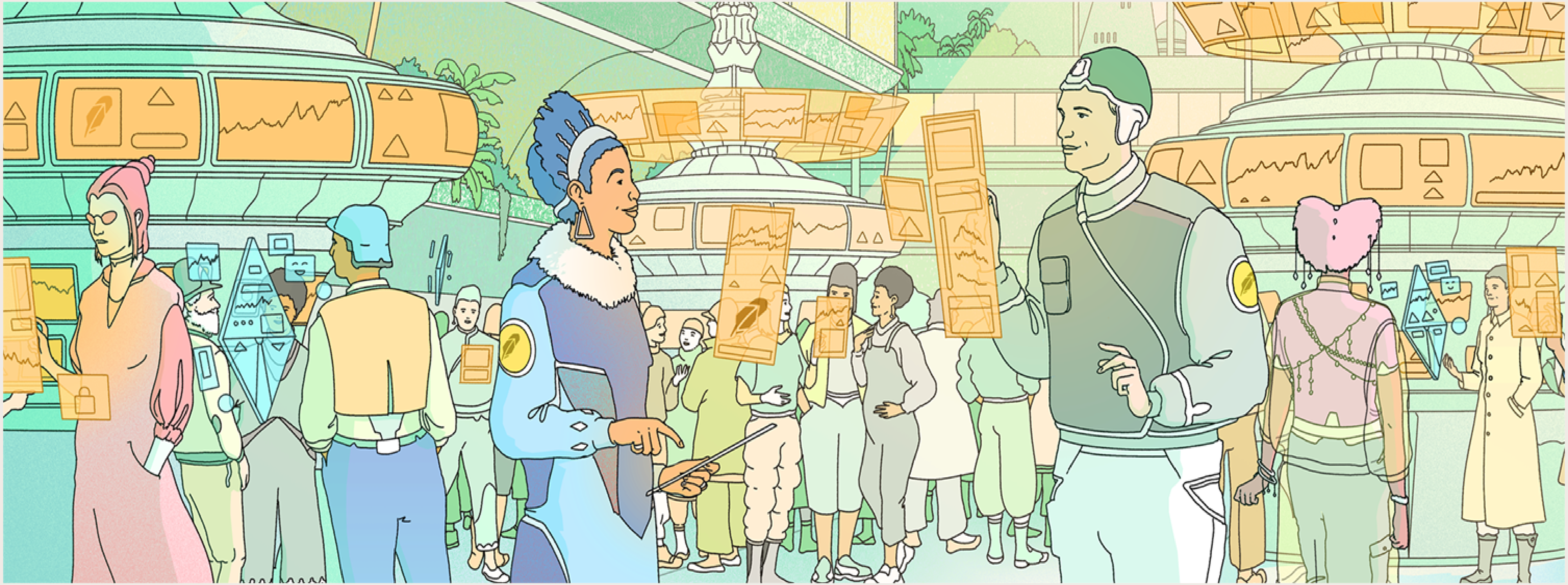


Robinhood Markets, Inc.
Earnings Presentation Third Quarter 2022

November 2, 2022

Disclaimers

This Presentation Relates to Robinhood's Broader Earnings Announcement Disclosures

This presentation accompanies the third quarter of 2022 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 of 2022 webcast and press release can be found together with these slides on Robinhood's investor relations website at investors.robinhood.com.

Key Performance Metrics

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

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

This presentation includes financial measures that were not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Our non-GAAP financial measures include adjusted earnings before interest, taxes, depreciation, and amortization ("Adjusted EBITDA"), Adjusted EBITDA Margin, operating expenses prior to share-based compensation, and operating expenses prior to share-based compensation and restructuring charges. Explanations and reconciliations to the most comparable GAAP financial measures can be found in the Appendix.

Cautionary Note Regarding Forward-Looking Statements

The related webcast contain forward-looking statements regarding our expected financial performance and our strategic and operational plans, including (among others) statements regarding our plans for brokerage to increase the interest rate for Robinhood Gold customers and to make Robinhood Gold the best deal in financial services, to launch Robinhood Retirement in time for the new year, and to provide more tools for our advanced customers; our belief that decentralized web is the future operating system of finance; our plans for crypto to continue to enhance the Robinhood Wallet and Lighting Network integration, to roll out the Robinhood Wallet internationally next year, and to roll out the "Learn and Earn" program; our plans for money to improve and expand access to the Robinhood Cash Card and to roll out Instant Withdrawals more broadly; our belief that a combination of strong net deposits and rising markets can drive meaningful asset growth over time; our belief that Q4 looks likely to be another quarter of Net Interest revenue growth; our anticipation that Q4 Net Interest revenues will be up by roughly $25 million from Q3 and that we could come in higher or lower than that level; our expectation that Q4 opex prior to SBC will be in the range of $350 to $370 million; our expectation that Q4 SBC will be in the range of $150 million to $190 million; our expectation that diluted shares will be in the same zone in Q4 as Q3; our plans for our diluted share count to grow by four percent or less next year; our belief that there is regulatory uncertainty whether the Ziglu acquisiton will close; and our view that our position with no debt, over $6 billion of corporate cash, and improvements to our cost structure provides us with the strength, flexibility, and financial runway to continue serving our customers, executing on our product roadmap, and evaluating potential acquisitions; as well as all statements about our Q4'22 and FY'22 financial outlook and Q4 2022 roadmap. 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 history; 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; the difficulty of raising additional capital (to satisfy any liquidity needs and support business growth and objectives) on reasonable terms or 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 operational errors in clearing functions; the impact of negative publicity on our brand and reputation; the risk that changes in business, economic, or political conditions, or systemic market events, might harm our business; our dependence on key employees and a skilled workforce; the difficulty of complying with an extensive and complex regulatory environment and the need to adjust our business model in response to new or modified laws and regulations; the possibility of adverse developments in pending litigation and regulatory investigations; the effects of competition; our need to innovate and invest in new products and services in order to attract and retain customers and deepen their engagement with us in order to maintain growth; our reliance on third parties to perform some key functions and the risk that operational or technological failures could impair the availability or stability of our platform; the risk of cybersecurity incidents, theft, data breaches, and other online attacks; the difficulty of processing customer data in compliance with privacy laws; our need as a regulated financial services company to develop and maintain effective compliance and risk management infrastructures; the volatility of cryptocurrency prices and trading volumes; the risk that our platform could be exploited to facilitate illegal payments; and the risk that substantial future sales of Class A common shares in the public market 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, 2022, which was filed on August 3, 2022, and in our Form 10-Q for the quarter ended September 30, 2022, which we expect to be available on November 3, 2022, as well as in our other filings with the Securities and Exchange Commission ("SEC"), all of which are available on the SEC's web site at www.sec.gov. Moreover, we operate in a very competitive and rapidly changing environment; new risks and uncertainties may emerge from time to time, and it is not possible for us to predict all risks nor identify all uncertainties. The events and circumstances reflected in our forward-looking statements might not be achieved and actual results could differ materially from those projected in the forward-looking statements. Except as otherwise noted, all forward-looking statements in this presentation are made as of the date of this presentation and the related webcast, November 2, 2022, 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

Q3 Results Highlights

Operational results

Net Cumulative Funded Accounts
22.9M
+60k accounts q/q

Monthly Active Users
12.2M
-1.8M MAUs q/q

Assets Under Custody
$65B
+1% q/q

Net Deposits
$2.7B
*17% annualized growth rate**

Financial results

Total Net Revenues
$361M
+14% q/q

Adj. EBITDA
$47M
+$127M q/q

GAAP Net Loss
-$175M
+$120M q/q

Earnings per Share
-$0.20
+$0.14 q/q

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

Strong execution to date on our 2022 product roadmap

2022 Year-to-date Recap

- We have made great progress on our 2022 roadmap with innovation in our brokerage, crypto and money businesses:
    - We have continued to enhance user experience through new brokerage capabilities, such as advanced charting, options trading in cash accounts, and fully-paid securities lending.
    - We rolled out Crypto Wallets, have listed twelve new coins, and began beta-testing our self-custody web3 wallet (the "Robinhood Wallet").
    - We introduced the cash card, and continue to enhance offerings for customers.
- Increased our efficiency and productivity to continue to deliver innovation while also instilling a mindset of cost discipline.

Q4 2022 Roadmap

- On brokerage, we are excited about enhancing our long-term investing offering with retirement accounts, and providing more tools for our advanced customers.
- On crypto, we are making progress on the Robinhood Wallet and Lightning Network integration.
- On money, we are continuing our focus on onboarding customers to our cash card and improving incentives.

Continuing to deliver on our aggressive roadmap

Brokerage | Crypto | Money

Q1'22

- First Trade Recommendations — January 4
- Cash Card — March 22
- Extended Hours — March 29

Q2'22

- Crypto Wallet — April 7
- Coindrops* — April 12
- Fully Paid Stock Lending — May 4

Q3'22

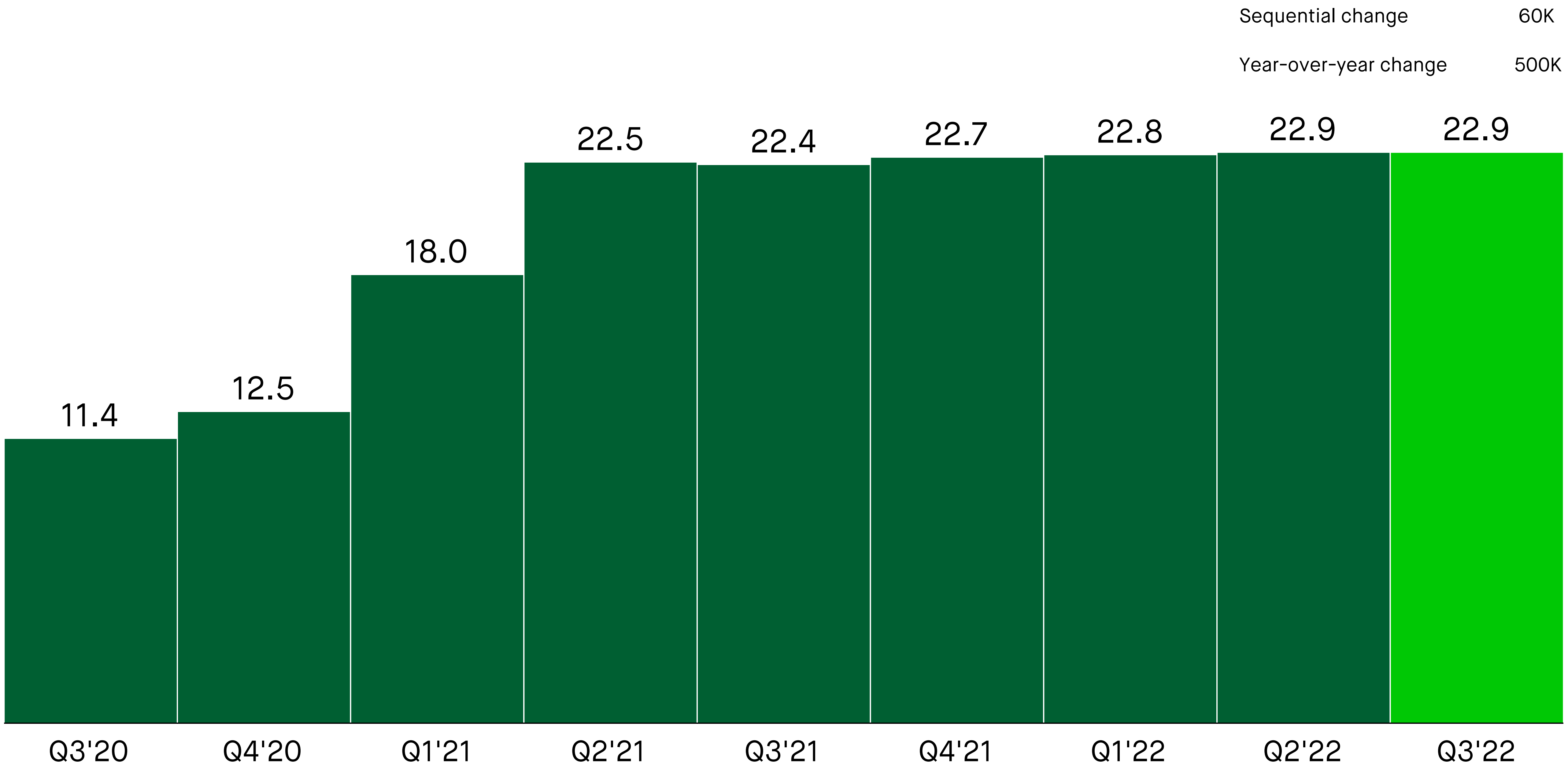
- Options trading in cash accounts — July 10
- Margin outside Gold — July 28
- Cash Card Merchant Rewards — August 11
- 1.5% Interest on swept brokerage cash** — August 15
- Advanced Charts Launch — August 17
- Higher yields on Gold cash sweep — September 23
- Web3 Wallets Beta — September 27
- USDC Launch with Circle — September 28

*As of 11/2/2022, we have listed twelve new coins year-to-date, including USDC, bringing our total to 19.

**Up from 1%

Net Cumulative Funded Accounts

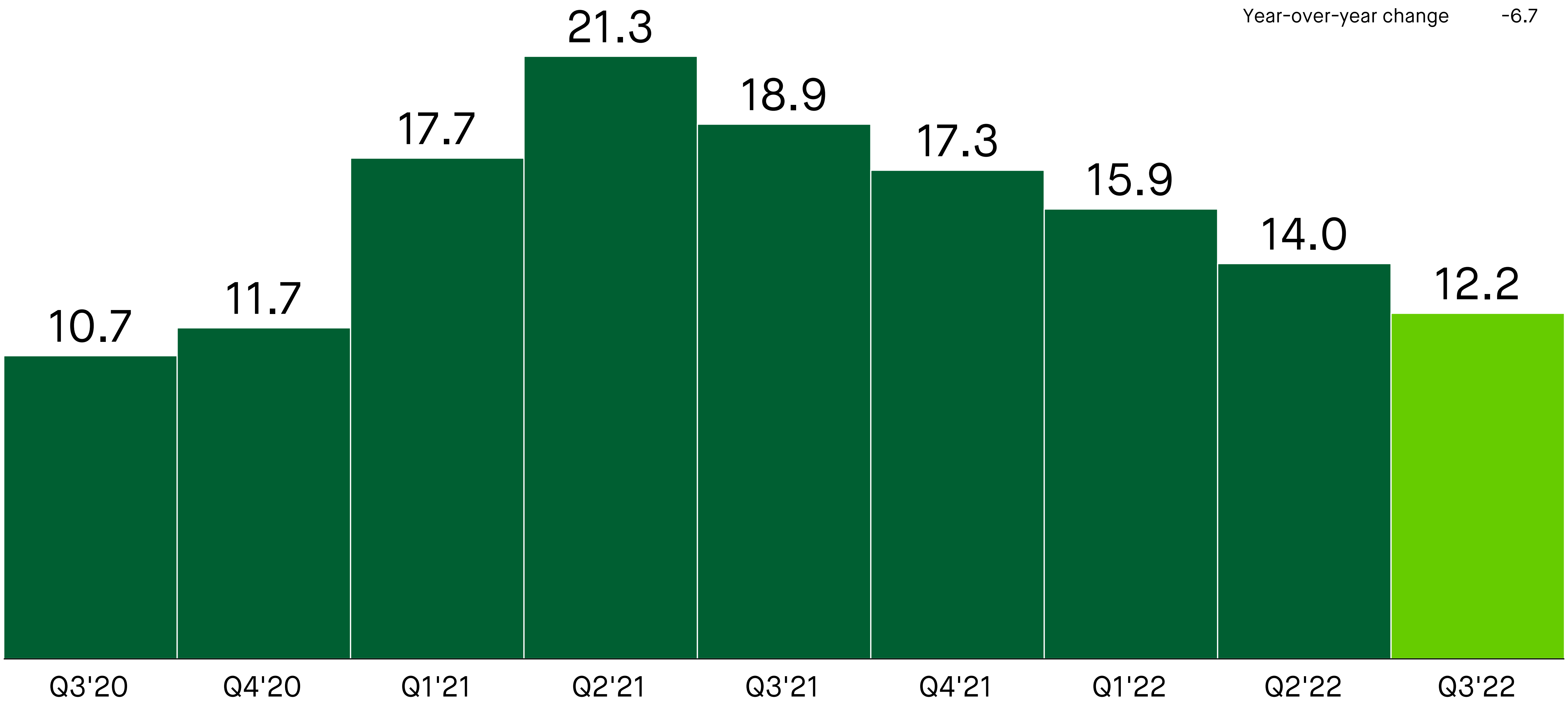
in millions



Monthly Active Users (MAU)

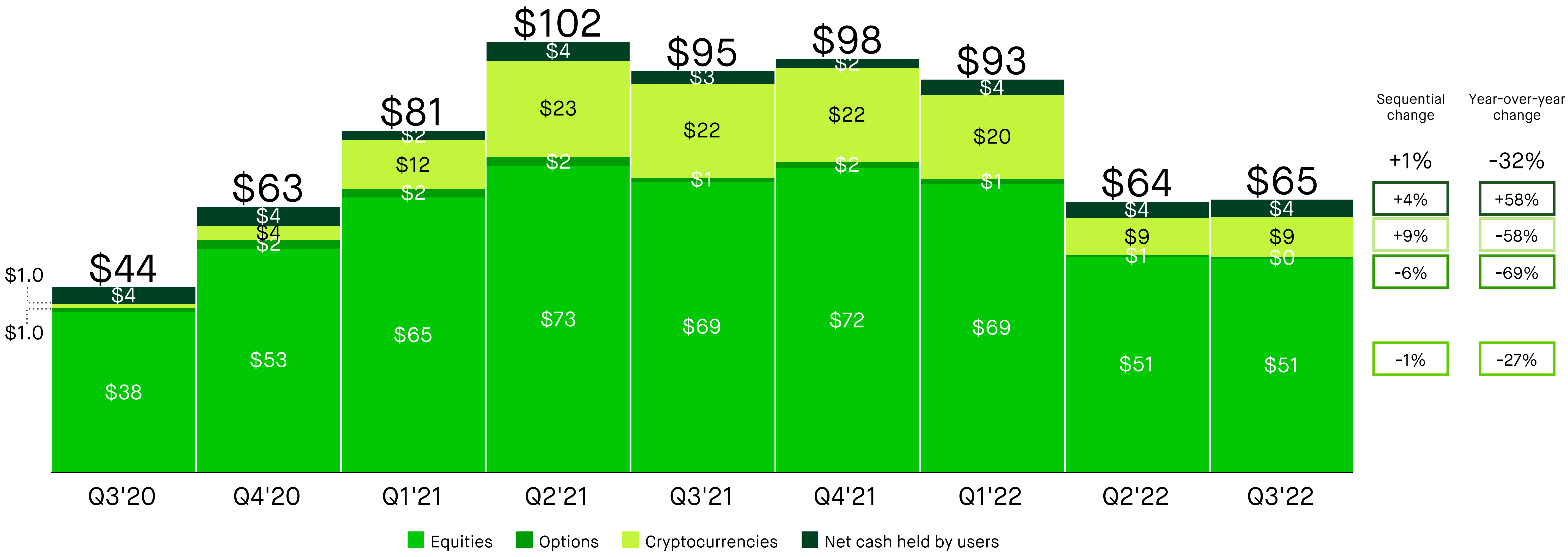
in millions

Sequential change	-1.8
Year-over-year change	-6.7



Assets Under Custody (AUC)

in billions

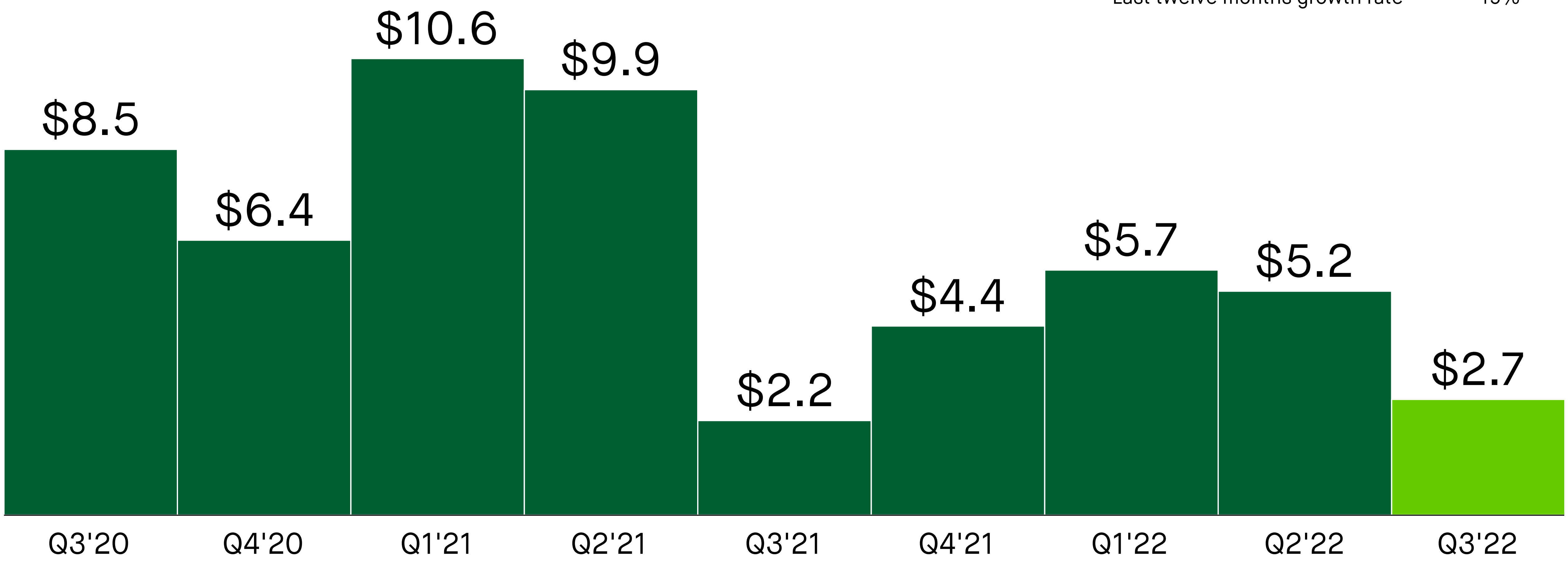


Refer to the Appendix for changes in AUC and details of net cash held by users.

Net Deposits annualized growth rate was 17% in Q3 and 19% over the past twelve months

in billions

Last twelve months Net Deposits	$18.0
Last twelve months growth rate	19%



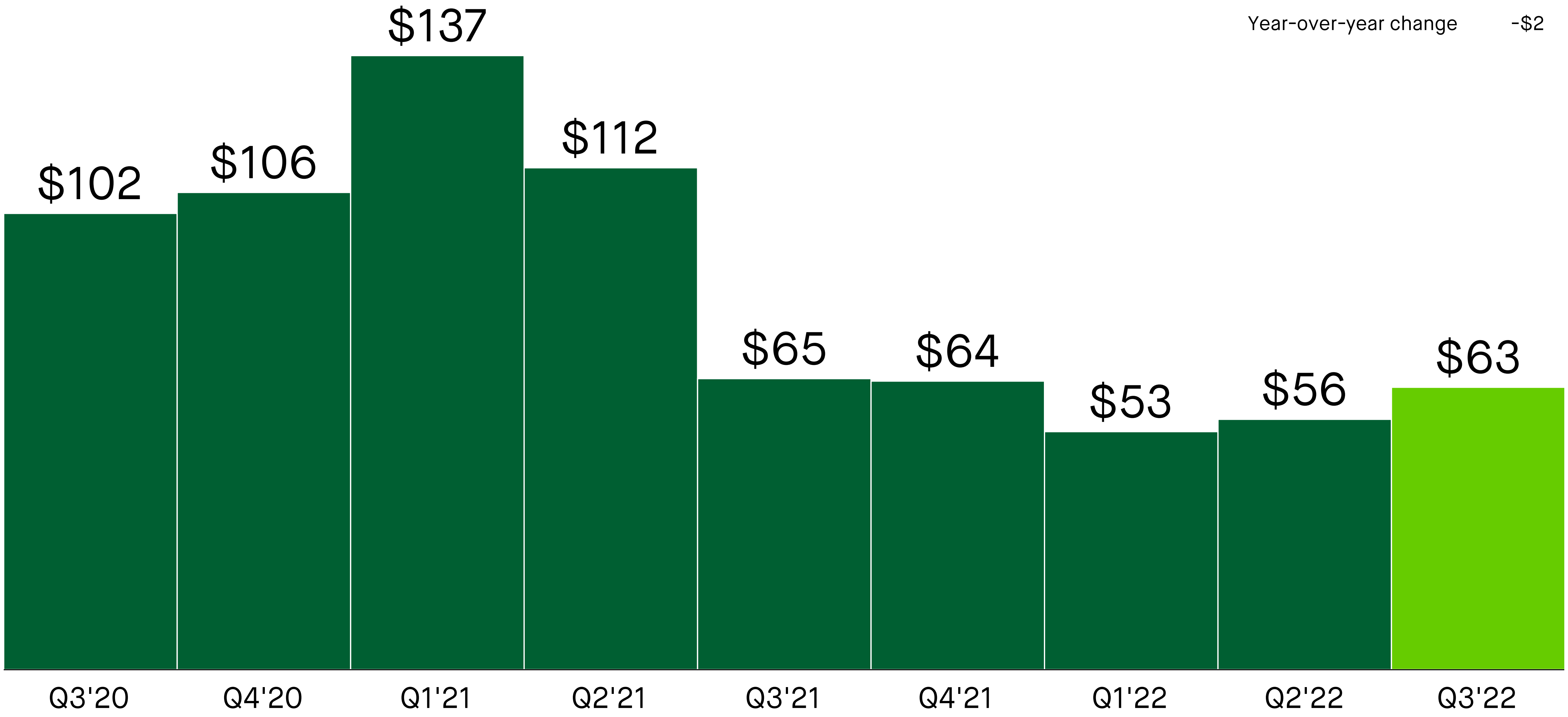
Annualized Growth Rate

102%	58%	67%	49%	9%	18%	23%	22%	17%

Refer to definitions in the Appendix for details on growth rate calculations.

Average Revenue Per User (ARPU)

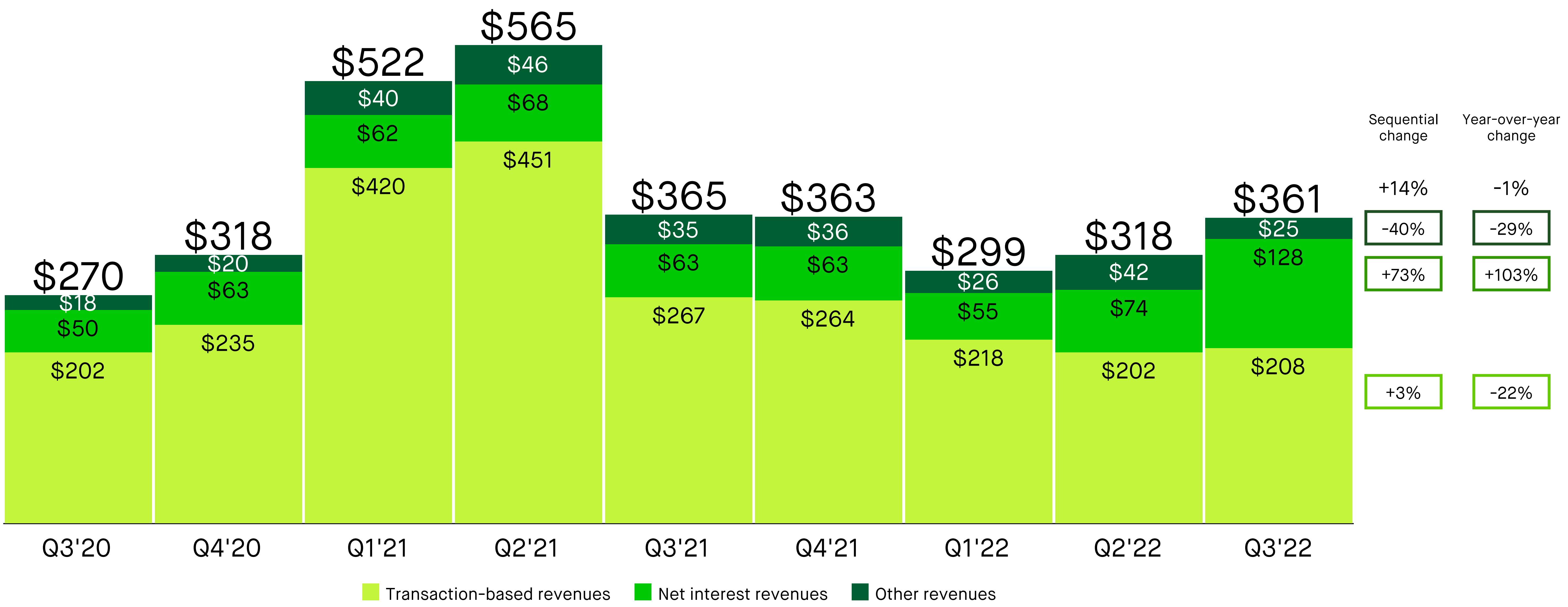
Sequential change	$7
Year-over-year change	-$2



Quarterly ARPU amounts are presented on an annualized basis, see definition in Appendix.

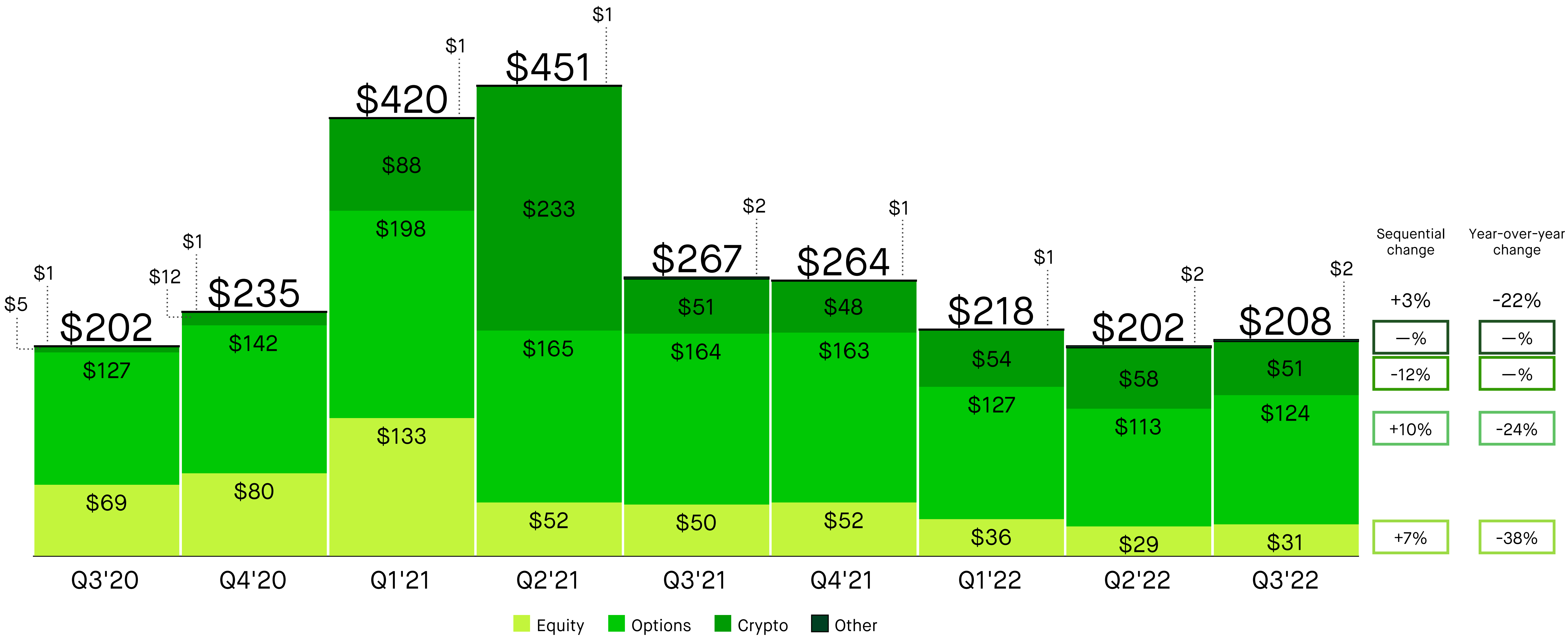
Total Net Revenues

in millions



Transaction-Based Revenues

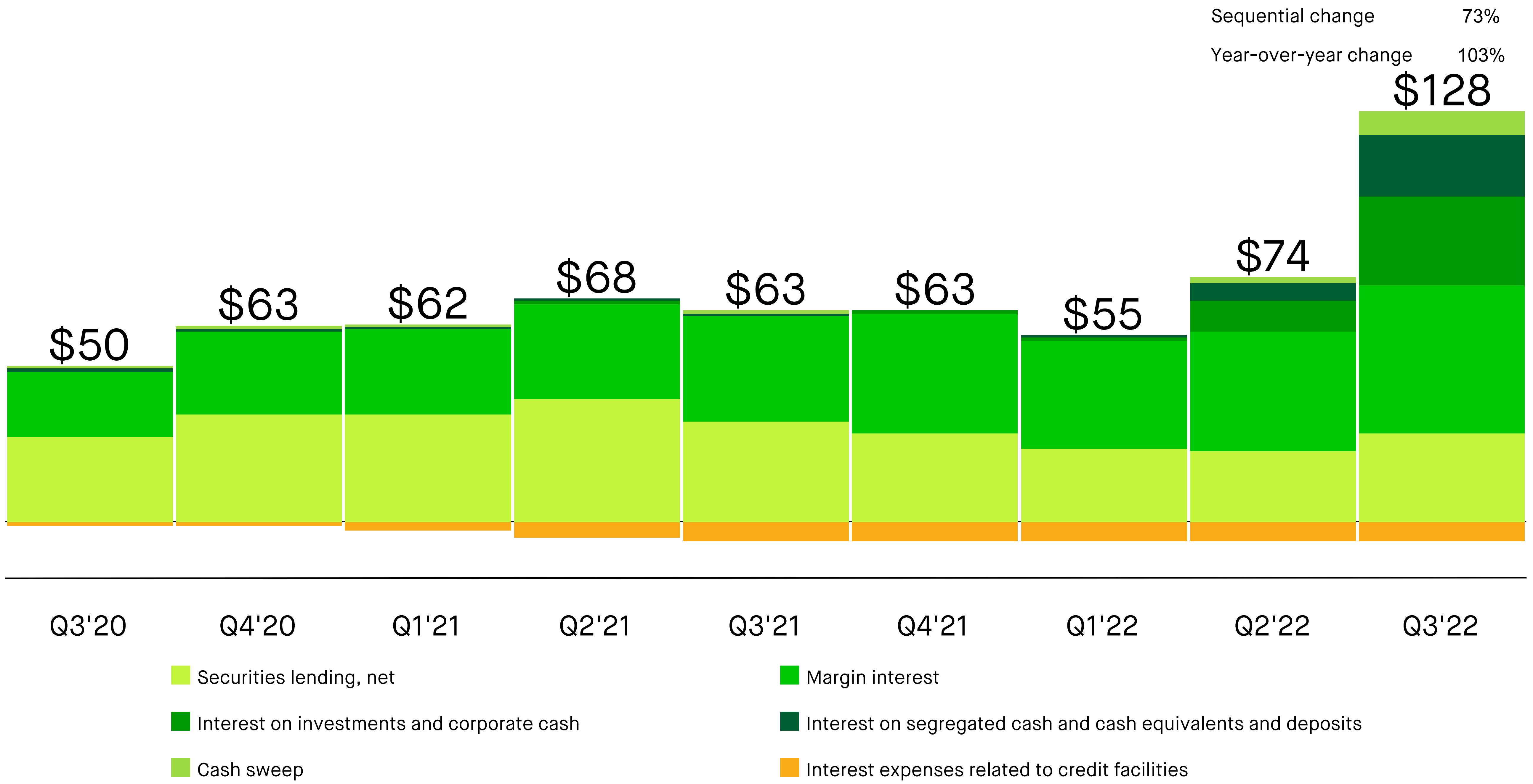
in millions



Note: 'Other' revenues are primarily transaction revenues related to cash card and Robinhood Money.

Net Interest Revenues

in millions



Refer to the next slide for details of net interest revenues.

Net Interest Revenues

in millions

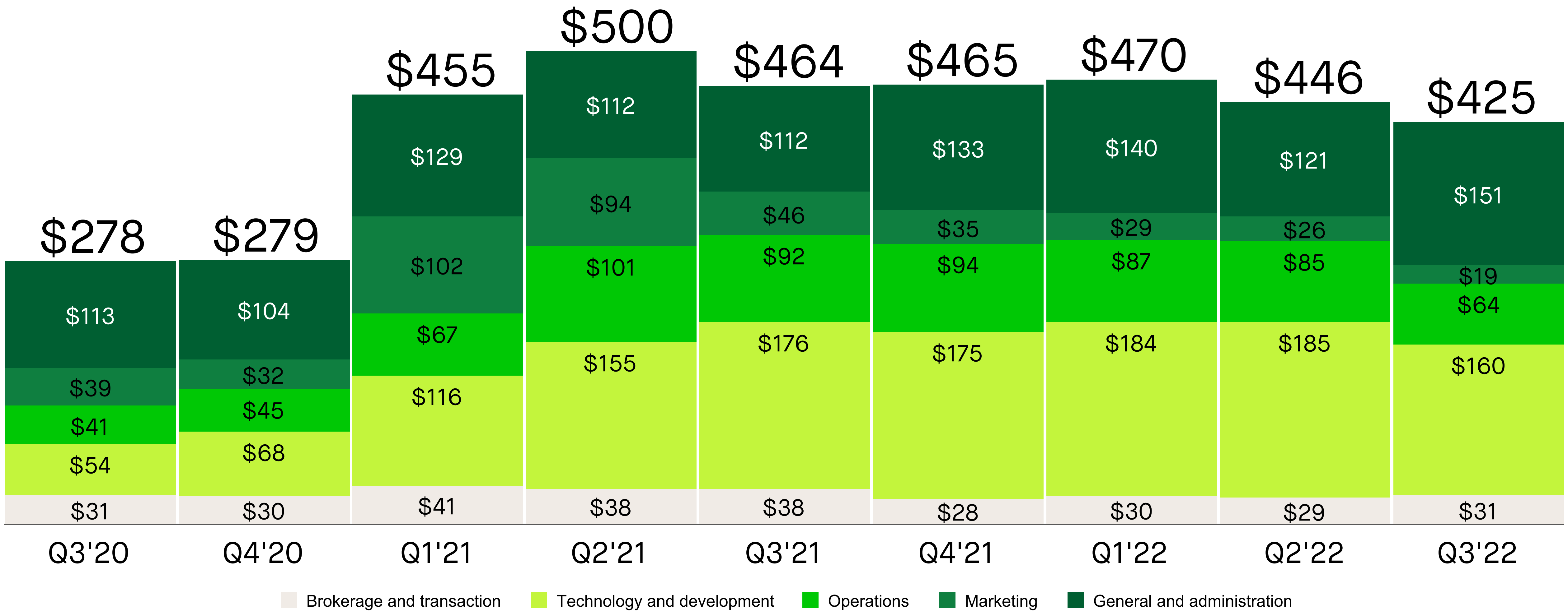
	Q3'2020	Q4'2020	Q1'2021	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022
Securities lending, net[1]	$28	$35	$35	$40	$33	$29	$24	$23	$29
Margin interest[2]	21	27	28	31	34	39	35	39	48
Interest on investments and corporate cash[3]	—	—	—	1	—	1	1	10	29
Interest on segregated cash and cash equivalents and deposits[4]	1	1	1	1	1	—	1	6	20
Cash sweep[5]	1	1	1	—	1	—	—	2	8
Interest expenses related to credit facilities[6]	(1)	(1)	(3)	(5)	(6)	(6)	(6)	(6)	(6)
Total net interest revenues	$50	$63	$62	$68	$63	$63	$55	$74	$128

The following summarizes each revenue line item presented above and, where applicable, the types of assets generating the revenue.
(1) Securities lending, net - Revenue from the Margin Securities Lending program and the Fully-Paid Securities Lending program (net of Fully-Paid Securities Lending revenue shared with participating customers)
(2) Margin interest - Interest paid by customers on margin balances.
(3) Interest on investments and corporate cash - Interest earned on investments and corporate cash and cash equivalents.
(4) Interest on segregated cash and cash equivalents and deposits - Interest earned on cash and cash equivalents segregated under federal and other regulations and deposits with clearing organizations.
(5) Cash sweep - Interest earned on off-balance sheet Cash Sweep balances.
(6) Interest expenses related to credit facilities - Interest payments related to Robinhood's credit facilities.

Operating Expenses Prior to Share-Based Compensation

in millions

Sequential change	-5%
Year-over-year change	-5%



Share-based compensation

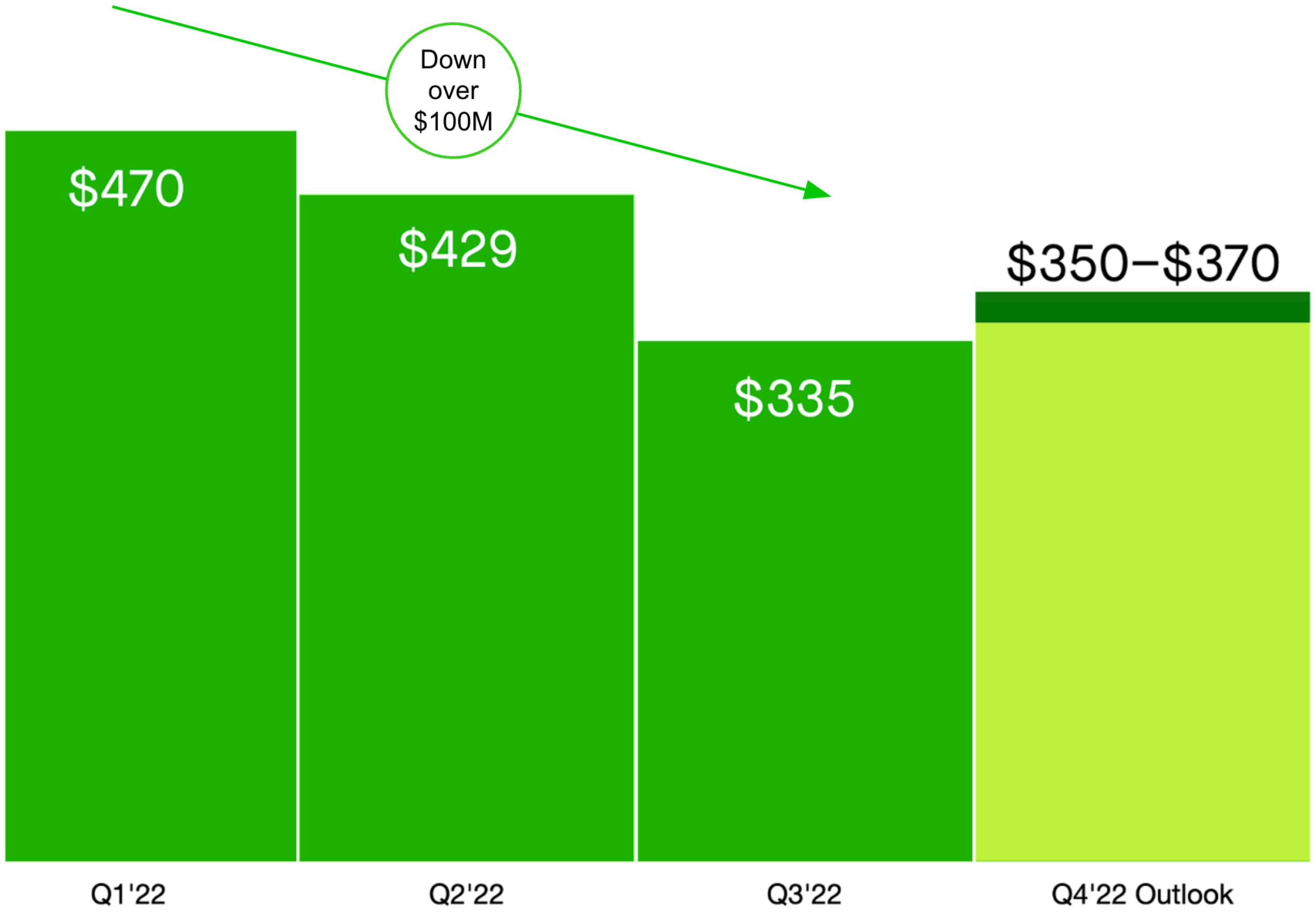
$2	$19	$9	$1	$1,244	$318	$220	$164	$110

Operating expenses prior to share-based compensation is a non-GAAP financial measure. Refer to the Appendix for the reconciliations of operating expenses prior to share-based compensation to the most directly comparable GAAP measure, total operating expenses.

Operating Expenses Prior to Share-Based Compensation and Restructuring Charges decreased $100M+ over the past two quarters

in millions

- Six months ago during our Q1 2022 earnings call, we challenged ourselves to reach positive Adjusted EBITDA by the end of 2022.
- We knew that this goal required both increasing revenues and lowering costs.
- Looking at costs, we made significant progress over the past six months getting to a leaner operating model, as seen on this page.
- As we look ahead, our Q4 2022 outlook for Operating Expenses prior to Share-Based Compensation and Restructuring Charges is roughly $100M lower than Q1 2022 levels, as we now are operating a leaner business.



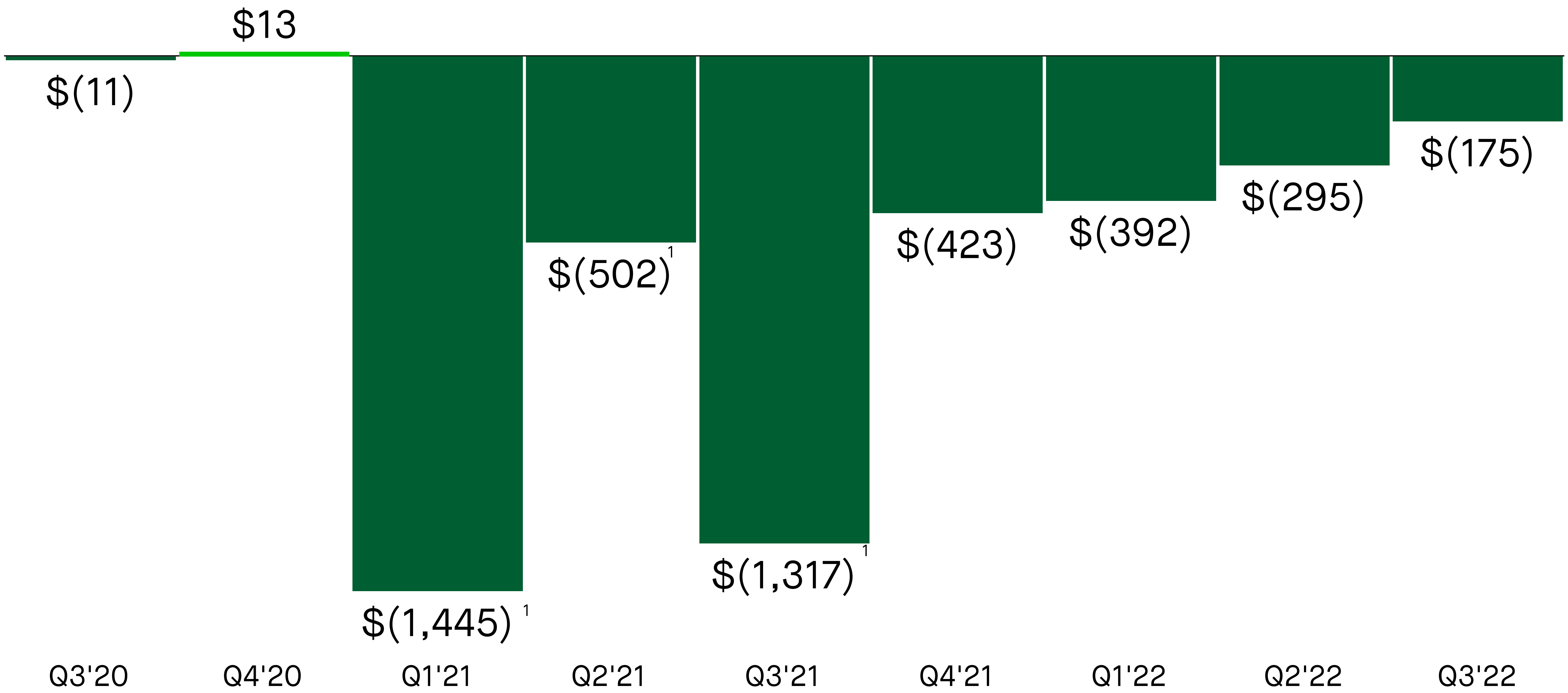
	Q1'22	Q2'22	Q3'22
Revenue	$299	$318	$361
OpEx prior to SBC	$470	$446	$425
Adjusted EBITDA	($143)	($80)	$47

Operating expenses prior to share-based compensation and restructuring charges is a non-GAAP financial measure. Refer to the Appendix for the reconciliations of operating expenses prior to share-based compensation and restructuring charges to the most directly comparable GAAP measure, total operating expenses.

Net Income (Loss)

in millions

Sequential change	$120
Year-over-year change	$1,142

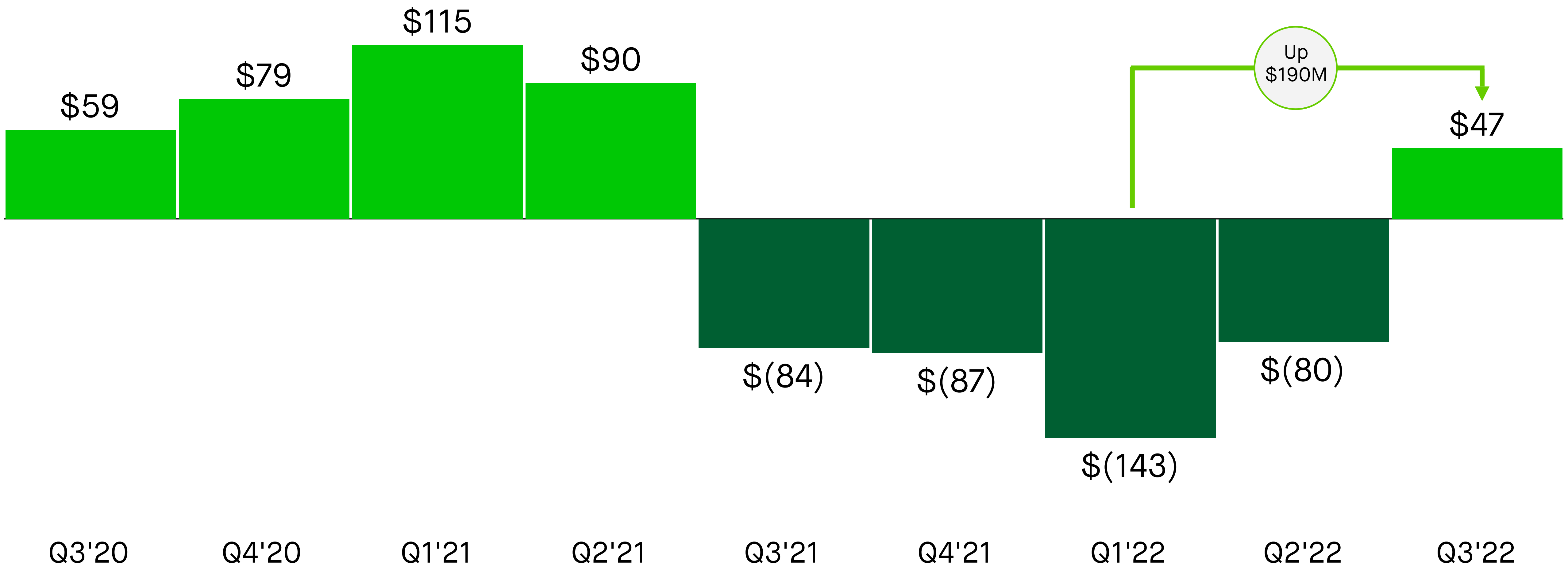


[1] Q1, Q2, and Q3 2021 included losses of $1,492 million, $528 million, and $25 million for changes in fair value of our convertible notes and warrant liability due to mark-to-market adjustments. Q3 2021 also included $1,245 million in share-based compensation of which $1,008 million was recognized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

Over the past two quarters, Adjusted EBITDA is up ~$190M and Adjusted EBITDA margin is up 60+ points

in millions

Sequential change	$127
Year-over-year change	$131



	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Adjusted EBITDA Margin	22%	25%	22%	16%	(23%)	(24%)	(48%)	(25%)	13%

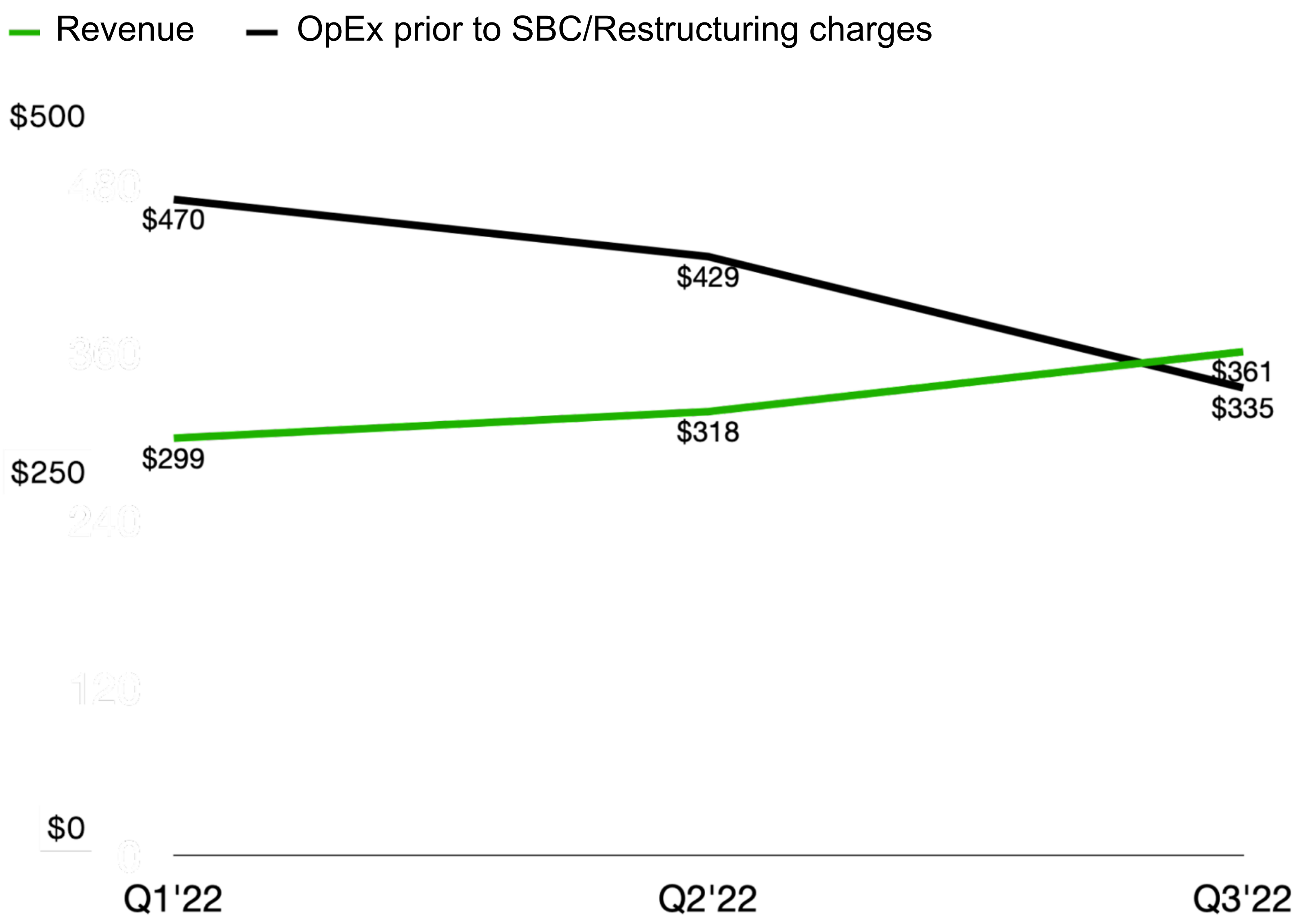
Up 60+ Points

Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. Refer to the Appendix for the reconciliations of Adjusted EBITDA and Adjusted EBITDA Margin to the most directly comparable GAAP measures, net income (loss) and net margin.

Achieved positive Adjusted EBITDA before year end 2022

in millions

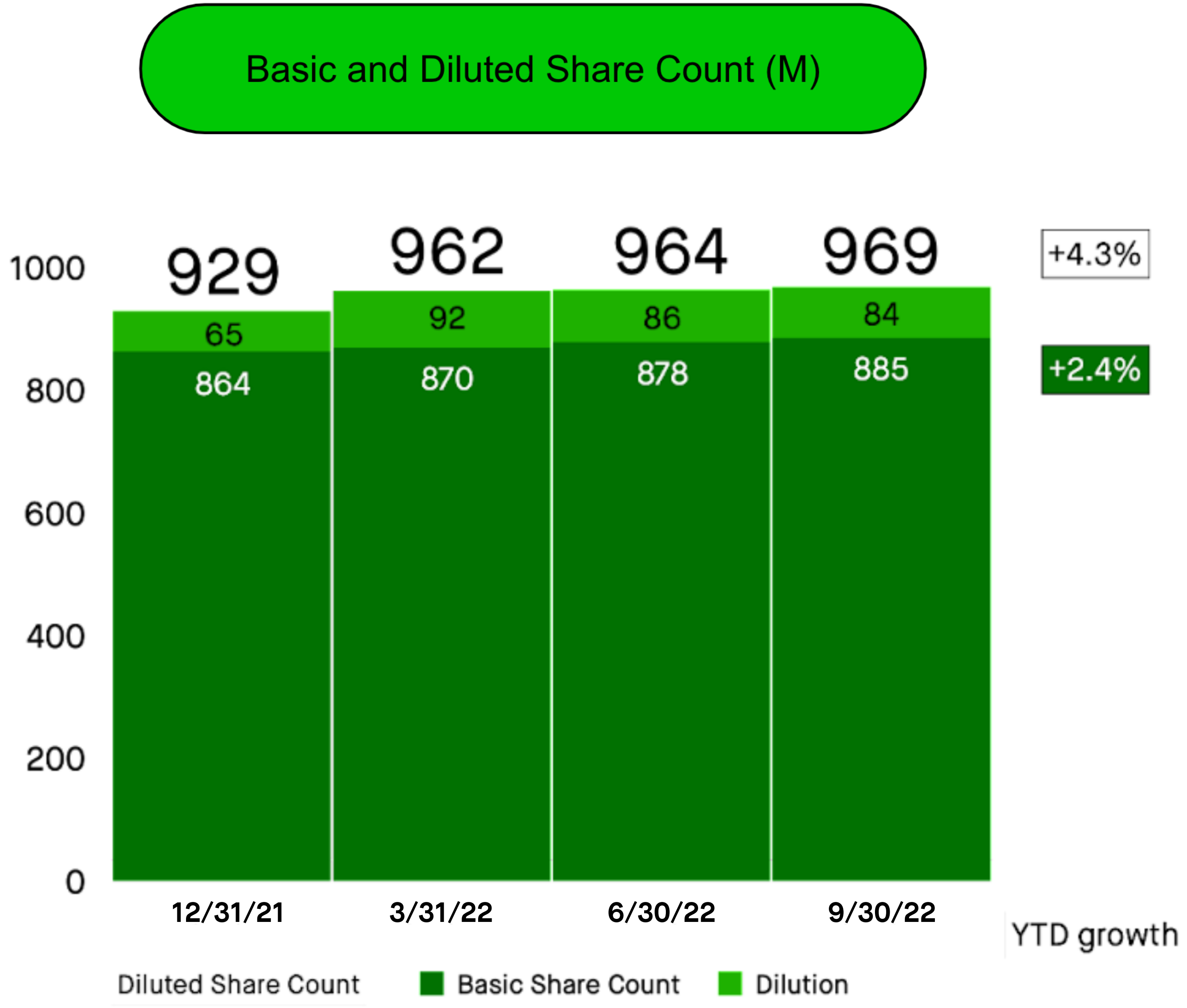
- In Q3, we realized profitability on an Adjusted EBITDA basis, a quarter ahead of the goal we set earlier this year
- Although markets remained volatile, our diversified revenue model generated the highest quarterly revenue of the year
- We have made significant progress toward a leaner operating model, with OpEx prior to SBC and restructuring charges declining over 25% since the beginning of the year

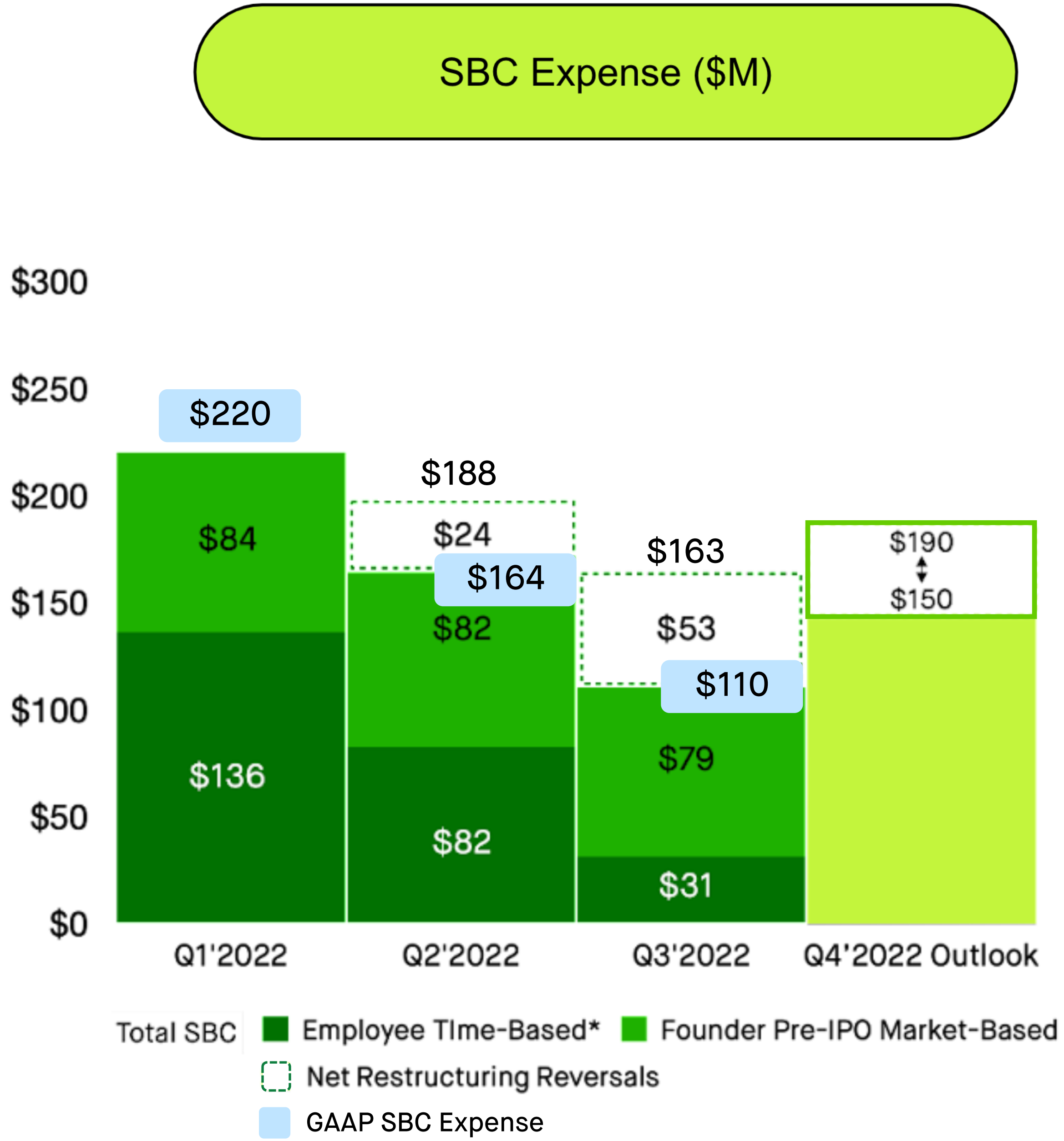


Adjusted EBITDA ($M)	($143)	($80)	$47

Share Count and Share-Based Compensation

in millions





***Note:** Employee Time-Based SBC includes other awards such as ESPP that totaled $6M in Q1'22, $4M in Q2'22 and $4M in Q3'22.

Corporate Cash

- We have over $6B of corporate cash today, as well as approximately $3B of available lines of credit
- We like this strong cash position that gives us flexibility to run and invest in our business, while staying flexible to evaluate opportunities for M&A
- As a reminder, this includes roughly $2.5B of excess cash above our risk scenarios

Appendix

September Monthly Metrics

Robinhood Markets, Inc. and consolidated subsidiaries
Monthly Metrics Report for September 2022
(unaudited)

Robinhood

(M - in millions, B - in billions)					2022									Change	
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Mo	Yr
User growth (M)															
Net cumulative funded accounts (NCFA)	22.3	22.5	22.7	22.7	22.7	22.8	22.8	22.8	22.8	22.9	22.9	22.9	22.9	0%	3%
Engagement (M)															
MAU	18.9	19.5	18.6	17.3	17.3	16.7	15.9	15.7	14.6	14.0	13.2	13.3	12.2	-8%	-35%
AUC ($B)															
Total AUC	$95.4	$111.2	$107.5	$98.0	$86.8	$86.9	$93.1	$78.5	$73.9	$64.2	$74.6	$71.0	$64.6	-9%	-32%
Cumulative net deposits	$67.9	$68.4	$70.2	$72.3	$75.1	$76.8	$77.9	$79.2	$81.7	$83.1	$83.8	$84.5	$85.9	2%	26%
Net deposits	$1.0	$0.5	$1.9	$2.0	$2.9	$1.6	$1.2	$1.2	$2.5	$1.5	$0.7	$0.8	$1.3	N/M	N/M
Trading															
Trading days (Equity and options)	21	21	21	22	20	19	23	20	21	21	20	23	21	-9%	0%
Notional trading volume															
Equity ($B)	$71.5	$79.3	$96.9	$63.6	$60.5	$56.9	$71.4	$54.7	$58.2	$50.1	$48.8	$66.0	$46.5	-29%	-35%
Options contracts (M)	93.5	91.9	113	86.4	78.0	72.3	86.6	70.4	71.9	68.3	67.0	89.9	78.2	-13%	-16%
Crypto ($B)	$15.5	$18.0	$14.9	$11.4	$9.1	$7.2	$7.2	$6.9	$6.6	$5.5	$5.5	$5.3	$3.6	-32%	-77%
Daily average revenue trades (DARTs) (M)															
Equity DARTs	2.1	2.2	2.5	1.9	1.9	1.7	1.8	1.6	1.6	1.5	1.3	1.6	1.5	-9%	-32%
Option DARTs	0.7	0.7	0.9	0.7	0.7	0.7	0.6	0.6	0.6	0.5	0.5	0.6	0.5	-6%	-24%
Total DARTs (Equity and Options)	2.9	2.9	3.5	2.6	2.6	2.4	2.5	2.2	2.2	2.0	1.8	2.2	2.0	-8%	-30%
Crypto DARTs	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.4	0.4	0.4	0.3	0.3	0.3	-15%	-49%
Customer Margin and Cash Sweep Balances ($B)															
Margin Book	$6.1	$6.0	$6.6	$6.5	$5.5	$5.3	$5.3	$5.2	$4.2	$4.1	$4.0	$4.2	$4.1	-3%	-33%
Cash Sweep	$2.1	$2.5	$2.3	$2.1	$2.1	$2.1	$2.3	$1.9	$2.3	$2.4	$2.5	$2.6	$3.0	15%	41%

See Appendix for definitions.

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

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

Changes in Net Cumulative Funded Accounts

in millions

	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Beginning balance	9.8	11.4	12.5	18.0	22.5	22.4	22.7	22.8	22.9
New funded accounts	1.9	1.4	5.7	5.1	0.7	0.8	0.5	0.4	0.3
Resurrected accounts	0.1	0.1	0.4	0.3	0.1	0.2	0.1	0.1	0.1
Churned accounts	(0.4)	(0.4)	(0.6)	(0.9)	(0.9)	(0.7)	(0.5)	(0.4)	(0.4)
Ending balance	11.4	12.5	18.0	22.5	22.4	22.7	22.8	22.9	22.9

Changes in Assets Under Custody (AUC)

in billions

	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Beginning balance	$33.4	$44.4	$63.0	$80.9	$102.0	$95.4	$98.0	$93.1	$64.2
Net deposits	8.5	6.4	10.6	9.9	2.2	4.4	5.7	5.2	2.7
Net market gains (losses)	2.5	12.2	7.3	11.2	(8.8)	(1.8)	(10.6)	(34.1)	(2.3)
Ending balance	$44.4	$63.0	$80.9	$102.0	$95.4	$98.0	$93.1	$64.2	$64.6

Notional Trading Volume for Q3'2022

Equity notional volumes down 1% q/q, driven by:

Customers placing trades
-11% q/q

Notional volumes, per trader
+9% q/q

Total option contracts up 12% q/q, driven by:

Customers placing trades
-10% q/q

Contracts per trader
+22% q/q

Crypto notional volumes down 24% q/q, driven by:

Customers placing trades
-33% q/q

Notional volumes, per trader
+13% q/q

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

in millions

GAAP Operating Expenses	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Brokerage and transaction	$31	$30	$41	$38	$44	$29	$31	$30	$33
Technology and development	55	82	117	156	679	280	266	244	185
Operations	41	45	67	101	108	98	91	86	64
Marketing	39	33	102	94	87	44	34	24	19
General and administration	114	108	137	112	790	332	268	226	234
Total operating expenses	$280	$298	$464	$501	$1,708	$783	$690	$610	$535

SBC	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Brokerage and transaction	$—	$—	$—	$—	$6	$1	$1	$1	$2
Technology and development	1	14	1	1	503	105	82	59	25
Operations	—	—	—	—	16	4	4	1	—
Marketing	—	1	—	—	41	9	5	(2)	—
General and administration	1	4	8	—	678	199	128	105	83
Total SBC	$2	$19	$9	$1	$1,244	$318	$220	$164	$110

Non-GAAP Operating Expenses Prior to SBC	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Brokerage and transaction	$31	$30	$41	$38	$38	$28	$30	$29	$31
Technology and development	54	68	116	155	176	175	184	185	160
Operations	41	45	67	101	92	94	87	85	64
Marketing	39	32	102	94	46	35	29	26	19
General and administration	113	104	129	112	112	133	140	121	151
Total operating expenses prior to SBC	$278	$279	$455	$500	$464	$465	$470	$446	$425

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

	Year Ended December 31, 2021 *(in millions)*	Financial Outlook for the Year Ending December 31, 2022 *(year-over-year change)*	Financial Outlook for the Year Ending December 31, 2022 *(in millions)*	Financial Outlook for the Quarter Ending December 31, 2022 *(in millions)*	Change from FY'22 Outlook presented in Q2'2022 Earnings *(in millions)*
Total operating expenses (GAAP)	$3,456	decrease by 31% – 32%	$2,335 – $2,395	$500 - $560	$(165)
Less: SBC	$1,572	decrease by 56% – 59%	$645– $685[1]	$150 - $190	$(135)
Total operating expenses prior to SBC (non-GAAP)	$1,884	decrease by 9% – 10%	$1,690 – $1,710[2]	$350 - $370	$(30)

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

(2) These amounts include severance and other restructuring charges totaling approximately $107 million incurred in connection with the April 2022 Restructuring and August 2022 Restructuring.

Operating Expenses Prior to Shared-Based Compensation (SBC) and Restructuring Charges Reconciliation

in millions

	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022	Q4'2022 Outlook
Total operating expenses (GAAP)	$501	$1,708	$783	$690	$610	$535	$500-560
Less: SBC	(1)	(1,244)	(318)	(220)	(164)	(110)	(150)-(190)
Less: Restructuring charges	—	—	—	—	(17)	(90)	—
Total operating expenses prior to SBC and restructuring charges (non-GAAP)	$500	$464	$465	$470	$429	$335	$350-370

Share Count Detail

Price per Class A share	$42.08	$17.76	$13.51	$8.22	$10.10		
(in millions, except prices and percentages)	**September 30, 2021**	**December 31, 2021**	**March 30, 2022**	**June 30, 2022**	**September 30, 2022**	**September 30, 2022 Year-over-year growth**	**2022 Year-to-date growth**
Class A shares outstanding	725.2	736.0	741.9	750.3	756.8		
Class B shares outstanding	130.2	128.0	128.0	128.0	128.0		
Basic shares	**855.4**	**864.0**	**869.9**	**878.3**	**884.8**	**3.4%**	**2.4%**
Employee time-based RSUs outstanding	47.7	49.4	77.7	72.5	71.9		
Founders' pre-IPO market-based PSUs outstanding and eligible to vest	1.4	1.3	1.2	1.0	0.9		
Employee stock options outstanding (in-the-money)[1]	15.4	14.5	13.0	12.2	11.4		
Diluted shares[2]	**919.9**	**929.2**	**961.8**	**964.0**	**969.0**	**5.3%**	**4.3%**
Founders' pre-IPO market-based PSUs outstanding but not eligible to vest[3]	57.7	57.7	57.7	57.7	57.7		
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)[4]	14.3	14.3	14.3	14.3	14.3		
Fully diluted shares[2]	**991.9**	**1,001.2**	**1,038.3**	**1,040.5**	**1,045.5**	**5.4%**	**4.4%**

(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 and 1.5M shares in May 2022.

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

(3) The Founders' pre-IPO market-based PSUs become eligible to vest if our trailing 60-trading-day average daily VWAP reaches the following price points: $50.75 - 8.3M shares; $101.50 - 13.8M shares; $120 - 4.6M shares; $150 - 4.6M shares; $180 - 5.3M shares; $210 - 5.3M shares; $240 - 5.3M shares; $270 - 5.3M shares; and $300 - 5.3M shares.

(4) Although the investor warrants were in-the-money at September 30, 2021, they were still covered by the 125-day post-IPO lock-up and therefore subject to exercise restrictions.

Net Cash Held by Users

in billions

	Q3'2020	Q4'2020	Q1'2021	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022
Cash Sweep	$1.5	$1.8	$1.6	$2.3	$2.1	$2.1	$2.3	$2.4	$3.0
Free Credit Balances and Other	5.1	6.1	6.0	7.6	6.7	6.7	6.9	5.7	5.1
Cash held by users	6.6	7.9	7.6	9.9	8.8	8.8	9.2	8.1	8.1
Receivables from users	(2.3)	(3.6)	(5.4)	(5.5)	(6.2)	(6.5)	(5.4)	(4.2)	(4.0)
Net Cash Held by Users	$4.3	$4.3	$2.2	$4.4	$2.6	$2.3	$3.8	$3.9	$4.1

Adjusted EBITDA and Adjusted EBITDA Margin Reconciliations

in millions

	Q3'2020	Q4'2020	Q1'2021	Q2'2021	Q3'2021	Q4'2021	Q1'2022	Q2'2022	Q3'2022
Net income (loss)	($11)	$13	($1,445)	($502)	($1,317)	($423)	($392)	($295)	($175)
Net margin[1]	(4)%	4 %	(277)%	(89)%	(361)%	(117)%	(131)%	(93)%	(48)%
Add:									
Interest expenses related to credit facilities	1	1	3	5	6	6	6	6	6
Provision for (benefit from) income taxes	—	6	12	38	(50)	3	1	1	1
Depreciation and amortization	2	3	4	5	8	9	12	17	15
EBITDA (non-GAAP)	(8)	23	(1,426)	(454)	(1,353)	(405)	(373)	(271)	(153)
Share-based compensation	2	19	9	1	1,244	318	220	164	110
Change in fair value of convertible notes and warrant liability	—	—	1,492	528	25	—	—	—	—
Restructuring charges	—	—	—	—	—	—	—	17	90
Significant legal and tax settlements and reserves	65	37	40	15	—	—	10	10	—
Adjusted EBITDA (non-GAAP)	$59	$79	$115	$90	($84)	($87)	($143)	($80)	$47
Adjusted EBITDA Margin (non-GAAP)[2]	22 %	25 %	22 %	16 %	(23)%	(24)%	(48)%	(25)%	13 %

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

Definitions

Performance Metrics

Net Cumulative Funded Accounts

A Robinhood account is designed to provide a user with access to any and all of the products offered on our platform. We define “Net Cumulative Funded Accounts” as New Funded Accounts less Churned Accounts plus Resurrected Accounts (each as defined below). A “New Funded Account” is a Robinhood account into which the account user makes an initial deposit or money or asset transfer, of any amount, during the relevant period. An account is considered “Churned” if it was ever a New Funded Account and its balance (measured as the fair value of assets in the account less any amount due from the user and excluding certain Company-initiated credits) drops to or below zero for at least 45 consecutive calendar days. Negative balances typically result from Fraudulent Deposit Transactions (as defined below) and, less often, from margin loans. An account is considered “Resurrected” in a stated period if it was a Churned Account as of the end of the immediately preceding period and its balance (excluding certain Company-initiated credits) rises above zero. Examples of credits excluded for purposes of identifying Churned Accounts and Resurrected Accounts are price correction credits, related interest adjustments, and fee adjustments.

“Fraudulent Deposit Transactions” occur when users initiate deposits into their accounts, make trades on our platform using a short-term extension of credit from us, and then repatriate or reverse the deposits, resulting in a loss to us of the credited amount.

Monthly Active Users (“MAU”)

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

Assets Under Custody (“AUC”)

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

Net Deposits

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

Notional Trading Volume

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

With respect to options, we also measure trading volume as the total number of option contracts bought or sold over a specified period of time. Each contract generally entitles the holder to buy or sell (as applicable) 100 shares of the underlying stock.

Average Revenue Per User (“ARPU”)

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

Daily Average Revenue Trades (“DARTs”)

We define DARTs for any asset class as the total number of revenue generating trades for such asset class executed during a given period divided by the number of trading days for such asset class in that period.

The monthly metrics slide discloses each month's number of trading days for equities and options. For crypto, the number of trading days is equal to the number of calendar days in the month.

Growth Rate and Annualized Growth Rate with respect to Net Deposits

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

Cumulative Net Deposits

We define "Cumulative Net Deposits" as the total of Net Deposits from inception to a stated date or period end.

Margin Book

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

Cash Sweep

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

Free Credit Balances and Other

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

Net Cash Held by Users

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

Definitions (continued)

Non-GAAP Financial Measures

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

Adjusted EBITDA

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

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

Adjusted EBITDA Margin

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

Operating Expense Prior to Share-Based Compensation

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

Operating Expenses Prior to Share-Based Compensation and Restructuring Charges

Operating expenses prior to share-based compensation and restructuring charges is defined as GAAP total operating expenses minus share-based compensation (or SBC) and restructuring charges. We believe operating expenses prior to SBC and restructuring charges 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.