

Katapult Holdings, Inc. NasdaqGM:KPLT

FQ2 2025 Earnings Call Transcripts

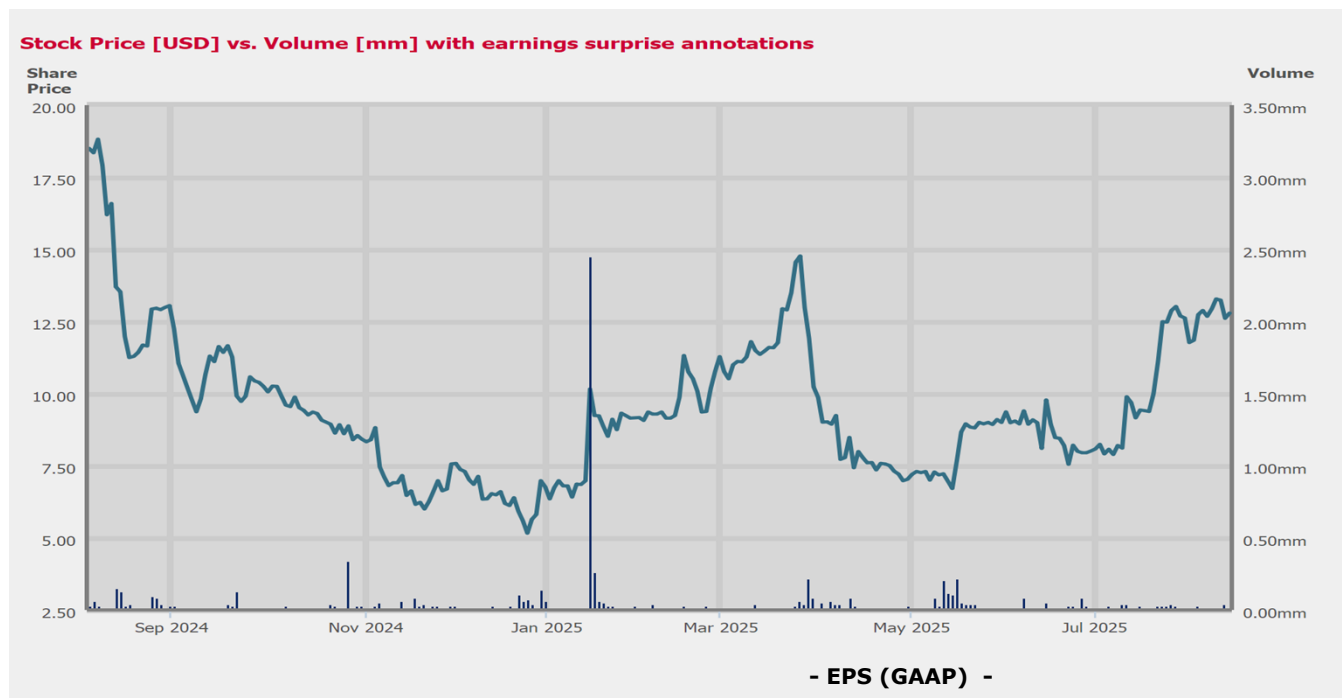
Wednesday, August 13, 2025 12:00 PM GMT

S&P Global Market Intelligence Estimates

	-FQ2 2025-			-FQ3 2025-	-FY 2025-	-FY 2026-
	CONSENSUS	ACTUAL	SURPRISE	CONSENSUS	CONSENSUS	CONSENSUS
EPS (GAAP)	(1.38)	(1.63)	NM	(1.09)	(4.98)	-
Revenue (mm)	70.45	71.89	▲2.04	74.75	296.50	328.50

Currency: USD

Consensus as of Jul-09-2025 3:40 PM GMT



	CONSENSUS	ACTUAL	SURPRISE
FQ3 2024	-	-	-
FQ4 2024	(1.77)	(2.12)	NM
FQ1 2025	(1.11)	(1.23)	NM
FQ2 2025	(1.38)	(1.63)	NM

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Call Participants

EXECUTIVES

Derek Medlin

President & Chief Growth Officer

Jennifer Cohn Kull

*Vice President of Investor
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Nancy A. Walsh

Chief Financial Officer

Orlando J. Zayas

CEO & Director

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Scott Christian Buck

*H.C. Wainwright & Co, LLC,
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Presentation

Operator

Thank you for standing by. My name is Eric, and I will be your conference operator today. At this time, I would like to welcome everyone to the Katapult Holdings Second Quarter 2025 Earnings Call. [Operator Instructions] I would now like to turn the call over to Jennifer Kull, Head of Investor Relations. Please go ahead.

Jennifer Cohn Kull

Vice President of Investor Relations

Welcome to Katapult's Second Quarter 2025 Conference Call. On the call with me today are Orlando Zayas, Chief Executive Officer; Nancy Walsh, Chief Financial Officer; and Derek Medlin, President and Chief Growth Officer. For your reference, we have posted materials related to today's call on the Investor Relations section of the Katapult website, which can be found at ir.katapultholdings.com. Please keep in mind that our remarks today include forward-looking statements related to our financial guidance, our business and our operating results, as noted in the earnings release and slide deck posted to our website for your reference.

Our actual results may differ materially. Forward-looking statements involve risks and uncertainties, some of which are described in today's earnings release and our most recent Form 10-Q and which will be updated in future periodic reports that we file with the SEC. Any forward-looking statements that we make on this call are based on the beliefs and assumptions today, and we disclaim any obligation to update them.

Also during the call, we'll present both GAAP and non-GAAP financial measures. Non-GAAP financial measures should be considered supplemental to and not replacements for or superior to our GAAP results. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is included with today's earnings release and is available on the Investor Relations section of the company's website. Finally, all comparisons are year-over-year unless stated otherwise. With that, I will turn the call over to Orlando.

Orlando J. Zayas

CEO & Director

Thank you, Jennifer, and welcome to everyone joining us this morning. We had a terrific second quarter across the board, and we're excited to dive into the details of this progress. I'll start with a brief overview of our results and then turn it over to Derek, who will walk you through a more detailed summary of our operating momentum. Nancy will then provide you an update on our strong financial results, discuss the highlights of the debt refinancing which we completed in June and provide you with an outlook for Q3. We'll then open it up for your questions.

During the second quarter, we exceeded our expectations for gross originations, revenue and adjusted EBITDA. Q2 gross originations grew 30.4% year-over-year, beating our outlook for 25% to 30% growth. Second quarter revenue grew 22.1% also exceeding our outlook for 17% to 20% growth. And while we anticipated delivering about breakeven adjusted EBITDA, we reported slightly more than \$300,000 in positive adjusted EBITDA. These strong results coupled with our Q1 success have led to an incredible first half performance. Year-to-date, we have grown gross originations by nearly 23% and revenue by approximately 16%, putting us on track to exceed our original gross originations outlook despite tough comps in the second half of the year.

Our exciting vision of building a successful 2-sided marketplace shopping destination for lease-to-own consumers has become a reality. Perhaps this is best illustrated by our continued growth we're seeing in both total app originations and KPay originations. During Q2, total app originations, which are originations that started in our app and may be consummated elsewhere, grew 56% to \$43.1 million. This means that approximately 60% of our gross originations started in our app marketplace. KPay originations, which are

a subset of total app originations were \$28.3 million, and growth accelerated to approximately 81% year-over-year. This means that the remaining \$14.8 million in gross originations were traffic and sales that we delivered to our merchants, solidifying our role as a growth partner.

Our growth continues to be supported by strong customer affinity for our marketplace offering. During the second quarter, our NPS score was 63, up year-over-year, and 58.4% of our gross originations came from repeat customers. While a lot of our business is being driven by existing customers, we are also continuing to grow new customers. During Q2, for Katapult overall, we grew unique new customers by approximately 40%. This was the third quarter of accelerating year-over-year growth. We are very excited to bring new customers to our marketplace ecosystem through our expanded marketing efforts and new merchant and waterfall relationships. And encouragingly, even with our new customer growth and our continued focus on converting customers interested in lower lease values, lifetime value or LTV remained relatively flat year-over-year.

We are taking a holistic approach to growing the business, and we believe we are extending our runway for growth by creating a marketplace that appeals to a variety of consumers with a wide range of shopping needs and credit background. In doing so, we are leveraging our marketplace to connect consumers and merchants seamlessly, enabling [indiscernible] whenever and however the consumer wants to shop. We believe our results for the first half of 2025 illustrates the strength of our marketplace offering. As we navigate the ebbs and flows of the macro economy in the second half of the year, we will remain focused on our top initiatives, which are: one, consumer engagement; two, merchant engagement; three, referral partnerships, and four, improving our unit economics and capital structure over time that we can improve profitability and sustainably generate cash. With that, I'll turn the call over to Derek to discuss our operating progress and more depth. Derek?

Derek Medlin

President & Chief Growth Officer

Thanks, Orlando, and good morning to everyone. We're so excited about the progress we've made year-to-date and about the value we're creating for both our customers and merchants. So let's begin with the progress we're making against our consumer engagement initiative. As we have discussed previously, 1 of our most important goals for 2025 is driving top-of-the-funnel activity. In this quarter, we made significant progress on this front. Total Katapult applications, which includes those incoming from direct, waterfall, our app marketplace and KPay, increased more than 91% year-over-year. This is the fourth consecutive quarter of accelerating growth and we are so excited about the success that we're seeing here, not only because we believe we can continue to leverage conversion strategies to drive sustainable gross originations growth, but we also see this as a way to build a bigger pool of consumers who are familiar with the Katapult brand which is a vital input to our ability to deliver incremental sales and growth to our merchants and our partners.

As Orlando mentioned, we grew our unique new customer count by about 40% in Q2. This led to overall customer base growth of approximately 32%, demonstrating how we are monetizing this top-of-the-funnel activity. We are also closely monitoring other global business performance indicators that we believe will be drivers of lifetime value. Two of those indicators are customers with multiple leases and cross shopping. During Q2, the number of customers who had more than 1 current lease was up more than 16%, and this cohort of customers grew to approximately 29% of our total lease portfolio, up about 1 percentage point year-over-year.

Likewise, cross-shopping activity, where a customer has 2 or more current leases, and these leases are with 2 or more different retailers also increased year-over-year. If we look at our portfolio of unique customers during the second quarter, cross-shopping customers who entered into multiple leases with more than 1 retailer grew about 74% year-over-year and represented about 25% of our gross originations during the quarter. These results are driven by its trifecta of key ingredients. First, we're continuing to build deeper and broader relationships with our merchant and waterfall partners to remain an important source of customer referrals. Second, we are working hard to enhance the consumer journey and experience, which is driving engagement, conversion and high customer satisfaction. Perhaps most importantly, we are continuing to strengthen the reach and the utility of our app marketplace. Today, we

are able to direct more traffic and incremental sales to our merchant partners than ever before. This is allowing us to play a more prominent role with merchants while driving our own business performance. We have taken control of our own destiny in a way that benefits Katapult and every participant in our ecosystem.

So let's move on to a quick discussion of our app marketplace and KPay performance. As a reminder, when we talk about app marketplace performance, we're referring to activity and originations that begin in our app. Our marketplace allows Katapult to be a brand partner to our merchants. This means that even if a customer starts their journey in our app, they are able to interface with our merchants, partners, brands, websites and user experiences seamlessly, allowing Katapult to become an extension of their brands. Customers then have the option to complete their transactions on a merchant partner site or within our app giving them choice in their shopping journey.

Since we are able to track their journeys, all of this activity is included in our total app marketplace performance data, allowing our merchants and other partners to understand the impact our marketplace can have on their growth. In addition, although we also highlight some KPay data points separately, App Marketplace performance also includes CapEx. A good way to think about this is our app marketplace includes all activities stemming from when a customer starts their journey in our app. This activity in these transactions are what I was referring to when I talked about controlling our own destiny.

We have the most influence over all of this activity. Let's start with the app marketplace velocity. During Q2, the number of gross originations in our app marketplace grew approximately 72% year-over-year, driven by the factors we discussed earlier, healthy repeat customer activity, robust conversion, cross shopping and an increase in the number of customers with more than 1 current lease with us, among others. In addition to these drivers, we're continuing to lean into a variety of marketing and pricing campaigns that are drawing more and more eyeballs to our marketplace. We believe we are certainly succeeding in our efforts to fuel top-of-the-funnel activity which is leading to strong growth originations growth.

However, we also see multiple opportunities to leverage this incredible application growth into even higher gross originations growth. For example, while conversion rate in Q2 held relatively steady with Q1 of this year, it is down year-over-year. We are hard at work strategizing about ways to make our lease offers even more compelling, such as new and innovative pricing strategies and partnerships so that we can gradually close the gap between application growth and lease origination growth. We're happy with the progress we're making to acquire customers from new sources. We also believe we can crack the code on converting more of these shoppers which would create considerable upside for our gross originations. KPay transactions continue to fuel a lot of this growth, and we are incredibly excited about its potential.

As Orlando mentioned, KPay gross originations grew 81% during Q2, which represented 39% of total gross originations, up from about 28% of our total growth originations in Q2 of 2024. As a reminder, KPay and related activity refers only to those leases that originated using our KPay feature to checkout. Overall, we continue to see engagement within our app increase as more and more consumers turn to the Katapult marketplace as a shopping destination. During Q2, our app was opened 3.8 million times, an acceleration from Q1 of this year. Altogether, during the first half of 2025, our app was opened nearly 50% more during the same period of last year. This engagement also drove our KPay unique customer count, which grew by nearly 87% year-over-year, an acceleration from Q1 growth. This was also accompanied by another quarterly increase in KPay conversion rate.

Beyond marketing and strategic pricing initiatives, we're continuing to add features and functionality that are making the Katapult at marketplace customer journey even more compelling. For example, we upgraded our app experience to include a feature called Most Popular Products that showcases what customers are shopping for the most. In addition, we recently launched 3 new KPay-enabled merchants, Qatar Center, Pottery Barn and Sam's Club in response to feedback from our customers. We are very pleased with our App Marketplace performance, but this is only part of our growth story.

We continue to lean into our relationships with our direct and waterfall merchants to position Katapult as a partner of choice. During Q2, direct and waterfall merchants accounted for approximately 61% of total gross originations. And gross originations for this group of merchants grew about 11%. If we exclude the

home furnishings and mattress category, our direct and waterfall gross originations grew approximately 56% year-over-year. Our team continues to execute a strategy that is allowing us to do more with existing merchants and partners and to introduce new ones to the capital marketplace. During Q2, we added approximately 48 new direct or waterfall merchants or merchant pathways to our ecosystem. As a reminder, pathways include new or existing merchant partners that launch a new website or an in-store experience that includes Katapult as a direct or waterfall LTO offering.

These pathways are tantamount to view go-to-market channels for the Katapult LTO. They provide new ways for consumers to discover and engage with our offerings. We also continue to work with our merchant partners to test a variety of new pricing and promotional strategies focused on driving conversion and consumer engagement, particularly during key sales moments. For example, during our Spring Living and Mother's Day campaign, our efforts led to nearly 30% gross originations growth and nearly 40% application growth compared with the same period last year. And the list was even more pronounced for those merchants who opted into co-promoting the campaign with us.

For those merchants who participated, they saw a 300% year-over-year increase in gross originations. In addition, while Amazon Prime Day occurred during the third quarter, we put these types of strategies to work during this sales event, and we are very pleased with the results. Even when accounting for the longer length of the event this year, we saw a significant increase in gross originations year-over-year. We will remain focused on looking for innovative ways to partner with merchants to take advantage of key sales events. We continue to closely monitor the success and health of our top 25 merchants. This quarter, this cohort of merchants once again grew robustly. Gross originations growth has accelerated for the past 3 quarters and was 28% in Q2. Finally, 1 other topic that is top of mind for us are potential macroeconomic headwinds.

While lease-to-own solutions have historically benefited when prime credit tightens, we continue to finesse scenario plans that would allow us to inoculate our business against macro uncertainties, such as increasing tariffs or rising inflation to the extent that we can. This revolves around working with our merchants to create initiatives that will allow us to react quickly the challenges stemming from new economic policies and trends.

Before I turn it over to Nancy, I just wanted to give you a few quick thoughts on our partnership activity. We continue to focus on monetizing our assets as the foundation for new partnerships that will drive top-of-funnel traffic and referrals and help us to present an even more robust product offering to our consumers. Ultimately, our goal is to give our customers more choice and drive more velocity in our marketplace, and I am pleased with the progress we're making. We delivered a great first half, and I believe we're positioned to continue along this positive trajectory throughout the balance of 2025. We believe we are executing a strategy that is leveraging our unique marketplace assets as we look for incremental growth opportunities that will allow us to create value for all of our stakeholders. With that, I'll turn it over to Nancy for an update on our financial results and outlook. Nancy?

Nancy A. Walsh
Chief Financial Officer

Thanks, Derek, and hello to everyone joining us this morning. I would echo Derek's sentiments about our strong year-to-date performance, which positions us to deliver on our full year goals. Let's start with a few insights on our top line performance. We have now grown gross originations for 11 consecutive quarters. Gross originations grew 30.4% to \$72.1 million, which was slightly above the top end of our outlook range. In addition, if we exclude home furnishings and mattress gross originations, Q2 gross originations grew 62% year-over-year. And as Derek mentioned, we are making significant progress on our top-of-the-funnel activity, which bodes well for future growth. Excluding home furnishings, applications for our total business grew 158% and our total approved applications in dollars grew by nearly 130%.

As we continue to refine and improve our conversion funnel, we believe we have all the ingredients to sustain and accelerate top line growth. As Derek also noted, gross originations for our top 25 merchants grew 28% during the quarter, despite the fact that our largest merchant Wayfair continues to face category challenges. If we exclude Wayfair waterfall performance, our top 24 merchants grew more than 65% year-over-year. On the revenue front, we had another great quarter. We delivered \$71.9 million

or 22.1% growth in Q2, which was above our outlook for 17% to 20% growth and marked the ninth consecutive quarter of year-over-year growth.

This growth reflects continued strong collection trends. Gross profit for Q2 was approximately \$11.2 million, an increase of approximately 12.5% compared with \$9.9 million last year and gross margin was 15.5% compared with 16.9% gross margin in Q2 2024. Similar to our performance in Q4 2024 and Q1 2025, our gross profit and gross margin were both impacted by strong gross originations growth in Q1 and Q2. This growth drove higher lease depreciation costs and the impact of this as we have discussed in the past is front-loaded. We have continued to effectively manage write-offs as a percent of revenue. During the second quarter, this metric was 9.8%, up 50 basis points from Q2 2024 performance and within our 8% to 10% target range.

Moving on to expenses and profitability. Our disciplined approach to expense management, coupled with our top line growth is at the center of our financial model. This philosophy fuels our decision-making, and it is a core component of our long-term growth strategy. This approach allowed us to deliver another quarter of positive adjusted EBITDA, which was ahead of our breakeven expectation. We believe we are well positioned to further improve upon this performance in 2025. Let me walk you through some of the puts and takes that impacted Q2 adjusted EBITDA. We've already talked about our front-loaded lease depreciation and the impact rapid growth has on in-quarter gross profit. This noncash expense drives cost of sales higher. And given the strong growth we've continued to see, the related depreciation expense remains a headwind to adjusted EBITDA. Total operating expenses up 0.2% were essentially flat versus last year.

We remain committed to fiscal discipline even as we strategically invest in our growth initiatives. Excluding underwriting fees and servicing costs, which are variable, depreciation and stock-based compensation, which are noncash expenses, and excluding costs related to the settlement of litigation and debt refinancing, our Q2 fixed cash operating expenses were up slightly to \$9.2 million, a 0.6% increase compared to last year. During the second quarter, loss from operations was \$1.4 million compared with \$2.6 million loss from operations for Q2 2024. Overall, our continued focus on fiscal discipline and top line growth allowed us to deliver \$0.3 million in positive adjusted EBITDA for Q2, which was slightly above our breakeven outlook.

We are proud of the progress we have made on this front and believe we have the right strategy, initiatives and discipline in place to deliver continued growth. Turning to the balance sheet and cash flow. As of June 30, 2025, we had total cash and cash equivalents of \$9 million, which included \$5.3 million of restricted cash. As of the end of the second quarter, we also had \$80.6 million in outstanding debt on our revolving credit facility. As many of you have seen on June 12, 2025, Katapult entered into a new refinancing agreement with Blue Owl Capital. The new agreement refinances our previously existing \$90 million revolving line of credit and approximately \$32 million term loan.

While I will refer you to our SEC filings for a more detailed summary of the new terms, let me highlight the key points of the transaction. Under the terms of the new refinancing agreement, liquidity for our revolving line of credit was increased by \$20 million to \$110 million. This includes a higher advance rate that will increase over time allowing Katapult to borrow a higher amount against our eligible asset value. Our current advance rate has been increased to 95% from 90%, and we expect this to increase to 99% in the fourth quarter. The maturity date was also extended to December 4, 2026. The new agreement also reduced the interest rate on the facility. The interest rate for the revolving line of credit was reduced by approximately 150 basis points. The interest rate on the term loan was fixed at 18% and has been structured as a payment-in-kind loan with cash interest deferred and added to the loan balance.

In consideration of this new agreement, Katapult issued warrants to Blue Owl that give them the option to purchase up to 486,264 shares of our common stock. We also agreed to repay the term loan by June 30, 2026, or Blue Owl will be allowed to convert the term loan into equity. Several of these terms required stockholder approval, and we called a special meeting of stockholders that took place on August 6, during which the necessary terms were approved. Again, for a full description of the refinancing agreement, please refer to our SEC filings.

Moving on to cash performance. Cash used for operations for Q2 2025 was \$3.2 million compared to \$1.4 million of cash generated from operations in Q2 2024. The year-over-year change was primarily due to changes in net loss, adjusted for noncash charges and higher spending on property held for lease, partially offset by changes in working capital. Turning to our Q3 2025 and full year 2025 outlook. Based on quarter-to-date results, we expect the following to the third quarter, gross originations growth in the range of 25% to 30%, gross originations excluding the home furnishings and mattress category are expected to continue to grow at a much faster pace than our overall gross originations, revenue growth in the range of 20% to 25% and between \$3 million and \$3.5 million of adjusted EBITDA.

Based on our year-to-date results, our operating plan, year-over-year second half comps and our macroeconomic expectations, we are raising our 2025 outlook for gross originations and reiterating our full year revenue and adjusted EBITDA outlook. We now expect gross originations to grow between 20% and 25%, an increase from our original outlook of at least 20% growth. Gross originations, excluding the home furnishings and mattress category are also expected to continue to grow at a much faster pace than our overall gross originations during full year 2025.

We are reiterating our outlook for revenue growth of at least 20% and at least \$10 million in positive adjusted EBITDA. For added context, neither our Q3 outlook nor our 2025 outlook assumes any extraordinary impact from potential tariffs or credit tightening or loosening above us. We are grateful to our team who have been the driving force behind our strong performance during the first half of 2025. We believe we are well positioned for the second half of the year and look forward to reporting back to you on our progress. With that, I'll turn it back to the operator for Q&A. Operator?

Question and Answer

Operator

[Operator Instructions] Your first question comes from the line of Anthony Chukumba with Loop Capital Markets.

Anthony Chinonye Chukumba

Loop Capital Markets LLC, Research Division

Congrats on a strong quarter. Just had a quick question. The lease merchandise charge-off rate was up 50 basis points. Now that was obviously within your targeted range but towards the high end. Just wondering what drove the year-over-year increase. And also how do you expect that to trend over the remainder of the year?

Nancy A. Walsh

Chief Financial Officer

Anthony, it's Nancy. Thank you for the questions. We see fluctuation in the quarterly results of the write-offs. This is not something we're concerned about outside of our -- within our 8% to 10% range. And right now, we're considering our customer is very resilient. There is some macroeconomic factors out there and the tariffs are still looming, but we feel very comfortable that within this 8% to 10% range is what we expect the future to look like with respect to write-offs.

Orlando J. Zayas

CEO & Director

Anthony, this is Orlando. Also June is always our toughest month around delinquencies. So it's more of a summer trend that we always see. So we expect it to be back to normal next quarter.

Anthony Chinonye Chukumba

Loop Capital Markets LLC, Research Division

Got it. And just -- just 1 last question. In terms of the waterfall and the direct partners, any commentary just in terms of what the -- what the pipeline looks like right now for new partners?

Orlando J. Zayas

CEO & Director

Yes. Thanks, Anthony. Derek, do you want to take that one?

Derek Medlin

President & Chief Growth Officer

Sure. Thanks, Orlando. Thanks for the question. So pipeline is looking really strong. And I think the reason for that is part of our strategy has been to add new consumers to our ecosystem where we can introduce consumers to our merchant partners and that strategy is working. Our merchants are getting to see new customers coming to their site and walking into their stores and that's really helping solve a problem that merchants are having right now, which is either footfall or clicks. And so the pipeline has been strong across different segments, specifically in auto and home furnishings and furniture and appliances, electronics. Just across the board, we're seeing strong interest of different sizes omnichannel merchants and e-commerce merchants.

Operator

Your next question comes from the line of Scott Buck with H.C. Wainwright.

Scott Christian Buck

H.C. Wainwright & Co, LLC, Research Division

I guess first up, you've seen a nice uptick or acceleration in applications. Could you go into a little bit of color on what you're doing on the sales and marketing side to drive this higher level of activity?

Orlando J. Zayas

CEO & Director

Derek, can you take that one too. Sorry, we're in different locations.

Derek Medlin

President & Chief Growth Officer

Scott, thanks for the question. Yes, this has been a major priority for us over the last 12 months in terms of adding to the top of the funnel. And the reason for that is our channels for the market come through our merchant partners, but also through customers that we can source ourselves and then distribute out to our merchant community. And so over the last year plus, we've been working intentionally on our digital marketing strategy, customer referral strategy and bringing customers that are fitting our profile and our segmentation that are looking for a fair transparent product that can help them acquire the durable goods that they're looking for from high-quality merchants. And so we've been really intentional about building in some of those factors ourselves, engaging with merchant partners that have a lot of traffic and then helping to support approval rates and conversion down the funnel. And so we think that we have a whole lot of opportunity there to continue to expand on that strategy at the top of the funnel. Meanwhile, our team is working feverishly on improving everything down the funnel so that we can turn those into origination dollars.

Scott Christian Buck

H.C. Wainwright & Co, LLC, Research Division

Perfect. That's helpful. And then second, I know Nancy touched on it when talking about the guide, not including any kind of change in the competitive environment. But I'm curious what you're seeing from your competitors in terms of either moving up and down the credit ladder, or being a little more creative around pricing. I'm just kind of curious what the environment looks like from that perspective.

Derek Medlin

President & Chief Growth Officer

I can take that one as well. So from -- from a competitive set, we think about it in a couple of different ways. So first of all, up above us in financing spectrum, we've seen not any significant tightening up above us, other than what we saw in 2023. It's been fairly consistent. There does seem to be some variability in what you see in terms of the in-store experience versus online, but online has been quite stable. I do think that from a pricing and a market standpoint, the way that Katapult thinks of things is optimizing both for the risk, but also for conversion and repeat rate.

So with our clear communication with customers and then our strong affinity that we build, we can give unique pricing to each consumer to be able to convert at the highest rate possible as well as have a great outcome in terms of the customers' performance. And so we've really leaned into that to help drive more conversion for our merchant partners. And they are supportive of it, right? At the end of the day, they want to see monetization as many transactions as possible, but they want customers to come back again and again. And so from our standpoint, we think that's the winning play. We've invested in that in terms of our platform, within our communications and marketing strategy, and we're seeing the results. It's been exciting.

Operator

There are no further questions at this time. I would now like to turn the call over to Orlando Zayas for closing remarks. Please go ahead.

Orlando J. Zayas

CEO & Director

Thanks, operator, and thanks to everyone joining us today. We're really excited about the potential for our marketplace. And I believe that we are on the path of scaling our business both from a volume and profitability perspective. On behalf of the leadership team, I want to thank the Katapult team for their tireless efforts that are allowing us to turn our marketplace vision into reality for the benefit of everyone in the Katapult ecosystem. We look forward to chatting with our investors as the year progresses. Please reach out to Jennifer with any questions or feedback. Thank you again.

Operator

Ladies and gentlemen, this concludes today's call. Thank you all for joining, and you may now disconnect.

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