of Class A common stock in the public market, or the perception that they may occur, could cause the price of our stock to fall. Because some of these risks and uncertainties cannot be predicted or quantified and some are beyond our control, you should not rely on our forward-looking statements as predictions of future events. More information about potential risks and uncertainties that could affect our business and financial results can be found in Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, and in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, which we expect to be available on October 31, 2024, as well as in our other filings with the U.S. Securities and Exchange Commission (“SEC”), all of which are available on the SEC’s web site at www.sec.gov. Moreover, we operate in a very competitive and rapidly changing environment; new risks and uncertainties may emerge from time to time, and it is not possible for us to predict all risks nor identify all uncertainties. The events and circumstances reflected in our forward-looking statements might not be achieved and actual results could differ materially from those projected in the forward-looking statements. Except as otherwise noted, all forward-looking statements in this presentation and the related webcast are made as of the date of this presentation and the related webcast, October 30, 2024, and are based on information and estimates available to us at this time. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. Except as required by law, Robinhood assumes no obligation to update any of the statements in this presentation and the related webcast whether as a result of any new information, future events, changed circumstances, or otherwise. You should view this presentation and the related webcast with the understanding that our actual future results, performance, events, and circumstances might be materially different from what we expect.

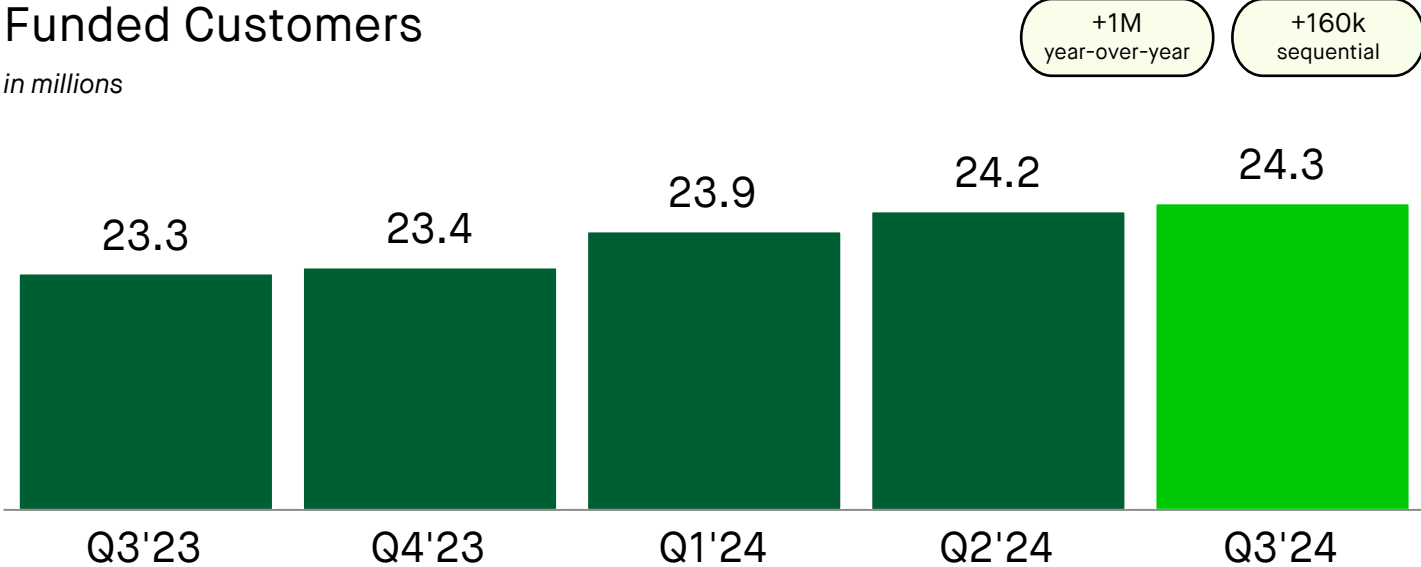
Trademarks

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Q3 2024 Business Results Highlights

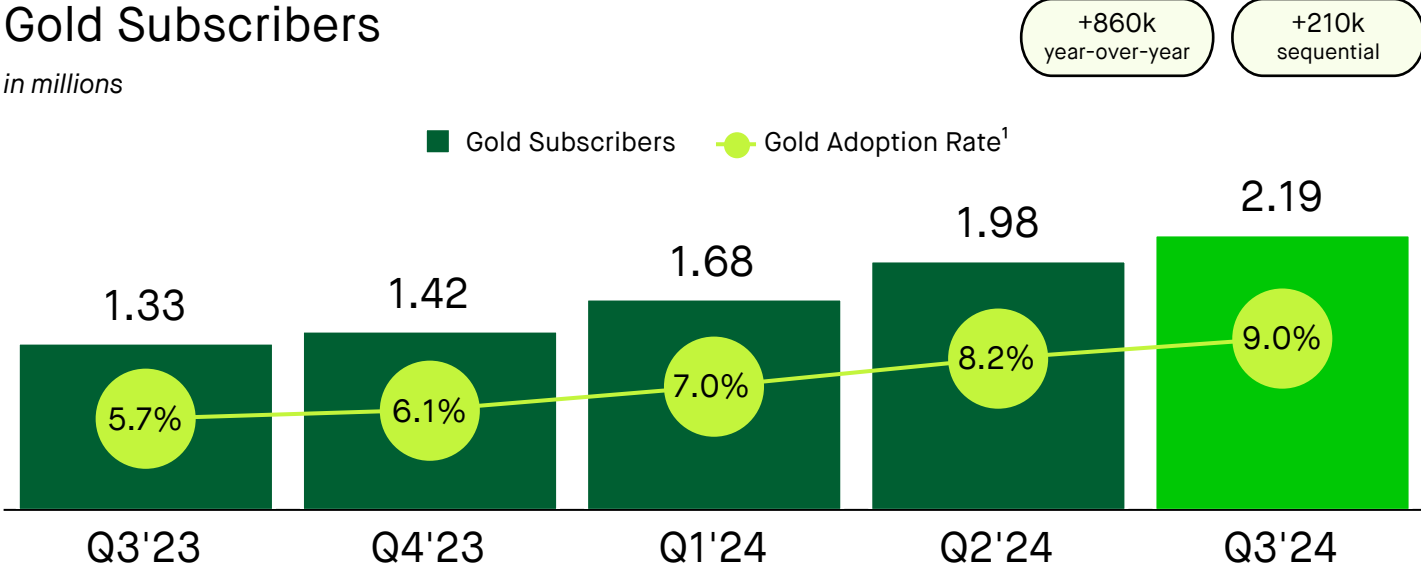
Funded Customers

in millions



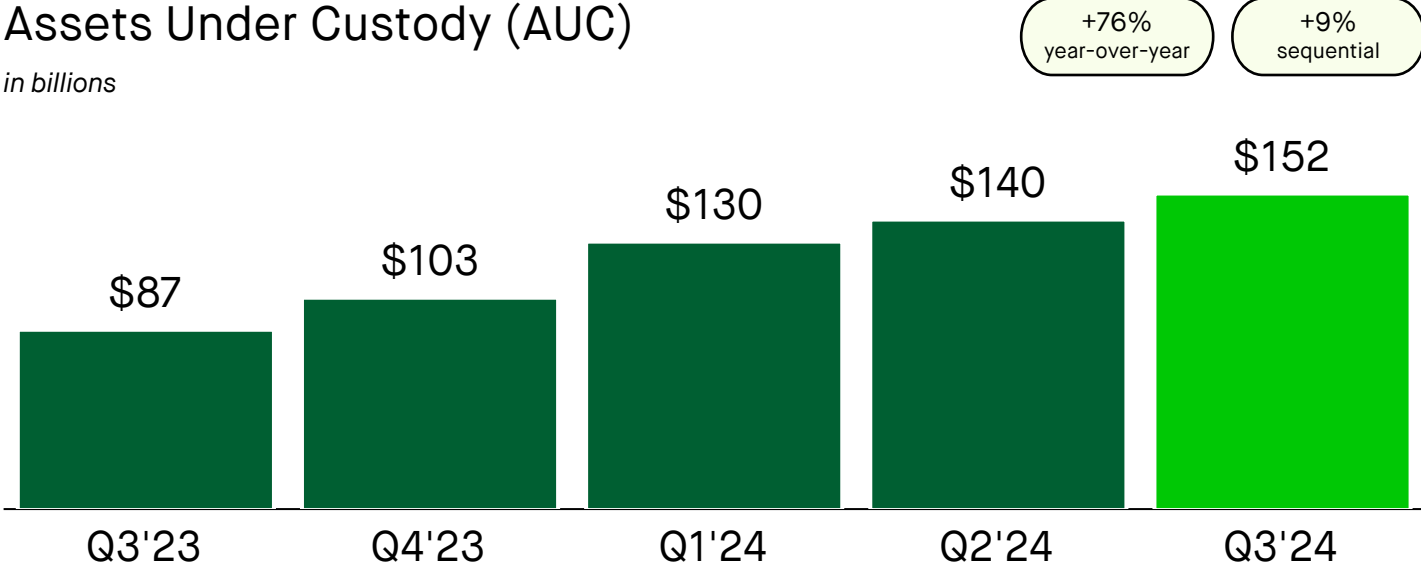
Gold Subscribers

in millions



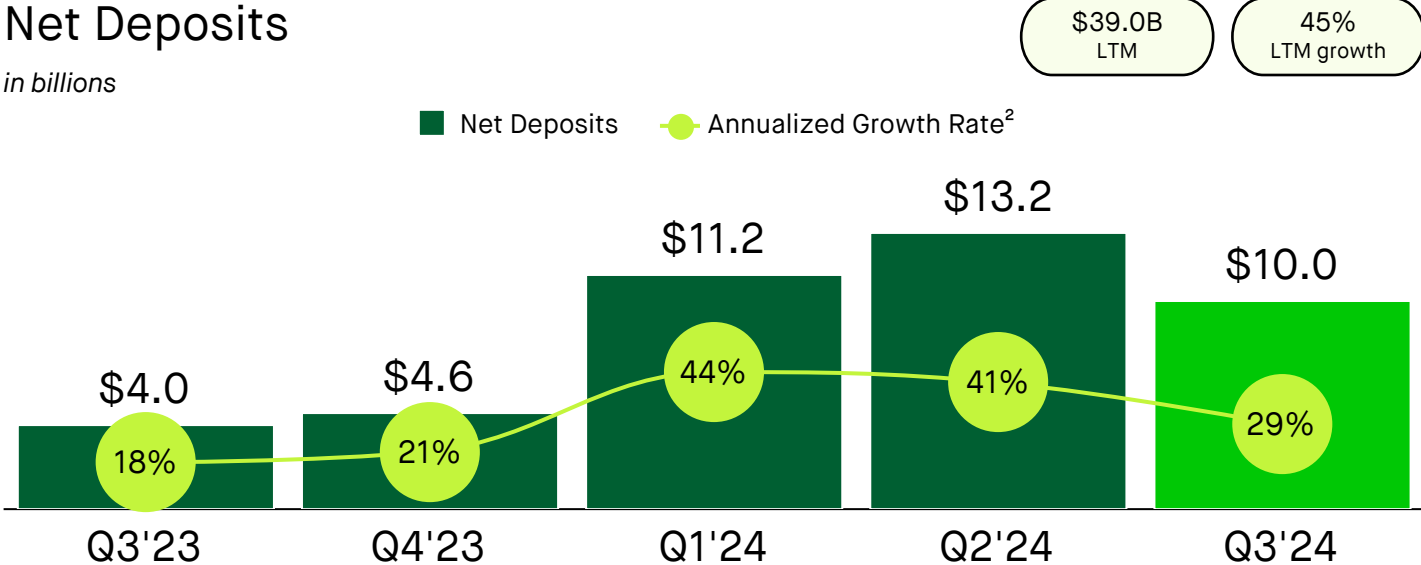
Assets Under Custody (AUC)

in billions



Net Deposits

in billions

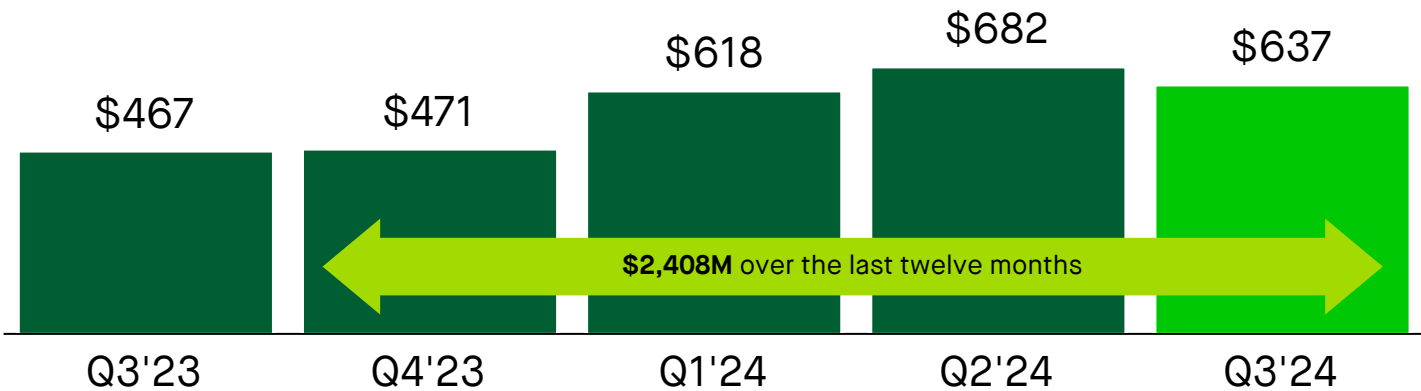


Q3 2024 Financial Results Highlights

Total Net Revenues

in millions

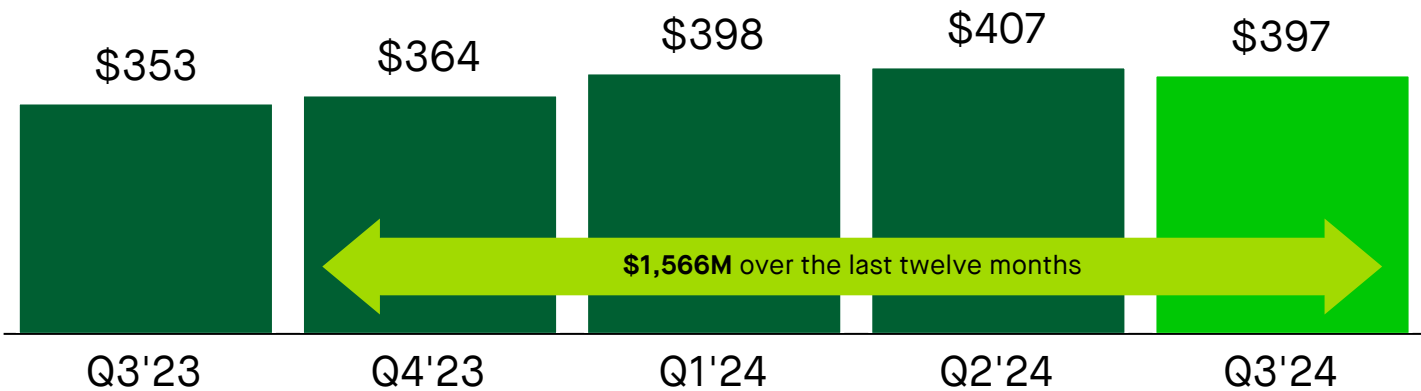
+36% year-over-year (7%) sequential



Adjusted Operating Expenses

in millions

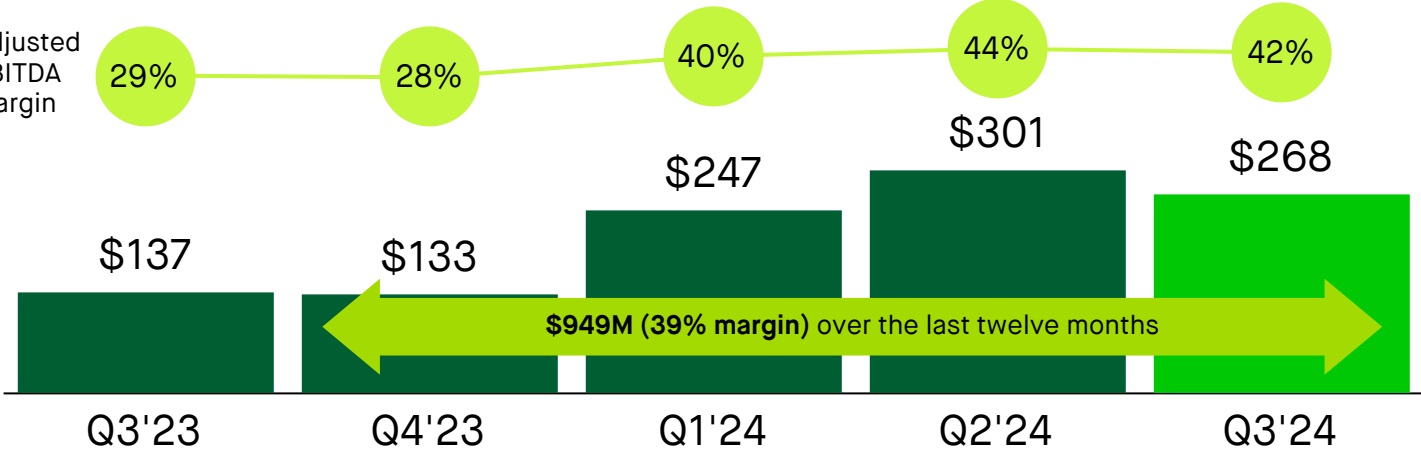
+12% year-over-year (2%) sequential



Adjusted EBITDA

in millions

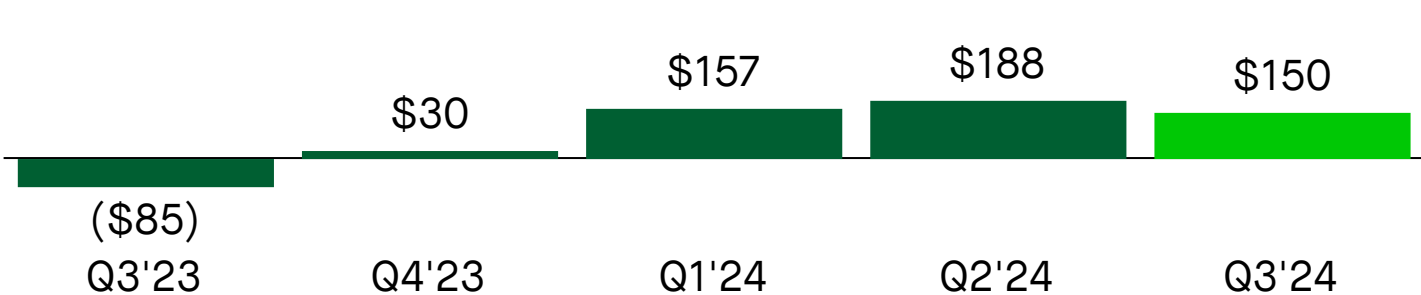
+96% year-over-year (11%) sequential



Net Income (Loss)

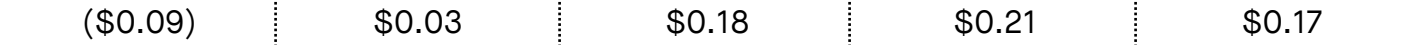
in millions

+\$235 year-over-year (\$38) sequential



Diluted Earnings per Share (EPS)

+\$0.26 year-over-year (\$0.04) sequential



We've maintained strong product velocity in 2024

Q1 2024

- Robinhood Adds New Spot Bitcoin ETFs
- MetaMask and Robinhood Connect Make It Easier to Access Web3
- New Symbols on the Robinhood 24 Hour Market
- Introducing Robinhood Retirement for Independent Workers
- Robinhood Wallet and Arbitrum Expand Access to Layer 2s
- Robinhood Is Now Available to All Customers in the UK
- Robinhood Wallet Is Now Available to Android Users Globally
- The New Gold Standard: Gold Card, App Redesign, and Unlimited Deposit Boost Announced¹

Q2 2024

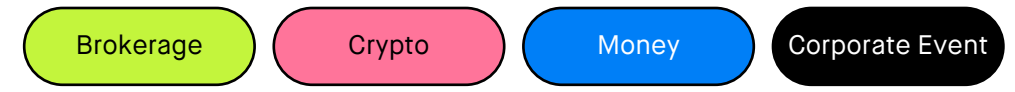
- Robinhood Crypto Launches Staking in Europe with Localized Apps to Follow
- Robinhood Launches the Lowest Margin Rates Among Leading Brokerages²
- Introducing the Robinhood Crypto Trading API
- Robinhood Enters Into Agreement to Acquire Bitstamp³

Q3 2024

- Robinhood Announces Acquisition of Pluto, AI Investment Research Platform
- Introducing Joint Investing Accounts at Robinhood
- Stock Lending Available in UK

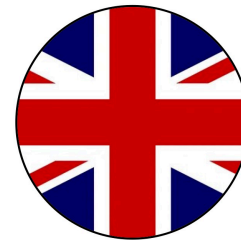
Q4 2024 To-Date

- Robinhood Crypto Launches Crypto Transfers in Europe
- Robinhood Retirement Reaches \$10B in Assets Under Custody
- Robinhood Legend⁴
- Futures at Robinhood⁴
- Index Options at Robinhood⁴
- Margin Launched and Options Trading Approved in UK⁵
- Introducing Presidential Election Market⁶



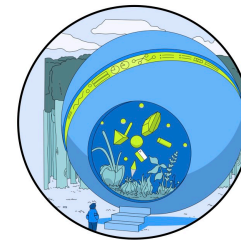
Robinhood Announces Acquisition of Pluto, AI Investment Research Platform

July



Stock Lending Available in UK

September



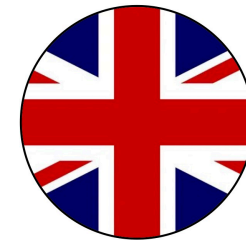
Robinhood Retirement Reaches \$10B in Assets Under Custody

October



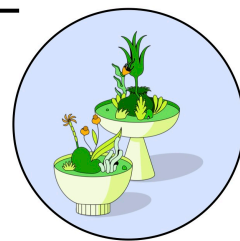
Futures at Robinhood⁴

October



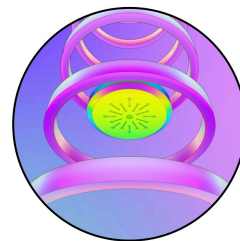
Margin Launched and Options Trading Approved in UK⁵

October



Introducing Joint Investing Accounts at Robinhood

July



Robinhood Crypto Launches Crypto Transfers in Europe

October



Robinhood Legend⁴

October



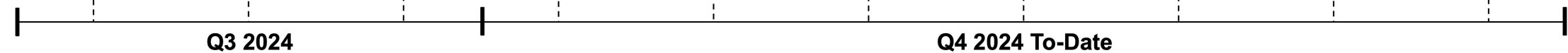
Index Options at Robinhood⁴

October



Introducing Presidential Election Market⁶

October



(1) Announced new benefits for Gold Subscribers including an unlimited 1% deposit boost on all incoming brokerage deposits and the Robinhood Gold Card (currently rolling out via a waitlist), as well as a redesign of the Robinhood app (upcoming).
 (2) Lowest margin rates among leading brokerages is based on published rates for Interactive Brokers, Charles Schwab, and E*Trade (Morgan Stanley) as of April 24, 2024. Competitors are selected based on publicly disclosed margin balances. Note that firms not publicly traded do not always make all of their data available to the public so are not included. Rates are subject to change at any time.
 (3) Announced Robinhood entered into an agreement to acquire Bitstamp Ltd. The acquisition is subject to customary closing conditions, including regulatory approvals, and is expected to close in the first half of 2025.
 (4) Announced Robinhood Legend (currently rolling out to all customers), futures (upcoming), and index options (upcoming) at HOOD Summit on 10/16/2024.
 (5) Margin began rolling out to Robinhood UK customers in October 2024. Announced Robinhood received Financial Conduct Authority approval for options trading in the UK, with launch planned for 2025.
 (6) Announced Presidential Election Market (currently rolling out to customers) on October 28, 2024.

2024 Product Roadmap

Winning the **Active Trader** market

Products

- Robinhood Legend¹
- Index options¹
- Futures¹

Measures

- Equity market share
- Options market share
- Crypto market share

Increasing **Wallet Share**

- Gold and Retirement enhancements
- Credit card
- Additional account types

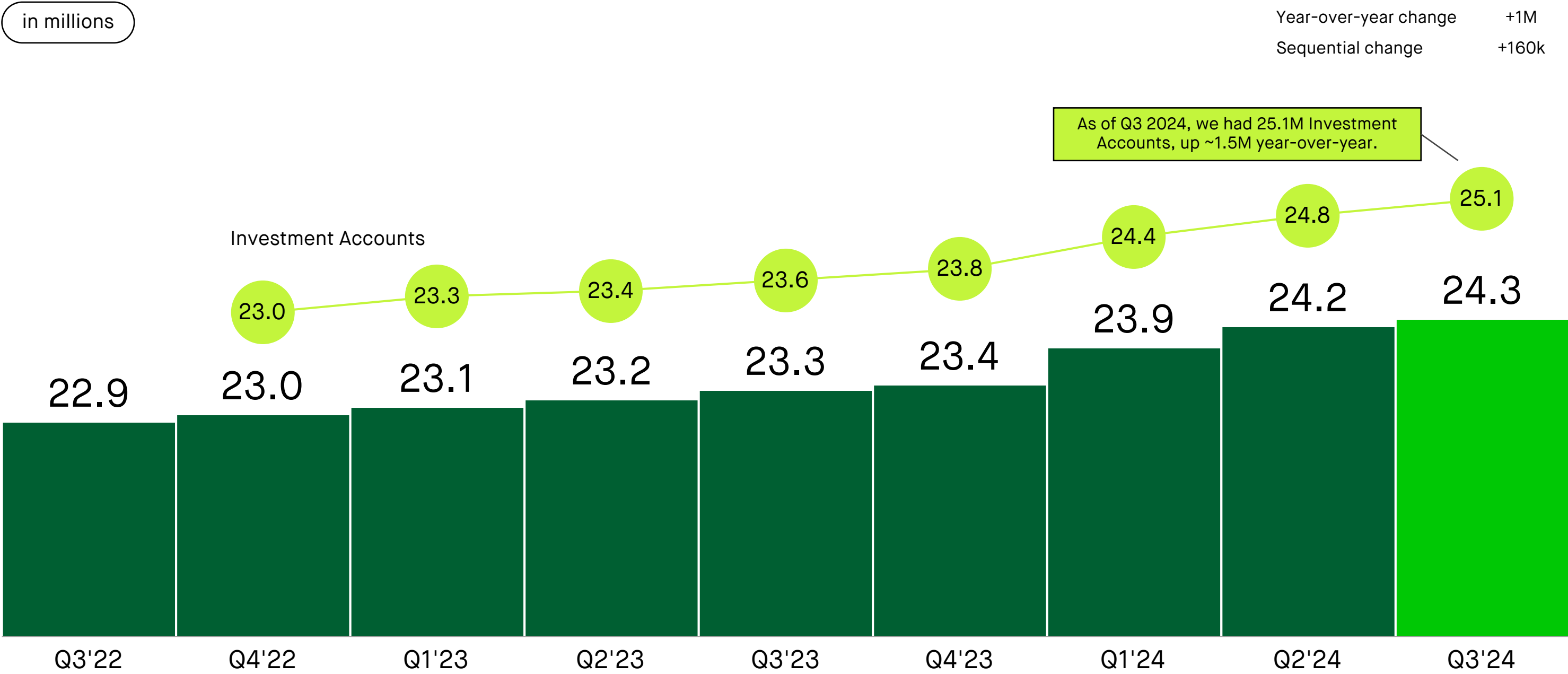
- Net Deposits
- Gold Subscribers

Expanding **Internationally**

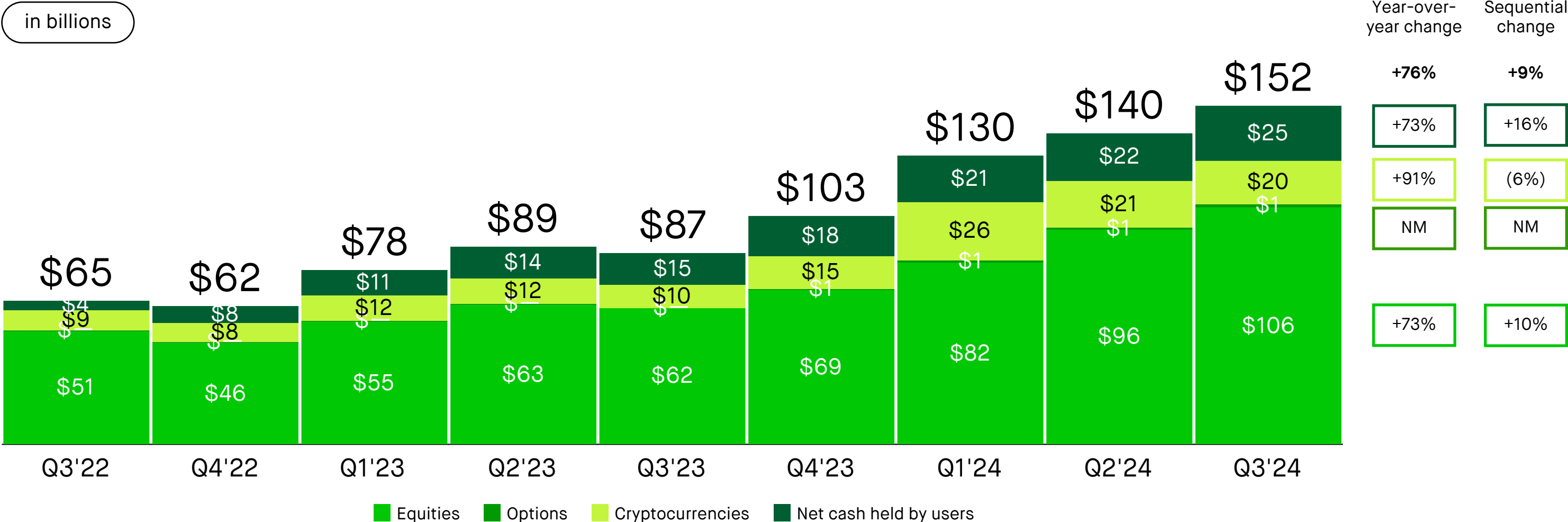
- UK brokerage
- EU crypto
- Expanded product suite

- International as a % of New Funded Customers
- International as a % of total Funded Customers

Funded Customers increased by ~1 million year-over-year to 24.3 million in Q3



Assets Under Custody (AUC) increased 76% year-over-year to a record \$152 billion in Q3, primarily due to continued Net Deposits and higher equity and crypto valuations



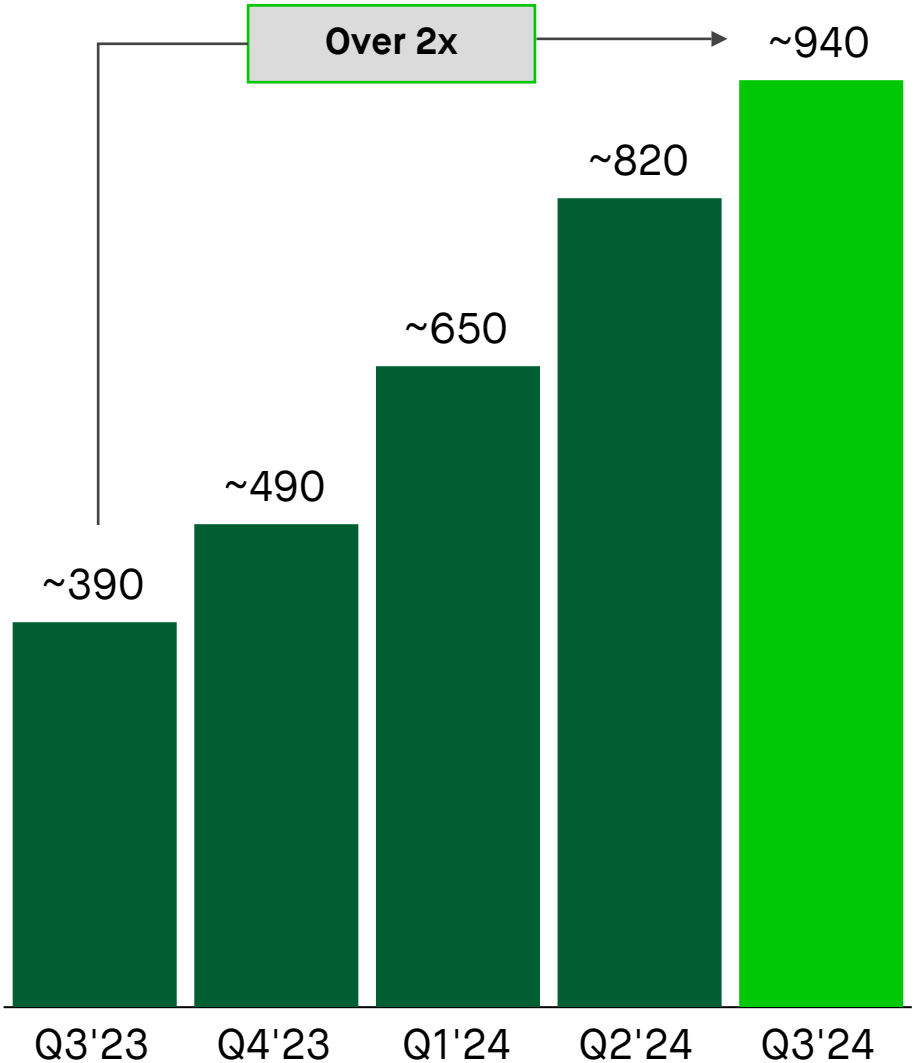
Average AUC per Funded Customer (in thousands)¹



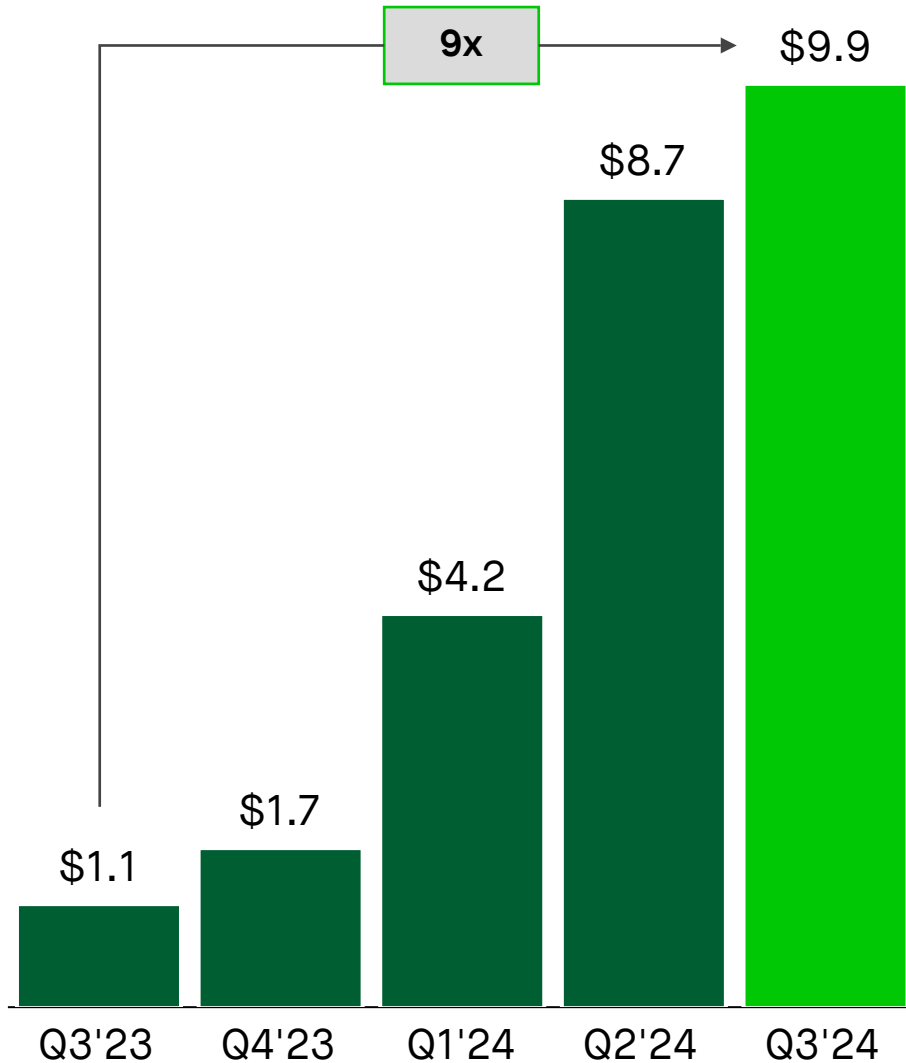
Refer to the Appendix for changes in AUC and details of net cash held by users.
 Q3 2024 ETF balances totaled ~\$28B, representing 27% of total Q3 2024 equities under custody, up from 20% in Q3 2023.
 (1) Defined as end of period AUC divided by end of period Funded Customers.

Retirement growth continues, as Retirement AUC grew to nearly \$10 billion in Q3

Retirement Accounts
End of period, in thousands



Retirement AUC
End of period, in billions



Retirement AUC per Account¹
End of period, in thousands



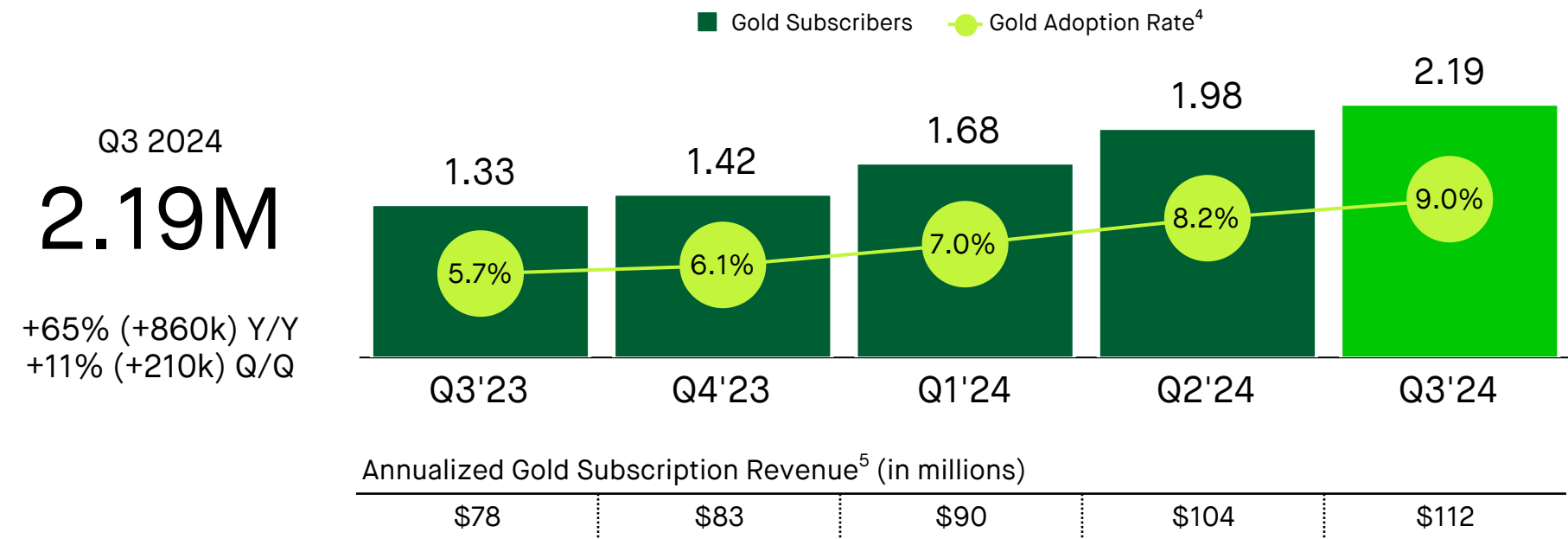
(1) Defined as end of period Retirement AUC divided by the total number of traditional IRAs and Roth IRAs at the end of the period.
 (2) Defined as end of period AUC by end of period Funded Customers.

We continue to add value to Robinhood Gold and Q3 2024 Gold Subscribers represented 9% of Funded Customers

Gold Subscribers receive meaningful value for \$5 per month¹

- Cash Sweep** 4.5% APY on uninvested cash
\$2.5M FDIC insurance
- Retirement** 3% IRA match
- Trading** Lower index options contract fees (\$0.35 vs. \$0.50 for non-Gold)²
Lower futures commissions (\$0.50 vs. \$0.75 for non-Gold)²
First \$1,000 of margin free
- Data & Research** Enhanced market data
Professional research
- Gold Card³** 3% cash back
- Unlimited Deposit Boost** 1% match on eligible deposits
(Ending in November 2024)

Gold Subscribers
in millions



Compared to our average Funded Customer, our average Gold Subscriber has...

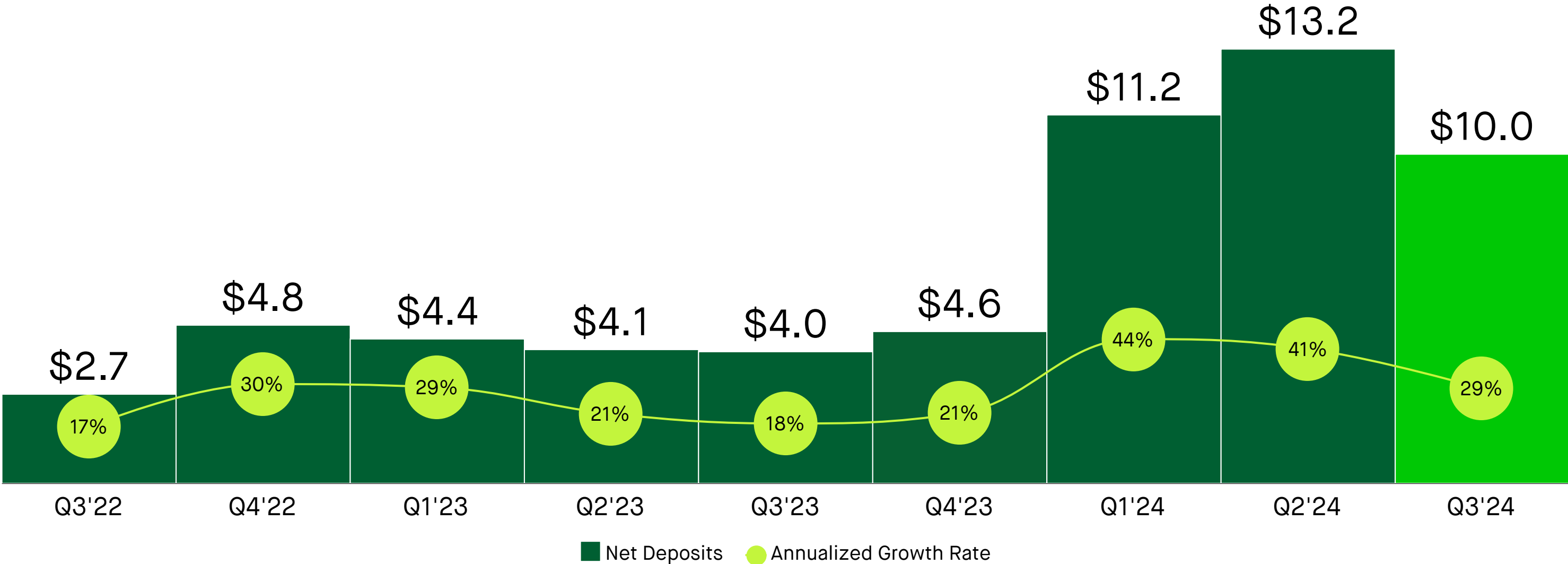
- ~7x** Assets Under Custody⁶
- ~2x** Net Deposit Growth Rate⁶
- ~5x** Retirement Adoption Rate⁶

(1) Gold offering and pricing as of 10/30/2024.
 (2) Futures and index options availability on Robinhood is upcoming. Other fees may apply when trading these products.
 (3) The Robinhood Gold Card is currently rolling out via a waitlist.
 (4) Defined as end of period Gold Subscribers divided by end of period Funded Customers.
 (5) Defined as Gold subscription revenue in a given quarter times four.
 (6) Assets Under Custody and Retirement Adoption Rate figures as of 9/30/2024. Net Deposit growth rate over the LTM ending 9/30/2024. Refer to definitions in the Appendix for growth rate calculations.

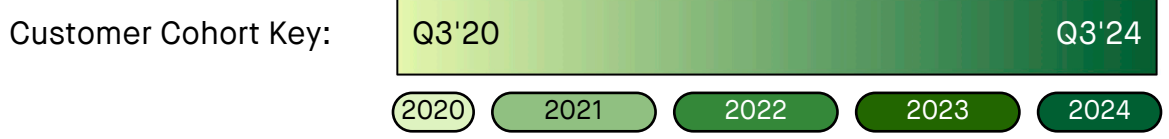
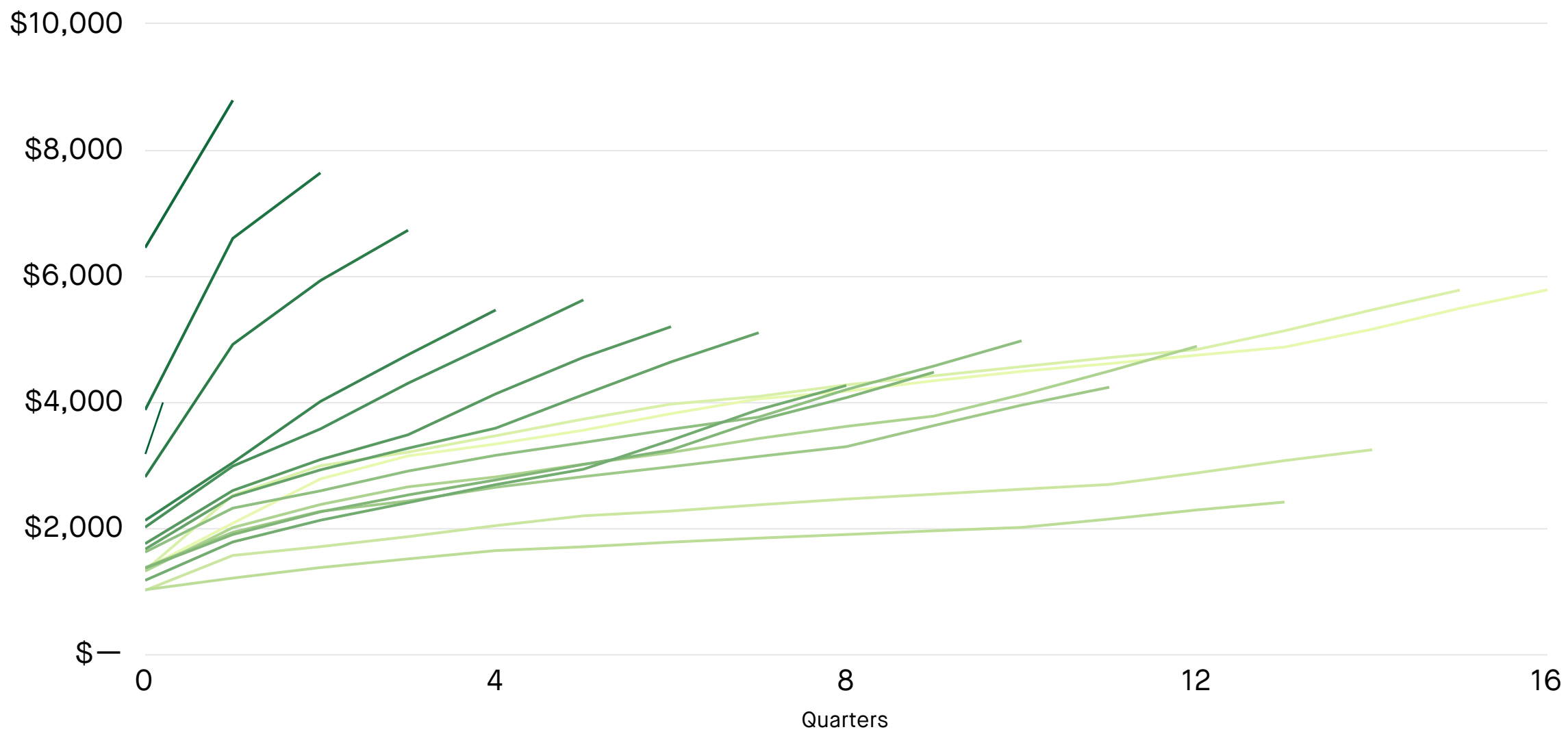
Net Deposits were \$10 billion in Q3, translating to a 29% annualized growth rate, and were \$39 billion over the last twelve months, translating to a 45% growth rate

in billions

Last twelve months Net Deposits \$39.0
 Last twelve months growth rate 45%



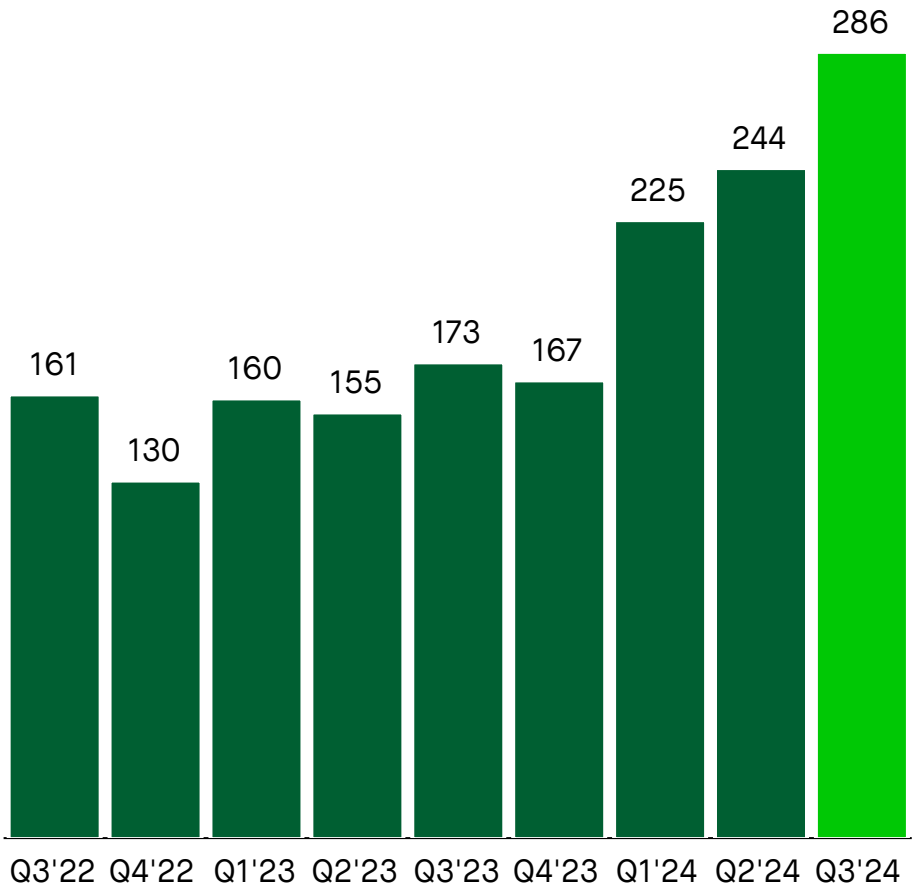
Average cumulative Net Deposits¹ tend to grow over time across our Funded Customer Cohorts², and recent cohorts' initial Net Deposits are larger



Q3 trading volumes increased double- to triple-digits year-over-year as we continue to gain market share

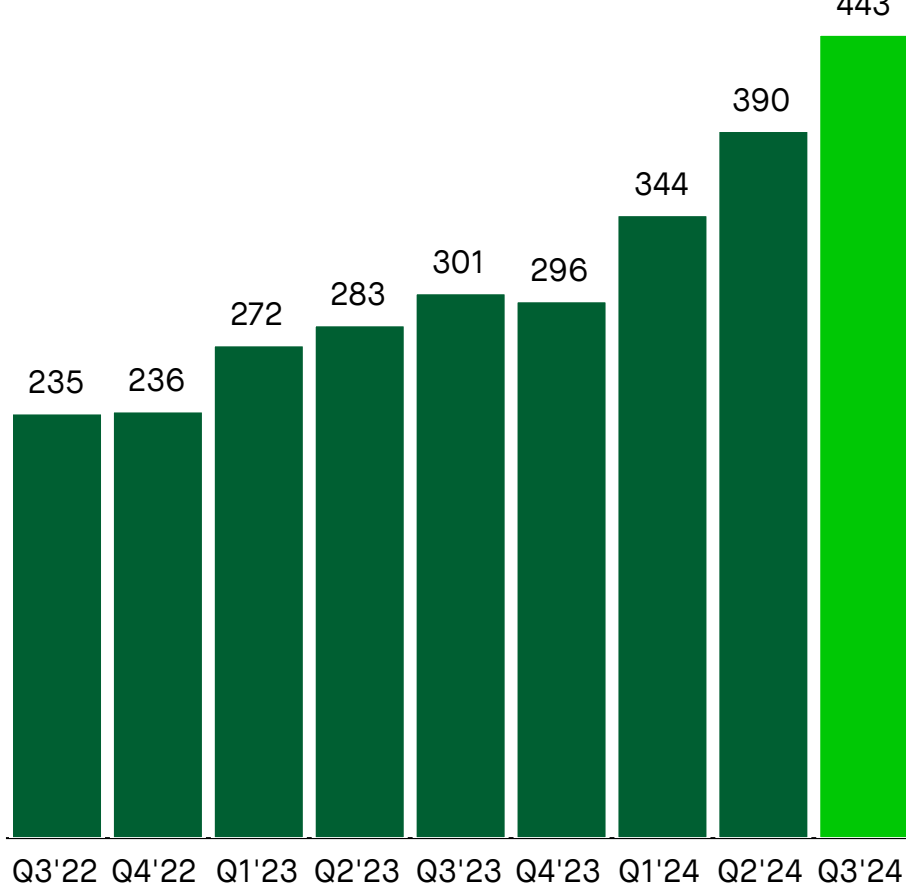
Equity Notional Volumes *in \$ billions*

Q3 2024: \$286B, up 65% Y/Y and 17% Q/Q



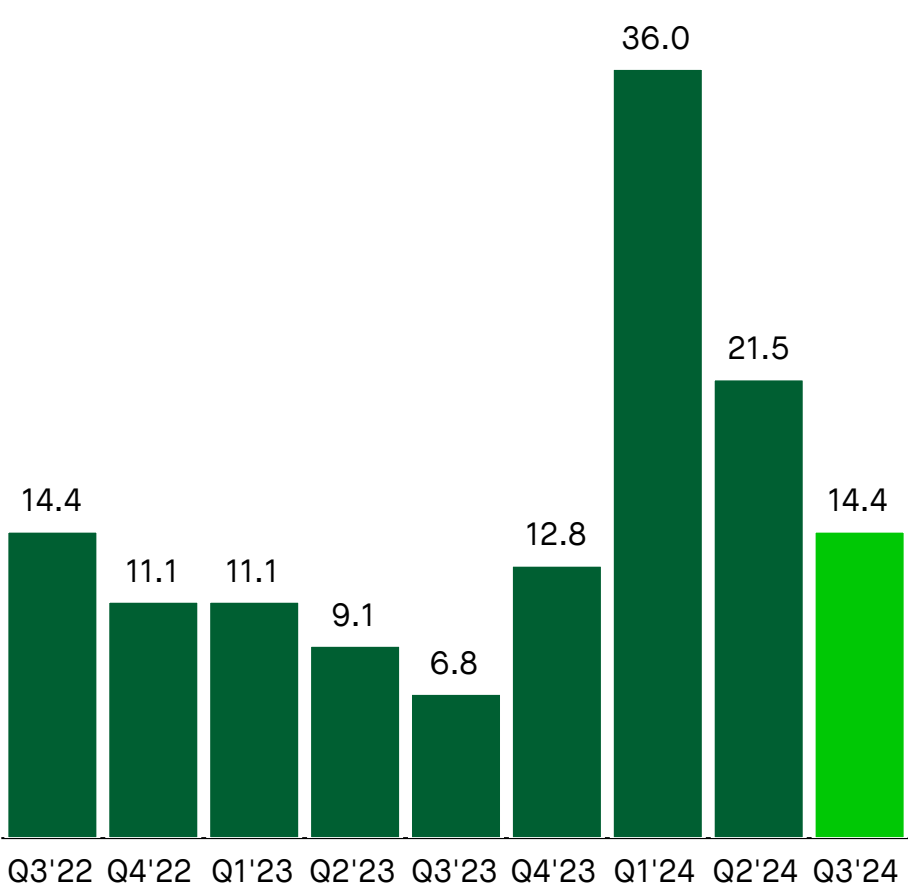
Options Contracts Traded *in millions of contracts*

Q3 2024: 443M, up 47% Y/Y and 14% Q/Q

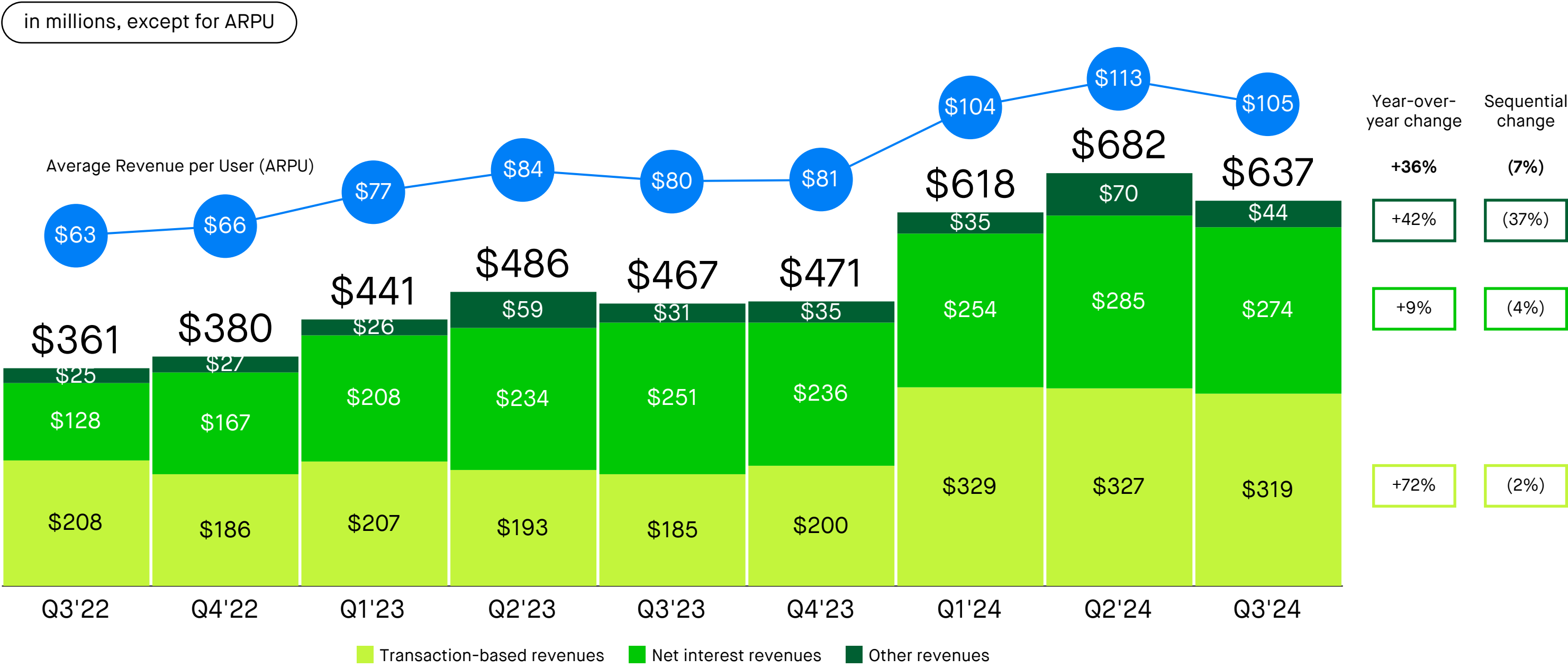


Crypto Notional Volumes *in \$ billions*

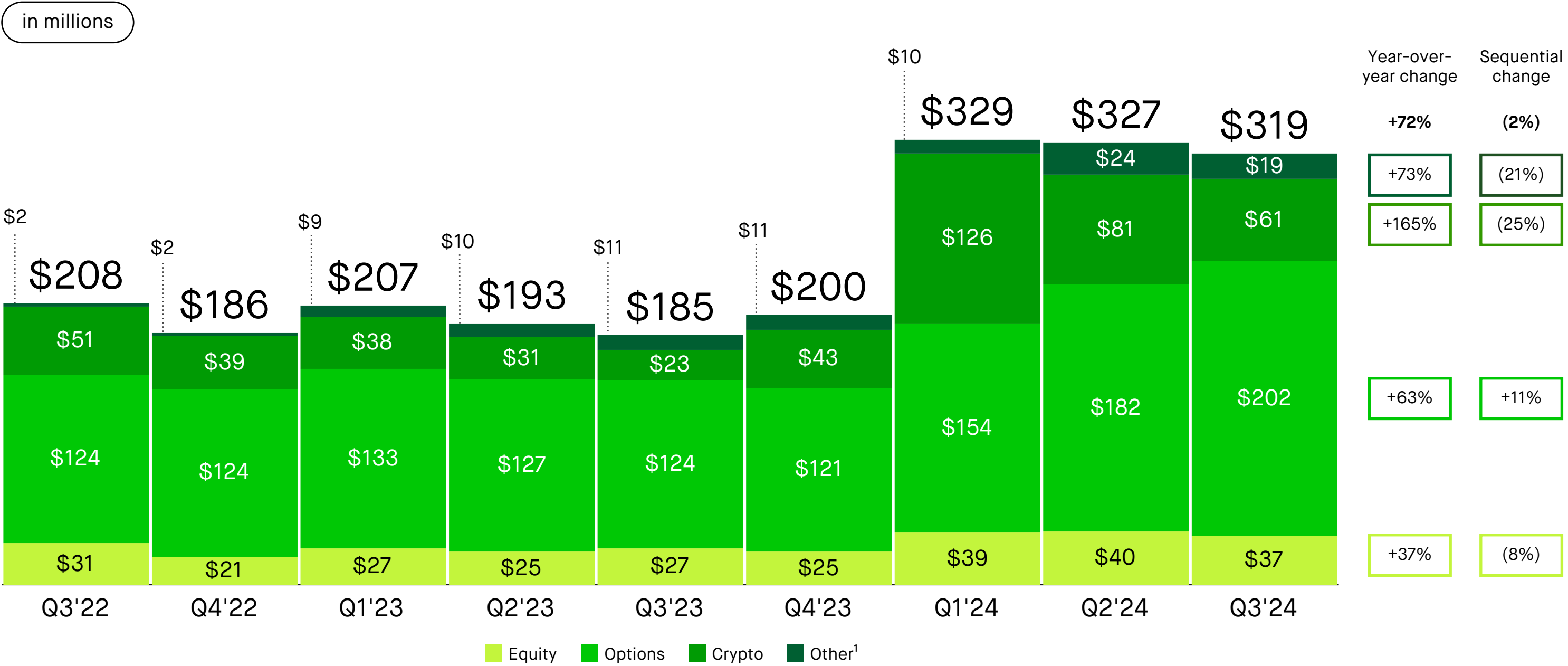
Q3 2024: \$14B, up 112% Y/Y and down 33% Q/Q



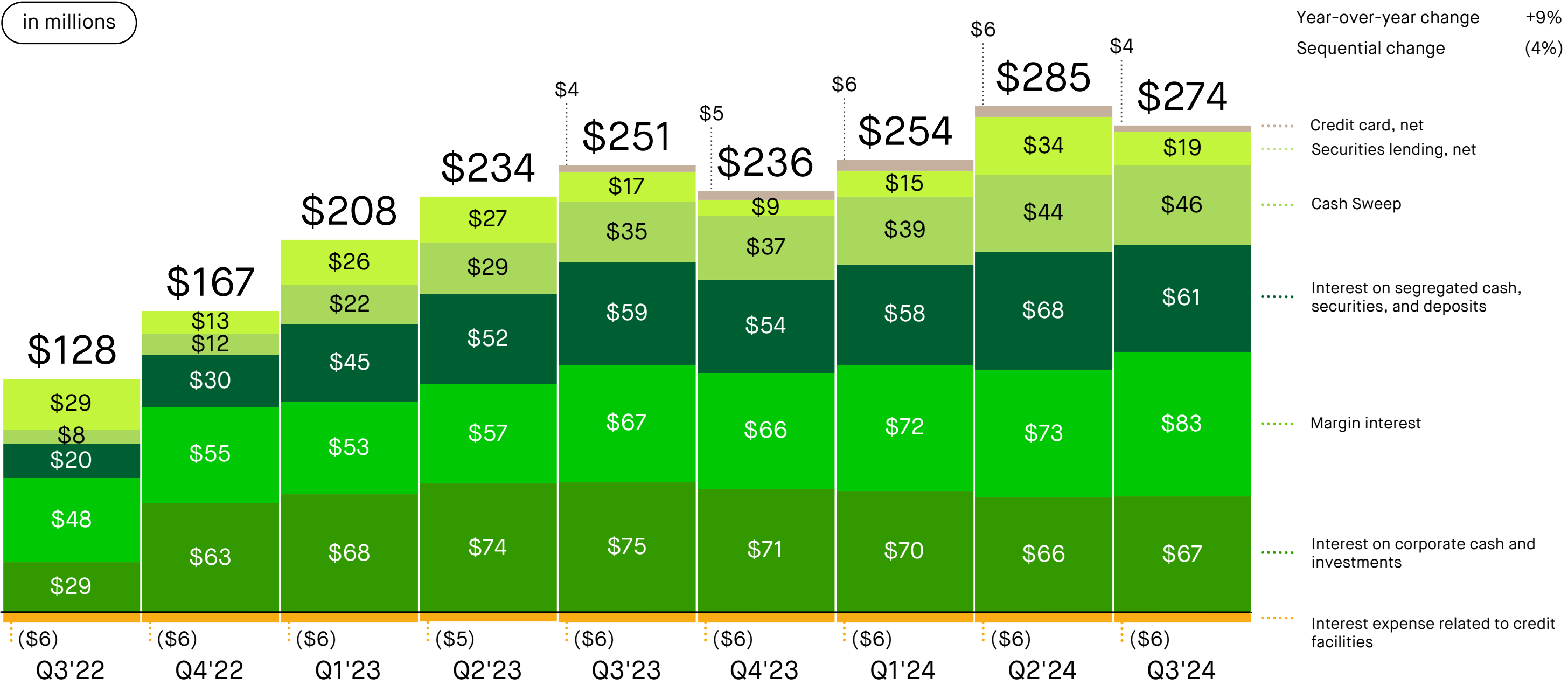
Total net revenues in Q3 were up 36% year-over-year to \$637 million, our second highest quarterly revenue ever, and ARPU was \$105



Transaction-based revenues were up 72% year-over-year to \$319 million in Q3



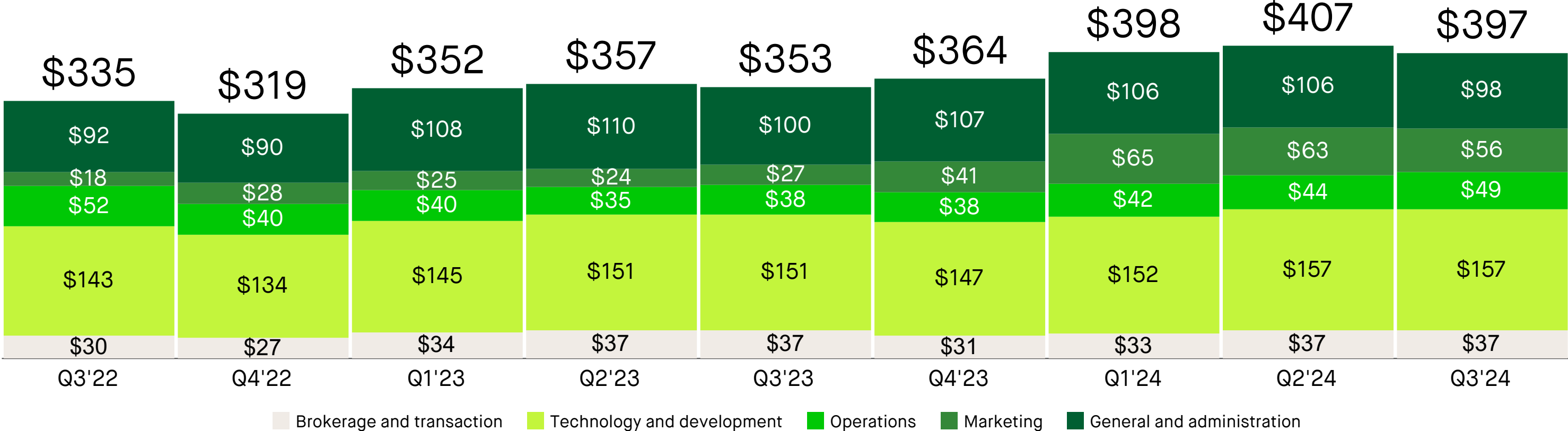
Net interest revenues were up 9% year-over-year to \$274 million in Q3



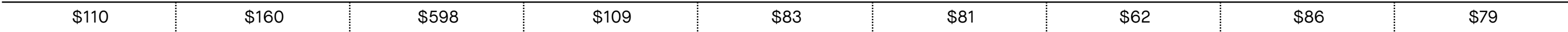
Adjusted Operating Expenses increased 12% year-over-year to \$397 million in Q3

in millions

Year-over-year change +12%
Sequential change (2%)

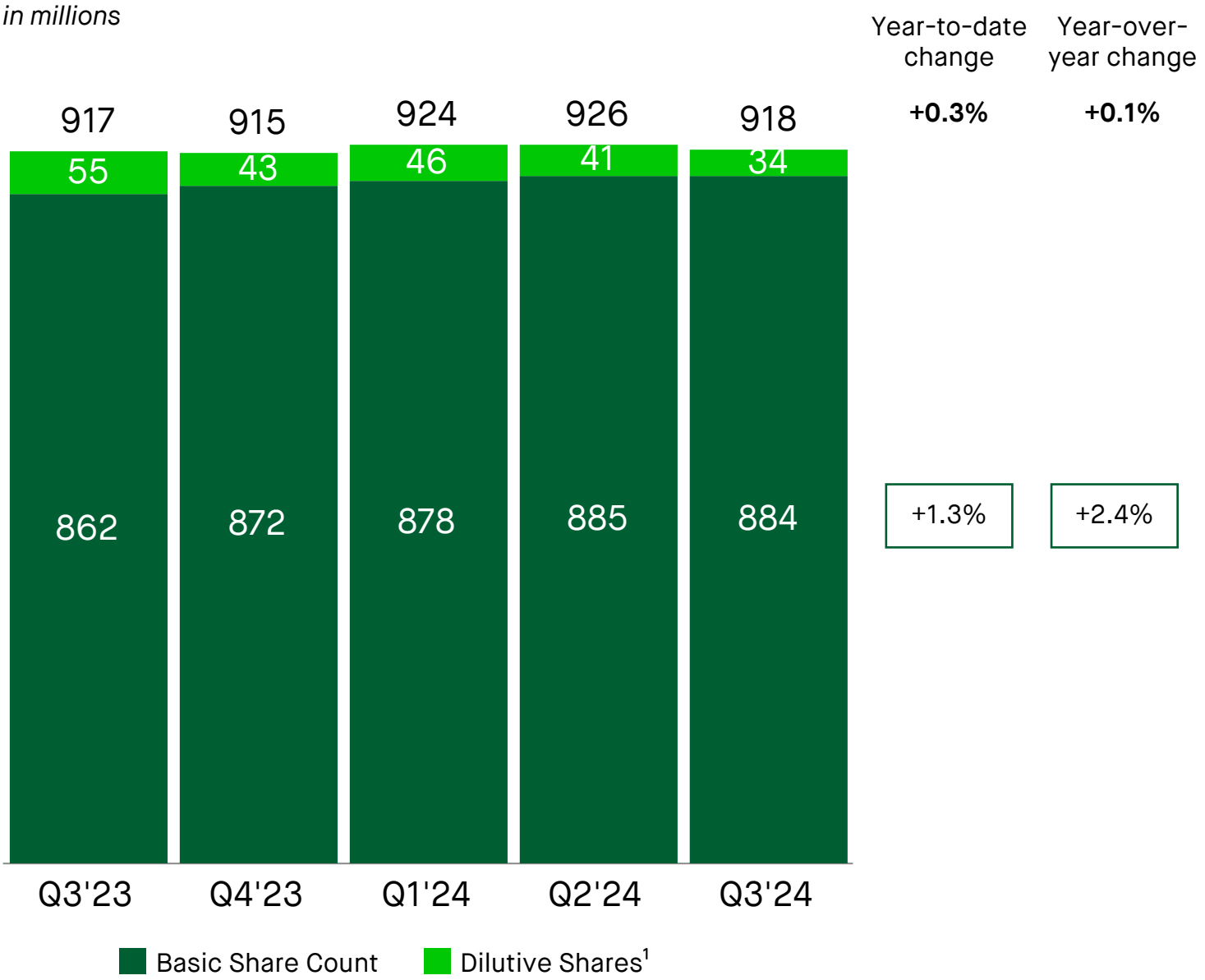


Share-Based Compensation¹

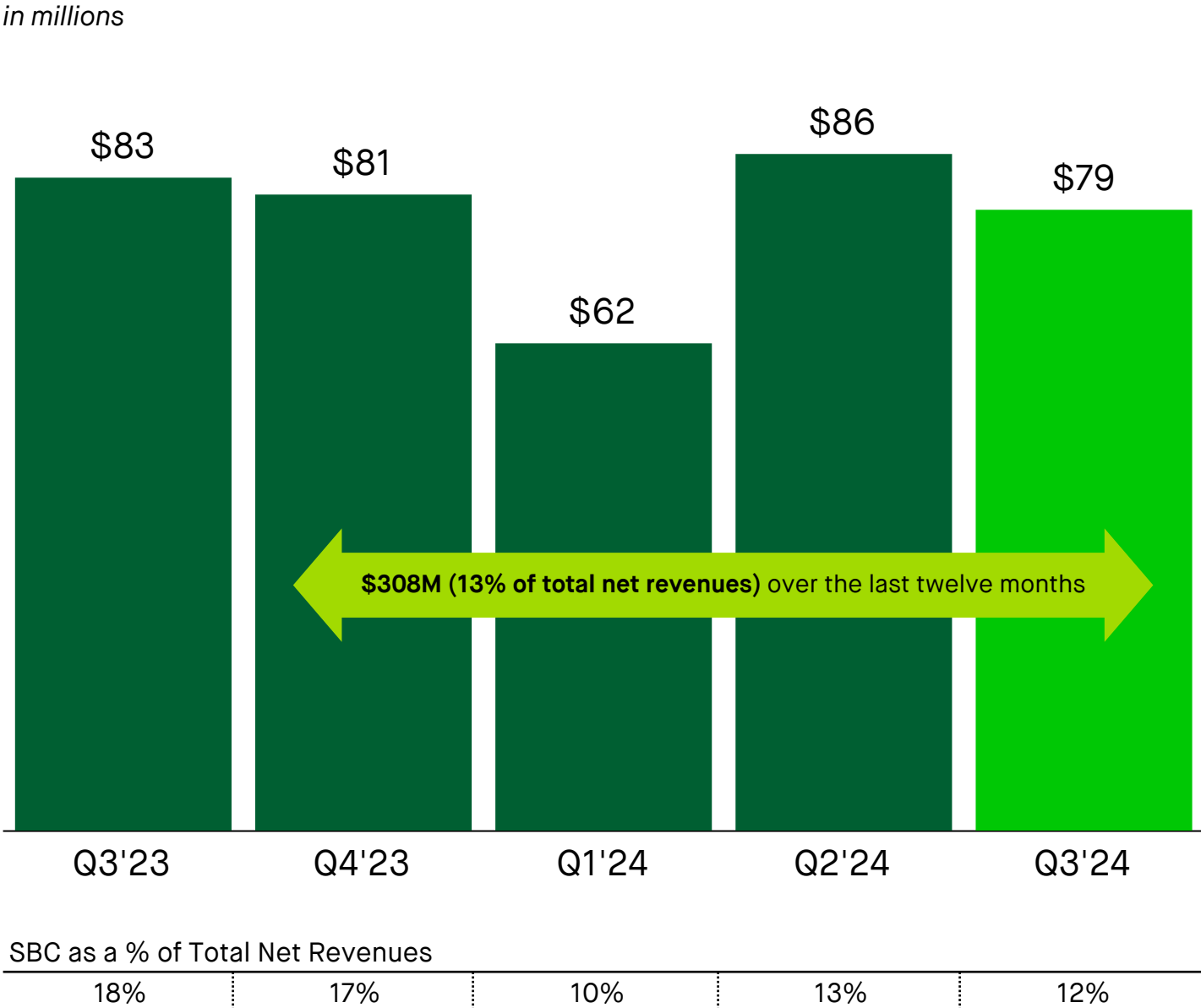


Diluted share count was roughly flat year-over-year in Q3, and we continue to anticipate dilution of 2% or less in 2024

Basic and Diluted Share Count

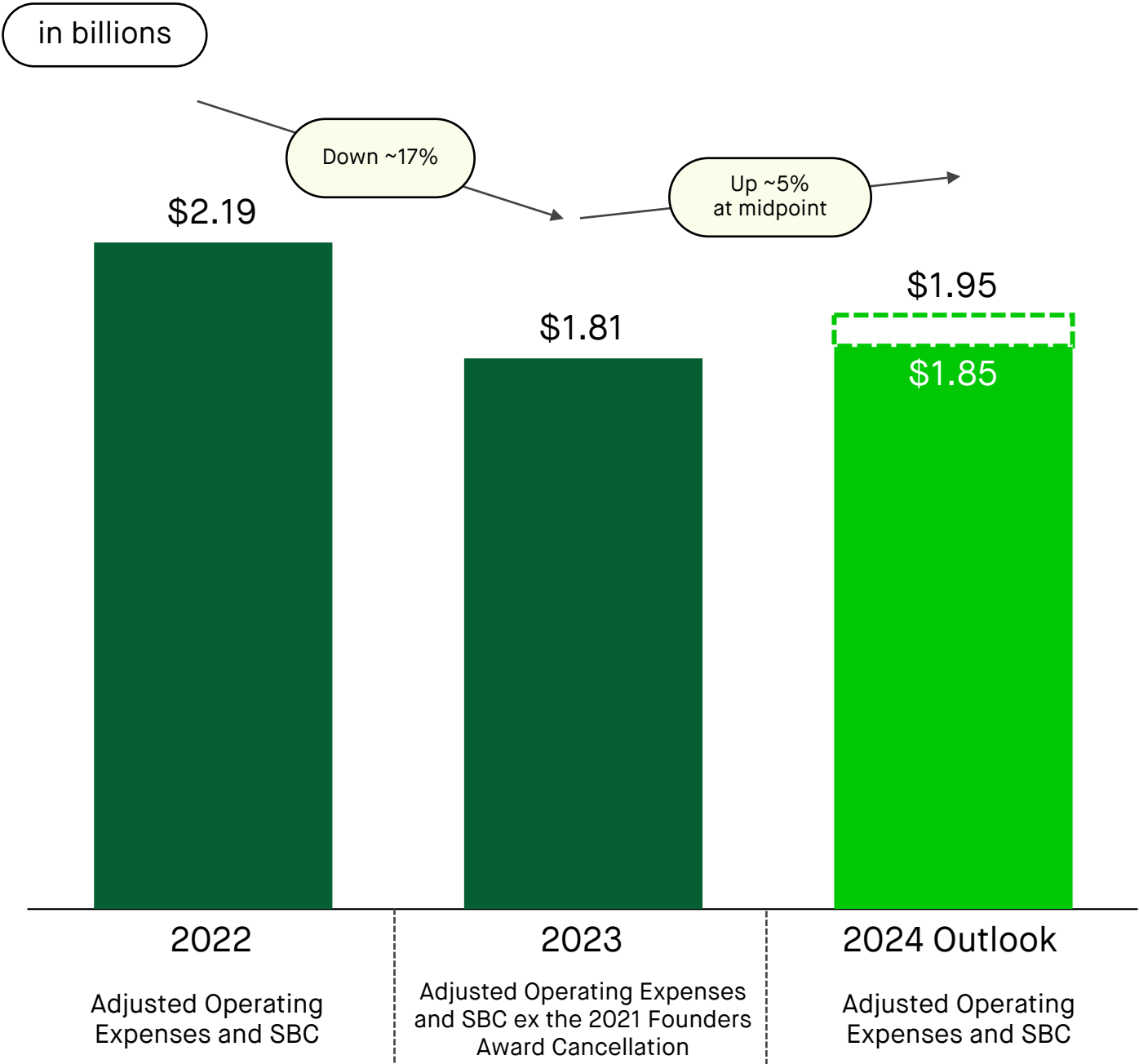


Share-Based Compensation Expense



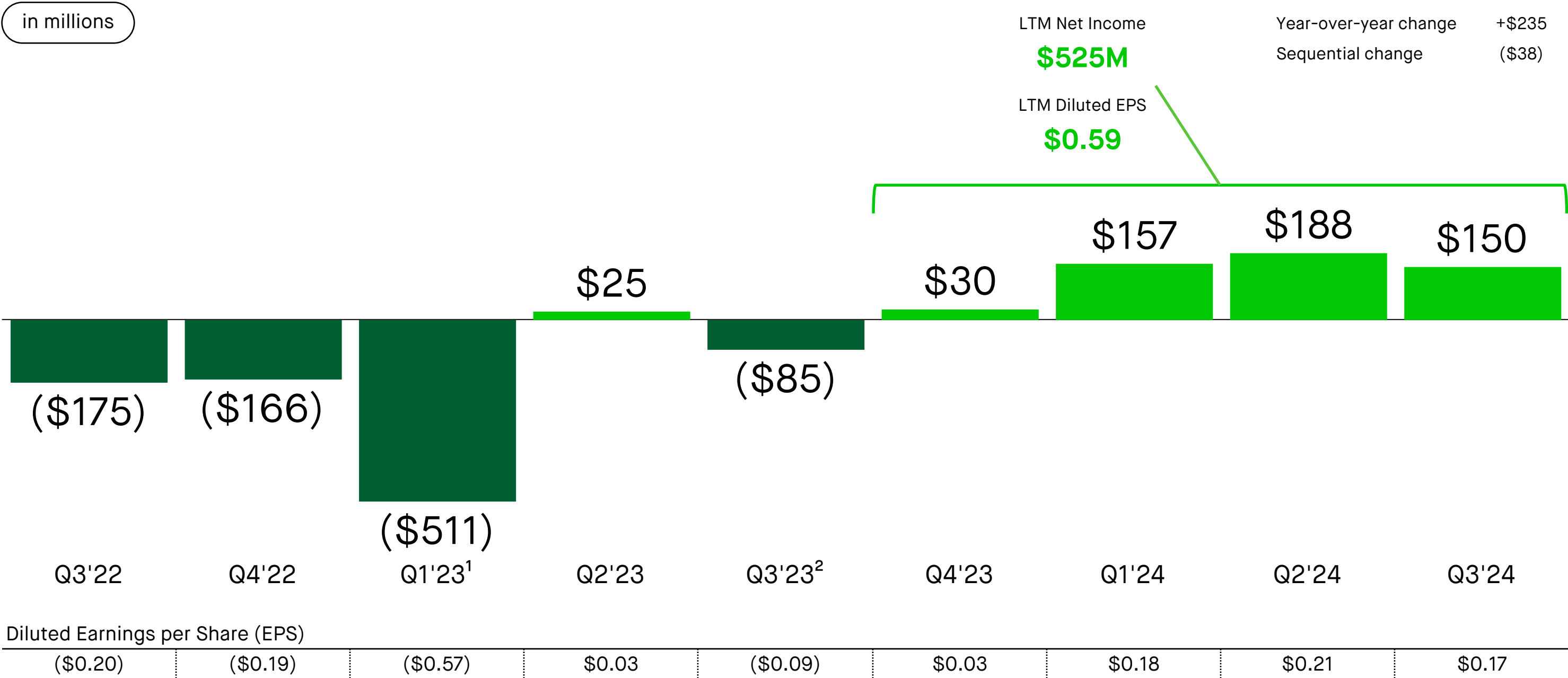
(1) Under GAAP, for any period with net income, diluted EPS is calculated using the treasury method for diluted shares, which may cause differences compared to diluted shares shown in this schedule dependent on Robinhood's share price.

We are maintaining our 2024 expense outlook of \$1.85 billion to \$1.95 billion of combined Adjusted Operating Expenses and SBC



- Our 2024 expense outlook of \$1.85B to \$1.95B of combined Adjusted Operating Expenses and SBC was built to drive another year of profitable growth, including:
 - Investing for growth across new products, features, and international expansion
 - Reducing costs in our existing business
- Through the first three quarters of 2024, combined Adjusted Operating Expenses and SBC were \$1,429M, including \$476M in Q3 2024
 - While we've grown total net revenues nearly 40% year-over-year through the first three quarters of 2024, we've managed costs effectively
- Looking forward, we are maintaining our full year 2024 outlook
 - We anticipate we'll likely finish near the top end of the range given our continued growth investments to finish the year strong
 - This outlook does not include potential significant regulatory matters or other significant expenses whose size or timing we are unable to predict

GAAP net income was \$150 million in Q3 and diluted EPS was \$0.17

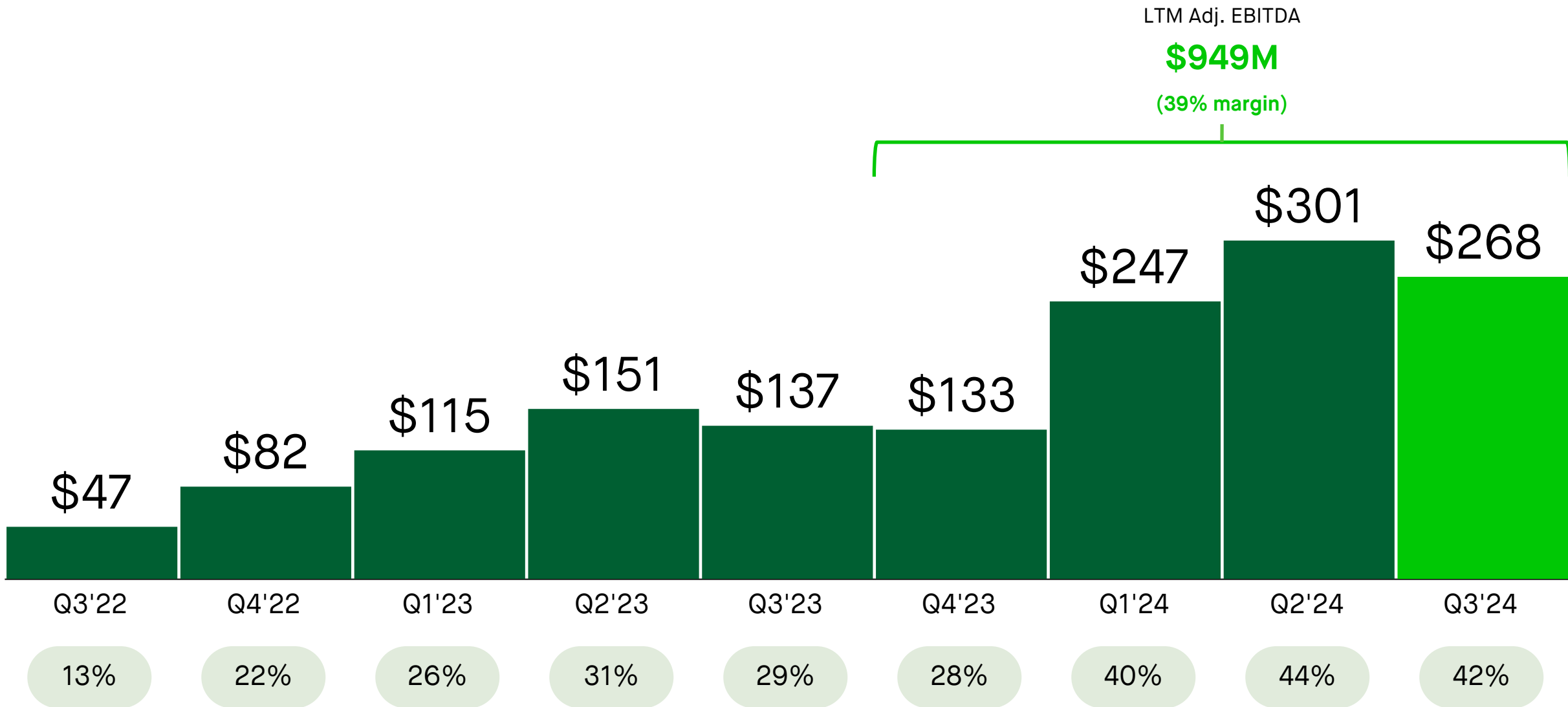


(1) Q1 2023 included a \$485 million charge related to the 2021 Founders Award Cancellation.
 (2) Q3 2023 included the impact of a \$104 million Regulatory Accrual recorded in the quarter.

Adjusted EBITDA was \$268 million in Q3 and has grown to nearly \$1 billion over the last twelve months

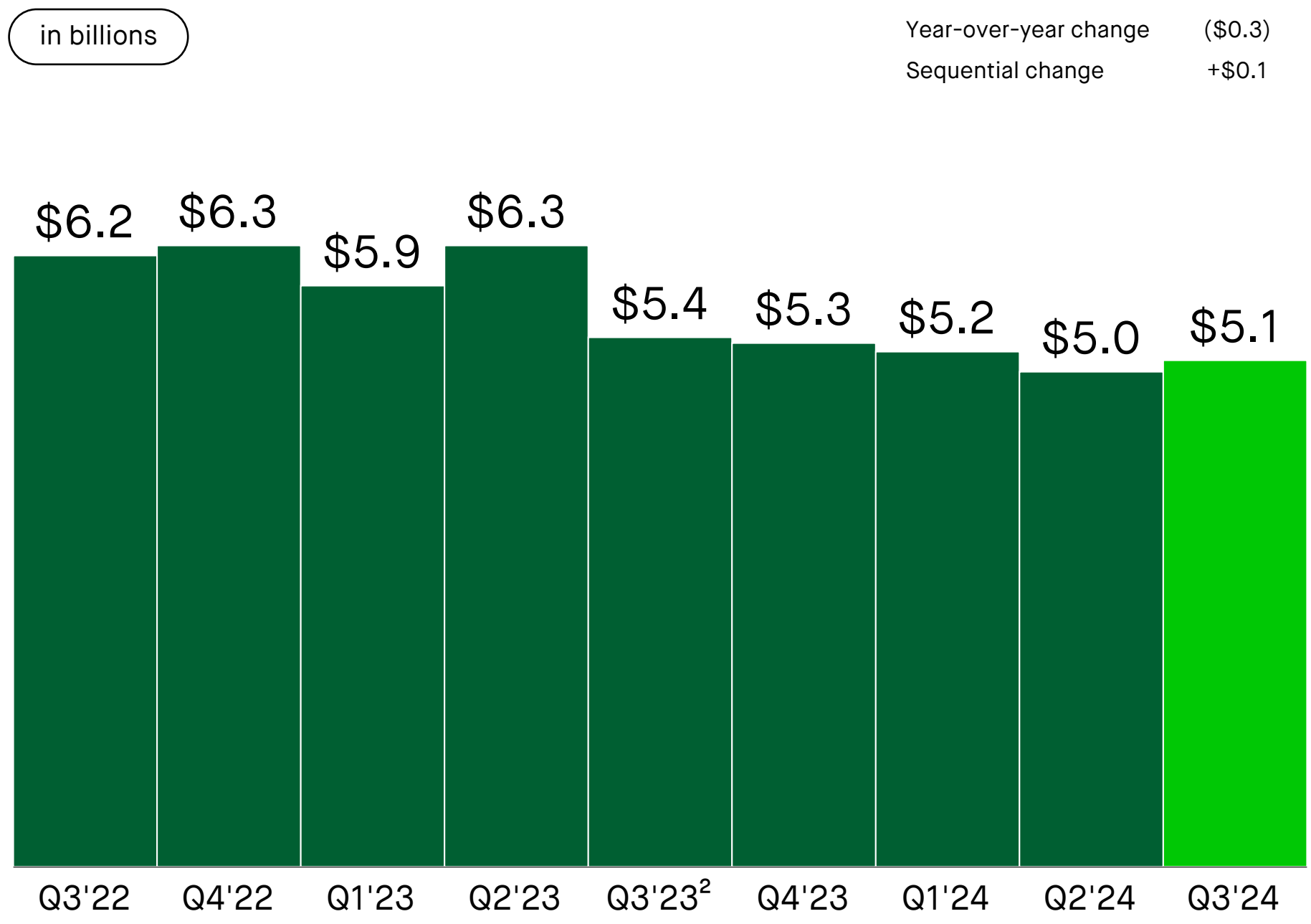
in millions

Year-over-year change +\$131
 Sequential change (\$33)



With over \$5B in corporate cash and investments, we are well positioned to continue deploying capital

- Our balance sheet remains strong with over \$5 billion of corporate cash and investments¹ today, as well as \$3 billion in available lines of credit
- We believe the strength of our balance sheet gives us the flexibility to run our business while investing for future growth
- We will continue to look to drive growth and shareholder value by allocating capital across:
 - Organic growth
 - M&A
 - Shareholder returns



In Q3, we returned \$97 million to shareholders by repurchasing 5 million of our shares¹

Share Repurchases *in millions*

\$97



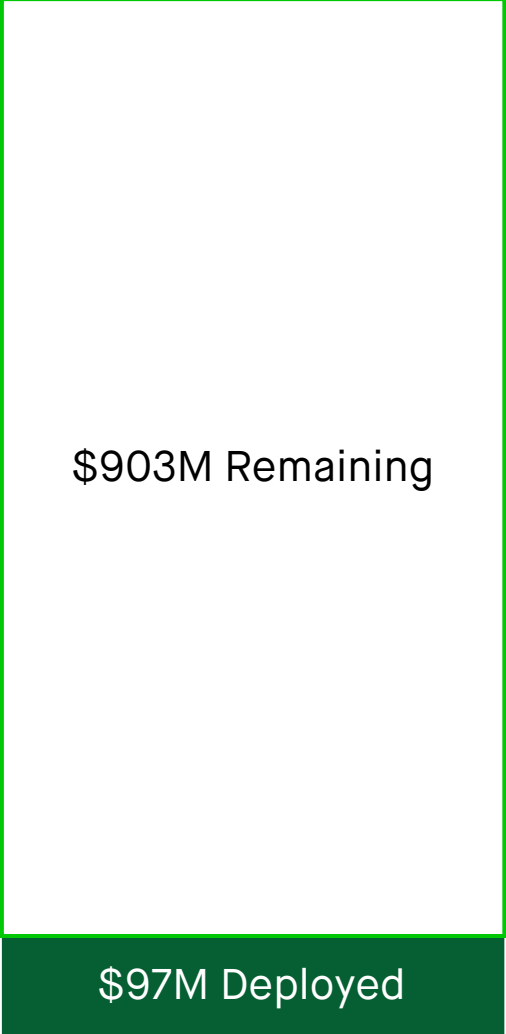
Q3'24

Diluted Shares (in M)

917.8

- In Q3 2024, we began returning capital to shareholders under our \$1 billion share repurchase program.
- We continue to expect to complete our authorization over a total of two to three years.

As of 9/30/2024



\$1B Share Repurchase Program

Appendix

September 2024 Monthly Metrics

Robinhood Markets, Inc. and Consolidated Subsidiaries
 Monthly Metrics Report for September 2024
 (Unaudited)

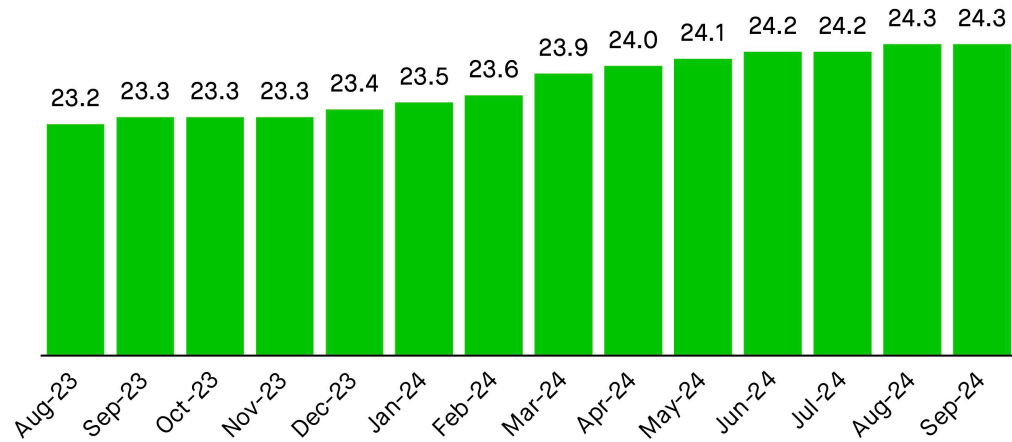


	2023					2024								Change		
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	M/M	Y/Y
<i>(M - in millions, B - in billions)</i>																
Funded Customer Growth (M)																
Funded Customers	23.2	23.3	23.3	23.3	23.4	23.5	23.6	23.9	24.0	24.1	24.2	24.2	24.3	24.3	-	4%
Assets Under Custody (AUC) (\$B)																
Total AUC	\$89.7	\$86.5	\$84.6	\$94.4	\$102.6	\$102.4	\$118.7	\$129.6	\$123.3	\$135.0	\$139.7	\$144.5	\$143.6	\$152.2	6%	76%
Net Deposits	\$1.6	\$1.0	\$1.0	\$1.4	\$2.2	\$3.8	\$3.6	\$3.8	\$4.9	\$3.6	\$4.7	\$4.2	\$3.3	\$2.5	NM	NM
Trading																
Trading Days (Equities and Options)	23	20	22	21	20	21	20	20	22	22	19	22	22	20	(9%)	-
Total Trading Volumes																
Equity (\$B)	\$59.8	\$44.2	\$50.8	\$52.9	\$63.2	\$59.3	\$80.9	\$84.7	\$70.7	\$86.8	\$86.1	\$104.4	\$96.2	\$85.5	(11%)	93%
Options Contracts (M)	107.3	87.3	96.6	95.3	104.5	106.2	119.1	118.2	126.6	131.9	131.1	160.5	146.9	136.1	(7%)	56%
Crypto (\$B)	\$2.2	\$1.2	\$2.3	\$4.0	\$6.5	\$5.9	\$6.5	\$23.6	\$10.1	\$7.1	\$4.3	\$5.3	\$5.4	\$3.7	(31%)	208%
Daily Average Revenue Trades (DARTs) (M)																
Equity	1.5	1.5	1.4	1.4	1.8	1.7	1.9	2.2	1.8	2.0	2.2	2.1	1.9	2.0	5%	33%
Options	0.6	0.6	0.6	0.6	0.6	0.7	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	-	50%
Crypto	0.2	0.1	0.2	0.2	0.3	0.3	0.3	0.7	0.4	0.3	0.3	0.3	0.3	0.2	(33%)	100%
Customer Margin and Cash Sweep (\$B)																
Margin Book	\$3.5	\$3.6	\$3.5	\$3.4	\$3.5	\$3.6	\$3.8	\$4.1	\$4.1	\$4.5	\$5.0	\$5.4	\$5.5	\$5.5	-	53%
Total Cash Sweep	\$13.3	\$13.6	\$13.9	\$15.2	\$16.4	\$16.8	\$18.1	\$19.0	\$19.1	\$20.3	\$20.9	\$21.8	\$22.8	\$24.5	7%	80%
Gold	\$12.6	\$12.9	\$13.2	\$14.5	\$15.7	\$16.1	\$17.4	\$18.2	\$18.4	\$19.6	\$20.3	\$21.2	\$22.2	\$23.9	8%	85%
Non-Gold	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.8	\$0.7	\$0.7	\$0.6	\$0.6	\$0.6	\$0.6	-	(14%)
Total Securities Lending Revenue (\$M)	\$17	\$10	\$11	\$11	\$12	\$12	\$13	\$17	\$21	\$23	\$21	\$21	\$20	\$18	(10%)	80%

September 2024 Monthly Metrics Dashboard

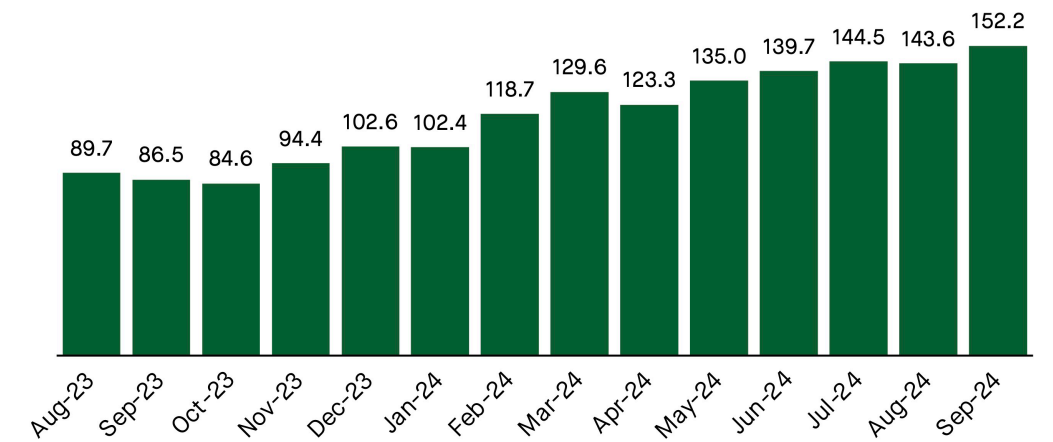
Funded Customers *in millions*

Sep-24
24.3M
+30k M/M
+1.04M Y/Y



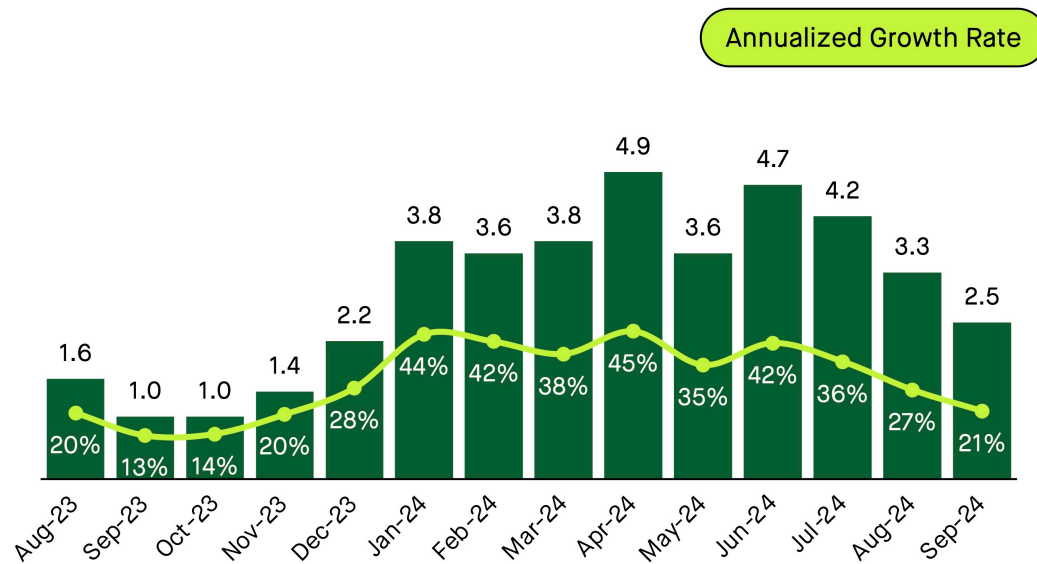
Assets Under Custody (AUC) *in \$ billions*

Sep-24
\$152.2B
+6% M/M
+76% Y/Y



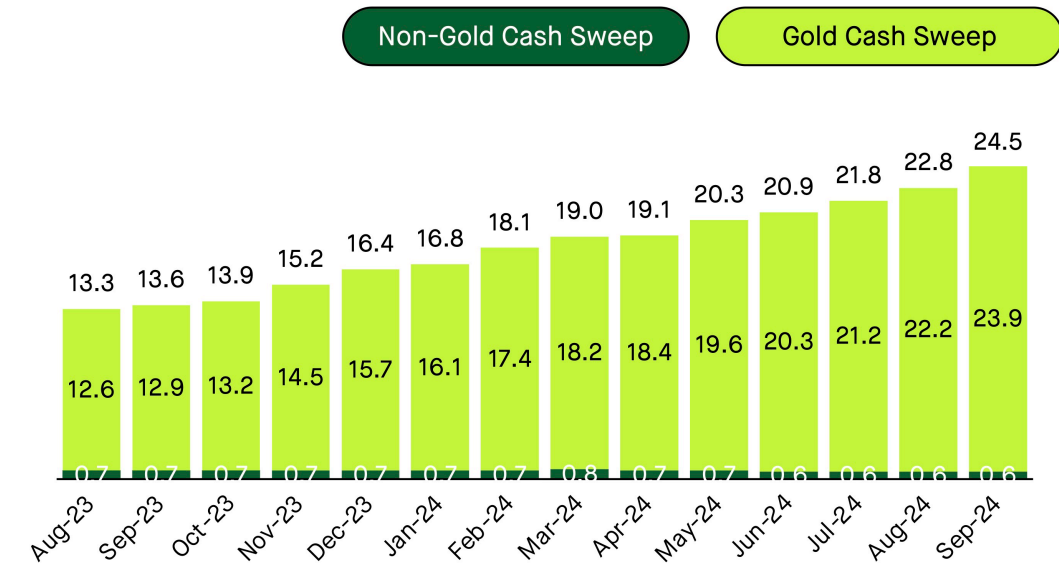
Net Deposits *in \$ billions*

Sep-24
\$2.5B
21% Annualized Growth
\$39.0B LTM
45% LTM Growth



Cash Sweep *in \$ billions*

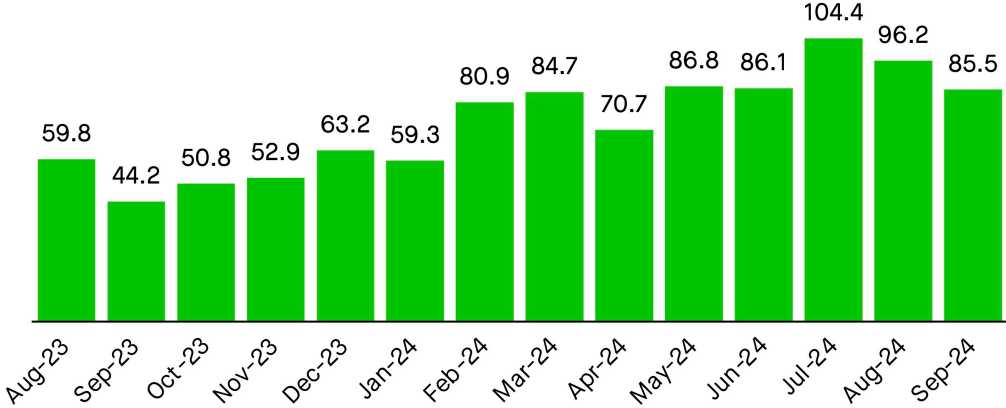
Sep-24
\$24.5B
+7% M/M
+80% Y/Y



September 2024 Monthly Metrics Dashboard (Continued)

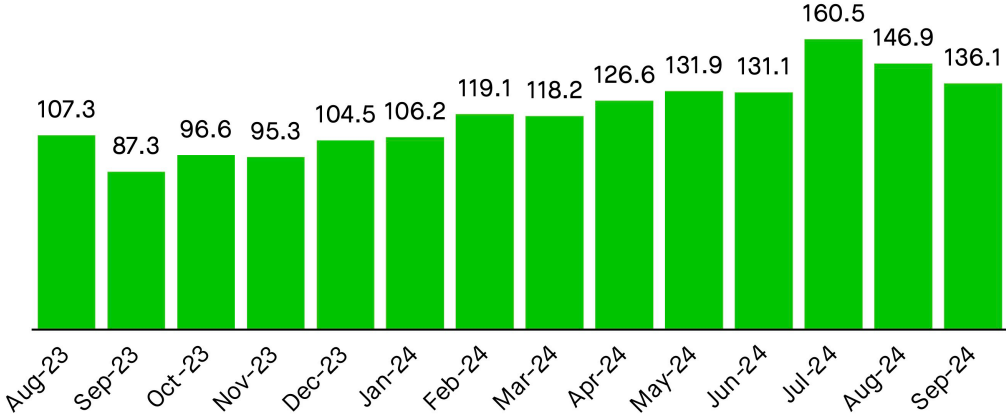
Equity Notional Volumes *in \$ billions*

Sep-24
\$85.5B
(11%) M/M
+93% Y/Y



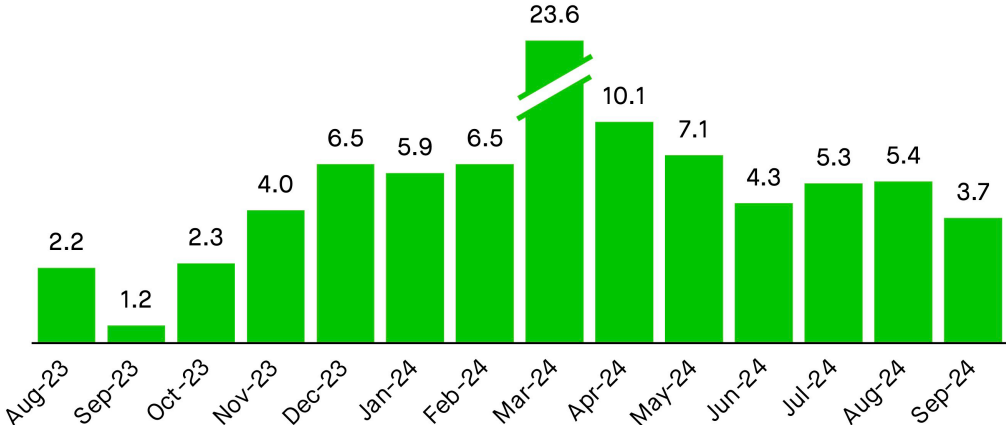
Options Contracts Traded *in millions of contracts*

Sep-24
136.1M
(7%) M/M
+56% Y/Y



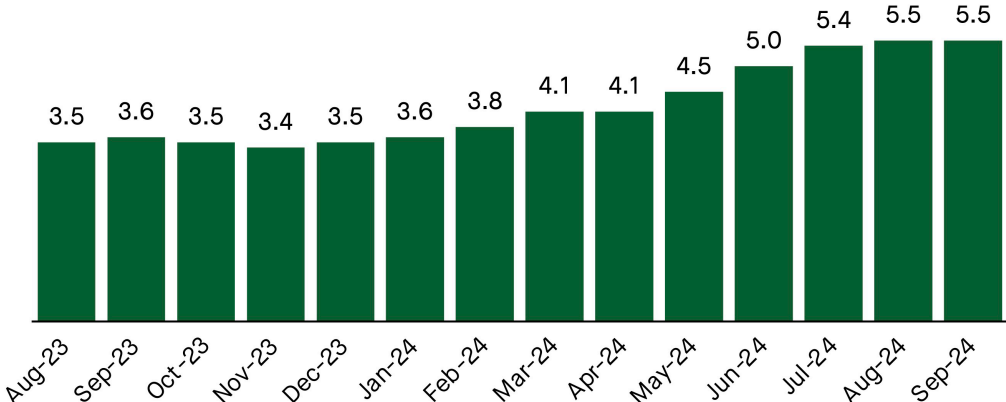
Crypto Notional Volumes *in \$ billions*

Sep-24
\$3.7B
(31%) M/M
+208% Y/Y



Margin Book *in \$ billions*

Sep-24
\$5.5B
- M/M
+53% Y/Y



Changes in Funded Customers and Assets Under Custody

Funded Customers

in millions

	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Beginning Funded Customers	22.9	22.9	23.0	23.1	23.2	23.3	23.4	23.9	24.2
New Customers	0.3	0.2	0.3	0.2	0.3	0.3	0.5	0.5	0.4
Resurrected Customers	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1
Churned Customers	(0.4)	(0.2)	(0.3)	(0.2)	(0.3)	(0.3)	(0.2)	(0.3)	(0.4)
Ending Funded Customers	22.9	23.0	23.1	23.2	23.3	23.4	23.9	24.2	24.3

Assets Under Custody

in billions

	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Beginning balance	\$64.2	\$64.6	\$62.2	\$78.4	\$88.8	\$86.5	\$102.6	\$129.6	\$139.7
Net Deposits	2.7	4.8	4.4	4.1	4.0	4.6	11.2	13.2	10.0
Net market gains (losses)	(2.3)	(7.2)	11.8	6.3	(6.3)	11.5	15.8	(3.1)	2.5
Ending balance	\$64.6	\$62.2	\$78.4	\$88.8	\$86.5	\$102.6	\$129.6	\$139.7	\$152.2

Net Cash Held by Users Reconciliation

in billions

	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Gold Cash Sweep	\$1.5	\$4.8	\$8.0	\$11.1	\$12.9	\$15.7	\$18.2	\$20.3	\$23.9
Non-Gold Cash Sweep	1.5	1.0	0.9	0.8	0.7	0.7	0.8	0.6	0.6
Total Cash Sweep	3.0	5.8	8.9	11.9	13.6	16.4	19.0	20.9	24.5
Free Credit Balances and Other	5.1	5.0	5.3	5.3	4.4	4.9	5.8	5.7	6.1
Total Cash held by Users	8.1	10.8	14.2	17.2	18.0	21.3	24.8	26.6	30.6
Receivables from Users	(4.0)	(3.1)	(3.0)	(3.2)	(3.5)	(3.4)	(4.1)	(5.0)	(5.5)
Net Cash Held by Users	\$4.1	\$7.7	\$11.2	\$14.0	\$14.5	\$17.9	\$20.7	\$21.6	\$25.1

Trading Volumes for Q3 2024

Equity Notional Volumes

Up 65% Y/Y and 17% Q/Q, driven by:

Customers placing trades
+14% Y/Y
(3%) Q/Q

Average notional volume per trader
+41% Y/Y
+17% Q/Q

Options Contracts Traded

Up 47% Y/Y and 14% Q/Q, driven by:

Customers placing trades
+23% Y/Y
(3%) Q/Q

Contracts per trader
+17% Y/Y
+13% Q/Q

Crypto Notional Volumes

Up 112% Y/Y and down 33% Q/Q, driven by:

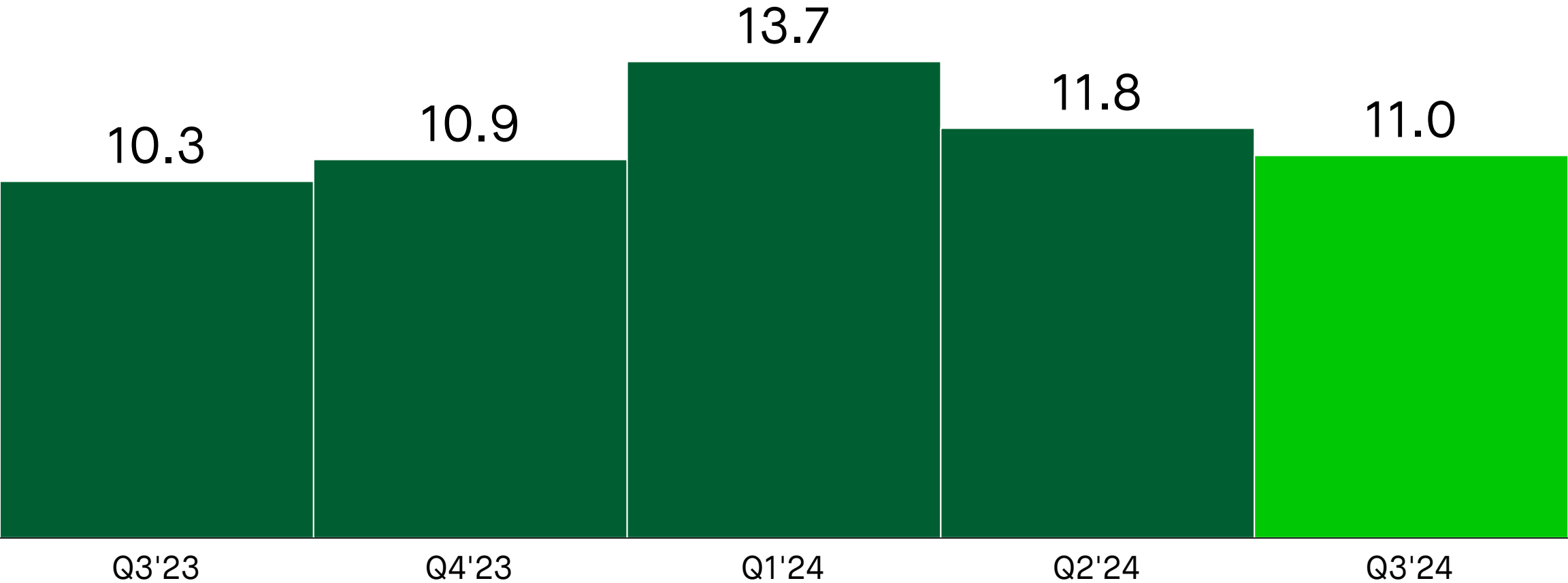
Customers placing trades
+31% Y/Y
(16%) Q/Q

Average notional volume per trader
+57% Y/Y
(19%) Q/Q

Monthly Active Users (MAU) increased by 0.7 million year-over-year to 11.0 million in Q3

in millions

Year-over-year change +0.7
Sequential change (0.8)



Annualized revenue per employee was \$1.1 million in Q3, up 29% year-over-year

	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Year-over-year change	Sequential change
End of period Employee Count	2,157	2,189	2,228	2,277	2,287	+6%	—%
Total Net Revenues (in millions)	\$467	\$471	\$618	\$682	\$637	+36%	(7%)
Average Employee Count	2,151	2,173	2,209	2,253	2,282	+6%	+1%
Annualized revenue per employee (in thousands) ¹	\$868	\$867	\$1,119	\$1,211	\$1,117	+29%	(8%)

In Q3 2024, we recorded \$27 million of contra revenues associated with matches on customer transfers and deposits and allocated them on a proportional basis

Customer Match Contra Revenue Allocation

in millions

	Q2 2024	Q3 2024
Transaction-based revenues		
Options	(\$8)	(\$17)
Equities	(2)	(3)
Cryptocurrencies	(1)	(3)
Net interest revenues		
Cash Sweep	(1)	(2)
Other revenues	(1)	(2)
Total contra revenue	(\$13)	(\$27)

Customer Match Amortization Detail

Customer Transfer and Contribution Matches

- The customer match program started in 2023, first with matches on IRA contributions in Q1 2023 and then with matches on asset transfers from other brokerages in Q4 2023.
- Since the start of the program through Q3 2024, we've provided customers with ~\$280M of matches on ~\$16B of asset transfers and contributions. This includes an additional \$27M of matches in Q3 2024 on ~\$2B of asset transfers and contributions (and customers also returned ~\$4M of matches in Q3).
- In Q3 2024, we amortized ~\$17M of matches. At the end of Q3 2024, we had ~\$230M of unamortized matches remaining with a weighted average amortization of approximately 4 years.

Gold Deposit Boosts

- The Gold deposit boost program started in June 2024.
- Year-to-date, we have paid out \$11M of Gold deposit boosts, including \$10M in Q3.
- We plan to wind down the Gold deposit boost program by the end of November 2024.

Net interest revenues were \$274 million in Q3, up 9% year-over-year

in millions

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Year-over-year change	Sequential change
Interest on corporate cash and investments ¹	\$29	\$63	\$68	\$74	\$75	\$71	\$70	\$66	\$67	(11%)	+2%
Margin interest ²	48	55	53	57	67	66	72	73	83	+24%	+14%
Interest on segregated cash and securities, and deposits ³	20	30	45	52	59	54	58	68	61	+3%	(10%)
Cash sweep ⁴	8	12	22	29	35	37	39	44	46	+31%	+5%
Securities lending, net ⁵	29	13	26	27	17	9	15	34	19	+12%	(44%)
Credit card, net ⁶	—	—	—	—	4	5	6	6	4	—%	(33%)
Interest expenses related to credit facilities ⁷	(6)	(6)	(6)	(5)	(6)	(6)	(6)	(6)	(6)	—%	—%
Total net interest revenues	\$128	\$167	\$208	\$234	\$251	\$236	\$254	\$285	\$274	+9%	(4%)

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

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

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

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

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

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

(6) Credit card, net - Primarily comprise interest earned on customer credit card loan balances net of interest paid to financing partners.

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

Total interest earning assets grew to ~\$41B in Q3, and average yield decreased by 22 bps sequentially

in millions, except for annualized yields

	Margin Book	Cash and deposits ⁽¹⁾	Cash Sweep (off-balance sheet)	Credit card, net ⁽²⁾	Total interest-earning assets	Securities lending, net	Interest expenses related to credit facilities ⁽⁶⁾	Total net interest revenues
September 30, 2024	\$5,499	\$11,149	\$24,485	\$309	\$41,442			
June 30, 2024	\$4,956	\$10,164	\$20,858	\$212	\$36,190			
Average ⁽³⁾	\$5,350	\$10,055	\$22,473	\$270	\$38,148			
Q3 2024 Revenue (Expense)	\$83	\$128	\$46	\$4	\$261	\$19	(\$6)	\$274
Q3 2024 Annualized Yield ⁽⁴⁾	6.21%	5.09%	0.82%	5.93%	2.74%			2.87%
June 30, 2024	\$4,956	\$10,164	\$20,858	\$212	\$36,190			
March 31, 2024	\$4,115	\$10,328	\$19,049	\$197	\$33,689			
Average ⁽³⁾	\$4,431	\$10,249	\$19,823	\$201	\$34,704			
Q2 2024 Revenue (Expense)	\$73	\$134	\$44	\$6	\$257	\$34	(\$6)	\$285
Q2 2024 Annualized Yield ⁽⁴⁾	6.59%	5.23%	0.89%	11.94%	2.96%			3.28%

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

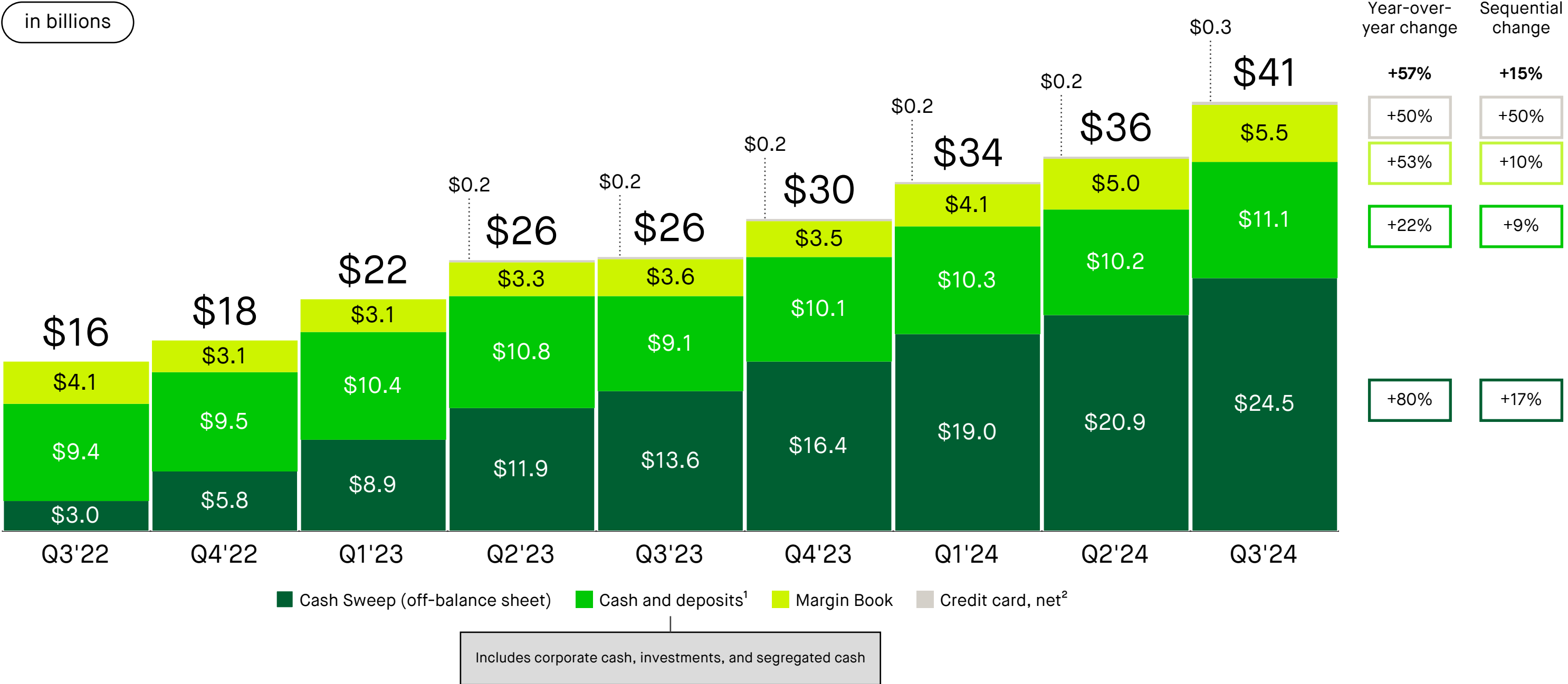
(2) Credit card, net consists of i) an off-balance sheet amount representing customer principal amounts funded by Coastal Bank under the Program Agreement. Under the Program Agreement, Robinhood Credit collects interest from customers that carry a balance and pays interest on the amount funded by Coastal Bank, with the difference between those amounts resulting in net interest revenue; ii) an on-balance sheet amount representing purchased credit card receivables by the Credit Card Funding Trust. Robinhood Credit collects interest from customers that carry balances and pays interest on the amount funded through the Credit Card Funding Trust, with the difference in those amounts resulting in net interest revenues. As of September 30, 2024, \$202 million was off-balance sheet and \$107 million was on-balance sheet.

(3) Average balance rows represent the simple average of month-end balances in a given period.

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

(5) Includes interest expenses related to our revolving credit facilities and the Trust borrowing; interest expense related to the Credit Card Funding Trust is included in the credit card, net interest yield calculation.

In Q3, Interest Earning Assets grew 57% year-over-year to \$41 billion



(1) Includes cash and cash equivalents, cash, cash equivalents, and securities segregated under federal and other regulations, deposits with clearing organizations, and investments.
 (2) Credit card, net consists of i) an off-balance sheet amount representing customer principal amounts funded by Coastal Bank under the Program Agreement. Under the Program Agreement, Robinhood Credit collects interest from customers that carry a balance and pays interest on the amount funded by Coastal Bank, with the difference between those amounts resulting in net interest revenue; ii) an on-balance sheet amount representing purchased credit card receivables by the Credit Card Funding Trust. Robinhood Credit collects interest from customers that carry balances and pays interest on the amount funded through the Credit Card Funding Trust, with the difference in those amounts resulting in net interest revenues. As of September 30, 2024, \$202 million was off-balance sheet and \$107 million was on-balance sheet. The balance for Q2 2023 is based on Robinhood Credit's acquisition date of July 3, 2023.

Total securities lending revenue increased by 34% year-over-year to \$59 million in Q3, and fully paid securities lending was 41% of total securities lending

in millions

	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024 ¹	Year-over-year change	Sequential change
<i>Total securities lending revenue, including interest on cash collateral</i>							
Securities lending, net (shown on p. 16)	\$17	\$9	\$15	\$34	\$19	+12%	(44%)
Interest on cash collateral for margin based securities lending (included in Interest on segregated cash, securities, and deposits on p. 16)	\$27	\$25	\$27	\$31	\$40	+48%	+29%
Total securities lending revenue	\$44	\$34	\$42	\$65	\$59	+34%	(9%)
<i>Breakdown of Total Securities Lending Revenue</i>							
Margin based securities lending ²	\$30	\$22	\$26	\$37	\$35	+17%	(5%)
<i>Margin based as a percentage of total</i>	68%	65%	62%	57%	59%		
Fully paid securities lending, net ²	\$14	\$12	\$16	\$28	\$24	+71%	(14%)
<i>Fully paid as a percentage of total</i>	32%	35%	38%	43%	41%		
<i>Fully Paid Securities Lending Metrics</i>							
Funded Customers Enrolled (end of period, in millions)	1.6	2.0	2.5	2.9	3.3	+106%	+14%
Equity AUC Enrolled (end of period, in billions)	\$10.2	\$14.0	\$19.2	\$25.5	\$29.4	+188%	+15%

Fully diluted shares decreased by nearly 2% year-over-year as we continue to closely manage share-based compensation

	Price per Class A Share (End of period)						
	\$9.73	\$12.74	\$20.13	\$22.71	\$23.42		
(in millions, except prices and percentages)	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	September 30, 2024	September 30, 2024 Year-over-year growth
Class A shares outstanding	735.6	745.4	753.9	761.6	762.0		
Class B shares outstanding	127.0	126.8	124.5	123.0	121.6		
Basic shares	862.6	872.2	878.4	884.6	883.6		2.4%
Employee time-based RSUs outstanding	44.9	34.6	39.7	31.3	24.6		
Founders' pre-IPO market-based RSUs outstanding and eligible to vest	0.5	0.3	0.1	0.1	—		
Employee stock options outstanding (in-the-money) ¹	9.2	7.7	6.3	10.1	9.6		
Diluted shares²	917.2	914.8	924.5	926.1	917.8		0.1%
Founders' pre-IPO market-based RSUs outstanding but not eligible to vest ³	22.1	22.1	16.1	16.1	11.1		
Employee stock options (all at \$14.15/share) outstanding (out-of-the-money)	4.5	4.5	4.5	—	—		
Investor warrants (all at \$26.60/share) outstanding (out-of-the-money)	14.3	14.3	14.3	14.3	14.3		
Fully diluted shares²	958.1	955.7	959.4	956.5	943.2		(1.6%)

(1) In addition, employees hold purchase rights under the Employee Share Purchase Plan (ESPP). Historical issuances under the ESPP were 0.3M shares in November 2021, 1.5M shares in May 2022, 0.4M shares in November 2022, 1.2M shares in May 2023, 0.8M shares in November 2023 and 1.6M shares in May 2024.

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

(3) The Founders' pre-IPO market-based RSUs become eligible to vest if our trailing 60-trading-day average daily VWAP reaches the following price points by 12/31/2025: \$50.75 - 4.0M shares; \$101.50 - 7.1M shares. In Q3 2024, the Founders' pre-IPO market-based RSUs outstanding but not eligible to vest were adjusted down by 5M shares to fully reflect the impact due to the resignation of our co-founder and former Chief Creative Officer in Q1 2024.

Financial Outlook for Adjusted Operating Expenses and SBC Reconciliation

	Year Ended December 31, 2022	Year Ended December 31, 2023	Prior Financial Outlook ¹ for the Year Ending December 31, 2024	Current Financial Outlook for the Year Ending December 31, 2024
	(in millions)	(in millions)	(in millions)	(in millions)
Total operating expenses (GAAP)	\$2,369	\$2,401	\$1,850 - \$1,950	\$1,860 - \$1,960
Less: SBC				
SBC Excluding 2021 Founders Award Cancellation ²	654	386	<i>included in outlook</i>	<i>included in outlook</i>
2021 Founders Award Cancellation	—	485	—	—
Less: Significant legal and tax settlements and reserves	20	104	—	10
Less: Restructuring charges	105	—	—	—
Less: Q4 2022 Processing Error	57	—	—	—
Adjusted Operating Expenses (Non-GAAP)	\$1,533	\$1,426	included in outlook	included in outlook
Add: SBC Excluding 2021 Founders Award Cancellation ²	654	386	included in outlook	included in outlook
Adjusted Operating Expenses and SBC (Non-GAAP)³	\$2,187	\$1,812	\$1,850 - \$1,950	\$1,850 - \$1,950

(1) Prior Financial Outlook was provided on August 7th, 2024 during Q2 2024 earnings.

(2) 2022 amounts include an aggregate benefit of \$77 million from share-based compensation net reversals in connection with the reductions in force announced on April 26, 2022 and on August 2, 2022.

(3) Actual results might differ materially from our outlook, see Appendix for more information. The above expense outlook does not include potential significant regulatory matters or other significant expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses) that may arise or accruals we may determine in the future are required, as we are unable to accurately predict the size or timing of such matters, expenses or accruals at this time. Refer to the Appendix for more information on Adjusted Operating Expenses and SBC and 2024 Outlook, including significant items that we believe are not indicative of our ongoing expenses that would be adjusted out of total operating expenses (GAAP) to get to Adjusted Operating Expenses and SBC (non-GAAP) should they occur.

Adjusted Operating Expenses and SBC Reconciliation

in millions

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Total operating expenses (GAAP)	\$535	\$534	\$950	\$466	\$540	\$445	\$460	\$493	\$486
Less: SBC									
SBC Excluding 2021 Founders Award Cancellation	110	160	113	109	83	81	62	86	79
2021 Founders Award Cancellation	—	—	485	—	—	—	—	—	—
Less: Significant legal and tax settlements and reserves	—	—	—	—	104	—	—	—	10
Less: Q4 2022 Processing Error	—	57	—	—	—	—	—	—	—
Less: Restructuring Charges	90	(2)	—	—	—	—	—	—	—
Adjusted Operating Expenses (Non-GAAP)	\$335	\$319	\$352	\$357	\$353	\$364	\$398	\$407	\$397
Add: SBC	110	160	598	109	83	81	62	86	79
Adjusted Operating Expenses and SBC (Non-GAAP)	\$445	\$479	\$950	\$466	\$436	\$445	\$460	\$493	\$476

Adjusted Operating Expenses Reconciliation

in millions

Operating expenses (GAAP)	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Brokerage and transaction	\$33	\$85	\$36	\$39	\$39	\$32	\$35	\$40	\$39
Technology and development	185	180	199	207	202	197	196	209	205
Operations	65	43	42	36	41	40	44	46	50
Marketing	19	29	26	25	28	43	67	64	59
General and administration	233	197	647	159	230	133	118	134	133
Total operating expenses	\$535	\$534	\$950	\$466	\$540	\$445	\$460	\$493	\$486
SBC	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Brokerage and transaction	\$2	\$1	\$2	\$2	\$2	\$1	\$2	\$3	\$2
Technology and development	25	46	54	56	51	50	44	52	48
Operations	—	3	2	1	3	2	2	2	1
Marketing	—	1	1	1	1	2	2	1	3
General and administration	83	109	539	49	26	26	12	28	25
Total SBC	\$110	\$160	\$598	\$109	\$83	\$81	\$62	\$86	\$79
Significant legal and tax settlements and reserves	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
General and administration	\$—	\$—	\$—	\$—	\$104	\$—	\$—	\$—	\$10
Total significant legal and tax settlements and reserves	\$—	\$—	\$—	\$—	\$104	\$—	\$—	\$—	\$10
Q4 2022 Processing Error	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Brokerage and transaction	\$—	\$57	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Total Q4 2022 Processing Error	\$—	\$57	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Restructuring charges	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Brokerage and transaction	\$1	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Technology and development	17	—	—	—	—	—	—	—	—
Operations	13	—	—	—	—	—	—	—	—
Marketing	1	—	—	—	—	—	—	—	—
General and administration	58	(2)	—	—	—	—	—	—	—
Total restructuring charges	\$90	(\$2)	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Adjusted Operating Expenses (Non-GAAP)	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Brokerage and transaction	\$30	\$27	\$34	\$37	\$37	\$31	\$33	\$37	\$37
Technology and development	143	134	145	151	151	147	152	157	157
Operations	52	40	40	35	38	38	42	44	49
Marketing	18	28	25	24	27	41	65	63	56
General and administration	92	90	108	110	100	107	106	106	98
Total Adjusted Operating Expenses	\$335	\$319	\$352	\$357	\$353	\$364	\$398	\$407	\$397

Adjusted EBITDA and Adjusted EBITDA Margin Reconciliations

in millions

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Net income (loss)	(\$175)	(\$166)	(\$511)	\$25	(\$85)	\$30	\$157	\$188	\$150
Net margin ¹	(48%)	(44%)	(116%)	5%	(18%)	6%	25%	28%	24%
Add: Interest expenses related to credit facilities	6	6	6	5	6	6	6	6	6
Add: Provision for (benefit from) income taxes	1	(2)	2	(3)	10	(1)	5	3	3
Add: Depreciation and amortization	15	17	20	15	19	17	17	18	20
EBITDA (Non-GAAP)	(\$153)	(\$145)	(\$483)	\$42	(\$50)	\$52	\$185	\$215	\$179
Add: SBC excluding 2021 Founders Award Cancellation	110	160	113	109	83	81	62	86	79
Add: 2021 Founders Award Cancellation	—	—	485	—	—	—	—	—	—
Add: Impairment of Ziglu equity securities	—	12	—	—	—	—	—	—	—
Add: Restructuring charges	90	(2)	—	—	—	—	—	—	—
Add: Significant legal and tax settlements and reserves	—	—	—	—	104	—	—	—	10
Add: Q4 2022 Processing Error	—	57	—	—	—	—	—	—	—
Adjusted EBITDA (Non-GAAP)	\$47	\$82	\$115	\$151	\$137	\$133	\$247	\$301	\$268
Adjusted EBITDA Margin (Non-GAAP) ²	13%	22%	26%	31%	29%	28%	40%	44%	42%

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

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

Incremental Net Income and Incremental Adjusted EBITDA Margins

in millions

	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
Year-over-year change in total net revenues	+\$106	+\$91	+\$177	+\$196	+\$170
Year-over-year change in net income	+\$90	+\$196	+\$668	+\$163	+\$235
Incremental net income margins¹	85%	215%	377%	83%	138%
Year-over-year change in Adjusted EBITDA (non-GAAP)	+\$90	+\$51	+\$132	+\$150	+\$131
Incremental Adjusted EBITDA Margins (non-GAAP)²	85%	56%	75%	77%	77%

Definitions

Key Performance Metrics

Funded Customers

We define a Funded Customer as a unique person who has at least one account with a Robinhood entity and, within the past 45 calendar days (a) had an account balance that was greater than zero (excluding amounts that are deposited into a Funded Customer account by the Company with no action taken by the unique person) or (b) completed a transaction using any such account. Individuals who share a funded joint investing account (which launched in July 2024) are each considered to be a Funded Customer.

Assets Under Custody (“AUC”)

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

Net Deposits

We define Net Deposits as all cash deposits and asset transfers from customers, as well as dividends, interest, and cash and assets earned in connection with Company promotions (such as account transfer and retirement match incentives and free stock bonuses) received by customers, net of reversals, customer cash withdrawals, margin interest, Gold subscription fees, and other assets transferred out of our platforms (assets transferred in or out include debit card transactions, Automated Customer Account Transfer Service transfers, and custodial crypto wallet transfers) for a stated period. Prior to the second quarter of 2024, Net Deposits did not include inflows from cash and assets earned in connection with Company promotions and prior to January 2024, Net Deposits did not include inflows from dividends and interest or outflows from Robinhood Gold subscription fees and margin interest, although we have not restated amounts in prior periods as the impact to those figures was immaterial.

Average Revenue Per User (“ARPU”)

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

Gold Subscribers

We define a Gold Subscriber as a unique person who has at least one account with a Robinhood entity and who, as of the end of the relevant period (a) is subscribed to Robinhood Gold and (b) has made at least one Robinhood Gold subscription fee payment.

Additional Operating Metrics

Retirement AUC

We define Retirement Assets Under Custody as the total AUC in traditional IRAs and Roth IRAs.

Cash Sweep

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

Margin Book

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

Notional Trading Volume

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

Options Contracts Traded

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

Monthly Active Users (“MAU”)

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

Glossary Terms

Churned Customers

A Funded Customer is considered “Churned” if it was ever a New Funded Customer whose account balance (measured as the fair value of assets in the account less any amount due from the user and excluding amounts that are deposited into a Funded Customer account by the Company with no action taken by the unique person) drops to or below zero and has not completed a transaction using any account with a Robinhood entity for at least 45 consecutive calendar days. Negative balances typically result from fraudulent deposit transactions (which occur when users initiate deposits into their accounts, make trades on our platforms using a short-term extension of credit from us, and then repatriate or reverse the deposits, resulting in a loss to us of the credited amount) and unauthorized debit card use, and less often, from margin loans.

Daily Average Revenue Trades (“DARTs”)

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

Free Credit Balances and Other

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

Gold Adoption Rate

We define the Gold adoption rate as end of period Gold Subscribers divided by end of period Funded Customers.

Growth Rate and Annualized Growth Rate with respect to Net Deposits

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

Investment Accounts

We define an Investment Account as a funded individual brokerage account, a funded joint investing account, or a funded individual retirement account (“IRA”). As of September 30, 2024, a Funded Customer can have up to four Investment Accounts - individual brokerage account, joint investing account (which launched in July 2024), traditional IRA, and Roth IRA.

Net Cash Held by Users

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

New Funded Customers

We define a New Funded Customer as a unique person who became a Funded Customer for the first time during the relevant period.

Resurrected Customers

A Funded Customer is considered “Resurrected” in a stated period if it was a Churned Customer as of the end of the immediately preceding period and its balance (excluding amounts that are deposited into a Funded Customer account by the Company with no action taken by the unique person) rises above zero or it completes a transaction using its account.

Revenue per Employee

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

Total Securities Lending Revenue

Total Securities Lending Revenue includes net rebates and interest on cash collateral for both margin based and fully paid securities lending.

Definitions (continued)

Non-GAAP Financial Measures

We collect and analyze operating and financial data to evaluate the health of our business, allocate our resources and assess our performance. In addition to total net revenues, net income (loss) and other results under GAAP, we utilize Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Operating Expenses, Adjusted Operating Expenses and SBC, Adjusted Operating Expenses and SBC excluding the 2021 Founders Award Cancellation, and SBC excluding the 2021 Founders Award Cancellation. This non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for or superior to financial information presented in accordance with GAAP and may be different from similarly titled non-GAAP measures used by other companies. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are provided in this Appendix.

Adjusted EBITDA

Adjusted EBITDA is defined as net income (loss), excluding (i) interest expenses related to credit facilities, (ii) provision for (benefit from) income taxes, (iii) depreciation and amortization, (iv) SBC, (v) significant legal and tax settlements and reserves, and (vi) other significant gains, losses, and expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses) that we believe are not indicative of our ongoing results. The above items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature, or because the amount and timing of these items are unpredictable, are not driven by core results of operations, and render comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Moreover, Adjusted EBITDA is a key measurement used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

Adjusted EBITDA Margin

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

Incremental Adjusted EBITDA Margin

Incremental Adjusted EBITDA Margin is defined as year-over-year change in Adjusted EBITDA (non-GAAP) divided by year-over-year change in total net revenues.

Adjusted Operating Expenses

Adjusted Operating Expenses is defined as GAAP total operating expenses minus (i) share-based compensation (or SBC), (ii) significant legal and tax settlements and reserves, and (iii) other significant expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses) that we believe are not indicative of our ongoing expenses. The amount and timing of the excluded items are unpredictable, are not driven by core results, of operations, and render comparisons with prior periods less meaningful. We believe Adjusted Operating Expenses provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our cost structure. Adjusted Operating Expenses is used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

Adjusted Operating Expenses and SBC

We define Adjusted Operating Expenses and SBC as GAAP total operating expenses minus (i) significant legal and tax settlements and reserves and (ii) other significant expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses), that we believe are not indicative of our ongoing expenses. The amount and timing of the excluded items are unpredictable, are not driven by core results, of operations, and render comparisons with prior periods less meaningful. Unlike Adjusted Operating Expenses, Adjusted Operating Expenses and SBC does not adjust for SBC. We believe Adjusted Operating Expense and SBC provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our cost structure. Adjusted Operating Expenses and SBC is used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

Adjusted Operating Expenses and SBC excluding the 2021 Founders Award Cancellation

We define Adjusted Operating Expenses and SBC excluding the 2021 Founders Award Cancellation as GAAP total operating expenses minus (i) significant legal and tax settlements and reserves, (ii) other significant expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses), and (iii) the 2021 Founders Award Cancellation, that we believe are not indicative of our ongoing expenses. The amount and timing of the excluded items are unpredictable, are not driven by core results of operations, and render comparisons with prior periods less meaningful. We believe Adjusted Operating Expense and SBC excluding the 2021 Founders Award Cancellation provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our cost structure. Adjusted Operating Expenses and SBC excluding the 2021 Founders Award Cancellation is used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

SBC excluding the 2021 Founders Award Cancellation

We define SBC excluding the 2021 Founders Award Cancellation as GAAP SBC minus the impact of the 2021 Founders Award Cancellation, which we do not believe is indicative of our ongoing expenses. The amount and timing of the 2021 Founders Award Cancellation not driven by core results of operations and renders comparisons with prior periods less meaningful. We believe SBC excluding the 2021 Founders Award Cancellation provides useful information to investors and others in understanding and evaluating our results of operations, as well as providing a useful measure for period-to-period comparisons of our cost structure. SBC excluding the Founders Award Cancellation is used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

Impairment of Ziglu equity securities:

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

Q4 2022 Processing Error:

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

\$104M Regulatory Accrual Recorded in Q3 2023:

We are working to resolve certain historical regulatory matters and as part of these efforts, we accrued an expense of \$104 million in the third quarter of 2023 related to these previously disclosed matters.

2024 Outlook

Actual results might differ materially from our outlook due to several factors, including the rate of growth in Funded Customers and our effectiveness to cross-sell products which affects variable marketing costs, the degree to which we are successful in managing credit losses and preventing fraud, and our ability to manage web-hosting expenses efficiently, among other factors. The above expense outlook does not include potential significant regulatory matters or other significant expenses (such as impairments, restructuring charges, and business acquisition- or disposition-related expenses) that may arise or accruals we may determine in the future are required, as we are unable to accurately predict the size or timing of such matters, expenses or accruals at this time. See "Non-GAAP Financial Measures" above for more information on Adjusted Operating Expenses and SBC, including significant items that we believe are not indicative of our ongoing expenses that would be adjusted out of total operating expenses (GAAP) to get to Adjusted Operating Expenses and SBC (non-GAAP) should they occur.