



The affirm Playbook.

Revolutionising the Buy Now, Pay Later Industry— how Affirm is scaling from a checkout lender into a full-stack consumer payments platform.

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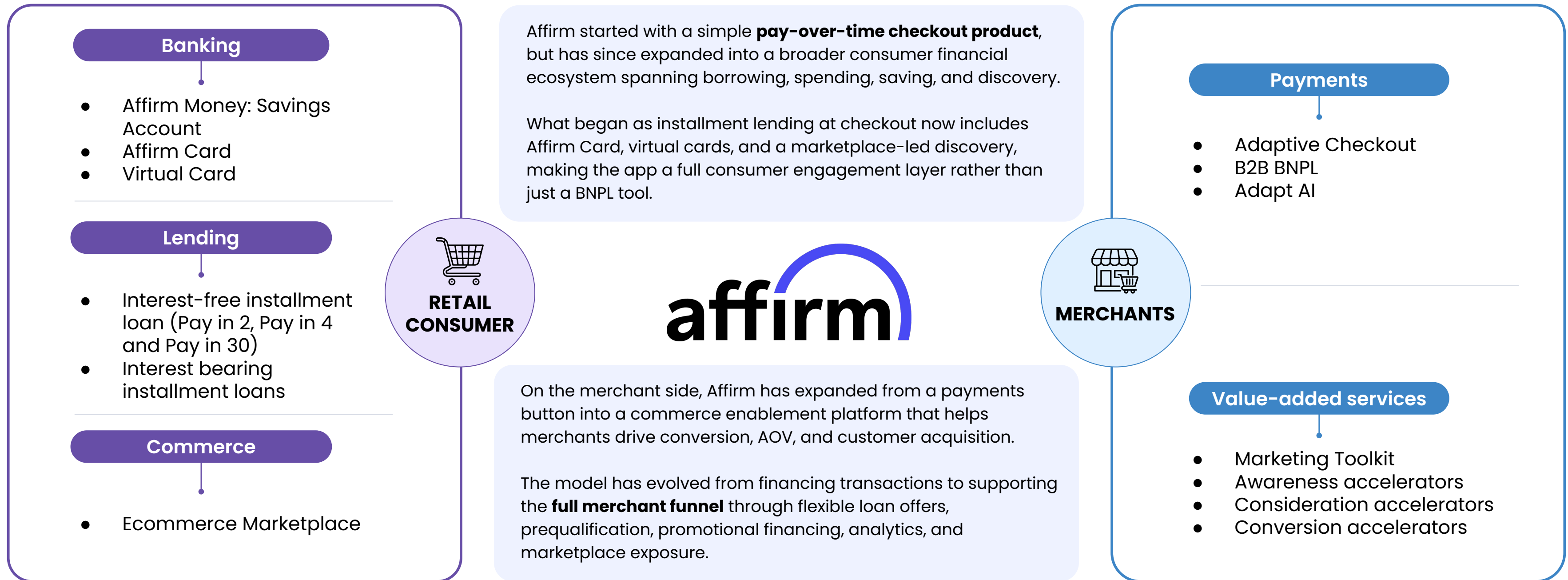
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A two-sided product suite – for consumers and merchants.

Affirm started with pay-over-time at checkout but has since expanded into a broader consumer financial ecosystem – and a commerce-enablement platform for merchants.



Affirm started with a simple **pay-over-time checkout product**, but has since expanded into a broader consumer financial ecosystem spanning borrowing, spending, saving, and discovery.

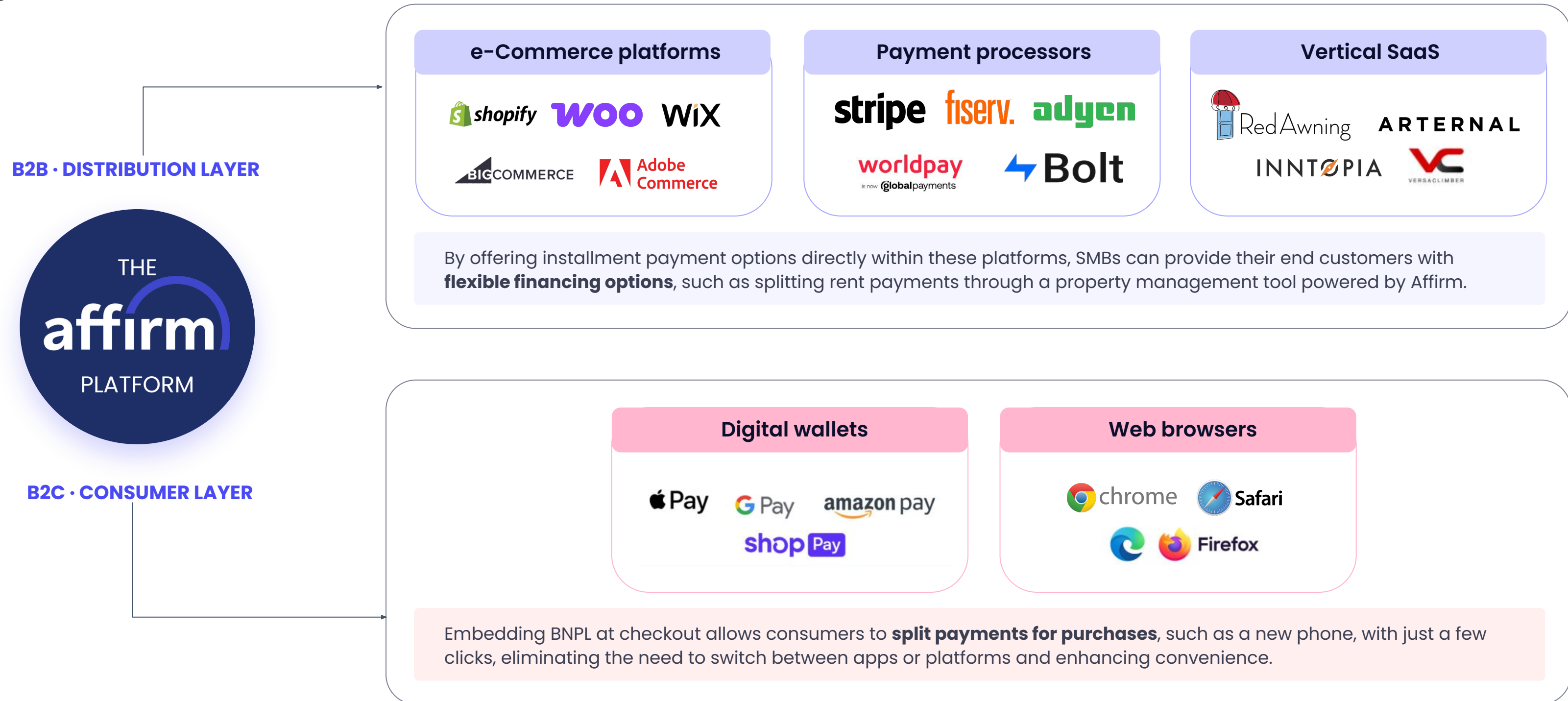
What began as installment lending at checkout now includes Affirm Card, virtual cards, and a marketplace-led discovery, making the app a full consumer engagement layer rather than just a BNPL tool.

On the merchant side, Affirm has expanded from a payments button into a commerce enablement platform that helps merchants drive conversion, AOV, and customer acquisition.

The model has evolved from financing transactions to supporting the **full merchant funnel** through flexible loan offers, prequalification, promotional financing, analytics, and marketplace exposure.

Embedded BNPL on B2B and B2C platforms

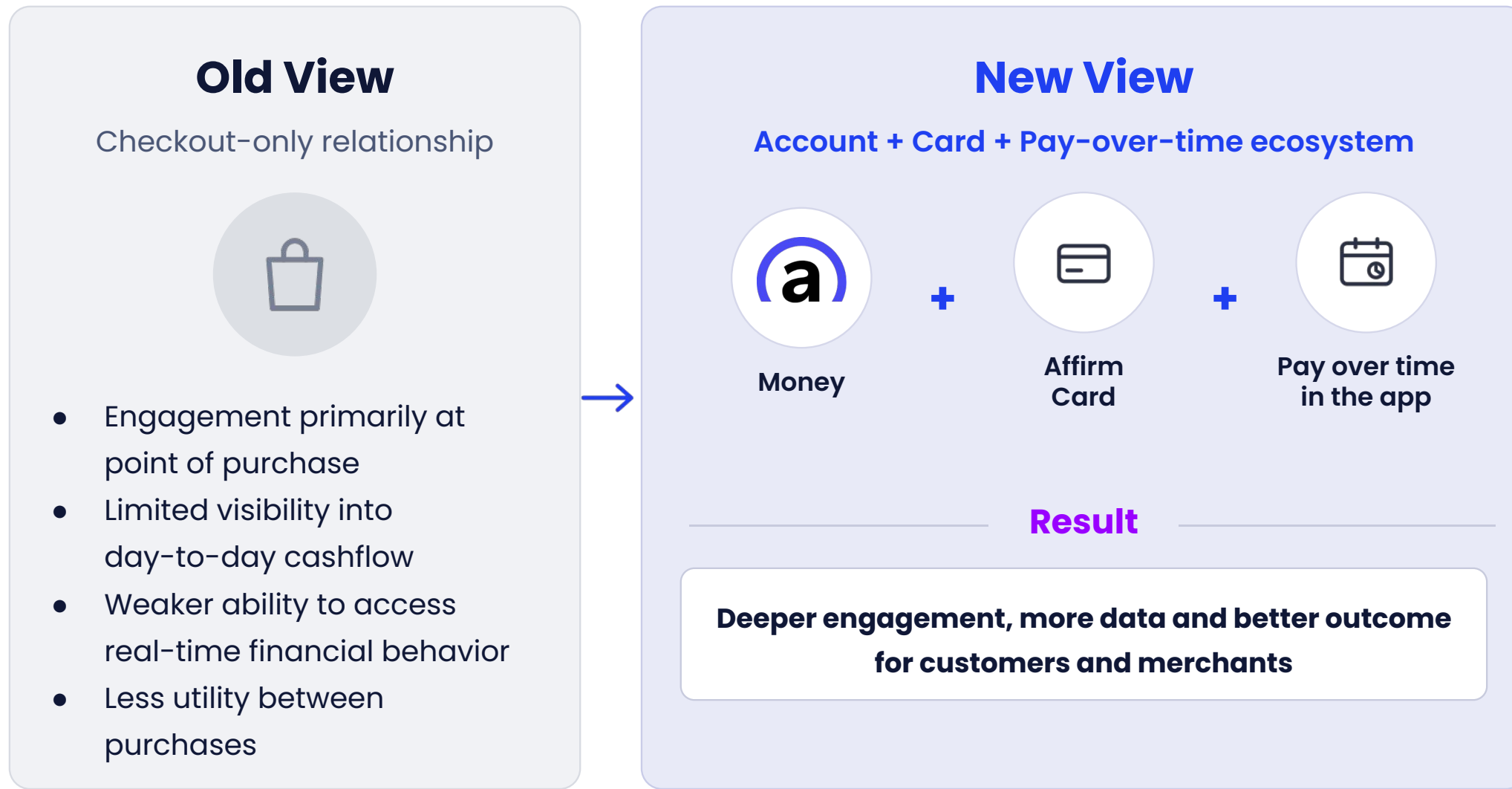
Affirm continues to prioritize its core partnerships with merchants of all sizes while strategically evolving its approach. By embedding BNPL directly into the purchasing journey, Affirm positions itself at the critical point of consumer decision-making. This bold distribution strategy not only strengthens its market presence but also has the potential to transform how consumers engage with and leverage BNPL solutions in the future.



Affirm Money strengthens the ecosystem beyond lending

Affirm Money broadens the company’s role beyond lending by adding a deposit and account layer that can deepen engagement, strengthen card usage, and generate richer consumer signals across the ecosystem.

Affirm Money is an FDIC-insured savings account held with Cross River. It is not used to fund Affirm's loans. Affirm continues to fund loans through capital markets, warehouse facilities, forward flow arrangements and securitizations.

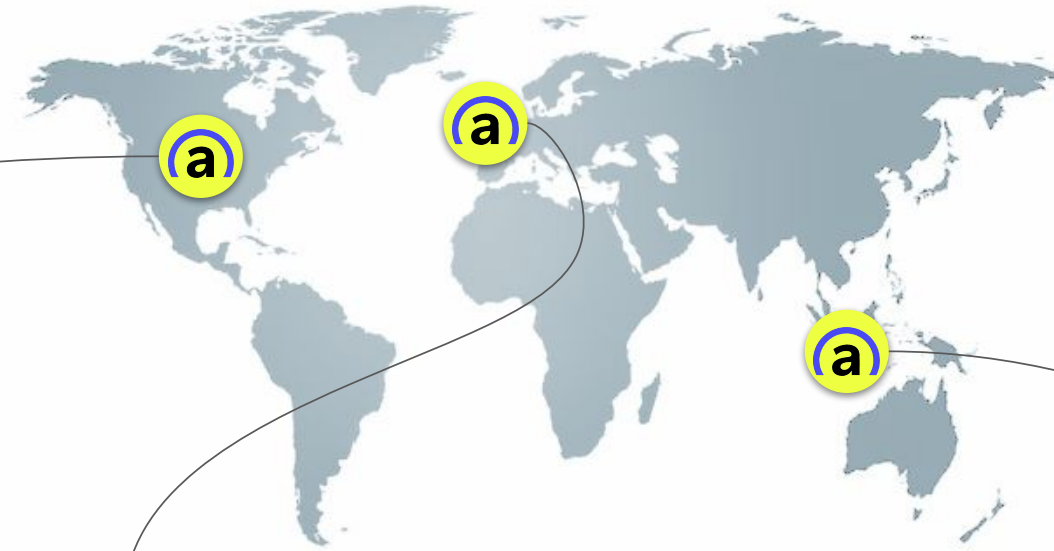


Strategic reasoning behind launching Affirm Money:

- **Deepen the direct consumer relationship**
 Affirm Money extends Affirm’s role beyond the point of sale into the customer’s broader financial activity, including balances, transfers, direct deposit, repayment, and card usage. This increases engagement on Affirm-owned surfaces and supports management’s broader objective of building a two-sided payments network.
- **Strengthen the Affirm Card proposition**
 Affirm Money enhances the utility of the Affirm Card by providing an integrated account layer within the Affirm ecosystem. This supports broader usage across merchants, particularly in-store, and reduces dependence on merchant-integrated checkout alone.
- **Enhance underwriting through richer real-time signals**
 In 2026, Affirm updated its underwriting incorporates real-time signals such as account balances and cash-flow trends, including for users with linked bank accounts or an Affirm Money Account. In early results, higher purchasing power drove an average lift of approximately 12%, indicating that these signals are improving decisioning and responsible approval rates.

Expansion beyond the U.S. has been selective and partnership-led

Affirm's international expansion has been deliberate and partnership-led, with market entry shaped by regulatory readiness, merchant access, and operating scalability. While the company is currently focused on the U.S., Canada, Affirm has indicated that the next phase of expansion is expected to remain selective, with further growth targeted across **Western Europe and Australia**.



NORTH AMERICA

Canada

Affirm entered Canada through the acquisition of **PayBright**, a BNPL provider. The transaction was announced in **December 2020** and completed in **January 2021**.

This marked Affirm's first major international expansion, establishing Canada as its core non-U.S. market.

FY2025 revenue from Canada: **\$119M**

EUROPE

United Kingdom

Affirm's expansion into the U.K. has been structured as a **regulated market entry** rather than an acquisition-led expansion.

The company operates through **Affirm U.K. Limited**, which is authorized and regulated by the U.K. Financial Conduct Authority (**FCA**).

In **2025**, Affirm expanded its global partnership with Shopify through the UK launch of **Shop Pay Instalments**.

ASIA PACIFIC

Australia

Affirm announced its official launch in **2021**, introducing pay-over-time financing for **Peloton's Bike and Bike+**, marking Affirm's entry into the APAC region.

Operations were later **wound down in 2023** after remaining limited in scale.

More recently, Affirm has continued to identify Australia as a **future expansion market**.

Increasing active consumers and activity

Active consumers reached 23M as of June 30, 2025 — up 23% YoY from 18.7M. Q2 FY2026 active consumers grew to 25.8M from 21M a year earlier, supported by retention, Affirm Card adoption and platform expansion.

CUSTOMER ACQUISITION CHANNEL:

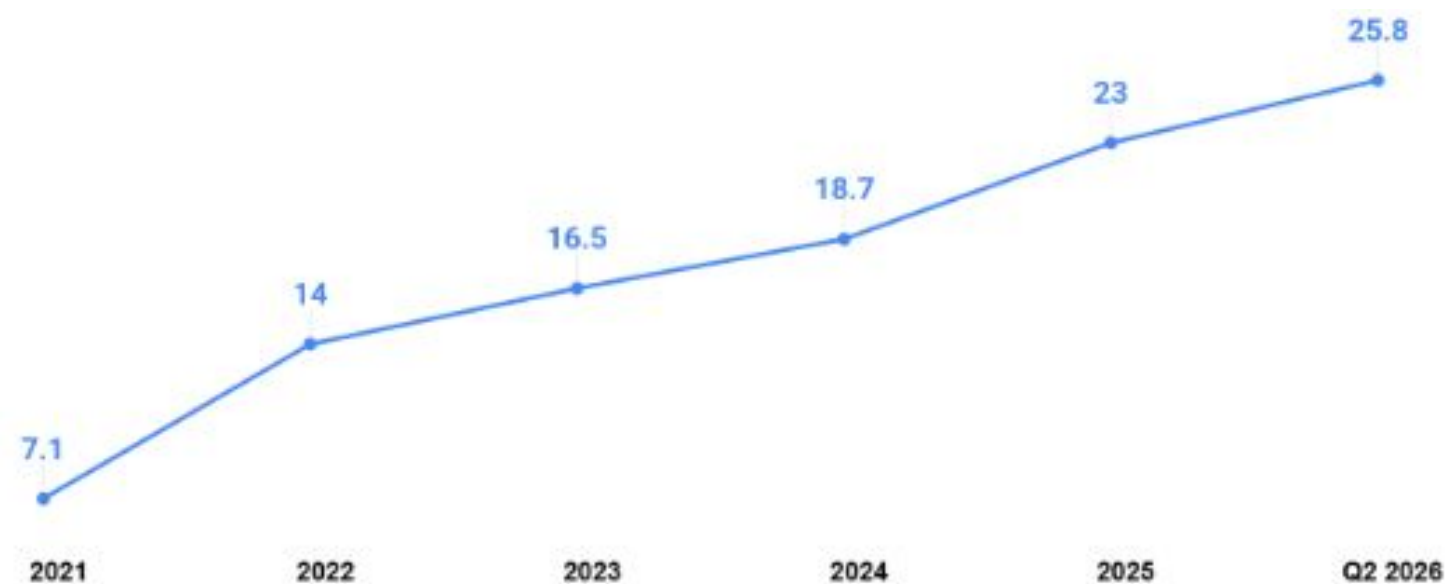
Affirm provides businesses with a robust suite of customer acquisition tools designed to maximize reach and engagement. These include high-visibility placements on Affirm’s website and app, where personalized shopping experiences drive alignment between merchants and shoppers.

Active consumers reached 23M as of June 30, 2025, up 23% YoY from 18.7M.

Active consumer growth was driven by high retention of existing users, continued adoption of the Affirm Card, and new consumer acquisition through expanding merchant and platform partnerships.

As of Q2 FY2026, active consumers increased to 25.8M from 21M in Q2 FY2025, representing 23% growth.

Active consumers (in million)

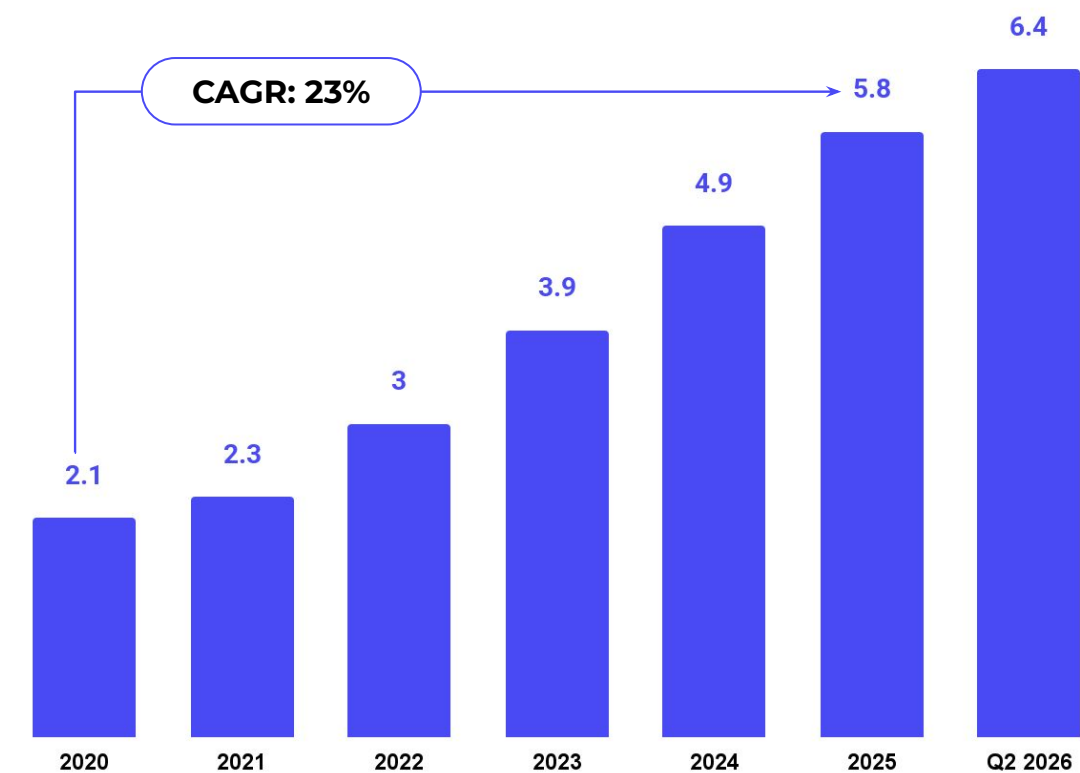


As per Affirm, an active consumer is defined as someone who participates in at least one transaction on the platform during the 12 months leading up to the measurement date.

Transaction per active consumer (in million)

Transactions per active consumer increased to 5.8 in FY2025 from 4.9 in FY2024, up 20% YoY.

Transaction frequency was up 52% versus FY2023, indicating improving engagement and repeat usage.



Transactions per active consumer is defined as the average number of transactions that an active consumer has conducted on our platform during the 12 months prior to the measurement date.

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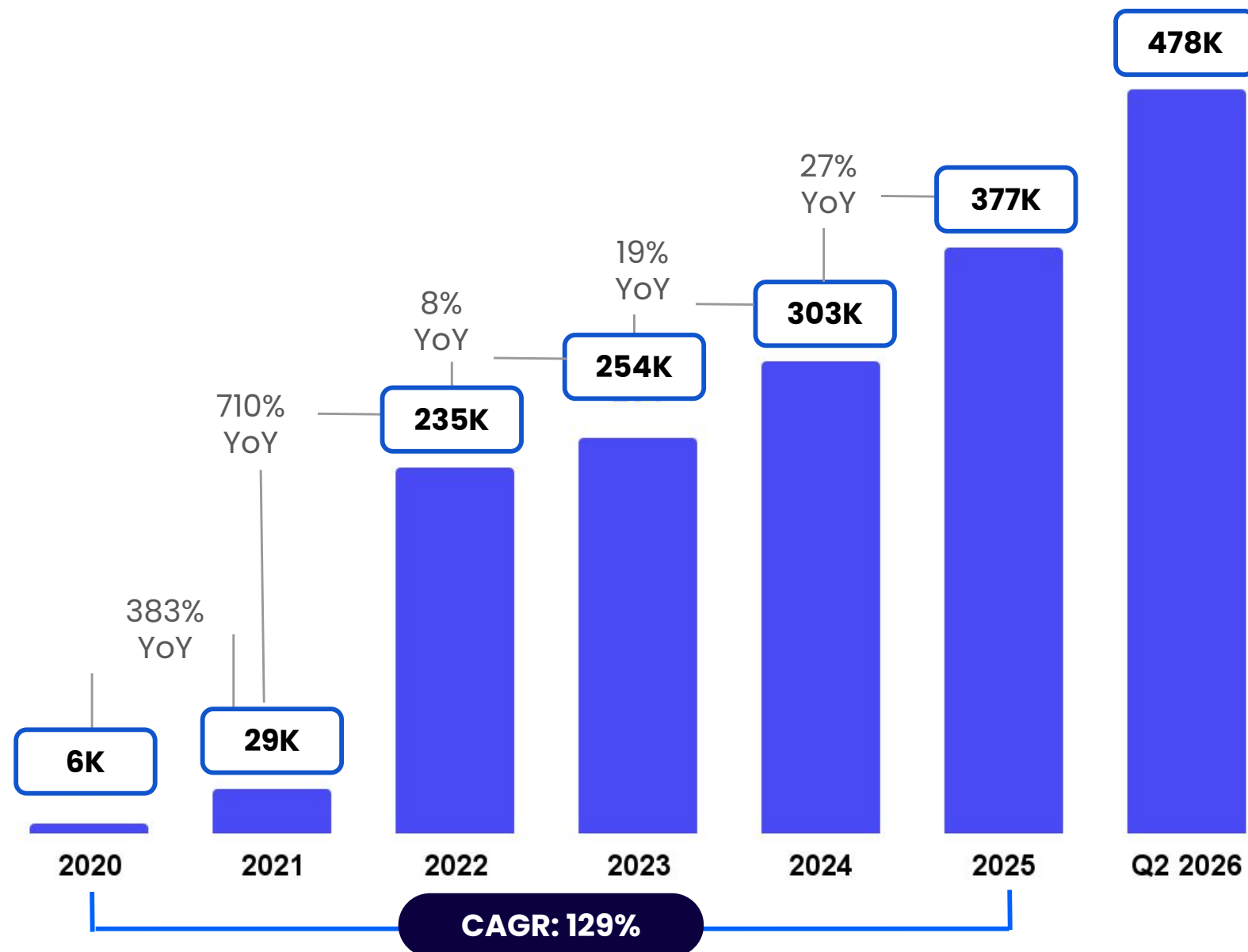
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Platform growth is supported by merchant expansion

Active merchants (in thousands)



Active merchants reached ~377k in FY2025 and expanded to 478k by Q2 FY2026.

In Q2 2026, active merchants were up 42% YoY, with merchants generating more than \$1k of trailing GMV.

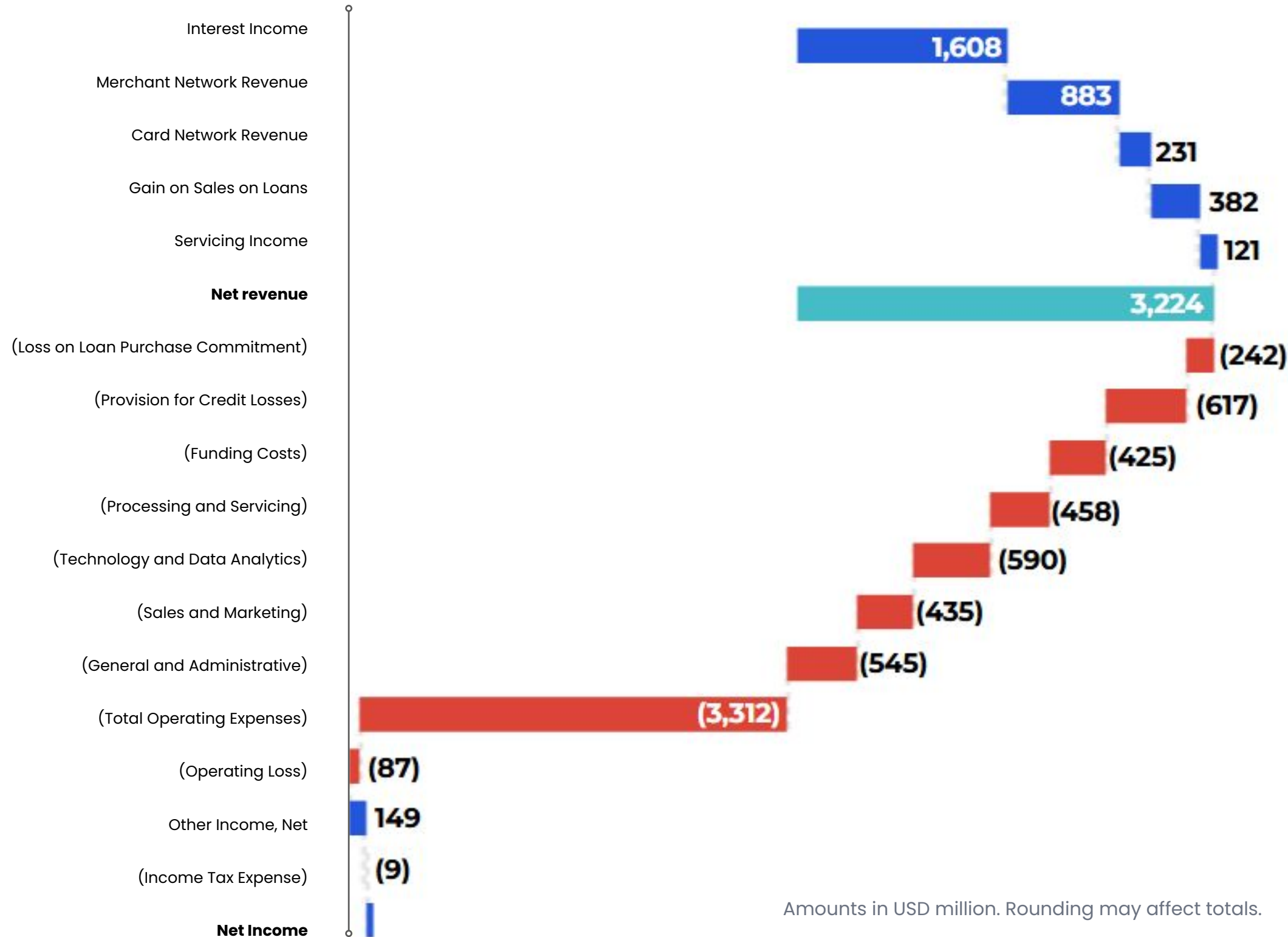
53% of consumers had FICO scores below 660, demonstrating Affirm’s ability to responsibly expand access to credit to underserved borrowers by looking beyond traditional credit scoring systems.

Active merchants grew 710% from 29K in 2021 to 235K in 2022, largely driven by Shopify-led distribution, broader ecommerce platform integrations, and rising merchant demand for BNPL tools during the post-pandemic online shopping cycle.

Top-five merchant and platform partner GMV grew 23% in Q2 FY2026, while concentration declined to 46% from 51% a year earlier. That supports the view that Affirm is scaling while reducing dependence on its largest partners.

Shopify remained a key distribution partner, with the 2025 renewed global agreement extending Affirm’s Shop Pay Installments exclusivity in the U.S. and Canada, with plans for further market expansion.

Revenue scale and mix drove a profitability inflection in FY2025



Amounts in USD million. Rounding may affect totals.

In FY2025, Affirm reached a **profitability inflection**, with net revenue rising 39% YoY to \$3.2B and net income turning positive at \$52M, compared with a \$518M net loss in FY2024. The improvement was supported by stronger revenue scale, a more favorable mix, and materially better earnings performance versus prior years.

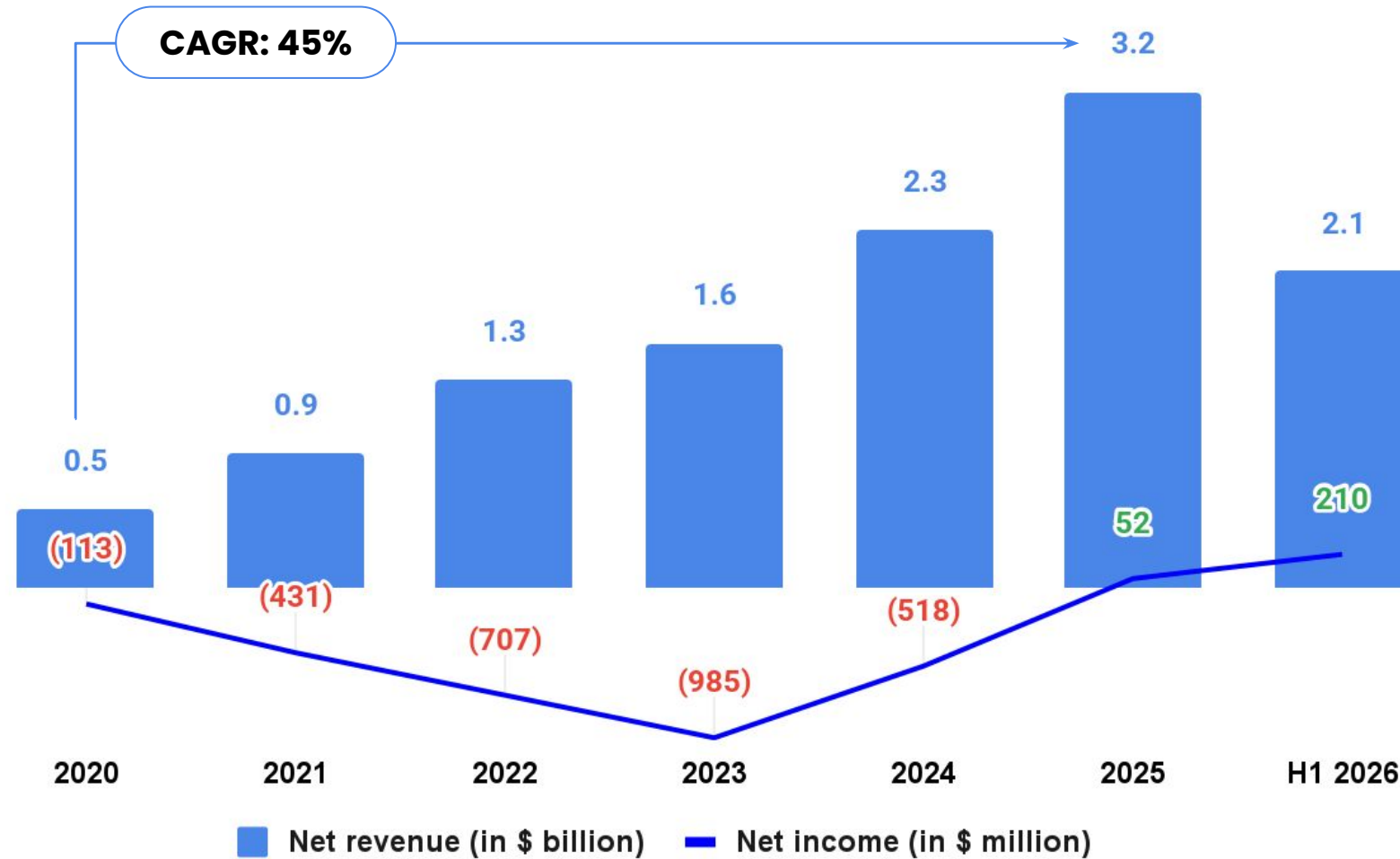
Revenue mix continued to shift toward lending economics, with interest income rising to \$1.6B, accounting for roughly 50% of total revenue. Merchant network revenue contributed \$883M, while card network revenue, gain on sales of loans, and servicing income added \$231M, \$382M, and \$121M, respectively, highlighting a more diversified but increasingly interest-led revenue base.

Cost pressures remained meaningful, as total operating expenses increased to \$3.3B. The largest cost buckets were provision for credit losses at \$617M, technology and data analytics at \$590M, and general and administrative expense at \$545M, reflecting both the credit intensity of the model and continued platform investment as volumes scaled.

Overall, FY2025 marked a step-change in Affirm’s earnings profile, with the company scaling revenue while improving bottom-line performance, supported by a larger retained loan book, stronger interest income, and improving operating leverage.

Revenue scale-up reached a profitability inflection in FY2025

Net revenue and Net income (loss) (in \$ million/billion)

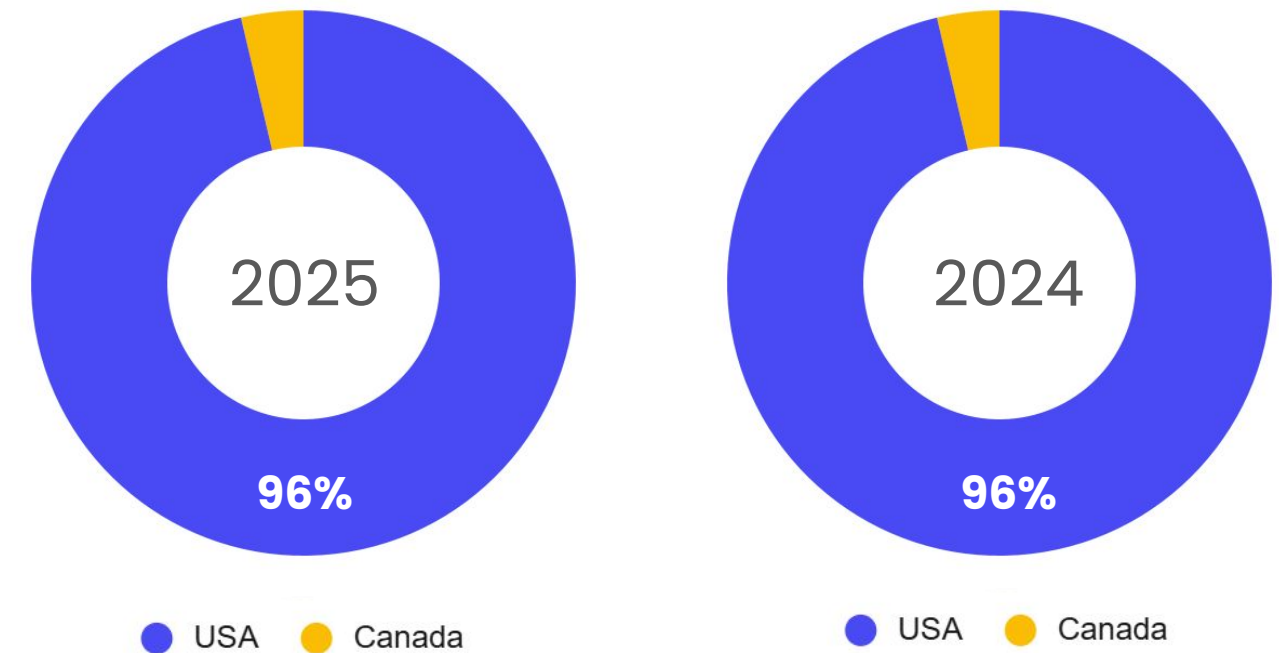


Net revenue reached \$3.2B in FY2025, up 39% from \$2.3B in FY2024.

Affirm delivered positive net income of \$52M in FY2025, compared with a net loss of \$518M in FY2024.

FY2025 was a clear inflection year, with revenue scaling while profitability improved materially versus prior years. Net income improved by roughly \$570M YoY.

Revenue segmentation by geography (in %)



The United States remained the dominant revenue contributor in FY2025, generating \$3.1B, or about 96% of total revenue.

Canada contributed \$119M in FY2025, representing roughly 4% of total revenue.

Total revenue rose in both core geographies, with U.S. revenue increasing from \$2.3B in FY2024 to \$3.1B in FY2025, and Canada revenue increasing from \$97M to \$119M

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Further reading that might interest you.

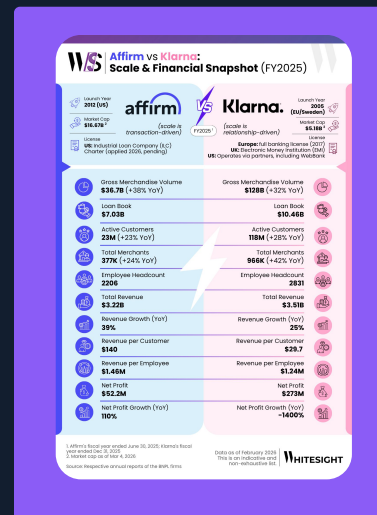
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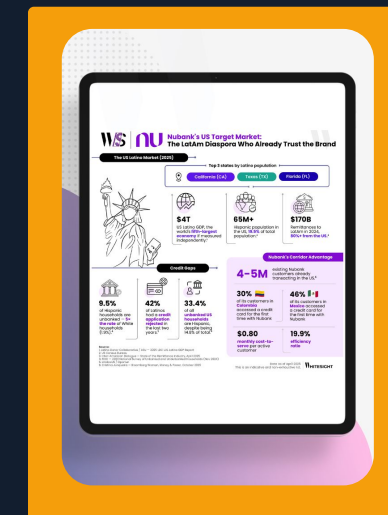
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