

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2025
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 001-34819



(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

95-4766827

(IRS Employer Identification No.)

1675 N. Freedom Blvd (200 West) Building 1

Provo, Utah 84604

(Address of principal executive offices, including zip code)

(626) 765-2000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Class A Common Stock, \$0.001 par value	GDOT	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer
Emerging growth company

Accelerated filer
Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were 55,422,413 shares of Class A common stock outstanding, par value \$0.001 per share as of October 31, 2025.

**GREEN DOT CORPORATION
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PART I

ITEM 1. Financial Statements

GREEN DOT CORPORATION
CONSOLIDATED BALANCE SHEETS

	September 30, 2025 (unaudited)	December 31, 2024
Assets		
(In thousands, except par value)		
Current assets:		
Unrestricted cash and cash equivalents	\$ 1,637,321	\$ 1,592,391
Restricted cash	44	44
Investment securities available-for-sale, at fair value	—	24,152
Settlement assets	718,189	616,172
Accounts receivable, net	145,822	132,007
Prepaid expenses and other assets	55,489	63,424
Income tax receivable	12,661	—
Total current assets	2,569,526	2,428,190
Investment securities available-for-sale, at fair value	2,326,288	2,008,650
Loans to bank customers, net of allowance for credit losses of \$21,988 and \$17,542 as of September 30, 2025 and December 31, 2024, respectively	37,139	31,961
Prepaid expenses and other assets	158,887	242,707
Property, equipment, and internal-use software, net	200,691	188,363
Operating lease right-of-use assets	2,896	10,823
Deferred expenses	813	1,242
Net deferred tax assets	90,509	124,405
Goodwill and intangible assets	380,451	397,941
Total assets	\$ 5,767,200	\$ 5,434,282
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 107,098	\$ 103,765
Deposits	4,215,340	4,010,520
Obligations to customers	247,221	236,616
Settlement obligations	53,171	48,482
Amounts due to card issuing banks for overdrawn accounts	—	84
Other accrued liabilities	159,133	87,675
Operating lease liabilities	1,424	2,416
Deferred revenue	4,775	6,279
Income tax payable	222	6,648
Total current liabilities	4,788,384	4,502,485
Other accrued liabilities	402	1,045
Operating lease liabilities	1,683	8,641
Notes payable	63,442	48,526
Total liabilities	4,853,911	4,560,697
Commitments and contingencies (Note 17)		
Stockholders' equity:		
Class A common stock, \$0.001 par value; 100,000 shares authorized as of September 30, 2025 and December 31, 2024; 55,421 and 54,227 shares issued and outstanding as of September 30, 2025 and December 31, 2024, respectively	56	55
Additional paid-in capital	421,866	408,010
Retained earnings	691,559	743,602
Accumulated other comprehensive loss	(200,192)	(278,082)
Total stockholders' equity	913,289	873,585
Total liabilities and stockholders' equity	\$ 5,767,200	\$ 5,434,282

See notes to unaudited consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands, except per share data)			
Operating revenues:				
Card revenues and other fees	\$ 393,063	\$ 310,372	\$ 1,150,240	\$ 878,002
Cash processing revenues	33,766	34,897	201,623	198,447
Interchange revenues	45,329	48,397	140,215	148,950
Interest income, net	22,668	16,077	65,798	43,453
Total operating revenues	<u>494,826</u>	<u>409,743</u>	<u>1,557,876</u>	<u>1,268,852</u>
Operating expenses:				
Sales and marketing expenses	48,243	52,626	158,090	167,948
Compensation and benefits expenses	63,411	61,795	193,472	189,967
Processing expenses	309,311	228,227	887,841	631,789
Other general and administrative expenses	86,790	70,027	257,258	295,193
Restructuring and other charges	19,902	—	19,902	—
Total operating expenses	<u>527,657</u>	<u>412,675</u>	<u>1,516,563</u>	<u>1,284,897</u>
Operating (loss) income	<u>(32,831)</u>	<u>(2,932)</u>	<u>41,313</u>	<u>(16,045)</u>
Interest expense, net	1,555	1,577	4,572	4,306
Other (expense), net	(1,338)	(3,705)	(101,733)	(10,045)
Loss before income taxes	<u>(35,724)</u>	<u>(8,214)</u>	<u>(64,992)</u>	<u>(30,396)</u>
Income tax (benefit) expense	(4,933)	(374)	(12,949)	1,409
Net loss	<u>\$ (30,791)</u>	<u>\$ (7,840)</u>	<u>\$ (52,043)</u>	<u>\$ (31,805)</u>
Basic loss per common share:	<u>\$ (0.56)</u>	<u>\$ (0.15)</u>	<u>\$ (0.95)</u>	<u>\$ (0.60)</u>
Diluted loss per common share	<u>\$ (0.56)</u>	<u>\$ (0.15)</u>	<u>\$ (0.95)</u>	<u>\$ (0.60)</u>
Basic weighted-average common shares issued and outstanding:	55,400	53,722	54,966	53,373
Diluted weighted-average common shares issued and outstanding:	55,400	53,722	54,966	53,373

See notes to unaudited consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AND LOSS
(UNAUDITED)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(In thousands)			
Net loss	\$ (30,791)	\$ (7,840)	\$ (52,043)	\$ (31,805)
Other comprehensive (loss) income				
Unrealized holding income, net of tax	18,098	62,175	59,286	79,910
Reclassification of losses realized in net income, net of tax	—	—	18,604	—
Comprehensive (loss) income	<u>\$ (12,693)</u>	<u>\$ 54,335</u>	<u>\$ 25,847</u>	<u>\$ 48,105</u>

See notes to unaudited consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

	Three Months Ended September 30, 2025					
	Class A Common Stock		Additional Paid- in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
	(In thousands)					
Balance at June 30, 2025	55,388	\$ 55	\$ 416,767	\$ 722,350	\$ (218,290)	\$ 920,882
Common stock issued under stock plans, net of withholdings and related tax effects	33	1	(161)	—	—	(160)
Stock-based compensation	—	—	5,260	—	—	5,260
Net loss	—	—	—	(30,791)	—	(30,791)
Other comprehensive income	—	—	—	—	18,098	18,098
Balance at September 30, 2025	55,421	\$ 56	\$ 421,866	\$ 691,559	\$ (200,192)	\$ 913,289

	Three Months Ended September 30, 2024					
	Class A Common Stock		Additional Paid- in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
	(In thousands)					
Balance at June 30, 2024	53,707	\$ 54	\$ 392,810	\$ 746,339	\$ (269,252)	\$ 869,951
Common stock issued under stock plans, net of withholdings and related tax effects	44	—	(228)	—	—	(228)
Stock-based compensation	—	—	8,187	—	—	8,187
Net loss	—	—	—	(7,840)	—	(7,840)
Other comprehensive income	—	—	—	—	62,175	62,175
Balance at September 30, 2024	53,751	\$ 54	\$ 400,769	\$ 738,499	\$ (207,077)	\$ 932,245

See notes to unaudited consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CONTINUED)
(UNAUDITED)

	Nine Months Ended September 30, 2025					
	Class A Common Stock		Additional Paid- in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
	(In thousands)					
Balance at December 31, 2024	54,227	\$ 55	\$ 408,010	\$ 743,602	\$ (278,082)	\$ 873,585
Common stock issued under stock plans, net of withholdings and related tax effects	1,194	1	(161)	—	—	(160)
Stock-based compensation	—	—	14,017	—	—	14,017
Net loss	—	—	—	(52,043)	—	(52,043)
Other comprehensive income	—	—	—	—	77,890	77,890
Balance at September 30, 2025	55,421	\$ 56	\$ 421,866	\$ 691,559	\$ (200,192)	\$ 913,289

	Nine Months Ended September 30, 2024					
	Class A Common Stock		Additional Paid- in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
	(In thousands)					
Balance at December 31, 2023	52,816	\$ 53	\$ 375,980	\$ 770,304	\$ (286,987)	\$ 859,350
Common stock issued under stock plans, net of withholdings and related tax effects	935	1	730	—	—	731
Stock-based compensation	—	—	24,059	—	—	24,059
Net loss	—	—	—	(31,805)	—	(31,805)
Other comprehensive income	—	—	—	—	79,910	79,910
Balance at September 30, 2024	53,751	\$ 54	\$ 400,769	\$ 738,499	\$ (207,077)	\$ 932,245

See notes to unaudited consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30,	
	2025	2024
(In thousands)		
Operating activities		
Net loss	\$ (52,043)	\$ (31,805)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization of property, equipment and internal-use software	47,530	47,732
Amortization of intangible assets	15,599	16,295
Provision for uncollectible overdrawn accounts from purchase transactions	11,247	15,509
Provision for loan losses	19,138	22,471
Stock-based compensation	14,017	24,059
Losses in equity method investments	81,901	11,931
Realized loss on available-for-sale investment securities	24,779	—
Amortization of discount on available-for-sale investment securities	(343)	(1,614)
Impairment of long-lived assets	2,023	4,944
Other	(4,384)	(1,810)
Changes in operating assets and liabilities:		
Accounts receivable, net	(25,062)	9,997
Prepaid expenses and other assets	10,847	16,024
Deferred expenses	429	320
Accounts payable and other accrued liabilities	76,311	(24,534)
Deferred revenue	(2,144)	157
Income tax receivable/payable	(18,650)	(4,803)
Other, net	(168)	(478)
Net cash provided by operating activities	<u>201,027</u>	<u>104,395</u>
Investing activities		
Purchases of available-for-sale investment securities	(1,083,583)	(11,845)
Proceeds from maturities of available-for-sale securities	146,355	154,682
Proceeds from sales and calls of available-for-sale securities	730,801	273
Payments for property, equipment and internal-use software	(58,696)	(52,168)
Net changes in loans	(20,315)	(24,366)
Investment in TailFin Labs, LLC	—	(35,000)
Proceeds from other investments	—	55,088
Other investing activities	(2,019)	(846)
Net cash (used in) provided by investing activities	<u>(287,457)</u>	<u>85,818</u>
Financing activities		
Borrowings on notes payable	14,860	44,551
Borrowings on revolving line of credit	—	238,000
Repayments on revolving line of credit	—	(299,000)
Proceeds from exercise of options and ESPP purchases	2,634	2,719
Taxes paid related to net share settlement of equity awards	(2,794)	(1,988)
Net changes in deposits	204,006	547,477
Net changes in settlement assets and obligations to customers	(86,723)	46,013
Deferred financing costs	(623)	(894)
Net cash provided by financing activities	<u>131,360</u>	<u>576,878</u>
Net increase in unrestricted cash, cash equivalents and restricted cash	44,930	767,091
Unrestricted cash, cash equivalents and restricted cash, beginning of period	1,592,435	686,502
Unrestricted cash, cash equivalents and restricted cash, end of period	<u>\$ 1,637,365</u>	<u>\$ 1,453,593</u>
Cash paid for interest	\$ 8,069	\$ 9,896
Cash paid for income taxes	\$ 5,516	\$ 6,003
Reconciliation of unrestricted cash, cash equivalents and restricted cash at end of period:		
Unrestricted cash and cash equivalents	\$ 1,637,321	\$ 1,453,549
Restricted cash	44	44
Total unrestricted cash, cash equivalents and restricted cash, end of period	<u>\$ 1,637,365</u>	<u>\$ 1,453,593</u>

See notes to unaudited consolidated financial statements

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1—Organization

Green Dot Corporation (“we,” “our,” or “us” refer to Green Dot Corporation and its consolidated subsidiaries) is a financial technology platform and registered bank holding company that builds banking and payment solutions to create value, retain and reward customers, and accelerate growth for businesses of all sizes. For more than two decades, we have delivered financial tools and services that address the most pressing financial needs of consumers and businesses, and that transform the way people and businesses manage and move money. Through Green Dot Bank, our wholly-owned subsidiary, we deliver a broad spectrum of financial products to consumers and businesses through our portfolio of brands, including debit, checking, credit, prepaid, and payroll cards, as well as robust money processing services, such as tax refunds, cash deposits and disbursements.

We were incorporated in Delaware in 1999 and became a bank holding company under the Bank Holding Company Act and Green Dot Bank became a member bank of the Federal Reserve System in December 2011.

Note 2—Summary of Significant Accounting Policies**Basis of Presentation**

The accompanying unaudited consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America, or GAAP. We consolidated our wholly-owned subsidiaries and eliminated all significant intercompany balances and transactions.

We have also prepared the accompanying unaudited consolidated financial statements in conformity with the instructions to Form 10-Q and Article 10 of Regulation S-X and, consequently, they do not include all of the annual disclosures required by GAAP. Reference is made to our Annual Report on Form 10-K for the year ended December 31, 2024 for additional disclosures, including a summary of our significant accounting policies. There have been no material changes to our previously disclosed significant accounting policies during the nine months ended September 30, 2025 except as disclosed in *Note 19 — Restructuring and Other Charges*. In our opinion, the accompanying unaudited consolidated financial statements contain all adjustments, consisting of normal and recurring items, necessary for the fair presentation of our financial position, results of operations and cash flows for the interim periods presented.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Future events and their effects cannot be predicted with certainty; accordingly, accounting estimates require the exercise of judgment. These financial statements were prepared using information reasonably available as of September 30, 2025 and through the date of this report. The accounting estimates used in the preparation of our consolidated financial statements may change as new events occur, as more experience is acquired, as additional information is obtained, and as our operating environment changes. Actual results may differ from these estimates due to a variety of factors, including those identified under Part II, Item 1A. "Risk Factors" in this report.

Recent Accounting Pronouncements*Recently adopted accounting pronouncements*

In December 2023, the Financial Standards Accounting Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09 "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*" to expand the disclosure requirements for income taxes, specifically related to the rate reconciliation and income taxes paid. ASU 2023-09 is effective for annual periods beginning January 1, 2025, with early adoption permitted. We adopted this standard on January 1, 2025, which will expand our disclosures beginning with our annual consolidated financial statements for the year ended December 31, 2025, but will not have an impact on our consolidated financial results.

Accounting pronouncements not yet adopted

In September 2025, the FASB issued ASU 2025-06 "*Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*," which amends the accounting for and disclosure of software costs. The new guidance is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted. This updated standard is to be applied using a prospective, modified transition, or retrospective application. We are currently evaluating the potential effect that the updated standard will have on our consolidated financial statement and disclosures.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 2—Summary of Significant Accounting Policies (continued)

In November 2024, the FASB issued ASU 2024-03 "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," which requires disclosures about specific types of expenses included in the expense captions presented on the consolidated statement of operations, as well as disclosures about selling expenses. The new guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. This updated standard is to be applied prospectively with the option for retrospective application. We are currently evaluating the potential effect that the updated standard will have on our consolidated financial statement disclosures.

Note 3—Revenues

As discussed in Note 20 — Segment Information, we determine our operating segments based on how our chief operating decision maker manages our operations, makes operating decisions and evaluates operating performance. Within our segments, we believe that the nature, amount, timing and uncertainty of our revenue and cash flows and how they are affected by economic factors can be further illustrated based on the timing in which revenue for each of our products and services is recognized. Our products and services are only offered to customers within the United States and certain U.S. territories. The following tables disaggregate our revenues earned from external customers by each of our reportable segments:

	Three Months Ended September 30, 2025			
	B2B Services	Consumer Services	Money Movement Services	Total
Timing of recognition	(In thousands)			
Transferred point in time	\$ 41,384	\$ 66,081	\$ 32,184	\$ 139,649
Transferred over time	311,402	20,296	811	332,509
Operating revenues ⁽¹⁾	<u>\$ 352,786</u>	<u>\$ 86,377</u>	<u>\$ 32,995</u>	<u>\$ 472,158</u>

	Three Months Ended September 30, 2024			
	B2B Services	Consumer Services	Money Movement Services	Total
Timing of recognition	(In thousands)			
Transferred point in time	\$ 38,617	\$ 70,325	\$ 33,965	\$ 142,907
Transferred over time	224,647	25,251	861	250,759
Operating revenues ⁽¹⁾	<u>\$ 263,264</u>	<u>\$ 95,576</u>	<u>\$ 34,826</u>	<u>\$ 393,666</u>

	Nine Months Ended September 30, 2025			
	B2B Services	Consumer Services	Money Movement Services	Total
Timing of recognition	(In thousands)			
Transferred point in time	\$ 117,509	\$ 203,509	\$ 197,814	\$ 518,832
Transferred over time	903,662	67,156	2,428	973,246
Operating revenues ⁽¹⁾	<u>\$ 1,021,171</u>	<u>\$ 270,665</u>	<u>\$ 200,242</u>	<u>\$ 1,492,078</u>

	Nine Months Ended September 30, 2024			
	B2B Services	Consumer Services	Money Movement Services	Total
Timing of recognition	(In thousands)			
Transferred point in time	\$ 108,369	\$ 210,797	\$ 195,914	\$ 515,080
Transferred over time	631,067	76,837	2,415	710,319
Operating revenues ⁽¹⁾	<u>\$ 739,436</u>	<u>\$ 287,634</u>	<u>\$ 198,329</u>	<u>\$ 1,225,399</u>

(1) Excludes net interest income, a component of total operating revenues, as it is outside the scope of ASC 606, *Revenues*. Also excludes the effects of inter-segment revenues.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 3—Revenues (continued)

Revenues recognized at a point in time are comprised of interchange fees, ATM fees, overdraft protection fees, other similar accountholder transaction-based fees, and substantially all of our cash processing revenues. Revenues recognized over time consists of new card fees, monthly maintenance fees, revenue earned from gift cards and substantially all BaaS (as defined herein) partner program management service fees.

As presented on our consolidated balance sheets, we record deferred revenue for any upfront payments received in advance of our performance obligations being satisfied. These contract liabilities consist principally of unearned new card fees and monthly maintenance fees. We recognized approximately \$0.1 million and \$0.2 million in revenue for the three months ended September 30, 2025 and 2024, respectively, and \$2.9 million and \$3.7 million for the nine months ended September 30, 2025 and 2024, respectively, that were included in deferred revenue at the beginning of the respective periods and did not recognize any revenue during these periods from performance obligations satisfied in previous periods. Substantially all of the deferred revenue balances at the beginning of the respective periods are recognized in the first half of each year. Changes in the deferred revenue balance are driven primarily by the amount of new card fees recognized during the period, and the degree to which these reductions to the deferred revenue balance are offset by the deferral of new card fees associated with cards sold during the period.

Note 4—Investment Securities

Our available-for-sale investment securities were as follows:

	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
	(In thousands)			
September 30, 2025				
Agency bond securities	\$ 179,226	\$ —	\$ (23,519)	\$ 155,707
Agency mortgage-backed securities	2,053,068	369	(226,568)	1,826,869
Municipal bonds	28,460	—	(5,808)	22,652
Asset-backed securities	322,019	62	(1,021)	321,060
Total investment securities	<u>\$ 2,582,773</u>	<u>\$ 431</u>	<u>\$ (256,916)</u>	<u>\$ 2,326,288</u>
December 31, 2024				
Corporate bonds	\$ 10,000	\$ —	\$ (110)	\$ 9,890
Agency bond securities	240,628	—	(38,132)	202,496
Agency mortgage-backed securities	2,121,037	3	(323,467)	1,797,573
Municipal bonds	29,116	—	(6,273)	22,843
Total investment securities	<u>\$ 2,400,781</u>	<u>\$ 3</u>	<u>\$ (367,982)</u>	<u>\$ 2,032,802</u>

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 4—Investment Securities (continued)

As of September 30, 2025 and December 31, 2024, the gross unrealized losses and fair values of available-for-sale investment securities that were in unrealized loss positions were as follows:

	Less than 12 months		12 months or more		Total fair value	Total unrealized loss
	Fair value	Unrealized loss	Fair value	Unrealized loss		
(In thousands)						
September 30, 2025						
Agency bond securities	\$ —	\$ —	\$ 155,707	\$ (23,519)	\$ 155,707	\$ (23,519)
Agency mortgage-backed securities	628,288	(2,788)	1,071,713	(223,780)	1,700,001	(226,568)
Municipal bonds	—	—	22,652	(5,808)	22,652	(5,808)
Asset-backed securities	285,216	(1,021)	—	—	285,216	(1,021)
Total investment securities	\$ 913,504	\$ (3,809)	\$ 1,250,072	\$ (253,107)	\$ 2,163,576	\$ (256,916)
December 31, 2024						
Corporate bonds	\$ —	\$ —	\$ 9,890	\$ (110)	\$ 9,890	\$ (110)
Agency bond securities	—	—	202,496	(38,132)	202,496	(38,132)
Agency mortgage-backed securities	15,311	(937)	1,781,301	(322,530)	1,796,612	(323,467)
Municipal bonds	—	—	22,843	(6,273)	22,843	(6,273)
Total investment securities	\$ 15,311	\$ (937)	\$ 2,016,530	\$ (367,045)	\$ 2,031,841	\$ (367,982)

Our investments generally consist of highly rated securities, substantially all of which are directly or indirectly backed by the U.S. federal government, as our investment policy restricts our investments to highly liquid, low credit risk assets. As such, we have not recorded any credit-related impairment loss during the three and nine months ended September 30, 2025 or 2024 on our available-for-sale investment securities. Unrealized losses as of September 30, 2025 and December 31, 2024 are the result of increases in interest rates relative to when they were purchased as our investment portfolio is comprised predominantly of fixed rate securities. Substantially all of the underlying securities within our investment portfolio were in an unrealized loss position as of September 30, 2025 and December 31, 2024 due to the timing of our investment purchases, as a significant portion of our investments were purchased prior to increases in interest rates by the Federal Reserve, and general volatility in market conditions.

Except as disclosed below, we do not currently intend to sell our remaining investments, and we have determined that it is more likely than not that we will not be required to sell our investments before recovery of their amortized cost bases, which may be at maturity.

In April 2025, we sold certain available-for-sale securities in order to reposition the proceeds into higher yielding assets. As a result, we recorded a realized loss of \$24.8 million upon final settlement of the securities sold. Realized losses are reflected as a component of other expense, net on our consolidated statement of operations for the nine months ended September 30, 2025.

As of September 30, 2025, the contractual maturities of our available-for-sale investment securities were as follows:

	Amortized cost	Fair value
(In thousands)		
Due after one year through five years	\$ 90,496	\$ 81,270
Due after five years through ten years	63,730	55,202
Due after ten years	53,460	41,887
Mortgage and asset-backed securities	2,375,087	2,147,929
Total investment securities	\$ 2,582,773	\$ 2,326,288

The expected payments on mortgage-backed and asset-backed securities may not coincide with their contractual maturities because the issuers have the right to call or prepay certain obligations. See *Note 2 — Summary of Significant Accounting Policies*.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 5—Accounts Receivable

Accounts receivable, net consisted of the following:

	September 30, 2025	December 31, 2024
	(In thousands)	
Trade receivables	\$ 49,277	\$ 35,426
Reserve for uncollectible trade receivables	(43)	—
Net trade receivables	49,234	35,426
Overdrawn accountholder balances from purchase transactions	5,174	5,827
Reserve for uncollectible overdrawn accounts from purchase transactions	(1,268)	(1,741)
Net overdrawn accountholder balances from purchase transactions	3,906	4,086
Accountholder fees	2,467	2,413
Receivables due from card issuing banks	1,788	1,757
Fee advances, net	9,132	46,588
Other receivables	79,295	41,737
Accounts receivable, net	\$ 145,822	\$ 132,007

Included within "other receivables" above is \$40 million related to the settlement of a class-action lawsuit. See *Note 17—Commitments and Contingencies* for further information.

Activity in the reserve for uncollectible overdrawn accounts from purchase transactions consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)			
Balance, beginning of period	\$ 1,957	\$ 2,737	\$ 1,741	\$ 5,281
Provision for uncollectible overdrawn accounts from purchase transactions	4,637	4,248	11,247	15,509
Charge-offs	(5,326)	(4,496)	(11,720)	(18,301)
Balance, end of period	\$ 1,268	\$ 2,489	\$ 1,268	\$ 2,489

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 6—Loans to Bank Customers

The following table presents total outstanding loans, gross of the related allowance for credit losses, and a summary of the related payment status:

	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due	Total Past Due	Total Current or Less Than 30 Days Past Due	Total Outstanding
(In thousands)						
September 30, 2025						
Residential	\$ —	\$ —	\$ —	\$ —	\$ 7,630	\$ 7,630
Commercial	—	—	—	—	2,645	2,645
Installment	—	—	—	—	5,956	5,956
Consumer	1,918	—	—	1,918	29,925	31,843
Secured credit card	585	700	2,025	3,310	7,743	11,053
Total loans	<u>\$ 2,503</u>	<u>\$ 700</u>	<u>\$ 2,025</u>	<u>\$ 5,228</u>	<u>\$ 53,899</u>	<u>\$ 59,127</u>
Percentage of outstanding	4.2 %	1.2 %	3.4 %	8.8 %	91.2 %	100.0 %
December 31, 2024						
Residential	\$ 1	\$ —	\$ —	\$ 1	\$ 6,874	\$ 6,875
Commercial	—	—	—	—	2,585	2,585
Installment	—	933	—	933	4,506	5,439
Consumer	1,668	—	—	1,668	23,868	25,536
Secured credit card	700	700	2,536	3,936	5,132	9,068
Total loans	<u>\$ 2,369</u>	<u>\$ 1,633</u>	<u>\$ 2,536</u>	<u>\$ 6,538</u>	<u>\$ 42,965</u>	<u>\$ 49,503</u>
Percentage of outstanding	4.8 %	3.3 %	5.1 %	13.2 %	86.8 %	100.0 %

We offer an optional overdraft protection program service on certain demand deposit account programs that allows customers who opt-in and meet certain criteria to spend up to a pre-authorized amount in excess of their available account balance. When overdrawn, the purchase related balances due on these deposit accounts are reclassified as consumer loans. Fees due from our accountholders for our overdraft service are included as a component of accounts receivable. Overdrawn balances are unsecured and considered immediately due from the customer. Also included in consumer loans are advances made to taxpayers under our tax advance program. These loan balances generally fluctuate over the first half of each year due to the seasonal nature of these advances.

The portion of our secured credit card portfolio that was previously classified as loans held for sale was reclassified to loans to bank customers on our consolidated balance sheet as of September 30, 2025 based on changes in management's intention. These secured card balances, which amounted to approximately \$3.4 million upon transfer, were previously included in the long-term portion of prepaid and other assets. As of December 31, 2024, the fair value of the loans held for sale amounted to approximately \$3.8 million.

Nonperforming Loans

The following table presents the carrying value, gross of the related allowance for credit losses, of our nonperforming loans. See *Note 2 — Summary of Significant Accounting Policies* to the Consolidated Financial Statements of our Annual Report on Form 10-K for the year ended December 31, 2024 for further information on the criteria for classification as nonperforming.

	September 30, 2025	December 31, 2024
(In thousands)		
Residential	\$ 21	\$ 34
Secured credit card	2,025	2,536
Total loans	<u>\$ 2,046</u>	<u>\$ 2,570</u>

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 6—Loans to Bank Customers (continued)
Credit Quality Indicators

We closely monitor and assess the credit quality and credit risk of our loan portfolio on an ongoing basis. We continuously review and update loan risk classifications. We evaluate our loans using non-classified or classified as the primary credit quality indicator. Classified loans include those designated as substandard, doubtful, or loss, consistent with regulatory guidelines. Secured credit card loans are considered classified if they are greater than 90 days past due. However, our secured credit card portfolio is collateralized by cash deposits made by each accountholder in an amount equal to the user's available credit limit, which mitigates the risk of any significant credit losses we expect to incur.

The table below presents the carrying value, gross of the related allowance for credit losses, of our loans within the primary credit quality indicators related to our loan portfolio:

	September 30, 2025		December 31, 2024	
	Non-Classified	Classified	Non-Classified	Classified
	(In thousands)			
Residential	\$ 7,609	\$ 21	\$ 6,841	\$ 34
Commercial	2,645	—	2,585	—
Installment	5,956	—	5,439	—
Consumer	31,843	—	25,536	—
Secured credit card	9,028	2,025	6,532	2,536
Total loans	\$ 57,081	\$ 2,046	\$ 46,933	\$ 2,570

Allowance for Credit Losses

Activity in the allowance for credit losses on our loan portfolio consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)			
Balance, beginning of period	\$ 22,404	\$ 17,360	\$ 17,542	\$ 11,383
Provision for loans	4,054	5,724	19,138	22,471
Loans charged off	(4,485)	(5,340)	(14,772)	(16,240)
Recoveries of loans previously charged off	15	34	80	164
Balance, end of period	\$ 21,988	\$ 17,778	\$ 21,988	\$ 17,778

Note 7—Equity Method Investments

On January 2, 2020, we effectuated our agreement with Walmart to jointly establish a new fintech accelerator under the name TailFin Labs, LLC ("TailFin"), with a mission to develop innovative products, services and technologies that sit at the intersection of retail shopping and consumer financial services. The entity is majority-owned by Walmart and was formed with a focus on developing tech-enabled solutions to integrate omni-channel retail shopping and financial services. We hold a 20% ownership interest in the entity, in exchange for annual capital contributions of \$35.0 million per year that were made from January 2020 through January 2024. Our final payment under this commitment was made in January 2024.

We account for our investment in TailFin under the equity method of accounting in accordance with ASC 323, Investments – Equity Method and Joint Ventures. Under the equity method of accounting, the initial investment is recorded at cost and the investment is subsequently adjusted for, among other things, its proportionate share of earnings or losses. However, given the capital structure of the TailFin arrangement, we apply the Hypothetical Liquidation Book Value ("HLBV") method to determine the allocation of profits and losses since our liquidation rights and priorities, as defined by the agreement, differ from our underlying ownership interest. The HLBV method calculates the proceeds that would be attributable to each partner in an investment based on the liquidation provisions of the agreement if the partnership was to be liquidated at book value as of the balance sheet date. Each partner's allocation of income or loss in the period is equal to the change in the amount of net equity they are legally able to claim based on a hypothetical liquidation of the entity at the end of a reporting period compared to the

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 7—Equity Method Investments (continued)

beginning of that period, adjusted for any capital transactions. Based on the terms of the agreement and under the HLBV method, we are entitled to 20% of any net profits, but assume 100% of any net losses.

Since inception, TailFin has incurred operating expenses, but has not generated any operating revenues to date. Use of capital has been primarily allocated to marketing of Walmart's deposit account program and for employee salaries and other professional services focused on developing TailFin's project initiatives. While TailFin's overall objectives have remained unchanged, it is uncertain whether any new products or services will be successfully introduced through the venture. Any future economic benefits derived from products or services developed by TailFin will be negotiated on a case-by-case basis between the parties.

As of September 30, 2025 and December 31, 2024, our net investment in TailFin amounted to approximately \$46.7 million and \$128.4 million, respectively, and is included in the long-term portion of prepaid expenses and other assets on our consolidated balance sheets. Under the HLBV method and based on the terms of the agreement, we recorded equity in losses attributable to TailFin of approximately \$3.2 million and \$4.4 million for the three months ended September 30, 2025 and 2024, respectively, and \$81.7 million and \$12.3 million for the nine months ended September 30, 2025 and 2024, respectively. Our equity in losses for the nine months ended September 30, 2025 reflect the \$70 million incentive payment described below. These amounts are recorded as a component of other expense, net on our consolidated statements of operations.

In April 2025, we entered into an amendment which provides for us to continue serving as the issuing bank and program manager for the Walmart MoneyCard suite of reloadable debit card products, and entered into additional amendments pursuant to which we distribute our various products and services, including certain Green Dot-branded products and reload services through the Green Dot Network, at Walmart stores (collectively, the "Agreements"). The amended term of the Agreements expires on January 31, 2033, subject to an automatic one-year renewal provision under the terms of the arrangements. In consideration of the amended Agreements, we and the assignee of Walmart Inc. and its subsidiary parties, RNBW Ventures Inc., ("RNBW"), agreed to cause TailFin to pay RNBW a one-time, non-refundable incentive payment in the amount of \$70 million, which we recorded as a component of equity in losses attributable to TailFin during the second quarter of 2025 under our HLBV method of accounting.

The following table presents summarized financial information of TailFin's statements of operations.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)			
Interest income	\$ 482	\$ 1,676	\$ 2,531	\$ 4,823
Sales and marketing expenses	(2,217)	(2,296)	(6,911)	(8,280)
Compensation and professional services	(1,356)	(3,804)	(7,220)	(8,882)
Other	(100)	—	(100)	—
Net loss	(3,191)	(4,424)	(11,700)	(12,339)
Investor HLBV basis adjustment ⁽¹⁾	—	—	(70,000)	—
Equity in losses attributable to TailFin	\$ (3,191)	\$ (4,424)	\$ (81,700)	\$ (12,339)

(1) The incentive payment of \$70 million has been recorded as a deferred asset on TailFin's balance sheet and will be amortized over the revised term of the Agreements through 2033. Under the HLBV method and based on the terms of the agreement, we expensed the amount upon payment.

Other equity method investments

Our equity method investments also include an investment held by our bank, which amounted to \$3.1 million and \$3.2 million, respectively, as of September 30, 2025 and December 31, 2024. Equity in earnings from this investment for the three and nine months ended September 30, 2025 and 2024 were not significant.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 8—Deposits

Deposits are categorized as non-interest bearing or interest-bearing deposit accounts as follows:

	September 30, 2025	December 31, 2024
	(In thousands)	
Non-interest bearing deposit accounts	\$ 4,078,590	\$ 3,905,603
Interest-bearing deposit accounts		
Checking accounts	121,619	89,256
Savings	6,227	6,270
Secured card deposits	3,044	3,659
Time deposits, denominations greater than or equal to \$250	3,670	2,132
Time deposits, denominations less than \$250	2,190	3,600
Total interest-bearing deposit accounts	136,750	104,917
Total deposits	\$ 4,215,340	\$ 4,010,520

The scheduled contractual maturities for total time deposits are presented in the table below:

	September 30, 2025
	(In thousands)
Due in 2025	\$ 1,219
Due in 2026	1,239
Due in 2027	1,848
Due in 2028	746
Due in 2029	692
Thereafter	116
Total time deposits	\$ 5,860

Note 9—Debt
Senior Unsecured Notes

In 2024 and 2025, we issued and sold senior unsecured notes (the "Notes") in an aggregate principal amount of \$65 million. The Notes have a five-year term, maturing September 15, 2029. The principal amounts bear interest at a fixed rate of 8.75% per annum, payable semi-annually in arrears.

Prior to March 15, 2029, we may redeem at our option, the Notes in whole or in part at any time at a redemption price equal to 100% of the outstanding principal amount to be redeemed, together with accrued but unpaid interest thereon, plus a make-whole amount. On and after March 15, 2029, we may redeem the Notes at 100% of the principal amount, plus accrued and unpaid interest thereon.

The Notes are unsecured, senior obligations and are not guaranteed by any of our subsidiaries. The Notes are junior in right of payment to existing and future secured indebtedness. As of September 30, 2025, we were in compliance with all affirmative and negative non-financial covenants thereunder. The net proceeds of the offering were used to repay outstanding indebtedness under our revolving credit facility discussed below, and for general corporate purposes.

The following table provides the outstanding long-term debt balance, at amortized cost:

	September 30, 2025	December 31, 2024
	(In thousands)	
Senior unsecured notes	\$ 65,000	\$ 50,000
Less: Unamortized discount and issuance costs	(1,558)	(1,474)
Notes payable, net of unamortized discount and issuance costs	\$ 63,442	\$ 48,526

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 9—Debt (continued)
2025 Revolving Facility

In February 2025, we entered into a new revolving line of credit agreement with a financial institution up to a maximum principal amount of \$20 million, subject to borrowing base limitations defined under the terms of the agreement. The line of credit matures in August 2026 and will bear interest at variable market rates, but subject to a minimum rate of 6.0% per annum. Interest payments are due monthly, and accrue based on the then-outstanding principal balance. We had no outstanding balance as of September 30, 2025.

2019 Revolving Facility

In October 2019, we entered into a secured credit agreement with Wells Fargo Bank, National Association, and other lenders party thereto. The credit agreement provided for a \$100.0 million five-year revolving line of credit (the "2019 Revolving Facility"), which matured in October 2024. In September 2024, the then-outstanding balance on the 2019 Revolving Facility was repaid in full, and the 2019 Revolving Facility terminated at its maturity date.

We incurred total cash interest expense on our debt of approximately \$1.4 million and \$1.5 million during the three months ended September 30, 2025 and 2024, respectively, and \$4.1 million and \$4.2 million during the nine months ended September 30, 2025 and 2024, respectively.

Note 10—Income Taxes

Our income tax benefit for the nine months ended September 30, 2025 and income tax expense for the nine months ended September 30, 2024 differs from the amount computed by applying the statutory federal income tax rate to income before income taxes. The sources and tax effects of the differences are as follows:

	Nine Months Ended September 30,	
	2025	2024
U.S. federal statutory tax rate	21.0 %	21.0 %
State income taxes, net of federal tax benefit	4.2	6.1
Foreign tax rate differential	(1.5)	1.4
General business credits	0.9	11.6
IRC 162(m) limitation	0.6	3.8
Stock-based compensation	(2.4)	(10.0)
Bank-owned life insurance income	1.5	2.8
Bank-owned life insurance surrender	—	(7.4)
Nondeductible expenses and penalties	(0.2)	(32.3)
Global intangible low-tax income tax	—	(1.5)
Change in valuation allowance	(4.1)	—
Other	(0.1)	(0.1)
Effective tax rate	<u>19.9 %</u>	<u>(4.6)%</u>

The effective tax rate for the nine months ended September 30, 2025 and 2024 differs from the statutory federal income tax rate of 21%, primarily due to state income taxes, net of federal tax benefits, general business credits, stock-based compensation, and the Internal Revenue Code (the "IRC") 162(m) limitation on the deductibility of executive compensation. The net increase in the effective tax rate for the nine months ended September 30, 2025 from the prior year comparable period was due to several factors, including an increase of \$0.8 million in the amount of compensation expense that was subject to the IRC 162(m) limitation on the deductibility of certain executive compensation, an increase of \$2.6 million in the valuation allowance on the deferred tax assets of our China subsidiary, a lower tax rate benefit due to a decrease of \$1.0 million in general business credits, and a lower tax rate benefit from the cash surrender value in bank-owned life insurance policies. These increases were partially offset by a decrease of \$1.2 million decrease in tax expense associated with shortfalls from stock-based compensation, a decrease of \$0.9 million in state income taxes expense, net of federal benefits, a decrease of \$9.7 million in tax expense from nondeductible expenses and penalties primarily related to the tax effect associated with the civil money penalty we incurred in 2024 for our Consent Order received from the Federal Reserve Board, and a decrease of \$2.3 million related to bank-owned life insurance surrender penalties we incurred in connection with the surrender and restructuring of our existing bank-owned life insurance policies we completed in 2024.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 10—Income Taxes (continued)

We have made a policy election to account for Global Intangible Low-Taxed Income ("GILTI") in the year the GILTI tax is incurred. For the nine months ended September 30, 2025 and 2024, the provision for GILTI tax expense was not material to our financial statements.

On July 4, 2025, H.R. 1, commonly referred to as the "One Big Beautiful Bill Act" ("OBBBA") was signed into law, enacting significant changes to the U.S. federal tax code with various effective dates from 2025 to 2027. The OBBBA introduced several provisions that may affect our future financial results, including an elective deduction for domestic research expenditures, reinstatement of elective 100% first-year bonus depreciation, and modifications to GILTI, among other provisions. A quantitative estimate of the specific financial effects cannot be reasonably determined at this time due to the complexity of the changes in the tax reform. The impact of the tax provisions contained in the OBBBA will depend on our facts in each year and anticipated guidance from the U.S. Department of the Treasury. We are currently evaluating the impact of these tax law changes on our effective tax rate and deferred tax assets in 2025 and future periods. We will continue to monitor additional guidance as it becomes available and reflect the impact in future periods as appropriate.

We establish a valuation allowance when we consider it more-likely-than-not that some portion or all of the deferred tax assets will not be realized. As of September 30, 2025, we have a valuation allowance recorded against a portion of our unrealized loss on equity securities as we believe it is more-likely-than-not that the tax benefits related to this portion of the loss will not be realized. In addition, during the current period ended September 30, 2025, we recorded an increase in the valuation allowance related to the deferred tax assets of our China subsidiary. As a result of our plan to exit our operational activities in China, we determined that it is no longer more-likely-than-not that its net operating loss carryforwards and other related tax attributes will be realized. As of September 30, 2024, we did not have a valuation allowance on any of our deferred tax assets as we believed it was more-likely-than-not that we would realize the benefits of our deferred tax assets.

We are subject to examination by the Internal Revenue Service (the "IRS"), and various state tax authorities. We remain subject to examination of our federal income tax returns for the years ended December 31, 2017 through 2024. We generally remain subject to examination of our various state income tax returns for a period of four to five years from the respective dates that the returns were filed. The IRS initiated an examination of our 2017 U.S. federal tax return during the second quarter ended June 30, 2020. In October 2025, we reached a tentative settlement agreement with the IRS related to the examination of our 2017 U.S. federal tax return. As of the issuance of these financial statements, the IRS has not provided their formal settlement agreement, but we expect to receive it by December 31, 2025. The net impact of the settlement agreement will be recognized in the fourth quarter of 2025 and we do not expect that this settlement will have a material impact on our consolidated financial statements.

As of September 30, 2025, we had federal net operating loss carryforwards of approximately \$11.1 million, state net operating loss carryforwards of approximately \$120.1 million, and capital loss carryforwards of approximately \$0.1 million which will be available to offset future income. If not used, the federal net operating losses will expire between 2030 and 2034. Of our total state net operating loss carryforwards, approximately \$62.6 million will expire between 2028 and 2044, while the remaining balance of approximately \$57.5 million does not expire and carries forward indefinitely. The capital loss carryforwards will expire in 2028. The net operating losses are subject to an annual IRC Section 382 limitation, which restricts their utilization against taxable income in future periods. In addition, we have state business tax credits of approximately \$22.7 million that can be carried forward indefinitely and other state business tax credits of approximately \$0.3 million that will begin expiring on December 31, 2025 and continue to expire through December 31, 2027.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 10—Income Taxes (continued)

As of September 30, 2025 and December 31, 2024, we had a liability of \$13.5 million and \$12.5 million, respectively, for unrecognized tax benefits related to various federal and state income tax matters excluding interest, penalties and related tax benefits. The reconciliation of the beginning unrecognized tax benefits balance to the ending balance is as follows:

	Nine Months Ended September 30,	
	2025	2024
	(In thousands)	
Beginning balance	\$ 12,541	\$ 12,109
Increases related to positions taken during the current year	966	1,380
Decreases related to positions settled with tax authorities	—	(86)
Ending balance	<u>\$ 13,507</u>	<u>\$ 13,403</u>
The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate	\$ 12,922	\$ 12,884

As of September 30, 2025 and 2024, we recognized accrued interest and penalties related to unrecognized tax benefits of approximately \$2.2 million and \$1.8 million, respectively.

Note 11—Stockholders' Equity
Stock Repurchase Program

In February 2022, our Board of Directors authorized a \$100 million increase to our stock repurchase program. As of September 30, 2025, we had an authorized \$4.5 million remaining under our stock repurchase program for additional repurchases. There were no repurchases during the nine months ended September 30, 2025.

Note 12—Stock-Based Compensation

We currently grant restricted stock unit awards to employees, directors and non-employee consultants under our 2010 Equity Incentive Plan and from time to time may also grant stock option awards. Through our 2010 Employee Stock Purchase Plan, employees are also able to purchase shares of our Class A common stock at a discount through payroll deductions. We have reserved shares of our Class A common stock for issuance under these plans. The total stock-based compensation expense recognized was \$5.3 million and \$8.2 million for the three months ended September 30, 2025 and 2024, respectively, and \$14.0 million and \$24.1 million for the nine months ended September 30, 2025 and 2024, respectively.

Restricted Stock Units

Restricted stock unit activity for awards subject to only service conditions was as follows for the nine months ended September 30, 2025:

	Shares	Weighted-Average Grant- Date Fair Value
	(In thousands, except per share data)	
Outstanding at December 31, 2024	3,077	\$ 12.23
Restricted stock units granted	2,549	8.00
Restricted stock units vested	(1,229)	14.06
Restricted stock units canceled	(485)	10.84
Outstanding at September 30, 2025	<u>3,912</u>	<u>\$ 9.07</u>

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 12—Stock-Based Compensation (continued)
Performance-Based Restricted Stock Units

Performance-based restricted stock unit activity for the nine months ended September 30, 2025 was as follows:

	Shares	Weighted-Average Grant- Date Fair Value
	(In thousands, except per share data)	
Outstanding at December 31, 2024	1,569	\$ 12.73
Performance restricted stock units granted	111	7.83
Performance restricted stock units canceled	(936)	12.58
Outstanding at September 30, 2025	<u>744</u>	<u>\$ 12.18</u>

We grant performance-based restricted stock units to certain employees that are subject to the attainment of pre-established internal performance conditions, market conditions, or a combination thereof (collectively referred to herein as "performance-based restricted stock units"). The actual number of shares subject to the award is determined at the end of the performance period and may range from 0% to 200% of the target shares granted depending upon the terms of the award. Compensation expense related to these awards is recognized using the accelerated attribution method over the vesting period based on the grant date fair value of the award.

Note 13—Loss per Common Share

The calculation of basic and diluted loss per share ("EPS") was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands, except per share data)			
Basic loss per Class A common share				
Numerator:				
Net loss	\$ (30,791)	\$ (7,840)	\$ (52,043)	\$ (31,805)
Denominator:				
Weighted-average Class A shares issued and outstanding	55,400	53,722	54,966	53,373
Basic loss per Class A common share	<u>\$ (0.56)</u>	<u>\$ (0.15)</u>	<u>\$ (0.95)</u>	<u>\$ (0.60)</u>
Diluted loss per Class A common share				
Numerator:				
Net loss allocated to Class A common stockholders	\$ (30,791)	\$ (7,840)	\$ (52,043)	\$ (31,805)
Denominator:				
Weighted-average Class A shares issued and outstanding	55,400	53,722	54,966	53,373
Dilutive potential common shares:				
Service-based restricted stock units	—	—	—	—
Performance-based restricted stock units	—	—	—	—
Employee stock purchase plan	—	—	—	—
Diluted weighted-average Class A shares issued and outstanding	55,400	53,722	54,966	53,373
Diluted loss per Class A common share	<u>\$ (0.56)</u>	<u>\$ (0.15)</u>	<u>\$ (0.95)</u>	<u>\$ (0.60)</u>

As a result of our net losses for the three and nine months ended September 30, 2025 and 2024, the dilutive impacts of certain potential common shares were excluded from our dilutive weighted-average shares since their inclusion would have been anti-dilutive.

For the periods presented, we also excluded certain restricted stock units and stock options outstanding, which could potentially dilute basic EPS in the future, from the computation of diluted EPS as their effect was anti-dilutive under the treasury stock method. Additionally, we have excluded any performance-based restricted stock units where the performance contingency has not been met as of the end of the period, or whereby the result of including such awards was anti-dilutive.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 13—Loss per Common Share (continued)

The following table shows the weighted-average number of anti-dilutive shares excluded from the diluted EPS calculation:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(In thousands)				
Class A common stock				
Options to purchase Class A common stock	—	1,000	—	1,005
Service-based restricted stock units	31	829	314	1,020
Performance-based restricted stock units	628	—	628	41
Total	659	1,829	942	2,066

Note 14—Fair Value Measurements

Under applicable accounting guidance, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

We determine the fair values of our financial instruments based on the fair value hierarchy established under applicable accounting guidance, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs used to measure fair value.

For more information regarding the fair value hierarchy and how we measure fair value, see *Note 2—Summary of Significant Accounting Policies* to the Consolidated Financial Statements of our Annual Report on Form 10-K for the year ended December 31, 2024.

As of September 30, 2025 and December 31, 2024, our assets carried at fair value on a recurring basis were as follows:

	Level 1	Level 2	Level 3	Total Fair Value
	(In thousands)			
September 30, 2025				
Assets				
Investment securities:				
Agency bond securities	\$ —	\$ 155,707	\$ —	\$ 155,707
Agency mortgage-backed securities	—	1,826,869	—	1,826,869
Municipal bonds	—	22,652	—	22,652
Asset-backed securities	—	321,060	—	321,060
Total assets	\$ —	\$ 2,326,288	\$ —	\$ 2,326,288
December 31, 2024				
Assets				
Investment securities:				
Corporate bonds	\$ —	\$ 9,890	\$ —	\$ 9,890
Agency bond securities	—	202,496	—	202,496
Agency mortgage-backed securities	—	1,797,573	—	1,797,573
Municipal bonds	—	22,843	—	22,843
Loans held for sale	—	—	3,849	3,849
Total assets	\$ —	\$ 2,032,802	\$ 3,849	\$ 2,036,651

We based the fair value of our fixed income securities held as of September 30, 2025 and December 31, 2024 on quoted prices in active markets for similar assets. We had no transfers between Level 1, Level 2 or Level 3 assets or liabilities during the three and nine months ended September 30, 2025 or 2024.

A reconciliation of changes in fair value for Level 3 assets or liabilities are not considered material to these consolidated financial statements and therefore are not presented for any of the periods presented.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 15—Fair Value of Financial Instruments

The following describes the valuation technique for determining the fair value of financial instruments, whether or not such instruments are carried at fair value on our consolidated balance sheets.

Short-term Financial Instruments

Our short-term financial instruments consist principally of unrestricted and restricted cash and cash equivalents, settlement assets and obligations, and obligations to customers. These financial instruments are short-term in nature, and, accordingly, we believe their carrying amounts approximate their fair values. Under the fair value hierarchy, these instruments are classified as Level 1.

Investment Securities

The fair values of investment securities have been derived using methodologies referenced in *Note 2—Summary of Significant Accounting Policies* to the Consolidated Financial Statements of our Annual Report on Form 10-K for the year ended December 31, 2024. Under the fair value hierarchy, our investment securities are classified as Level 2.

Loans

We determined the fair values of loans by discounting both principal and interest cash flows expected to be collected using a discount rate commensurate with the risk that we believe a market participant would consider in determining fair value. Under the fair value hierarchy, our loans are classified as Level 3.

Deposits

The fair value of demand and interest checking deposits and savings deposits is the amount payable on demand at the reporting date. We determined the fair value of time deposits by discounting expected future cash flows using market-derived rates based on our market yields on certificates of deposit, by maturity, at the measurement date. Under the fair value hierarchy, our deposits are classified as Level 2.

Debt

The fair value of the Notes is based on borrowing rates currently available to a market participant for loans with similar terms, maturity and credit risk. The carrying amount of our outstanding Notes at September 30, 2025 approximates fair value because the interest rate charged is commensurate with current market rates for issuers of similar risk. The fair value of the Notes are classified as a Level 2 liability in the fair value hierarchy.

Fair Value of Financial Instruments

The carrying values and fair values of certain financial instruments that were not carried at fair value, excluding short-term financial instruments for which the carrying value approximates fair value, at September 30, 2025 and December 31, 2024 are presented in the table below.

	September 30, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(In thousands)			
Financial Assets				
Loans to bank customers, net of allowance	\$ 37,139	\$ 36,041	\$ 31,961	\$ 31,705
Financial Liabilities				
Deposits	\$ 4,215,340	\$ 4,215,043	\$ 4,010,520	\$ 4,010,185

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 16—Leases

Our leases consist of operating lease agreements principally related to our subsidiary office locations. Currently, we do not enter into any financing lease agreements. Our leases have remaining lease terms of approximately less than 1 year to 7 years, some of which generally include renewal options of varying terms.

Our total lease expense amounted to approximately \$0.7 million and \$1.0 million for the three months ended September 30, 2025 and 2024, respectively, and \$2.5 million and \$2.8 million for the nine months ended September 30, 2025 and 2024, respectively. Our lease expense is generally based on fixed payments stated within the agreements. Any variable payments for non-lease components and other short term lease expenses are not considered material.

In line with our plan to exit our operational activities in China, we provided notice of early termination for our office facility lease to the lessor during the third quarter of 2025. Consequently, both the operating lease right-of-use asset and the corresponding lease liability were remeasured based on the modified lease term and early termination conditions, which resulted in a reduction in these balances as of September 30, 2025. Refer to *Note 19—Restructuring and Other Charges* for further information regarding our China subsidiary.

Additional Information

Additional information related to our right of use assets and related lease liabilities is as follows:

	September 30, 2025
Cash paid for operating lease liabilities (in thousands)	\$ 2,064
Weighted average remaining lease term (years)	4.26
Weighted average discount rate	4.5 %

Maturities of our operating lease liabilities as of September 30, 2025 are as follows:

	Operating Leases (In thousands)	
Remainder of 2025	\$	1,218
2026		438
2027		408
2028		275
2029		271
Thereafter		904
Total		3,514
Less: imputed interest		(407)
Total lease liabilities	\$	3,107

Note 17—Commitments and Contingencies

In the ordinary course of business, we are a party to various legal proceedings, including, from time to time, regulatory, supervisory, and governmental matters as well as actions which are asserted to be maintainable as class action suits, employment claims, and or enforcement actions. We review these actions on an ongoing basis to determine whether it is probable and estimable that a loss has occurred and use that information when making accrual and disclosure decisions. We have provided reserves where necessary for all claims and, based on current knowledge and in part upon the advice of legal counsel, all matters are believed to be adequately covered by insurance, or, if not covered, would not be likely to have a material adverse impact on our financial condition or results of operations. Nonetheless, given the inherent unpredictability of these matters, an adverse outcome could, from time to time, have a material adverse impact on our financial condition or results of operations.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 17—Commitments and Contingencies (continued)*Other Litigation and Claims*

On December 18, 2019, an alleged class action entitled *Koffsmon v. Green Dot Corp., et al.*, No. 19-cv-10701-DDP-E, was filed in the United States District Court for the Central District of California, against us and two of our former officers. The suit asserts purported claims under Sections 10(b) and 20(a) of the Exchange Act for allegedly misleading statements regarding our business strategy. Plaintiff alleges that defendants made statements that were misleading because they allegedly failed to disclose details regarding our customer acquisition strategy and its impact on our financial performance. The suit is purportedly brought on behalf of purchasers of our securities between May 9, 2018 and November 7, 2019, and seeks compensatory damages, fees and costs. On October 6, 2021, the Court appointed the New York Hotel Trades Council & Hotel Association of New York City, Inc. Pension Fund as lead plaintiff, and on April 1, 2022, plaintiff filed its First Amended Complaint. Defendants filed a motion to dismiss the First Amended Complaint on May 31, 2022, and the motion was denied on March 29, 2024. On September 18, 2025, the parties jointly filed a Notice of Settlement, and on October 17, 2025, plaintiffs filed a motion for preliminary approval of the settlement, which is scheduled to be heard on November 21, 2025.

Pursuant to the terms of the settlement (which are subject to final documentation and court approval), we expect to pay \$40.0 million to the plaintiffs in resolution of all claims against us and our two former officers. If the settlement is approved by the Court, the settlement amount will be funded from available insurance coverage and this amount, less fees and expenses, will be distributed to purchasers of our securities between May 9, 2018 and November 7, 2019 who file valid proofs of claim under procedures to be implemented by the Court. The expected settlement amount has been recorded as of September 30, 2025 within the current portion of other accrued liabilities on our consolidated financial statements, with a corresponding insurance recovery recorded within accounts receivable, net.

On February 18, 2020, a putative shareholder derivative action entitled *Hellman v. Streit, et al.*, No. 20-cv-01572-SVW-PVC was filed, purportedly on behalf of the company, in the United States District Court for the Central District of California, against certain of our current and former officers and directors. The suit asserts claims for breach of fiduciary duty and unjust enrichment, as well as claims under Sections 10(b), 14(a) and 20(a) of the Exchange Act, based largely on the allegations made in the *Koffsmon* action. The *Hellman* action seeks to recover, among other things, unspecified compensatory damages on behalf of the company. Pursuant to a stipulated agreement between the parties, the *Hellman* action is stayed through the close of fact discovery in the *Koffsmon* action.

On July 15, 2024, a putative shareholder derivative action entitled *DiBlasio v. Streit, et al.*, No. 24-cv-05924 was filed, purportedly on behalf of the company, in the United States District Court for the Central District of California, against certain of our current and former officers and directors. A first amended complaint was filed on September 27, 2024. The suit asserts claims for breach of fiduciary duty, abuse of control, and unjust enrichment, as well as claims under Section 14(a) of the Exchange Act, based on the allegations made in *Koffsmon* action, and on the Consent Order from the Federal Reserve Board. The *DiBlasio* action seeks to recover, among other things, unspecified compensatory damages on behalf of the company. Pursuant to a stipulated agreement between the parties, the *DiBlasio* action is stayed through the close of fact discovery in the *Koffsmon* action.

On June 25, 2025, the Court entered an order consolidating the *Hellman* action and the *DiBlasio* action, with the *Hellman* action designated the lead case and the *DiBlasio* action closed administratively. The consolidated case remains stayed through the close of fact discovery in the *Koffsmon* action.

Due to the inherent uncertainties of litigation, we cannot accurately predict the ultimate outcome of these matters. Given the uncertainty of litigation and the preliminary stage of the *Hellman* action, we are currently unable to estimate the probability of the outcome of these actions or the range of reasonably possible losses, if any, or the impact on our results of operations, financial condition or cash flows, except as disclosed.

Other Legal Matters

We monitor federal laws and the laws of all 50 states to identify laws or regulations that apply (or may apply) to our products and services. We have obtained money transmitter licenses (or similar such licenses) where applicable, based on advice of counsel or when we have been requested to do so. If we were found to be in violation of any laws and regulations governing our business, which includes without limitation banking, money transmitters, electronic fund transfers, escheatment, changes in accounting policies, or money laundering in the United States or abroad, we could be subject to penalties or could be forced to change our business practices.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 17—Commitments and Contingencies (continued)

From time to time, we enter into contracts containing provisions that contingently require us to indemnify various parties against claims from third parties. These contracts primarily relate to: (i) contracts with our card issuing banks, under which we are responsible to them for any unrecovered overdrafts on accountholders' balances; (ii) certain real estate leases, under which we may be required to indemnify property owners for environmental and other liabilities, and other claims arising from our use of the premises; (iii) certain agreements with our officers, directors, and employees, under which we may be required to indemnify these persons for liabilities arising out of their relationship with us; and (iv) contracts under which we may be required to indemnify our retail distributors, suppliers, vendors and other parties with whom we have contracts against claims arising from certain of our actions, omissions, violations of law and/or infringement of patents, trademarks, copyrights and/or other intellectual property rights.

Generally, a maximum obligation under these contracts is not explicitly stated. Because the obligated amounts associated with these types of agreements are not explicitly stated, the overall maximum amount of the obligation cannot be reasonably estimated. With the exception of overdrafts on accountholders' balances, historically, we have not been required to make payments under these and similar contingent obligations, and no liabilities have been recorded for these obligations in our consolidated balance sheets. For additional information regarding overdrafts on accountholders' balances, refer to *Note 5 — Accounts Receivable*.

Note 18—Significant Retailer and Partner Concentration

A credit concentration may exist if customers are involved in similar industries, economic sectors, and geographic regions. Our retail distributors operate in similar economic sectors, but diverse domestic geographic regions. The loss of a significant retail distributor could have a material adverse effect upon our card sales, profitability, and revenue growth.

Revenues derived from our products sold at retail distributors constituting at least 10% of our total operating revenues were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Walmart	8%	10%	7%	10%

In addition, approximately 67% and 59% of our total operating revenues for the three months ended September 30, 2025 and 2024, respectively, and 62% and 53% for the nine months ended September 30, 2025 and 2024, respectively, were generated from a single BaaS partner, but without a corresponding concentration to our gross profit for the respective periods.

Note 19—Restructuring and Other Charges

During the third quarter of 2025, we announced a plan to exit our operational activities in China by the end of 2025 as a means of reducing complexity and promoting long-term structural improvements for our business. As a result of this transition, we recorded restructuring and other charges of approximately \$19.9 million during the three months ended September 30, 2025. These charges were primarily related to severance and employee benefits and other direct costs associated with the restructuring, including lease related termination costs.

Restructuring and other charges is comprised of the following components:

	Three Months Ended September 30, 2025 (In thousands)	
Employee severance and benefits	\$	17,947
Lease termination and related charges		1,603
Other		352
Restructuring and other charges	\$	19,902

We generally recognize employee severance costs when payments are probable and amounts are estimable or when notification occurs. Costs related to contracts without future benefit or subject to termination are recognized at the earlier of the contract termination or cease-use date. Other exit-related costs are recognized as incurred.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 19—Restructuring and Other Charges (continued)

Accruals for restructuring liabilities are included in the short term portion of other accrued liabilities on our consolidated balance sheet as of September 30, 2025. The following table summarizes activity related to our consolidated balance sheet:

	Employee Severance and Benefits	Lease Termination and Related Charges	Other	Total Restructuring and Other Charges
	(In thousands)			
Balance at December 31, 2024	\$ —	\$ —	\$ —	\$ —
Charges	17,947	1,603	352	19,902
Payments	—	(197)	—	(197)
Non-cash adjustments	—	(399)	(77)	(476)
Balance at September 30, 2025	<u>\$ 17,947</u>	<u>\$ 1,007</u>	<u>\$ 275</u>	<u>\$ 19,229</u>

Note 20—Segment Information

Our Chief Operating Decision Maker (our "CODM" who is our Chief Executive Officer) organizes and manages our businesses primarily on the basis of the channels in which our product and services are offered and uses net revenue and segment profit to assess profitability, segment performance and allocate resources. Segment profit reflects each segment's net revenue less direct costs, such as sales and marketing expenses, processing expenses, transaction losses and fraud management, and customer support and related expenses. Our operations are aggregated amongst three reportable segments: 1) Business to Business ("B2B") Services, 2) Consumer Services, and 3) Money Movement Services.

Our B2B Services segment consists of revenues and expenses derived from (i) our partnerships with prominent consumer and technology companies that make our banking products and services available to their consumers, partners and workforce through integration with our banking platform (the "Banking-as-a-Service", or "BaaS channel"), and (ii) a comprehensive payroll platform that we offer to corporate enterprises (the "Employer channel") to facilitate payments for today's workforce. Our products and services in this segment include deposit account programs, such as consumer and small business checking accounts and prepaid cards, as well as our disbursement services utilized by our partners.

Our Consumer Services segment consists of revenues and expenses derived from deposit account programs, such as consumer checking accounts, prepaid cards, secured credit cards, and gift cards that we offer to consumers (i) through distribution arrangements with more than 95,000 retail locations and thousands of neighborhood Financial Service Center locations (the "Retail channel"), and (ii) directly through various marketing channels, such as online search engine optimization, online displays, direct mail campaigns, mobile advertising, and affiliate referral programs (the "Direct channel").

Our Money Movement Services segment consists of revenues and expenses generated on a per transaction basis from our services that specialize in facilitating the movement of cash on behalf of consumers and businesses, such as money processing services and tax refund processing services. Our money processing services, such as cash deposit and disbursements, are marketed to third-party banks, program managers, and other companies seeking cash deposit and disbursement capabilities for their customers. Those customers, including our own accountholders, can access our cash deposit and disbursement services at any of the locations within our network of retail distributors and neighborhood Financial Service Centers. We market our tax-related financial services through a network of tax preparation franchises, independent tax professionals and online tax preparation providers.

Our Corporate and Other segment primarily consists of net interest income, certain other investment income earned by our bank, interest profit sharing arrangements with certain BaaS partners (a reduction of revenue), eliminations of inter-segment revenues and expenses, and unallocated corporate expenses, which include our fixed expenses such as salaries, wages and related benefits for our employees and certain third-party contractors, professional services fees, software licenses, telephone and communication costs, rent, utilities, and insurance. These costs are not considered when our CODM evaluates the performance of our three reportable segments since they are not directly attributable to any reporting segment. Non-cash expenses such as stock-based compensation, depreciation and amortization of long-lived assets, impairment charges, and other non-recurring expenses that are not considered by our CODM when evaluating our overall consolidated financial results are excluded from our unallocated corporate expenses above. We do not evaluate performance or allocate resources based on segment asset data, and therefore such information is not presented.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 20—Segment Information (continued)

The following tables present key financial information for each of our reportable segments for the periods then ended:

	Three Months Ended September 30, 2025				
	B2B Services	Consumer Services	Money Movement Services	Corporate and Other	Total
	(In thousands)				
Total segment revenues	\$ 364,223	\$ 88,331	\$ 29,819	\$ 9,480	\$ 491,853
Segment expenses ⁽¹⁾					
Sales and marketing expenses ⁽²⁾	2,777	29,853	14,866	—	47,496
Processing expenses ⁽³⁾	290,051	8,530	276	—	298,857
Transaction losses and fraud management ⁽⁴⁾	25,565	14,953	(528)	—	39,990
Customer support and related expenses ⁽⁵⁾	16,290	3,277	265	—	19,832
Compensation and benefits expenses ⁽⁶⁾	—	—	—	34,580	34,580
Other segment items ⁽⁷⁾	—	—	2,036	25,491	27,527
Total segment expenses	334,683	56,613	16,915	60,071	468,282
Segment profit	\$ 29,540	\$ 31,718	\$ 12,904	\$ (50,591)	\$ 23,571

	Three Months Ended September 30, 2024				
	B2B Services	Consumer Services	Money Movement Services	Corporate and Other	Total
	(In thousands)				
Total segment revenues	\$ 276,402	\$ 98,046	\$ 31,854	\$ (283)	\$ 406,019
Segment expenses ⁽¹⁾					
Sales and marketing expenses ⁽²⁾	4,306	31,030	16,116	—	51,452
Processing expenses ⁽³⁾	211,158	7,893	297	—	219,348
Transaction losses and fraud management ⁽⁴⁾	18,778	15,908	(187)	—	34,499
Customer support and related expenses ⁽⁵⁾	14,424	3,826	331	—	18,581
Compensation and benefits expenses ⁽⁶⁾	—	—	—	31,331	31,331
Other segment items ⁽⁷⁾	—	—	2,580	19,913	22,493
Total segment expenses	248,666	58,657	19,137	51,244	377,704
Segment profit	\$ 27,736	\$ 39,389	\$ 12,717	\$ (51,527)	\$ 28,315

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 20—Segment Information (continued)

	Nine Months Ended September 30, 2025				
	B2B Services	Consumer Services	Money Movement Services	Corporate and Other	Total
	(In thousands)				
Total segment revenues	\$ 1,054,864	\$ 276,686	\$ 190,914	\$ 26,517	\$ 1,548,981
Segment expenses ⁽¹⁾					
Sales and marketing expenses ⁽²⁾	9,649	94,727	51,124	—	155,500
Processing expenses ⁽³⁾	829,001	26,830	1,531	—	857,362
Transaction losses and fraud management ⁽⁴⁾	77,514	45,127	5,877	—	128,518
Customer support and related expenses ⁽⁵⁾	54,028	11,558	2,232	—	67,818
Compensation and benefits expenses ⁽⁶⁾	—	—	—	100,985	100,985
Other segment items ⁽⁷⁾	—	—	6,308	72,935	79,243
Total segment expenses	970,192	178,242	67,072	173,920	1,389,426
Segment profit	\$ 84,672	\$ 98,444	\$ 123,842	\$ (147,403)	\$ 159,555

	Nine Months Ended September 30, 2024				
	B2B Services	Consumer Services	Money Movement Services	Corporate and Other	Total
	(In thousands)				
Total segment revenues	\$ 769,658	\$ 295,278	\$ 187,967	\$ 3,095	\$ 1,255,998
Segment expenses ⁽¹⁾					
Sales and marketing expenses ⁽²⁾	12,238	95,548	56,265	—	164,051
Processing expenses ⁽³⁾	577,580	26,322	1,168	—	605,070
Transaction losses and fraud management ⁽⁴⁾	77,434	54,805	6,454	—	138,693
Customer support and related expenses ⁽⁵⁾	37,309	11,506	2,186	—	51,001
Compensation and benefits expenses ⁽⁶⁾	—	—	—	98,695	98,695
Other segment items ⁽⁷⁾	—	—	8,039	68,904	76,943
Total segment expenses	704,561	188,181	74,112	167,599	1,134,453
Segment profit	\$ 65,097	\$ 107,097	\$ 113,855	\$ (164,504)	\$ 121,545

(1) The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM.

(2) Sales and marketing expenses consists primarily of the commissions we pay to our retail distributors, brokers and partners, advertising and marketing expenses, and the costs of manufacturing and distributing card packages, placards and promotional materials to our retail distributors and partners, and personalized debit cards who have activated their cards.

(3) Processing expenses consist primarily of the fees charged to us by the payment networks, which processes transactions for us, any third-party card processors that maintain the records of our customers' accounts and process transaction authorizations and postings, and any third-party banks that issue or process our accounts.

(4) Transaction losses and fraud management consist primarily of losses from customer disputed transactions, unrecovered customer purchase transaction overdraft and fraud, and other losses and recoveries on portfolios in our Money Movement Services segment. Fraud management consists of third-party contractors and support costs to manage risk operations.

(5) Customer support and related expenses consist of third-party contractors hired to conduct call center operations and handle routine customer service inquiries, and the related costs to support our call center operations.

(6) Compensation and benefits expenses represent the compensation and related benefits, including travel and entertainment, that we provide to our employees and third-party contractors who provide consulting support within our IT operations.

(7) Other segment items in Money Movement Services consists principally of inter-segment expenses for reload services on the Green Dot Network. Other segment items in Corporate and Other primarily consists of other unallocated corporate operating expenses, such as professional services fees, hosting and software licenses, telephone and communication costs, rent, utilities, and insurance, and elimination of inter-segment expenses.

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)

Note 20—Segment Information (continued)

The reconciliations of total segment revenues to total operating revenues are presented below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)			
Total segment revenues	\$ 491,853	\$ 406,019	\$ 1,548,981	\$ 1,255,998
Embedded finance commissions and processing expenses	4,554	4,346	13,544	14,492
Other income	(1,581)	(622)	(4,649)	(1,638)
Total operating revenues	<u>\$ 494,826</u>	<u>\$ 409,743</u>	<u>\$ 1,557,876</u>	<u>\$ 1,268,852</u>

Segment revenue adjustments represent commissions and certain processing-related costs associated with our embedded finance products and services, which are netted against revenues when evaluating segment performance, as well as certain other investment income earned by our bank, which is included in Corporate and Other.

The reconciliations of segment profit to loss before incomes taxes are presented below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In thousands)			
Total segment profit	\$ 23,571	\$ 28,315	\$ 159,555	\$ 121,545
Reconciliation to loss before income taxes				
Depreciation and amortization of property, equipment and internal-use software	16,268	15,473	47,530	47,732
Stock based compensation and related employer taxes	5,274	8,210	14,476	24,429
Amortization of acquired intangible assets	5,200	5,246	15,599	16,295
Impairment charges	1,157	8	2,023	8,528
Legal settlement expenses	2,357	869	4,550	32,896
Restructuring and other charges	19,902	—	19,902	—
Other expense	6,244	1,441	14,162	7,710
Operating (loss) income	<u>(32,831)</u>	<u>(2,932)</u>	<u>41,313</u>	<u>(16,045)</u>
Interest expense, net	1,555	1,577	4,572	4,306
Other (expense), net	(1,338)	(3,705)	(101,733)	(10,045)
Loss before income taxes	<u>\$ (35,724)</u>	<u>\$ (8,214)</u>	<u>\$ (64,992)</u>	<u>\$ (30,396)</u>

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Quarterly Report on Form 10-Q, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Securities Act of 1933, as amended, (the "Securities Act") and the Securities Exchange Act of 1934, as amended, (the "Exchange Act"). All statements other than statements of historical facts are statements that could be deemed to be forward-looking statements. These statements are based on current expectations, estimates, forecasts and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "endeavors," "strives," "may" and "assumes," variations of such words and similar expressions are intended to identify forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are subject to risks, uncertainties, and assumptions that are difficult to predict, including inflation and interest rate trends and impacts and other macro-economic impacts on our business, results of operations and financial condition and governmental and our responses to such events, including those identified below, under "Part II, Item 1A. Risk Factors," and elsewhere herein. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason.

In this Quarterly Report, unless otherwise specified or the context otherwise requires, "Green Dot," "we," "us," and "our" refer to Green Dot Corporation and its consolidated subsidiaries.

Overview

Green Dot Corporation is a financial technology platform and registered bank holding company that builds banking and payment solutions to create value, retain and reward customers, and accelerate growth for businesses of all sizes. For more than two decades, we have delivered financial tools and services that address the most pressing financial needs of consumers and businesses, and that transform the way people and businesses manage and move money. Through Green Dot Bank, our wholly-owned subsidiary, we deliver a broad spectrum of financial products to consumers and businesses through our portfolio of brands, including debit, checking, credit, prepaid, and payroll cards, as well as robust money processing services, such as tax refunds, cash deposits and disbursements.

Our Chief Operating Decision Maker (our "CODM" who is our Chief Executive Officer) organizes and manages our businesses primarily on the basis of the channels in which our product and services are offered and uses net revenue and segment profit to assess profitability. Segment profit reflects each segment's net revenue less direct costs, such as sales and marketing expenses, processing expenses, transaction losses and fraud management, and customer support and related expenses. Our operations are aggregated amongst three reportable segments: 1) Business to Business ("B2B") Services, 2) Consumer Services, and 3) Money Movement Services. Net interest income, certain other investment income earned by our bank, interest profit sharing arrangements with certain BaaS partners (a reduction of revenue), eliminations of inter-segment revenues and expenses, and unallocated corporate expenses that are not considered when our CODM evaluates the performance of our three reportable segments are recorded in Corporate and Other expenses. Refer to our 2024 Annual Report on Form 10-K "Part I, Item 1. Business" for more detailed information about our operations and *Note 20—Segment Information* in the notes to the accompanying unaudited consolidated financial statements.

Consolidated Financial Results and Trends

Our consolidated results of operations for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Change	%	2025	2024	Change	%
	(In thousands, except percentages)							
Total operating revenues	\$ 494,826	\$ 409,743	\$ 85,083	20.8 %	\$ 1,557,876	\$ 1,268,852	\$ 289,024	22.8 %
Total operating expenses	527,657	412,675	114,982	27.9 %	1,516,563	1,284,897	231,666	18.0 %
Net loss	(30,791)	(7,840)	(22,951)	292.7 %	(52,043)	(31,805)	(20,238)	63.6 %

Refer to "Segment Results" below for a summary of financial results of each of our reportable segments.

Total operating revenues

Our total operating revenues for the three and nine months ended September 30, 2025 increased \$85.1 million, or 21%, and \$289.0 million, or 23%, respectively, over the prior year comparable periods, driven primarily by higher revenues in our B2B Services segment, partially offset by lower revenues earned in our Consumer Services segment. Continued growth of certain BaaS partner programs generated an increase of 18% and 20% in our total gross dollar volume for the three and nine months ended September 30, 2025, respectively, over the prior year comparable periods, and increased the number of consolidated active accounts during three months ended September 30, 2025 by 1%, which together increased our total operating revenues year-over-year. However, as discussed below, our total operating revenues were negatively impacted by unfavorable trends and factors in our deposit account programs, driving, among other things, a reduction in purchase volume and the effective interchange rates we earn thereon, and a reduction in the number of cash transfers of 10% and 7% for the three and nine months ended September 30, 2025, respectively, from the prior year comparable periods.

In our B2B Services segment, revenues increased during the three and nine months ended September 30, 2025 by 32% and 37%, respectively, over the prior year comparable periods. The increase was driven by strong year-over-year growth in our gross dollar volume, which increased during the three and nine months ended September 30, 2025 by 22% and 23%, respectively, and to a lesser extent, growth in purchase volume, which increased by 1% and 2%, respectively, over the prior year comparable periods. The number of active accounts for the three months ended September 30, 2025 increased by 13% over the prior year comparable period. The growth in gross dollar volume was driven primarily by certain BaaS programs that do not generate interchange fees and resulted in a net increase in segment revenue due to higher program management service fees earned from these BaaS partners.

In our Consumer Services segment, revenues decreased during the three and nine months ended September 30, 2025 by 10% and 6%, respectively, from the prior year comparable periods. Our gross dollar volume and purchase volume declined by 9% and 6%, respectively, for the three months ended September 30, 2025, and the number of active accounts and direct deposit accounts both declined by 9%. Similarly, both gross dollar volume and purchase volume declined for the nine months ended September 30, 2025 by 6% and 5%, respectively, from the prior year comparable period. While we are seeing some moderation in these declining trends, we believe these decreases in our Consumer Services segment remain attributable to several persistent factors, including macro-economic factors affecting consumer behavior and other competitive trends that have impacted account acquisition. These factors had a corresponding negative impact on the amount of accountholder fee revenue we earn from accounts, including monthly maintenance fees, ATM fees and interchange fees.

In our Money Movement Services segment, revenues decreased during the three months ended September 30, 2025 by 6% and increased by 2% during the nine months ended September 30, 2025, from the prior year comparable periods. The decrease in our Money Movement Services revenue during the three months ended September 30, 2025 was primarily driven by a decrease in our cash transfer revenues, partially offset by an increase in tax processing revenues. The decrease in our cash transfer revenues was primarily due to a 10% decrease in the number of cash transfers processed from the comparable prior year period. The decline in the number of cash transfers processed was primarily due to a lower number of active accounts within our Consumer Services segment discussed above, and to a lesser extent, a lower number of cash transfers processed for third-party programs. The Green Dot Network is a service provider to accountholders in both our Consumer Services and B2B Services segments, as well as third-party programs. Although the number of cash transfers from third-party programs decreased slightly year over year, we continue to experience a strong concentration from our third-party programs, and represented the majority of our total cash transfers as of September 30, 2025. Our tax processing

revenues increased during the three months ended September 30, 2025 due to a 3% increase in the number of tax refunds processed and from higher ancillary tax program fees that are associated with tax refund transfers.

The increase in our Money Movement Services segment during the nine months ended September 30, 2025 was driven primarily by an increase in our tax processing revenues, partially offset by a decrease in cash transfer revenues. Although the number of tax refunds processed decreased by 13% for the nine months ended September 30, 2025, as compared to the prior year period, our tax processing revenues increased due to the expansion of our taxpayer advance programs and a favorable mix-shift in the distribution channel in which the tax refund was generated. The decrease in the number of tax refunds processed during the nine months ended September 30, 2025 was principally attributable to our online tax preparation partners. Due to the seasonal nature of our tax products and services, substantially all of our tax processing revenues are earned during the first half of each year. The increase in tax processing revenues for the nine months ended September 30, 2025 was partially offset by a 7% decline in the number of cash transfers processed from the prior year comparable period, due to the same reasons discussed above.

Revenues within our Corporate and Other segment were driven primarily by net interest income earned by Green Dot Bank, which increased by 41% and 51% for the three and nine months ended September 30, 2025, respectively, over the prior year comparable periods. The increase in net interest income was primarily the result of yields earned from an increase in cash from deposit programs with our partners and to a lesser extent, higher yielding investments from our bond repositioning strategy and a decrease in interest shared with certain BaaS partners (a reduction of revenue).

Total operating expenses

Our total operating expenses for the three and nine months ended September 30, 2025 increased \$115.0 million, or 28%, and \$231.7 million, or 18%, respectively, over the prior year comparable periods.

For the three months ended September 30, 2025, the increase in total operating expenses was driven primarily by an increase in our processing expenses from the growth in gross dollar volume associated with certain BaaS account programs within our B2B Services segment discussed above. In addition, our total operating expenses increased due to an increase in other general and administrative expenses, driven primarily by an increase in overall transaction losses attributable to an increase in our dispute loss rates, higher professional services fees associated with our strategic review process and our anti-money laundering ("AML") regulatory compliance initiatives, and an increase in software licenses and hosting costs due to investments in our platform and operations. As discussed further below, we also recorded restructuring and other charges associated with our decision to exit our operations in China. To a lesser extent, compensation and benefits expenses increased, driven primarily by higher accrued bonus compensation expense due to our current financial performance relative to our annual targets, partially offset by a decrease in employee stock-based compensation expense due to forfeitures of awards. These increases were partially offset by lower sales and marketing expenses principally due to a decrease in supply chain materials expenses, which are comprised of debit card plastics and related materials costs, from fewer active accounts, a decrease in revenue-sharing arrangements in our tax processing business and a decrease in our marketing expenses in our Consumer Services business.

During the third quarter of 2025, we announced a plan to exit our operational activities in China by the end of 2025 as a means of reducing complexity and promoting long-term structural improvements for our business. As a result of this transition, we recorded restructuring and other charges of approximately \$19.9 million during the three months ended September 30, 2025. These charges were primarily related to severance and employee benefits and other direct costs associated with the restructuring, including lease termination costs. Substantially all of the restructuring expenses we expect to incur from this plan were accrued for during the third quarter of 2025.

Our total operating expenses for the nine months ended September 30, 2025 increased over the prior year comparable period, driven by similar factors as discussed above for the three months ended September 30, 2025. Sales and marketing expenses decreased due to the same factors discussed above. Compensation and benefits expenses increased for the same reasons discussed above, as well as because of an increase in third-party call center support costs associated with the growth of our BaaS account programs discussed above. Our processing expenses increased during the nine months ended September 30, 2025 due to the same factors discussed above. Other general and administrative expenses decreased primarily due to the timing of accruals in the prior year related to the civil money penalty under our Consent Order from the Federal Reserve Board that did not recur in the current period, and to a lesser extent, a decrease in overall transaction losses attributable to lower customer dispute volume across our portfolios and favorable reductions in our dispute loss rates, and lower professional services fees related to our AML programs due to the year-over-year timing of spend on certain initiatives. These decreases were partially offset by an increase in software licenses and hosting costs due to investments in our platform and

operations, and an increase from expenses associated with our strategic review process. Other general and administrative expenses also decreased due to the settlement payment and impairment charges related to the termination of our partnership agreement to develop a new core banking system in the prior year comparable period that did not recur in the current period.

Other expense, net

Other expense, net for the three months ended September 30, 2025 decreased \$2.4 million and for the nine months ended September 30, 2025 increased \$91.7 million, from the prior year comparable periods.

The decrease in other expense, net for three months ended September 30, 2025 was primarily driven by a decrease in equity method losses associated with TailFin Labs, LLC ("TailFin") due to lower operating expenses year over year, as well as higher income earned from bank-owned life insurance policies.

The increase in other expense, net for the nine months ended September 30, 2025 resulted principally from a \$70 million incentive payment made by TailFin in connection with the extension of the Walmart MoneyCard agreement and related agreements in the second quarter of 2025. In addition, during the first quarter of 2025, we determined we would sell certain available-for-sales securities in order to reposition the proceeds into higher yielding assets, which resulted in a realized loss of \$24.8 million for the nine months ended September 30, 2025. These increases were partially offset by higher income earned from bank-owned life insurance policies.

Income taxes

Our income tax benefit for the three months ended September 30, 2025 increased by \$4.6 million over the prior year comparable period primarily due to an increase in our loss before taxes and a decrease in nondeductible expenses and penalties primarily related to the tax effect associated with the civil money penalty we incurred in 2024 for our Consent Order received from the Federal Reserve Board. Our effective tax rate for the nine months ended September 30, 2025 was 19.9%, an increase from (4.6)% for the prior year comparable period. The increase in our effective tax rate was due to several factors, including a lower tax rate benefit from reduced general business credits, an increase in state income taxes expense, net of federal benefits, and a lower tax rate benefit from the cash surrender value in bank-owned life insurance policies. These increases in our effective tax rate were partially offset by a decrease in the amount of compensation expense that was subject to the Internal Revenue Code (the "IRC") Section 162(m) limitation on the deductibility of certain executive compensation, a decrease in tax expense associated with shortfalls from stock-based compensation, and a decrease in tax expense from nondeductible expenses and penalties primarily related to the civil money penalty under our Consent Order discussed above.

On July 4, 2025, H.R. 1, commonly referred to as the "One Big Beautiful Bill Act" ("OBBBA") was signed into law, enacting significant changes to the U.S. federal tax code with various effective dates from 2025 to 2027. The OBBBA introduced several provisions that may affect our future financial results, including an elective deduction for domestic research expenditures, reinstatement of elective 100% first-year bonus depreciation, and modifications to GILTI, among other provisions. We are currently assessing the impact of these tax law changes on our effective tax rate and deferred tax assets in 2025 as well as future periods and evaluating multiple strategies for implementation of these tax law changes. The impact of the tax provisions contained in the OBBBA will depend on our facts in each year and anticipated guidance from the U.S. Department of the Treasury. We will continue to monitor additional guidance as it becomes available and reflect the impact in future periods as appropriate.

In December 2021, the Organization for Economic Cooperation and Development ("OECD") released model rules introducing a 15% global minimum tax rate for large multinational corporations ("Pillar Two"). Our foreign subsidiary operates in China which has enacted legislation consistent with the OECD model rules effective beginning in 2024. The results of this legislation do not have a material impact on our consolidated financial statements. We are monitoring further legislative developments and continuing to evaluate the potential impact of Pillar Two on our consolidated financial statements, but do not expect it will have a material impact on our results of operations in future periods.

Outlook and Other Trends Affecting Our Business

While we are still experiencing a difficult macro-economic environment, competitive headwinds and other factors that have contributed to declining trends in our consolidated operating results in recent periods, excluding any impact from our strategic review process and non-operating items such as our equity method losses in TailFin, we continue to expect our core results of operations will stabilize on a full year basis year-over-year in 2025 based on our anticipated initiatives and cost reduction measures we have implemented. In March 2025, we announced that we had initiated a process to explore potential strategic alternatives. No assurances can be given as to the outcome or timing of the strategic review process, including without limitation that such process will result in a

transaction or that any transaction, if pursued, will be successfully completed. We do not intend to disclose further developments regarding the process unless and until it is determined that further disclosure is appropriate.

We intend to continue to make growth-oriented investments and incur other expenditures that we believe will benefit our long-term financial results. Our growth-oriented investments are focused on, among other things, accelerating our ability to onboard new partners in our B2B Services and Money Movement segments, adding new features and functionality to our Arc platform, cost-effectively re-engaging in strategic marketing initiatives in support of our GO2bank product, and other initiatives across our account programs with the objective of returning to active account growth.

We have created synergies from our processor conversion and expect the implementation of our card management platform will allow us to continue to realize reductions in our processing expenses as we seek to expand account programs. In March 2025, we also initiated a re-alignment of teams and resources across the enterprise in a continual effort to better support our strategic priorities and growth channels, and improve our operating efficiency. We expect these re-alignments, including the exit from our operational activities in China, to further improve our cost structure year-over-year.

Despite the meaningful reductions to our cost structure we have achieved across our organization through our various initiatives, we are incurring increased expenses in other areas as we conduct our strategic review process, incur or accrue for additional retention and interim officer compensation expenses and incur additional expenses in connection with our ongoing investments in our AML program, including improvements to our compliance controls, policies and procedures. While expenses related to our AML programs decreased through the first half of 2025 on a year-over-year basis, this was in part a timing matter, and we have incurred and expect will continue to incur higher expenses in this area during the second half of the year. We believe investments in our AML program will ultimately help us continue to remediate matters identified in the Consent Order from the previous year, reduce our fraud losses over the long term and cost-efficiently scale our compliance and regulatory programs as we look to grow our business.

In October 2025, the Federal Reserve decreased interest rates by an additional 25 basis points to a current range of 3.75% to 4.00%. The Federal Reserve's decision-making policies for short-term interest rates will continue to impact the amount of net interest income we earn in the future. In general, while higher short-term interest rates benefit the yield we earn on our cash, certain of our BaaS partner arrangements allow for the BaaS partner to share in a significant portion of the interest earned from accountholder deposits (which are recorded as a reduction of revenue in our consolidated financial statements), and yields on our investment portfolio tend to lag interest rate increases as securities mature and proceeds are reinvested. Accordingly, the net effect has had and we expect will continue to have a negative impact on our consolidated financial statements and will be dependent upon future interest rate changes enacted by the Federal Reserve. To address some of this dynamic, we have begun to reposition a portion of our investment securities portfolio and our cash into variable rate debt securities to improve net yields and balance the effect of our interest sharing arrangements with BaaS partners.

Further, the duration and magnitude of the continuing effects of macro-economic factors remain uncertain and dependent on various factors outside of our control. See Part II, Item 1A, "Risk Factors," for an additional discussion of risks related to macro-economic factors.

Consolidated Key Metrics

We review a number of metrics to help us monitor the performance of, and identify trends affecting, our business. We believe the following measures are the primary indicators of our quarterly and annual revenues:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Change	%	2025	2024	Change	%
	(In millions, except percentages)							
Gross dollar volume	\$ 39,505	\$ 33,473	\$ 6,032	18.0 %	\$ 115,302	\$ 96,358	\$ 18,944	19.7 %
Number of active accounts*	3.51	3.46	0.05	1.4 %	n/a	n/a	n/a	n/a
Purchase volume	\$ 4,736	\$ 4,887	\$ (151)	(3.1)%	\$ 14,840	\$ 15,173	\$ (333)	(2.2)%
Number of cash transfers	7.43	8.22	(0.79)	(9.6)%	22.46	24.14	(1.68)	(7.0)%
Number of tax refunds processed	0.20	0.19	0.01	3.1 %	11.91	13.67	(1.76)	(12.9)%

* Represents the number of active accounts as of September 30, 2025 and 2024, respectively.

See “Segment Results” for additional information and discussion regarding key metrics performance by segment. The definitions of our key metrics are as follows:

Gross Dollar Volume — Represents the total dollar volume of funds loaded to our account products from direct deposit and non-direct deposit sources. A substantial portion of our gross dollar volume is generated from direct deposit sources. We use this metric to analyze the total amount of money moving onto our account programs, and to determine the overall engagement and usage patterns of our accountholder base. This metric also serves as a leading indicator of revenue generated through our Consumer Services and B2B Services segments, inclusive of fees charged to accountholders and interchange revenues generated through the spending of account balances.

Number of Active Accounts — Represents any bank account within our Consumer Services and B2B Services segments that is subject to the USA PATRIOT Act of 2001 compliance and, therefore, requires customer identity verification prior to use and is intended to accept ongoing customer cash or ACH deposits. This metric includes checking accounts, general purpose reloadable prepaid card accounts, and secured credit card accounts in our portfolio that had at least one purchase, deposit or ATM withdrawal transaction during the applicable quarter. We use this metric to analyze the overall size of our active customer base and to analyze multiple metrics expressed as an average across this active account base.

Our direct deposit active accounts within our Consumer Services segment, on average, have the longest tenure and generate the majority of our gross dollar volume in any period and thus, generate more revenue over their lifetime than other active accounts. Refer to sub-section entitled Consumer Services under “Segment Results” below for key metric results for direct deposit active accounts.

Purchase Volume — Represents the total dollar volume of purchase transactions made by our accountholders. This metric excludes the dollar volume of ATM withdrawals and volume generated by certain BaaS programs where the BaaS partner receives interchange fees and we earn a program management service fee. We use this metric to analyze interchange revenue, which is a key component of our financial performance.

Number of Cash Transfers — Represents the total number of cash transfer transactions conducted by consumers, such as a point-of-sale swipe reload transaction, the purchase of a MoneyPak or an e-cash mobile remittance transaction marketed under various brand names, that we conducted through our retail distributors in a specified period. This metric excludes disbursements made through our wage disbursement platform. We review this metric as a measure of the size and scale of our retail cash processing network, as an indicator of customer engagement and usage of our products and services, and to analyze cash transfer revenue, which is a key component of our financial performance.

Number of Tax Refunds Processed — Represents the total number of tax refunds processed in a specified period. The number of tax refunds processed is most concentrated during the first half of each year and is minimal during the second half of each year. We review this metric as a measure of the size and scale of our tax refund processing platform and as an indicator of customer engagement and usage of its products and services.

Key components of our results of operations

Operating Revenues

We classify our operating revenues into the following four categories:

Card Revenues and Other Fees — Card revenues consist of monthly maintenance fees, ATM fees, new card fees and other revenues. We charge maintenance fees on prepaid cards, checking accounts and certain cash transfer products, such as MoneyPak, pursuant to the terms and conditions in our customer agreements. We charge ATM fees to accountholders when they withdraw money at certain ATMs in accordance with the terms and conditions in our accountholder agreements. We charge new card fees, if applicable, when a consumer purchases a prepaid card, gift card, or a checking account product through our Retail channel. Other revenues consist primarily of revenue associated with our gift card program, annual fees associated with our secured credit card portfolio, transaction-based fees, fees associated with optional products or services, such as our overdraft protection program, and cash-back rewards we offer to accountholders. Our cash-back rewards are recorded as a reduction to card revenues and other fees. Also included in card revenues and other fees are program management service fees earned from our BaaS partners for programs we manage on their behalf.

Our aggregate monthly maintenance fee revenues vary primarily based upon the number of active accounts in our portfolio and the average fee assessed per account. Our average monthly maintenance fee per active account depends upon the mix of products in our portfolio at any given point in time and upon the extent to which fees are waived based on various incentives provided to customers in an effort to encourage higher usage and retention. Our aggregate ATM fee revenues vary based upon the number of accountholder ATM transactions and the average fee per ATM transaction. The average fee per ATM transaction depends upon the mix of products in our portfolio at any given point in time and the extent to which accountholders use ATMs within our free network that carry no fee for cash withdrawal transactions. Our aggregate new card fee revenues vary based upon the number of prepaid cards and checking accounts activated and the average new card fee. The average new card fee depends primarily upon the mix of products that we sell since there are variations in new account fees based on the product and/or the location or source where our products are purchased. The revenue we earn from each of these fees may also vary depending upon the channel in which the active accounts were acquired. For example, certain BaaS programs may not assess monthly maintenance fees and as a result, these accounts may generate lower fee revenue than other active accounts. Our aggregate other fees vary primarily based upon account sales of all types, gift card sales, purchase transactions and the number of active accounts in our portfolio.

Cash Processing Revenues — Cash processing revenues consist of cash transfer revenues, tax refund processing service revenues, disbursement revenues and other tax processing service revenues. We earn cash transfer revenues when consumers fund their cards through a reload transaction at a Green Dot Network retail location. Our aggregate cash transfer revenues vary based upon the mix of locations where reload transactions occur, since reload fees vary by location. We earn tax refund processing service revenues at the point in time when a customer of a third-party tax preparation company chooses to pay his or her tax preparation fee through the use of our tax refund processing services. We earn disbursement fees from our business partners at the point in time payment disbursements are made.

Interchange Revenues — We earn interchange revenues from fees remitted by the merchant's bank, which are based on rates established by the payment networks, at the point in time when customers make purchase transactions using our products. Our aggregate interchange revenues vary based primarily on the number of active accounts in our portfolio, the average transactional volume of the active accounts in our portfolio, the merchant category of spend, and on the mix of accountholder purchases between those using signature identification technologies and those using personal identification numbers and the corresponding rates.

Interest Income, net — Net interest income represents the difference between the interest income earned on our interest-earning assets and the interest expense on our interest-bearing liabilities held at Green Dot Bank. Interest-earning assets include cash from customer deposits, loans, and investment securities. Our interest-bearing liabilities held at Green Dot Bank include interest-bearing deposits. Our net interest income and our net interest margin fluctuate based on changes in the federal funds interest rates and changes in the amount and composition of our interest-bearing assets and liabilities.

Operating Expenses

We classify our operating expenses into the following four categories:

Sales and Marketing Expenses — Sales and marketing expenses consist primarily of the commissions we pay to our retail distributors, brokers and partners, advertising and marketing expenses, and the costs of manufacturing and distributing card packages, placards and promotional materials to our retail distributors and personalized debit

cards to consumers who have activated their cards. We generally establish commission percentages in long-term distribution agreements with our retail distributors and partners. Aggregate commissions with our retail distributors are determined by the number of account products and cash transfers sold at their respective retail stores. Commissions with our partners and, in certain cases, our retail distributors are determined by the revenue generated from the ongoing use of the associated card programs. We incur advertising and marketing expenses for television, sponsorships, online and in-store promotions. Advertising and marketing expenses are recognized as incurred and typically deliver a benefit over an extended period of time. For this reason, these expenses do not always track changes in our operating revenues. Our manufacturing and distribution costs vary primarily based on the number of accounts activated by consumers.

Compensation and Benefits Expenses — Compensation and benefits expenses represent the compensation and benefits that we provide to our employees and the payments we make to third-party contractors. While we have an in-house customer service function, we employ third-party contractors to conduct call center operations, handle routine customer service inquiries and provide consulting support in the area of IT operations and elsewhere. Compensation and benefits expenses associated with our customer service and loss management functions generally vary in line with the size of our active account portfolio, while the expenses associated with other functions do not.

Processing Expenses — Processing expenses consist primarily of the fees charged to us by the payment networks, which process transactions for us, the third-party card processors that maintain the records of our customers' accounts and process transaction authorizations and postings for us and the third-party banks that issue our accounts. These costs generally vary based on the total number of active accounts in our portfolio and gross dollar volume transacted by those accounts. Also included in processing expenses are bank fees associated with our tax refund processing services and gateway and network fees associated with our disbursement services. Bank fees generally vary based on the total number of tax refund transfers processed and gateway and network fees vary based on the number of disbursements made.

Other General and Administrative Expenses — Other general and administrative expenses consist primarily of professional services fees, telephone and communication costs, depreciation and amortization of our property and equipment, amortization of our intangible assets, impairment charges of long-lived assets, transaction losses (losses from customer disputed transactions, unrecovered customer purchase transaction overdrafts and fraud), rent and utilities, and insurance. We incur telephone and communication costs primarily from customers contacting us through our toll-free telephone numbers. These costs vary with the total number of active accounts in our portfolio, as do losses from customer disputed transactions, unrecovered customer purchase transaction overdrafts and fraud. Costs associated with professional services, depreciation and amortization of our property and equipment, amortization of our acquired intangible assets, impairment charges of long-lived assets, rent and utilities vary based upon our investment in infrastructure, business development, risk management, internal controls and strategic review process and are generally not correlated with our operating revenues or other transaction metrics.

Restructuring and Other Charges — Restructuring and other charges consist principally of charges related to employee severance and benefits, as well as expenses associated with the termination of our facility lease and other miscellaneous exit costs. We generally recognize employee severance costs when payments are probable and amounts are estimable or when notification occurs. Costs related to contracts without future benefit or subject to termination are recognized at the earlier of the contract termination or cease-use date. Other exit-related costs are recognized as incurred.

Other Expense, net

Other expense, net includes income and expenses we generally do not consider normal operating activities, such as earnings, losses or impairment attributable to equity method investments, realized gains or losses on investment securities, income earned on bank-owned life insurance policies, and changes in valuation allowances on loans held for sale, amongst other similar items that may arise from time to time.

Income Tax Expense and Benefit

Our income tax expense and benefit consists of the federal and state corporate income taxes accrued on income resulting from the sale of our products and services. Our effective income tax rate may differ from the 21% U.S. federal statutory rate due to a number of factors, including state income taxes, general business credits, non-deductible expenses and penalties, increases or decreases in valuation allowances and liabilities for uncertain tax positions, excess tax benefits or shortfalls on stock compensation awards, audit developments, and legislative changes. See *Note 10—Income Taxes* to the Consolidated Financial Statements included herein for a discussion of the significant tax differences that impacted our effective tax rate.

Critical Accounting Estimates

There have been no material changes during the nine months ended September 30, 2025 to the critical accounting estimates disclosed in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2024.

Comparison of Consolidated Results for the Three Months Ended September 30, 2025 and 2024

Operating Revenues

The following table presents a breakdown of our operating revenues among card revenues and other fees, cash processing revenues, interchange revenues and net interest income:

	Three Months Ended September 30,			
	2025		2024	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
(In thousands, except percentages)				
Operating revenues:				
Card revenues and other fees	\$ 393,063	79.4 %	\$ 310,372	75.8 %
Cash processing revenues	33,766	6.8	34,897	8.5
Interchange revenues	45,329	9.2	48,397	11.8
Interest income, net	22,668	4.6	16,077	3.9
Total operating revenues	\$ 494,826	100.0 %	\$ 409,743	100.0 %

Card Revenues and Other Fees — Card revenues and other fees totaled \$393.1 million for the three months ended September 30, 2025, an increase of \$82.7 million, or 27%, from the comparable prior year period. Card revenues and other fees increased primarily due to growth in gross dollar volume in our B2B Services segment programs, which resulted in higher program management service fees earned from our BaaS partners. These increases were partially offset by decreases in certain accountholder fees, such as monthly maintenance fees and ATM fees, as a result of a decline in the number of active accounts in our Consumer Services segment during the current period.

Cash Processing Revenues — Cash processing revenues totaled \$33.8 million for the three months ended September 30, 2025, a decrease of \$1.1 million, or 3%, from the comparable prior year period. The decrease was primarily attributable to a decrease in our cash transfer revenues due to a 10% decrease in the number of cash transfers processed due to a lower number of active accounts within our Consumer Services segment. The decrease in cash transfer revenues was partially offset by an increase in our tax processing revenues for the three months ended September 30, 2025 due to a 3% increase in the number of tax refunds processed and from higher ancillary tax program fees that are associated with tax refund transfers.

Interchange Revenues — Interchange revenues totaled \$45.3 million for the three months ended September 30, 2025, a decrease of \$3.1 million, or 6%, from the comparable prior year period. The decrease was primarily due to a decrease in purchase volume of 3% and a decrease in the effective interchange rate earned from the comparable prior year period, which declined due to a mix-shift toward categories of consumer purchases with lower effective rates. In addition, our interchange fees have both fixed and variable components, and as a result, the effective rate we earn may vary based on the size of transactions, among other factors.

Interest Income, net — Net interest income totaled \$22.7 million for the three months ended September 30, 2025, an increase of \$6.6 million, or 41%, from the comparable prior year period. The increase in net interest income was primarily the result of yields earned from an increase in cash from deposit programs with our partners and higher yielding investments from our bond repositioning strategy, and a decrease in interest shared with certain BaaS partners (a reduction of revenue).

Operating Expenses

The following table presents a breakdown of our operating expenses among sales and marketing, compensation and benefits, processing, and other general and administrative expenses:

	Three Months Ended September 30,			
	2025		2024	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
(In thousands, except percentages)				
Operating expenses:				
Sales and marketing expenses	\$ 48,243	9.7 %	\$ 52,626	12.8 %
Compensation and benefits expenses	63,411	12.8	61,795	15.1
Processing expenses	309,311	62.5	228,227	55.7
Other general and administrative expenses	86,790	17.5	70,027	17.1
Restructuring and other charges	19,902	4.0	—	—
Total operating expenses	\$ 527,657	106.5 %	\$ 412,675	100.7 %

Sales and Marketing Expenses — Sales and marketing expenses totaled \$48.2 million for the three months ended September 30, 2025, a decrease of \$4.4 million, or 8%, from the comparable prior year period. This decrease was driven primarily by a decrease in supply chain materials expenses, which are comprised of debit card plastics and related materials costs, from fewer active accounts, a decrease in revenue-sharing arrangements in our tax processing business and a decrease in our marketing expenses in our Consumer Services business.

Compensation and Benefits Expenses — Compensation and benefits expenses totaled \$63.4 million for the three months ended September 30, 2025, an increase of \$1.6 million, or 3%, from the comparable prior year period. The increase was driven primarily by an increase in accrued bonus compensation expense due to our current financial performance relative to our annual targets, partially offset by a decrease in employee stock-based compensation expense due to forfeitures of awards.

Processing Expenses — Processing expenses totaled \$309.3 million for the three months ended September 30, 2025, an increase of \$81.1 million, or 36%, from the comparable prior year period. This increase was principally due to growth in gross dollar volume on certain BaaS account programs within our B2B Services segment.

Other General and Administrative Expenses — Other general and administrative expenses totaled \$86.8 million for the three months ended September 30, 2025, an increase of \$16.8 million, or 24%, from the comparable prior year period. This increase was driven primarily by an increase in overall transaction losses attributable to an increase in our dispute loss rates, higher professional services fees associated with our strategic review process and our AML regulatory compliance initiatives, and an increase in software licenses and hosting costs due to investments in our platform and operations.

Restructuring and Other Charges — Restructuring and other charges totaled \$19.9 million for the three months ended September 30, 2025, and due to our previously announced restructuring plan discussed under "Overview." Additionally, refer to *Note 19 — Restructuring and Other Charges* in the Consolidated Financial Statements included herein for a more detailed discussion of our restructuring and other charges.

Other Expense, net

Other expense, net totaled \$1.3 million for the three months ended September 30, 2025, a decrease of \$2.4 million, from the prior year comparable period. This decrease was primarily driven by a decrease in equity method losses associated with TailFin due to lower operating expenses year over year, as well as higher income earned from bank-owned life insurance policies.

Income Tax Expense and Benefit

The following table presents a breakdown of our effective tax rate among federal, state, and other:

	Three Months Ended September 30,	
	2025	2024
U.S. federal statutory tax rate	21.0 %	21.0 %
State income taxes, net of federal tax benefit	2.9	(8.7)
Foreign tax rate differential	(3.1)	(2.6)
General business credits	0.3	(24.4)
Stock-based compensation	(0.3)	(2.6)
IRC 162(m) limitation	(0.8)	(6.3)
Bank-owned life insurance income	1.2	(13.0)
Bank-owned life insurance surrender	—	(19.2)
Nondeductible expenses and penalties	(0.1)	57.5
Global intangible low-tax income tax	0.2	3.0
Change in valuation allowance	(7.4)	—
Other	(0.1)	(0.1)
Effective tax rate	13.8 %	4.6 %

Our income tax benefit totaled \$4.9 million for the three months ended September 30, 2025, representing an increase of \$4.6 million from the prior year comparable period, primarily due to an increase in our loss before taxes and a decrease in nondeductible expenses and penalties primarily related to the tax effect associated with the civil money penalty we incurred in 2024 for our Consent Order from the Federal Reserve Board.

The increase in our effective tax rate for the three months ended September 30, 2025 from the prior year comparable period was due to several factors, including an increase of \$0.2 million in the amount of compensation expense that was subject to the IRC Section 162(m) limitation on the deductibility of certain executive compensation, an increase of \$2.6 million in the valuation allowance on the deferred tax assets of our China subsidiary, a lower tax rate benefit due to a decrease of \$0.3 million in the amount of general business credits, and a lower tax rate benefit from bank-owned life insurance policies income. These increases in our effective tax rate were partially offset by a decrease of \$1.8 million in state income taxes expense, net of federal benefits, a decrease of \$0.2 million in the tax expense associated with shortfalls from stock-based compensation, a decrease of \$4.7 million in tax expense due to nondeductible expenses and penalties discussed above, and a decrease of \$1.6 million related to our bank owned life insurance surrender penalties we incurred in connection with the surrender and restructuring of our existing bank owned life insurance policies completed in 2024.

The "Other" category in our effective tax rate consists of a variety of permanent differences, none of which were individually significant.

Comparison of Consolidated Results for the Nine Months Ended September 30, 2025 and 2024

Operating Revenues

The following table presents a breakdown of our operating revenues among card revenues and other fees, cash processing revenues, interchange revenues and net interest income:

	Nine Months Ended September 30,			
	2025		2024	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
(In thousands, except percentages)				
Operating revenues:				
Card revenues and other fees	\$ 1,150,240	73.8 %	\$ 878,002	69.2 %
Cash processing revenues	201,623	12.9	198,447	15.6
Interchange revenues	140,215	9.1	148,950	11.8
Interest income, net	65,798	4.2	43,453	3.4
Total operating revenues	\$ 1,557,876	100.0 %	\$ 1,268,852	100.0 %

Card Revenues and Other Fees — Card revenues and other fees totaled \$1,150.2 million for the nine months ended September 30, 2025, an increase of \$272.2 million, or 31%, from the comparable prior year period. This increase was driven principally by the same factors discussed above under “Comparison of Three-Month Periods Ended September 30, 2025 and 2024—Operating Revenues—Card Revenues and Other Fees.” In addition, this net increase was further partially offset by lower breakage revenue on our gift card portfolio.

Cash Processing Revenues — Cash processing revenues totaled \$201.6 million for the nine months ended September 30, 2025, an increase of \$3.2 million, or 2%, from the comparable prior year period. In our Money Movement Services segment, our tax processing revenues increased from the expansion of our taxpayer advance program and a favorable mix-shift in the distribution channel in which tax refunds were generated, despite a 13% decline in the number of tax refunds processed. The decrease in the number of tax refunds processed is principally attributable to our online tax preparation partners. The increase in tax processing revenues was partially offset by a 7% decline in the number of cash transfers processed during the nine months ended September 30, 2025 from the prior year comparable period. The decline in the number of cash transfers processed was due to a lower number of active accounts within our Consumer Services segment.

Interchange Revenues — Interchange revenues totaled \$140.2 million for the nine months ended September 30, 2025, a decrease of \$8.8 million, or 6%, from the comparable prior year period. The decrease was primarily due to a decrease in purchase volume of 2% and a decrease in the effective interchange rate earned as discussed under “Comparison of Three-Month Periods Ended September 30, 2025 and 2024—Operating Revenues—Interchange Revenues.”

Interest Income, net — Net interest income totaled \$65.8 million for the nine months ended September 30, 2025, an increase of \$22.3 million, or 51%, from the comparable prior year period. This increase was driven principally by the same factors discussed above under “Comparison of Three-Month Periods Ended September 30, 2025 and 2024—Operating Revenues—Interest Income, net.”

Operating Expenses

The following table presents a breakdown of our operating expenses among sales and marketing, compensation and benefits, processing, and other general and administrative expenses:

	Nine Months Ended September 30,			
	2025		2024	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
(In thousands, except percentages)				
Operating expenses:				
Sales and marketing expenses	\$ 158,090	10.1 %	\$ 167,948	13.2 %
Compensation and benefits expenses	193,472	12.4	189,967	15.0
Processing expenses	887,841	57.0	631,789	49.8
Other general and administrative expenses	257,258	16.5	295,193	23.3
Restructuring and other charges	19,902	1.3	—	—
Total operating expenses	\$ 1,516,563	97.3 %	\$ 1,284,897	101.3 %

Sales and Marketing Expenses — Sales and marketing expenses totaled \$158.1 million for the nine months ended September 30, 2025, a decrease of \$9.8 million, or 6%, from the comparable prior year period. This decrease was driven primarily by the same factors discussed above under “Comparison of Three-Month Periods Ended September 30, 2025 and 2024—Operating Expenses—Sales and Marketing Expenses.”

Compensation and Benefits Expenses — Compensation and benefits expenses totaled \$193.5 million for the nine months ended September 30, 2025, an increase of \$3.5 million, or 2%, from the comparable prior year period. This increase was driven primarily by the same factors discussed above under “Comparison of Three-Month Periods Ended September 30, 2025 and 2024—Operating Expenses—Compensation and Benefits Expenses” as well as an increase in third-party call center support costs associated with the growth of the BaaS account programs within our B2B Services segment.

Processing Expenses — Processing expenses totaled \$887.8 million for the nine months ended September 30, 2025, an increase of \$256.0 million, or 41%, from the comparable prior year period. This increase was driven primarily by the same factors discussed above under “Comparison of Three-Month Periods Ended September 30, 2025 and 2024—Operating Expenses—Processing Expenses.”

Other General and Administrative Expenses — Other general and administrative expenses totaled \$257.3 million for the nine months ended September 30, 2025, a decrease of \$37.9 million, or 13%, from the comparable prior year period. This decrease was driven primarily by the timing of accruals in the prior year period related to the civil money penalty under our Consent Order from the Federal Reserve Board, and to a lesser extent, a decrease in overall transaction losses attributable to lower customer dispute volume across our portfolios and favorable reductions in our dispute loss rates, and lower professional services fees related to our AML programs due to the year-over-year timing of spend on certain initiatives. These decreases were partially offset by an increase in software licenses and hosting costs due to investments in our platform and operations, and an increase from expenses associated with our strategic review process. Other general and administrative expenses also decreased due to the settlement payment and impairment charges related to the termination of our partnership agreement to develop a new core banking system in the prior year comparable period that did not recur in the current period.

Restructuring and Other Charges — Restructuring and other charges totaled \$19.9 million for the nine months ended September 30, 2025 and due to our previously announced restructuring plan discussed under “Overview.” Additionally, refer to *Note 19 — Restructuring and Other Charges* in the Consolidated Financial Statements included herein for a more detailed discussion of our restructuring and other charges.

Other Expense, net

Other expense, net totaled \$101.7 million for the nine months ended September 30, 2025, an increase of \$91.7 million, from the prior year comparable period. This increase was driven by our equity method losses associated with TailFin and resulted principally from a \$70 million incentive payment that TailFin made in connection with the extension of the Walmart MoneyCard agreement and related agreements in the second quarter of 2025. We recorded the incentive payment as a component of equity in losses attributable to TailFin during the second quarter of 2025 under our HLBV method of accounting. In addition, during the first quarter of 2025, we determined we would sell certain available-for-sales securities in order to reposition the proceeds into higher yielding assets, which resulted in a realized loss of \$24.8 million for the nine months ended September 30, 2025. These increases were partially offset by higher income earned from bank-owned life insurance policies.

Income Tax Expense and Benefit

The following table presents a breakdown of our effective tax rate among federal, state, and other:

	Nine Months Ended September 30,	
	2025	2024
U.S. federal statutory tax rate	21.0 %	21.0 %
State income taxes, net of federal tax benefit	4.2	6.1
Foreign tax rate differential	(1.5)	1.4
General business credits	0.9	11.6
Stock-based compensation	(2.4)	(10.0)
IRC 162(m) limitation	0.6	3.8
Bank-owned life insurance income	1.5	2.8
Bank-owned life insurance surrender	—	(7.4)
Nondeductible expenses and penalties	(0.2)	(32.3)
Global intangible low-tax income tax	—	(1.5)
Change in valuation allowance	(4.1)	—
Other	(0.1)	(0.1)
Effective tax rate	19.9 %	(4.6)%

Our income tax benefit totaled \$12.9 million for the nine months ended September 30, 2025, representing an increase of \$14.4 million from the prior year comparable period, driven primarily by the same factors discussed above under "Comparison of Three-Month Periods Ended September 30, 2025 and 2024—Income Tax Expense and Benefit."

The increase in our effective tax rate for the nine months ended September 30, 2025 from the prior year comparable period was due to several factors, including a reduced tax rate benefit due to an increase of \$0.8 million in the amount of compensation expense that was subject to the IRC 162(m) limitation on the deductibility of certain executive compensation, a decrease of \$1.0 million in general business credits, an increase of \$2.6 million in the valuation allowance on the deferred tax assets of our China subsidiary, and a lower tax rate benefit from the cash surrender value in bank-owned life insurance policies. These increases were partially offset by a decrease of \$0.9 million in state income taxes expense, net of federal benefits, a decrease of \$1.2 million in tax expense associated with shortfalls from stock-based compensation, a decrease of \$2.3 million related to bank-owned life insurance surrender penalties we incurred in connection with the surrender and restructuring of our existing bank-owned life insurance policies in 2024, and a decrease of \$9.7 million in tax expense from nondeductible expenses and penalties associated with the civil money penalty we incurred in 2024 for our Consent Order.

The "Other" category in our effective tax rate consists of a variety of permanent differences, none of which were individually significant.

Segment Results

B2B Services

The results of operations and key metrics of our B2B Services segment for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Change	%	2025	2024	Change	%
(In thousands, except percentages)								
Financial Results								
Segment revenues	\$ 364,223	\$ 276,402	\$ 87,821	31.8 %	\$ 1,054,864	\$ 769,658	\$ 285,206	37.1 %
Segment expenses	334,683	248,666	86,017	34.6 %	970,192	704,561	265,631	37.7 %
Segment profit	\$ 29,540	\$ 27,736	\$ 1,804	6.5 %	\$ 84,672	\$ 65,097	\$ 19,575	30.1 %
(In millions, except percentages)								
Key Metrics								
Gross dollar volume	\$ 35,868	\$ 29,490	\$ 6,378	21.6 %	\$ 103,502	\$ 83,861	\$ 19,641	23.4 %
Number of active accounts*	1.89	1.68	0.21	12.5 %	n/a	n/a	n/a	n/a
Purchase volume	\$ 2,006	\$ 1,983	\$ 23	1.2 %	\$ 5,992	\$ 5,894	\$ 98	1.7 %

* Represents total number of active accounts as of September 30, 2025 and 2024, respectively.

As additional supplemental information, our key metrics within our B2B Services segment is presented on a quarterly basis as follows:

	2025			2024			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	(In millions)						
Key Metrics							
Gross dollar volume	\$ 35,868	\$ 34,620	\$ 33,014	\$ 31,222	\$ 29,490	\$ 28,116	\$ 26,255
Number of active accounts*	1.89	1.81	1.78	1.79	1.68	1.65	1.58
Purchase volume	\$ 2,006	\$ 2,000	\$ 1,986	\$ 2,070	\$ 1,983	\$ 1,976	\$ 1,935

* Represents total number of active accounts as of the end of each quarter.

Segment revenues within our B2B Services for the three and nine months ended September 30, 2025 increased \$87.8 million, or 32%, and \$285.2 million, or 37%, respectively, over the prior year comparable periods, while our segment expenses for the three and nine months ended September 30, 2025 increased \$86.0 million, or 35%, and \$265.6 million, or 38%, respectively.

Our gross dollar volume, purchase volume, and number of active accounts increased during the three months ended September 30, 2025 by 22%, 1%, and 13%, respectively, over the prior year comparable period. Our gross dollar volume and purchase volume increased year-over-year by similar levels during the nine months ended September 30, 2025. We have continued to experience organic growth from both new and existing users concentrated in certain BaaS programs that tend to yield higher gross dollar volume per active user but do not generate comparable levels of interchange fees. The growth in gross dollar volume from these BaaS programs resulted in a net increase in segment revenue due to higher program management service fees earned from these BaaS partners.

Segment expenses increased for the three and nine months ended September 30, 2025 over the prior year comparable periods, principally due to higher processing expenses associated with the growth of certain BaaS account programs. Additionally, segment expenses increased for the three months ended September 30, 2025 over the prior year comparable period from higher transaction losses due to increases in our dispute loss rates and dollar volume and higher third-party call center support costs as a result of increases in gross dollar volume and the number of active accounts. Segment expenses for the nine months ended September 30, 2025 was driven by these same factors, however, our transaction losses decreased slightly due to favorable reductions in our dispute loss rates on a full year basis.

As a result of these factors, our segment profit increased for the three and nine months ended September 30, 2025 by approximately 7% and 30%, respectively, over the prior year comparable periods. Although limited, our segment profit increased year-over-year from improvement in our cost structure and revised economics of certain partnerships, despite the impact of certain BaaS partnerships largely providing for a fixed profit.

Consumer Services

The results of operations and key metrics of our Consumer Services segment for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,		Change	%	Nine Months Ended September 30,		Change	%
	2025	2024			2025	2024		
	(In thousands, except percentages)							
Financial Results								
Segment revenues	\$ 88,331	\$ 98,046	\$ (9,715)	(9.9)%	\$ 276,686	\$ 295,278	\$ (18,592)	(6.3)%
Segment expenses	56,613	58,657	(2,044)	(3.5)%	178,242	188,181	(9,939)	(5.3)%
Segment profit	\$ 31,718	\$ 39,389	\$ (7,671)	(19.5)%	\$ 98,444	\$ 107,097	\$ (8,653)	(8.1)%
	(In millions, except percentages)							
Key Metrics								
Gross dollar volume	\$ 3,637	\$ 3,983	\$ (346)	(8.7)%	\$ 11,800	\$ 12,497	\$ (697)	(5.6)%
Number of active accounts*	1.62	1.78	(0.16)	(9.0)%	n/a	n/a	n/a	n/a
Direct deposit active accounts*	0.40	0.44	(0.04)	(9.1)%	n/a	n/a	n/a	n/a
Purchase volume	\$ 2,730	\$ 2,904	\$ (174)	(6.0)%	\$ 8,848	\$ 9,279	\$ (431)	(4.6)%

* Represents total number of active and direct deposit active accounts as of September 30, 2025 and 2024, respectively.

As additional supplemental information, our key metrics within our Consumer Services segment is presented on a quarterly basis as follows:

	2025			2024			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	(In millions)						
Key Metrics							
Gross dollar volume	\$ 3,637	\$ 3,925	\$ 4,238	\$ 4,060	\$ 3,983	\$ 4,014	\$ 4,500
Number of active accounts *	1.62	1.67	1.80	1.88	1.78	1.76	1.93
Direct deposit active accounts *	0.40	0.41	0.41	0.43	0.44	0.45	0.46
Purchase volume	\$ 2,730	\$ 2,991	\$ 3,127	\$ 3,082	\$ 2,904	\$ 3,036	\$ 3,339

* Represents total number of active accounts as of the end of each quarter.

Segment revenues within Consumer Services for the three and nine months ended September 30, 2025 decreased \$9.7 million, or 10%, and \$18.6 million, or 6%, respectively, from the prior year comparable periods, while our segment expenses for the three and nine months ended September 30, 2025 decreased by \$2.0 million, or 3%, and \$9.9 million, or 5%, respectively.

Our gross dollar volume and purchase volume declined by 9% and 6%, respectively, for the three months ended September 30, 2025, and both the number of active accounts and direct deposit accounts declined by 9% from the prior year comparable periods, primarily due to each of the factors discussed above in "Overview." These factors include macro-economic factors leading to economic challenges for consumers and other competitive trends that have impacted account acquisition. Our gross dollar volume and purchase volume decreased year-over-year by similar levels during the nine months ended September 30, 2025. As a result of these decreases in each of our key metrics, our monthly maintenance fee revenues, ATM fee revenues and interchange revenues decreased year-over-year. In addition, our interchange rate declined due to a mix-shift toward categories of consumer purchases with lower effective rates for the comparable period, and a lower average spend per transaction.

Segment expenses for the three and nine months ended September 30, 2025 decreased from the comparable prior year periods primarily due to a decrease in overall transaction losses attributable to lower customer dispute volume across our portfolios and favorable reductions in our dispute loss rates, and lower supply chain material expenses due to fewer active accounts, partially offset by an increase in sales commissions from higher revenues on products subject to tiered revenue-sharing agreements.

Overall, segment profit decreased for the three and nine months ended September 30, 2025 by approximately 19% and 8%, respectively, from the prior year comparable periods.

Money Movement Services

The results of operations and key metrics of our Money Movement Services segment for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,		Change	%	Nine Months Ended September 30,		Change	%
	2025	2024			2025	2024		
	(In thousands, except percentages)							
Financial Results								
Segment revenues	\$ 29,819	\$ 31,854	\$ (2,035)	(6.4)%	\$ 190,914	\$ 187,967	\$ 2,947	1.6 %
Segment expenses	16,915	19,137	(2,222)	(11.6)%	67,072	74,112	(7,040)	(9.5)%
Segment profit	\$ 12,904	\$ 12,717	\$ 187	1.5 %	\$ 123,842	\$ 113,855	\$ 9,987	8.8 %
Key Metrics	(In millions, except percentages)							
Number of cash transfers	7.43	8.22	(0.79)	(9.6)%	22.46	24.14	(1.68)	(7.0)%
Number of tax refunds processed	0.20	0.19	0.01	3.1 %	11.91	13.67	(1.76)	(12.9)%

As additional supplemental information, our key metrics within our Money Movement Services segment is presented on a quarterly basis as follows:

	2025			2024			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	(In millions)						
Key Metrics							
Number of cash transfers	7.43	7.52	7.51	8.14	8.22	8.15	7.77
Number of tax refunds processed	0.20	3.73	7.98	0.15	0.19	4.20	9.28

Segment revenues within our Money Movement services for the three months ended September 30, 2025 decreased \$2.0 million, or 6%, and for the nine months ended September 30, 2025 increased \$2.9 million, or 2%, from the prior year comparable periods. Segment expenses for the three and nine months ended September 30, 2025 decreased \$2.2 million, or 12%, and \$7.0 million, or 9%, respectively.

The decrease in segment revenues for the three months ended September 30, 2025 was driven by a decrease in our cash transfer revenues due to a 10% decrease in the number of cash transfers processed. The decline in the number of cash transfers processed was due to a lower number of active accounts within our Consumer Services segment and to a lesser extent, a lower number of cash transfers processed for third-party programs. The decrease was partially offset by slightly higher tax processing revenues due to a 3% increase in the number of tax refunds processed and from higher ancillary tax program fees that are associated with tax refund transfers.

The increase in segment revenues for the nine months ended September 30, 2025 was driven by higher tax processing revenues, which increased due to the expansion of our taxpayer advance program and a favorable mix-shift in the distribution channel in which tax refunds were generated, despite a 13% decline in the number of tax refunds processed. The decrease in the number of tax refunds processed during the nine months ended September 30, 2025 was principally attributable to our online tax preparation partners. These increases were partially offset by a 7% decline in the number of cash transfers processed during the nine months ended September 30, 2025 from the prior year comparable period, which was attributable to the same reasons discussed above.

Segment expenses decreased during the three and nine months ended September 30, 2025 primarily due to a decrease in revenue-sharing arrangements in our tax processing business. Overall, segment profit increased for the three and nine months ended September 30, 2025 by approximately 1% and 9%, respectively, from the prior year comparable periods.

Corporate and Other

The results of operations and key metrics of our Corporate and Other segment for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,		Change	%	Nine Months Ended September 30,		Change	%
	2025	2024			2025	2024		
	(In thousands, except percentages)							
Financial Results								
Unallocated revenue and inter-segment eliminations	\$ 9,480	\$ (283)	\$ 9,763	(3,450)%	\$ 26,517	\$ 3,095	\$ 23,422	756.8%
Unallocated corporate expenses and inter-segment eliminations	60,071	51,244	8,827	17.2%	173,920	167,599	6,321	3.8%
Total	\$ (50,591)	\$ (51,527)	\$ 936	(1.8)%	\$ (147,403)	\$ (164,504)	\$ 17,101	(10.4)%

Revenues within Corporate and Other are comprised of net interest income, certain other investment income earned by our bank, interest profit sharing arrangements with certain BaaS partners (a reduction of revenue) and eliminations of inter-segment revenues. Unallocated corporate expenses include eliminations of inter-segment expenses and our fixed expenses such as salaries, wages and related benefits for our employees, professional services fees, software licenses, telephone and communication costs, rent, utilities and insurance. These costs are not considered when our CODM evaluates the performance of our three reportable segments since they are not directly attributable to any reporting segment. Non-cash expenses such as stock-based compensation, depreciation and amortization of long-lived assets, impairment charges and other non-recurring expenses that are not considered by our CODM when evaluating our overall consolidated financial results are excluded from our unallocated corporate expenses above. Refer to *Note 20—Segment Information* to the Consolidated Financial Statements included herein for a summary reconciliation.

Revenues within our Corporate and Other segment were driven primarily by an increase in net interest income, which increased by 41% and 51% for the three and nine months ended September 30, 2025, respectively, from the

prior year comparable periods. The increase in net interest income was primarily the result of yields earned from an increase in cash from deposit programs with our partners and to a lesser extent higher yielding investments from our bond repositioning strategy, and a decrease in interest shared with certain BaaS partners (a reduction of revenue).

Unallocated corporate expenses for the three and nine months ended September 30, 2025 increased by approximately 17% and 4%, respectively, over the prior year comparable periods. The increase in unallocated corporate expenses for the three months ended September 30, 2025 was driven primarily by an increase in accrued bonus compensation expense due to our current financial performance relative to our annual targets and higher software licenses and hosting costs due to investments in our platform and operations, and higher professional services fees related to our AML regulatory compliance initiatives. The net increase for the nine months ended September 30, 2025 was impacted by these same factors, partially offset by a decrease from lower professional services fees related to our AML programs due to the year-over-year timing of spend on certain initiatives.

Liquidity and Capital Resources

The following table summarizes our major sources and uses of cash for the periods presented:

	Nine Months Ended September 30,	
	2025	2024
(In thousands)		
Total cash provided by (used in)		
Operating activities	\$ 201,027	\$ 104,395
Investing activities	(287,457)	85,818
Financing activities	131,360	576,878
Increase in unrestricted cash, cash equivalents and restricted cash	<u>\$ 44,930</u>	<u>\$ 767,091</u>

For the nine months ended September 30, 2025 and 2024, we financed our operations primarily through our cash flows provided by operating activities, customer funds held on deposit and borrowings from our senior unsecured notes. As of September 30, 2025, our primary source of liquidity was unrestricted cash and cash equivalents totaling \$1.6 billion. We also consider our \$2.3 billion of available-for-sale investment securities to be highly liquid instruments.

We use trend and variance analysis as well as our detailed budgets and forecasts to project future cash needs, making adjustments to the projections when needed. We believe that our current unrestricted cash and cash equivalents, cash flows from operations and borrowing capacity under our revolving line of credit will be sufficient to meet our working capital, capital expenditures, and any other capital needs for at least the next 12 months. We are currently not aware of any trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in our liquidity increasing or decreasing in any material way that will impact our capital needs during or beyond the next 12 months. We continue to monitor the impact of material trends on our business to ensure our liquidity and capital resources remain appropriate throughout this period of uncertainty.

Cash Flows from Operating Activities

Our \$201.0 million of net cash provided by operating activities during the nine months ended September 30, 2025 was the result of \$52.0 million of net loss, adjusted for certain non-cash operating items of \$211.5 million and increases in net changes in our working capital assets and liabilities of \$41.6 million.

Our \$104.4 million of net cash provided by operating activities during the nine months ended September 30, 2024 was the result of \$31.8 million of net losses, adjusted for certain non-cash operating items of \$139.5 million and decreases in net changes in our working capital assets and liabilities of \$3.3 million, which included the payment of \$44 million for the civil money penalty included in our Consent Order.

Cash Flows from Investing Activities

Our \$287.5 million of net cash used in investing activities during the nine months ended September 30, 2025 was primarily due to purchases of available-for-sale securities, net of proceeds from sales and maturities, of \$206.4 million, and to a lesser extent by the acquisition of property and equipment of \$58.7 million and net changes in loans of \$20.3 million.

Our \$85.8 million of net cash provided by investing activities during the nine months ended September 30, 2024 was primarily due to proceeds from maturities of available-for-sale securities, net of purchases, of \$143.1 million and the surrender of a portion of our bank-owned life insurance policies of \$55.1 million, partially offset by capital contributions related to our investment in TailFin Labs, LLC of \$35.0 million, the acquisition of property and

equipment of \$52.2 million and net changes in loans of \$24.4 million. Our final payment under our commitment with TailFin Labs, LLC was made in January 2024.

Cash Flows from Financing Activities

Our \$131.4 million of net cash provided by financing activities during the nine months ended September 30, 2025 was principally the result of a net increase in customer deposits of \$204.0 million and borrowings on our notes payable \$14.9 million, partially offset by a net decrease in obligations to customers of \$86.7 million. Refer to additional discussion below for our borrowings and repayments of debt.

Our \$576.9 million of net cash provided by financing activities during the nine months ended September 30, 2024 was principally the result of a net increase in customer deposits of \$547.5 million and in obligations to customers of \$46.0 million.

Other Sources of Liquidity

Senior Unsecured Notes

In 2024 and 2025, we issued and sold senior unsecured notes (the "Notes") in an aggregate principal amount of \$65 million. The Notes have a five-year term, maturing September 15, 2029. The principal amounts bear interest at a fixed rate of 8.75% per annum, payable semi-annually in arrears. The net proceeds of the offering were used to repay outstanding indebtedness under our revolving credit facility discussed below, and for general corporate purposes.

2025 Revolving Facility

In February 2025, we entered into a new revolving line of credit agreement with a financial institution up to a maximum principal amount of \$20 million, subject to borrowing base limitations defined under the terms of the agreement. The line of credit matures in August 2026 and will bear interest at variable market rates, but subject to a minimum rate of 6.0% per annum. Interest payments are due monthly, and accrue based on the then-outstanding principal balance. We had no outstanding balance as of September 30, 2025.

2019 Revolving Facility

In October 2019, we entered into a secured credit agreement with Wells Fargo Bank, National Association, and other lenders party thereto. The credit agreement provided for a \$100.0 million five-year revolving line of credit (the "2019 Revolving Facility"), which matured in October 2024. The proceeds of any borrowings under the 2019 Revolving Facility were used for working capital and other general corporate purposes, subject to the terms and conditions set forth in the credit agreement. As of September 30, 2024, the then-outstanding balance on the 2019 Revolving Facility was repaid in full, and the 2019 Revolving Facility terminated at its maturity date.

Other Sources

Green Dot Bank has the ability to access various sources of funding, including advances from the Federal Home Loan Bank and the Federal Reserve's discount window. Availability of these borrowings is subject to various factors, including maintaining eligibility requirements and the amount of pledged collateral. These sources may be used from time to time to support our short-term liquidity needs.

Material Cash Requirements

While the overall macro-economic environment, the effect of high inflation and interest rates, and other factors described in "Outlook and Other Trends Affecting Our Business" above have created economic uncertainty and impacted how we manage our liquidity and capital resources, we intend to continue to invest in growth and cost efficiency initiatives in the normal course of business until we reach a conclusion regarding the process we recently initiated to explore potential strategic alternatives. The amount and timing of these investments and the related cash outflows in future periods is difficult to predict and is dependent on a number of factors including the rate of change of computer hardware and software used in our business and our business outlook as a result of macro-economic uncertainties. We intend to continue to invest in new products and programs, new features for our existing products and IT infrastructure in order to scale and operate effectively to meet our strategic objectives. We expect our capital expenditures in 2025 to be at similar levels compared to our annual investments in recent years. We expect to fund these capital expenditures primarily through our cash flows provided by operating activities.

We have used cash to acquire businesses and technologies and we anticipate that we may continue to do so in the future. The nature of these transactions, however, makes it difficult to predict the amount and timing of such cash requirements. Additionally, we have made and may further make periodic cash contributions to our subsidiary bank, Green Dot Bank, to maintain its capital, leverage and other financial commitments at levels we have agreed to

with our regulators. We may need to increase the size of our cash contributions to Green Dot Bank to maintain its capital, leverage and other financial commitments.

Contractual Obligations

There have been no material changes during the nine months ended September 30, 2025 to our contractual obligations disclosed in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2024.

Capital Requirements for Bank Holding Companies

Our subsidiary bank, Green Dot Bank, is a member bank of the Federal Reserve System and our primary regulators are the Federal Reserve Board and the Utah Department of Financial Institutions. We and Green Dot Bank are subject to various regulatory capital requirements administered by the banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory actions by regulators that, if undertaken, could have a direct material effect on our financial statements. Under capital adequacy guidelines, we and Green Dot Bank must meet specific capital guidelines that involve quantitative measures of the assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

The Basel III rules, which were promulgated by the Federal Reserve and other U.S. banking regulators, provide for risk-based capital, leverage and liquidity standards. Under the Basel III rules, we must maintain a ratio of common equity Tier 1 capital to risk-weighted assets of at least 4.5%, a ratio of Tier 1 capital to risk-weighted assets of at least 6%, a ratio of total capital to risk-weighted assets of at least 8% and a minimum Tier 1 leverage ratio of 4.0%. Either or both of Green Dot Corporation and Green Dot Bank may qualify for and opt to use, from time to time, the community bank leverage ratio framework under the Federal Reserve's version of the U.S. Basel III Rules. Under the community bank leverage ratio framework, a qualifying community banking organization may generally satisfy its capital requirements (and capital conservation buffer) under the U.S. Basel III rules provided that it has a Tier 1 leverage ratio greater than 9% and satisfies other applicable conditions. Green Dot Corporation and Green Dot Bank qualify for and opt into use of the community bank leverage ratio framework. We expect that Green Dot Corporation will continue to qualify for and use the community bank leverage ratio framework, and that Green Dot Bank will calculate and disclose its risk-based capital ratios and Tier 1 leverage ratio under standardized approach of the U.S. Basel III Rules.

As of September 30, 2025 and December 31, 2024, we and Green Dot Bank were categorized as "well-capitalized" under applicable regulatory standards. To be categorized as "well-capitalized," we and Green Dot Bank must maintain specific total risk-based, Tier 1 risk-based and Tier 1 leverage ratios as set forth in the table below. There were no conditions or events since September 30, 2025 which management believes would have changed our category as "well-capitalized."

The definitions associated with the amounts and ratios below are as follows:

Ratio	Definition
Tier 1 leverage ratio	Tier 1 capital divided by average total assets
Common equity Tier 1 capital ratio	Common equity Tier 1 capital divided by risk-weighted assets
Tier 1 capital ratio	Tier 1 capital divided by risk-weighted assets
Total risk-based capital ratio	Total capital divided by risk-weighted assets
Terms	Definition
Tier 1 capital and Common equity Tier 1 capital	Includes common stock and retained earnings, adjusted for items primarily related to accumulated OCI, goodwill, deferred tax assets and intangibles.
Total capital	Tier 1 capital plus supplemental capital items such as the allowance for credit losses, subject to certain limits
Average total assets	Average total consolidated assets during the period less deductions and adjustments primarily related to goodwill, deferred tax assets and intangibles assets
Risk-weighted assets	Represents the amount of assets or exposure multiplied by the standardized risk weight (%) associated with that type of asset or exposure. The standardized risk weights are prescribed in the bank capital rules and reflect regulatory judgment regarding the riskiness of a type of asset or exposure

The actual amounts and ratios, and required "well-capitalized" minimum capital amounts and ratios at September 30, 2025 and December 31, 2024 were as follows:

	September 30, 2025			
	Amount	Ratio	Regulatory Minimum	"Well-capitalized" Minimum
(In thousands, except ratios)				
Green Dot Corporation:				
Tier 1 leverage	\$ 739,834	13.8 %	4.0 %	n/a
Common equity Tier 1 capital	\$ 739,834	41.9 %	4.5 %	n/a
Tier 1 capital	\$ 739,834	41.9 %	6.0 %	6.0 %
Total risk-based capital	\$ 765,612	43.3 %	8.0 %	10.0 %
Green Dot Bank:				
Tier 1 leverage	\$ 426,688	8.1 %	4.0 %	5.0 %
Common equity Tier 1 capital	\$ 426,688	33.8 %	4.5 %	6.5 %
Tier 1 capital	\$ 426,688	33.8 %	6.0 %	8.0 %
Total risk-based capital	\$ 434,876	34.4 %	8.0 %	10.0 %
December 31, 2024				
	Amount	Ratio	Regulatory Minimum	"Well-capitalized" Minimum
(In thousands, except ratios)				
Green Dot Corporation:				
Tier 1 leverage	\$ 760,571	15.0 %	4.0 %	n/a
Common equity Tier 1 capital	\$ 760,571	42.6 %	4.5 %	n/a
Tier 1 capital	\$ 760,571	42.6 %	6.0 %	6.0 %
Total risk-based capital	\$ 782,207	43.8 %	8.0 %	10.0 %
Green Dot Bank:				
Tier 1 leverage	\$ 362,697	7.3 %	4.0 %	5.0 %
Common equity Tier 1 capital	\$ 362,697	28.2 %	4.5 %	6.5 %
Tier 1 capital	\$ 362,697	28.2 %	6.0 %	8.0 %
Total risk-based capital	\$ 370,207	28.8 %	8.0 %	10.0 %

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the potential for economic losses from changes in market factors such as foreign currency exchange rates, credit, interest rates and equity prices. We believe that we have limited exposure to risks associated with changes in foreign currency exchange rates, interest rates and equity prices. We have not had any significant foreign operations and expect to fully exit our operational activities in China by the end of fiscal year 2025. We do not hold or enter into derivatives or other financial instruments for trading or speculative purposes.

Interest rates

While operating net interest income is a meaningful component to our consolidated operating results, we do not consider our investment portfolio to be subject to material interest rate risk since it is comprised predominantly of fixed rate securities. The composition of our portfolio is price sensitive to rate changes, which can impact unrealized gains or losses in our portfolio. However, we have the ability, liquidity and intent to hold these instruments until such securities in our portfolio recover their amortized cost bases, which may be at maturity. Our cash and cash equivalents are also subject to changes in short-term rates. The Federal Open Market Committee ("FOMC") decreased the federal funds target rate in September 2024 to a range of 4.75%-5.0%, the first rate cut in over four years, and has further made a series of interest rate reductions since then to a current range of 3.75% to 4.0%. The FOMC's decision-making policies for short-term interest rates will continue to impact the amount of net interest income we earn in the future. In general, while increases in short-term interest rates benefit the yield we earn on our cash, certain of our BaaS partner arrangements allow for the BaaS partner to share in a significant portion of the interest earned from accountholder deposits (which are recorded as a reduction of revenue in our consolidated financial statements) and yields on our investment portfolio tend to lag interest rate increases as securities mature and proceeds are reinvested. Accordingly, the net effect has had and we expect will continue to have a negative impact on our consolidated financial statements and will be dependent upon future interest rate changes enacted by the Federal Reserve. To address some of this dynamic, we have begun to reposition a portion of our investment securities portfolio into variable rate debt securities to improve net yields and balance the effect of our interest sharing arrangements with BaaS partners.

In 2024 and 2025, we issued and sold Notes in an aggregate principal amount of \$65 million. The principal amounts of the Notes bear interest at a fixed rate of 8.75% per annum, payable semi-annually in arrears and maturing in September 2029. Refer to *Note 9 — Debt* to the Consolidated Financial Statements included herein for additional information. Should we require additional liquidity, our borrowings are expected to be at then current market rates of interest and may expose us to interest rate risk. Although any short-term borrowings would likely be insensitive to interest rate changes, interest expense on short-term borrowings will increase and decrease with changes in the underlying short-term interest rates.

We actively monitor our interest rate exposure and our objective is to reduce, where we deem appropriate to do so, fluctuations in earnings and cash flows associated with changes in interest rates. In order to accomplish this objective, we may enter into derivative financial instruments, such as forward contracts and interest rate hedge contracts only to the extent necessary to manage our exposure. We do not hold or enter into derivatives or other financial instruments for trading or speculative purposes.

Inflation risks

It is difficult to assess whether inflation has or will have a material effect on our business, financial condition or results of operations. Nonetheless, if our borrowing rates were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through rate increases. Our inability or failure to do so could harm our business, financial condition and results of operations. Additionally, interest rate increases may adversely impact our customers' spending levels or our customers' ability to pay outstanding amounts owed to us. However, we believe this risk is largely offset by the higher interest rate yields on our cash and investment portfolios as well as anticipated increases in consumer spending caused by inflation that would result in increased interchange revenue. Further, because the majority of our investment portfolio is subject to longer maturity dates, we believe the risk of realized losses from selling fixed income securities at a discount to the market is immaterial relative to the size of our portfolio.

Credit and liquidity risks

We are exposed to credit and liquidity risks associated with the financial institutions that hold our cash and cash equivalents, restricted cash, available-for-sale investment securities, settlement assets due from retail distributors, third-party payment processors and other partners that collect funds and fees from our customers, and amounts due from our issuing banks for fees collected on our behalf.

We manage the credit and liquidity risks associated with our cash and cash equivalents, available-for-sale investment securities, loans and amounts due from issuing banks by maintaining an investment policy that restricts our correspondent banking relationships to approved, well-capitalized institutions and restricts investments to highly liquid, low credit risk assets. Our policy has limits related to liquidity ratios, the concentration that we may have with a single institution or issuer and effective maturity dates as well as restrictions on the type of assets that we may invest in. The management Asset Liability Committee is responsible for monitoring compliance with our Capital Asset Liability Management policy and related limits on an ongoing basis, and reports regularly to the risk committee of our Board of Directors.

Our exposure to credit risk associated with settlement assets is mitigated due to the short time period, currently an average of two days that settlement assets are outstanding. We perform an initial credit review and assign a credit limit to each new retail distributor, third-party payment processors and other partners. We monitor each partner's settlement asset exposure and its compliance with its specified contractual settlement terms on a daily basis and assess their credit limit and financial condition on a periodic basis. Our management's Enterprise Risk Management Committee is responsible for monitoring partner exposure and assigning credit limits and reports regularly to the risk committee of our Board of Directors. We continue to monitor our exposure to credit risk with our retail distributors and other business partners in light of the current macro-economic uncertainties.

ITEM 4. Controls and Procedures

Disclosure controls and procedures — Our management, with the participation of our Interim Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 13d-15(e)) at the end of the period covered by this report. Based on such evaluation of our disclosure controls and procedures, our Interim Chief Executive Officer and Chief Financial Officer have concluded that, at the end of such period, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to our management, including our Interim Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Change in internal control over financial reporting — There was no material change in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the three months ended September 30, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any significant impact to our internal controls over financial reporting despite the fact that most of our employees have shifted to a remote workforce strategy in the U.S. The design of our processes and controls allows for remote execution with accessibility to secure data. We are continually monitoring and assessing our remote work environment to minimize the impact, if any, on the design and operating effectiveness on our internal controls.

Limitations on Effectiveness of Controls — Our management, including our Interim Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected.

PART II

ITEM 1. Legal Proceedings

Refer to *Note 17 — Commitments and Contingencies* to the Consolidated Financial Statements included herein for information regarding our legal proceedings, which information is incorporated into this Item 1 by reference.

ITEM 1A. Risk Factors

RISKS RELATED TO OUR BUSINESS

Our exploration of strategic alternatives could adversely affect our business and our stock price.

On March 10, 2025, we announced that our Board of Directors had initiated a process to explore potential strategic alternatives. The initiation of such process creates risks and uncertainties as to the outcome and timing thereof, including our potential inability to consummate any proposed strategic alternative resulting from the process due to, among other things, market, regulatory and other factors. We expect to incur additional operating expenses and may experience disruptions and/or changes in our business, such as through losses of employees, accountholders, BaaS partners, retail distributors and tax preparation partners, in connection with our strategic review process or during the pendency of any transaction resulting therefrom, any of which could negatively impact our results of operations and financial condition. Additionally, any suspension of the strategic review process, or a decision not to undertake a strategic transaction following completion of the process, could have an adverse effect on the market price and trading volatility of our Class A common stock.

The loss of operating revenues from our BaaS partners and Walmart or any of our largest retail distributors as well as third-party processors or other major consumers would negatively impact our business.

A significant portion of our operating revenues are derived from our BaaS partners and the products and services sold at our largest retail distributors. Approximately 67% and 62% of our total operating revenues for the three and nine months ended September 30, 2025, respectively, was generated from a single BaaS partner. Additionally, as a percentage of total operating revenues, operating revenues derived from products and services sold at the store locations of Walmart was approximately 8% and 7% for the three and nine months ended September 30, 2025, respectively. We expect that both Walmart and our largest BaaS partner will continue to have a significant impact on our operating revenues in future periods. It would be difficult to replace these operating revenues. Accordingly, any significant reduction in transaction volume or customers' spending levels through Walmart or our largest BaaS partner, for any reason, including macroeconomic conditions or non-renewal of existing contracts, would negatively impact our business and results of operations. In addition, any publicity associated with the loss of any of our large retail distributors, significant BaaS partner or third-party processors could harm our reputation, making it more difficult to attract and retain consumers, BaaS partners, third-party processors and other retail distributors, and could lessen our negotiating power with our remaining and prospective retail distributors, BaaS partners and third-party processors.

The term of our Walmart MoneyCard agreement (which governs the MoneyCard program) expires on January 31, 2033, unless renewed under its automatic renewal provision, which provides for a one-year extension. Our contracts with Walmart and our other largest retail distributors can in limited circumstances, such as our material breach or insolvency or, in the case of Walmart, our failure to meet agreed-upon service levels, certain changes in control, and our inability or unwillingness to agree to requested pricing changes, be terminated by these retail distributors on relatively short notice. There can be no assurance that we will be able to continue our relationships with our largest retail distributors, BaaS partners or third-party processors on the same or more favorable terms in future periods or that our relationships will continue beyond the terms of our existing contracts with them. Our operating revenues and results of operations could be negatively impacted if, among other things, any of our largest retail distributors, BaaS partners or third-party processors renegotiates, terminates or fails to renew, or to renew on similar or favorable terms, its agreement with us or otherwise chooses to modify the level of support it provides for our products.

Our base of tax preparation partners is concentrated, and the performance of our Money Movement Services segment depends in part on our ability to retain existing partners.

If one or more of our major tax preparation partners were to substantially reduce or stop offering our services to their customers, our tax refund processing services business, a component of our Money Movement Services segment, would be negatively impacted. Substantially all the revenues we generate from our tax refund processing services business have come from sales through a relatively small number of tax preparation firms. We do not have long-term contractual commitments from most of our current tax preparation partners and our tax preparation partners for any reason may elect to not renew their contracts with us with little or no advance notice. As a result, we cannot be certain that any of our current tax preparation partners will continue to partner with us past the terms in their current agreements. A termination of our relationships with certain tax preparation partners that provide commercial tax preparation software would result in lost revenue and the loss of the ability to secure future relationships with new or existing tax preparation firms that use such tax software.

Our future success depends upon the active and effective promotion of our products and services by our BaaS partners, retail distributors and tax preparation partners.

Most of our operating revenues are derived from program management service fees that we earn from our BaaS partners and products and services sold at the stores of our retail distributors. In addition, the revenues we generate from our tax refund processing services are largely derived from products and services sold through retail tax preparation businesses and income tax software providers. Revenues from our BaaS partners, retail distributors and tax preparation partners depend on a number of factors outside our control and may vary from period to period. Our program management service fees depend upon the success of our BaaS partners' efforts to promote their own products and services which incorporate our products and services. Additionally, because we compete with many other providers of products and services for placement and promotion of products in the stores of our retail distributors or in conjunction with the delivery of tax preparation services by our tax preparation providers, our success depends on the willingness of our retail distributors and tax preparation partners to promote our products and services successfully. In general, our contracts with these third parties allow them to exercise significant discretion over the placement and promotion of our or their products and services, and for a variety of reasons they could give higher priority to other products or services they are offering or the products and services of other companies. Accordingly, losing the commitment of our BaaS partners, retail distributors and tax preparation partners might limit or reduce program management service fees and the sales of our products and services. Our operating revenues and operating expenses may also be negatively affected by the operational decisions of our BaaS partners, retail distributors and tax preparation partners. For example, if a retail distributor reduces shelf space for our products or implements changes in its systems that disrupt the integration between its systems and ours, our product sales could be reduced or decline, and we may incur additional merchandising costs to ensure our products are appropriately stocked. Similarly, for a variety of reasons, many of our tax preparation partners that provide commercial income tax preparation software offer their customers several alternatives for tax refund processing services, including those of our competitors. Even if our BaaS partners, retail distributors and tax preparation partners actively and effectively promote our or their products and services, there can be no assurance that their efforts will maintain or result in growth of our operating revenues.

Future revenue growth depends on our ability to retain and attract new BaaS partners and long-term users of our products.

Our ability to increase account usage and accountholder retention and to attract new BaaS partners and long-term users of our products can have a significant impact on our operating revenues. We may be unable to generate increases in account usage, accountholder retention or attract new BaaS partners and long-term users of our products due to a number of reasons, including if we are unable to maintain our existing distribution channels, accurately predict consumer preferences or industry changes and modify our products and services on a timely basis in response thereto, produce new features and services that appeal to existing and prospective customers, and influence accountholder behavior through accountholder retention and usage incentives. Our results of operations could vary materially from period to period based on the degree to which we are successful in increasing usage and retention and attracting new BaaS partners and long-term users of our products.

Seasonal fluctuations in the use of our products and services impact our results of operations and cash flows.

Our results of operations and cash flows vary from quarter to quarter, and periodically decline, due to the seasonal nature of the use of our products and services. For example, our results of operations for the first half of each year have been favorably affected by large numbers of taxpayers electing to receive their tax refunds via direct deposit on our accounts, which caused our operating revenues to be typically higher in the first half of those years

than they were in the corresponding second half of those years. Our tax refund processing services business is also highly seasonal as it generates the substantial majority of its revenue in the first quarter, and substantially all of its revenue in the first half of each calendar year. To the extent that seasonal fluctuations become more pronounced, or are not offset by other factors, our results of operations and cash flows from operating activities could fluctuate materially from period to period.

The industries in which we compete are highly competitive.

The industries in which we compete are highly competitive and subject to rapid and significant changes. We compete against companies and financial institutions across the retail banking, financial services, transaction processing, consumer technology and financial technology services industries, and may compete with others in the market who may in the future provide offerings similar to ours, particularly vendors which provide program management and other services through a platform similar to our banking platform. These and other competitors in the banking and electronic payments industries are introducing innovative products and services that directly compete or may compete with ours. We expect that this competition will continue as banking and electronic payments industries continue to evolve, particularly if non-traditional payments processors and other parties gain greater market share in these industries. If we are unable to differentiate our products and platform from and/or successfully compete with those of our competitors, our revenues, results of operations, prospects for future growth and overall business could be negatively impacted.

Many existing and potential competitors are entities substantially larger in size, more highly diversified in revenue and substantially more established with significantly more broadly known brand awareness than ours. As such, many of our competitors can leverage their size, robust networks, financial wherewithal, brand awareness, pricing power and technological assets to compete with us. Additionally, some of our current and potential competitors are subject to fewer regulations and restrictions than we are, and thus may be able to respond more quickly in the face of regulatory and technological changes.

We are also experiencing competition as a result of competitors, such as Chime Financial, Inc., offering free or low-cost alternatives to our products and services. Digital-centric financial services platforms have continued to gain market share through the marketing of their largely free bank account offerings. To the extent these competitors continue to take market share at our expense, we expect that the purchase and use of our products and services would decline. In order to compete across the markets served by our Consumer Services and Money Movement Services segments, we may have to increase the incentives that we offer to our retail distributors and our tax preparation partners, or directly to consumers, and decrease the prices of our products and services, any of which would likely negatively impact our results of operations.

We may not keep pace with the rapid technological developments in the industries in which we compete and the larger electronic payments industry.

The electronic payments industry is subject to rapid and significant technological changes, and our ability to meet our customers' and partners' needs and expectations is key to our business success and financial results over the long term. We cannot predict the effect of technological changes on our business. We rely in part on third parties for the development of, and access to, new technologies. We expect that new services and technologies applicable to our industry will continue to emerge, and these new services and technologies may be superior to, or render obsolete, the technologies we currently utilize in our products and services. Some of our competitors are substantially larger than we are, which may allow those competitors to invest more money into their technology infrastructure, use of artificial intelligence, and digital innovation than we do. In addition, other competitors may experience lower cost structures and different regulatory requirements and scrutiny than we do, which may allow them to innovate more rapidly than we can.

Additionally, we may make future investments in, or enter into strategic alliances to develop, new technologies and services or to implement infrastructure change to further our strategic objectives, strengthen our existing businesses and remain competitive. However, our ability to develop or transition to new services and technologies may be inhibited by a lack of industry-wide standards, by difficulties encountered in our development of new services and technologies, by resistance from our retail distributors, BaaS partners, third-party processors or consumers to these changes, by the intellectual property rights of third parties or our reliance on certain third-party service providers. Moreover, our previously-announced plan to cease operations in China, where a significant portion of our software development is conducted, could potentially delay our ability to launch new products or services or impact our ability to deliver current products and services if we are unsuccessful in timely and cost-effectively transitioning those operations. A failure to maintain or to enhance our competitive position with respect to digital products and services, whether because we fail to anticipate customer or partner expectations or because

our technological developments fail to perform as desired or are not implemented in a timely or successful manner, could negatively affect our business and financial results.

Fraudulent and other illegal activity involving our products and services could negatively impact our financial position and results of operations.

Criminals are using increasingly sophisticated methods to engage in illegal activities using deposit account products (including demand deposit accounts and prepaid cards), reload products, or customer information and may see their effectiveness enhanced by the use of Artificial Intelligence. Illegal activities involving our products and services often include malicious social engineering schemes. This transaction fraud has negatively impacted and is expected to continue to impact many financial services companies including us in relation to our products.

Illegal activities may also include fraudulent payment or refund schemes and identity theft. We rely upon third parties for transaction processing services, which subjects us and our customers to risks related to the vulnerabilities of those third parties. A single significant incident of fraud, or increases in the overall level of fraud, involving our deposit account products, and other products and services, have in the past and could in the future, result in reputational damage to us in addition to losses. Such damage could reduce the use and acceptance of our deposit account products and other products and services, cause retail distributors to cease doing business with us, or lead to greater regulation that would increase our compliance costs. Fraudulent activity could also result in the imposition of regulatory sanctions, including significant monetary fines, which could negatively impact our business, results of operations and financial condition.

To address the challenges that we face with respect to fraudulent activity, we have implemented risk control mechanisms that have made it more difficult for all customers, including legitimate customers, to obtain and use our products and services. We believe it is likely that our risk control mechanisms may continue to negatively impact our new account and card activations for the foreseeable future and that our operating revenues may be negatively impacted as a result. Further, implementing such risk control mechanisms can be costly and has and we expect will continue to negatively impact our operating margins as we continuously seek to enhance our risk controls. Disputes, threats of litigation or other types of remediation over how we address actual or suspected fraudulent activity involving our products and services could be costly to resolve and could also negatively impact new account and card activations.

We are exposed to losses from customer accounts.

Fraudulent activity involving our products may lead to customer disputed transactions, for which we may be liable under banking regulations and payment network rules. Our fraud detection and risk control mechanisms may not prevent all fraudulent or illegal activity. To the extent we incur losses from disputed transactions, our business, results of operations and financial condition could be negatively impacted. Additionally, our accountholders who opt-in to optional overdraft protection programs we offer can incur charges in excess of the funds available in their accounts, and we may become liable for these overdrafts. Additionally, for accountholders who are not enrolled or do not meet the eligibility requirements of these programs, we generally decline authorization attempts for amounts that exceed the available accountholder's balance, however, the application of card association rules, the timing of the settlement of transactions and the assessment of the account's monthly maintenance fee, among other things, can still result in overdrawn accounts. Our overdraft exposure in these instances arises primarily from late-posting. A late-post occurs when a merchant posts a transaction within a payment network-permitted time frame, but subsequent to our release of the authorization for that transaction, as permitted by card association rules. Under card association rules, we may be liable for the transaction amount even if the accountholder has made additional purchases in the intervening period and funds are no longer available in the account at the time the transaction is posted.

We maintain reserves to cover the risk that we may not recover these amounts due from our accountholders, but our exposure may increase above these reserves for a variety of reasons, including our failure to predict the actual recovery rate accurately. To the extent we incur losses from overdrafts above our reserves or we determine that it is necessary to increase our reserves substantially, our business, results of operations and financial condition could be negatively impacted.

We face settlement risks from our retail distributors and banking partners, which may increase during an economic recession.

A large portion of our business is conducted through retail distributors that sell our products and services to consumers at their store locations or other banking partners that collect funds and fees from our customers on our behalf. Our retail distributors and banking partners collect funds from the consumers who purchase our products and services and then must remit these funds directly to our subsidiary bank. While the remittance of these funds by

the retail distributor or banking partner takes on average two business days, we have in the past and may in the future experience lengthy delays. Such delays or refusal to pay exposes us to increased settlement risk. If a retail distributor or other banking partner becomes insolvent, files for bankruptcy, commits fraud or otherwise fails to remit proceeds to our subsidiary bank from the sales of our products and services, we are liable for any amounts owed to our customers. As of September 30, 2025, we had assets subject to settlement risk of \$718.2 million. Given the possibility of recurring volatility in global financial markets, the approaches we use to assess and monitor the creditworthiness of our retail distributors or other banking partners may be inadequate, and we may be unable to detect and take steps to mitigate an increased credit risk in a timely manner. Economic recessions could result in settlement losses, whether or not directly related to our business. We are not insured against these risks. Significant settlement losses could have a negative impact on our business, results of operations and financial condition.

Worsening economic conditions, high rates of inflation, or other potential causes of economic distress could negatively impact our business and financial results.

Global and macro-economic factors have resulted and, from time to time, may continue to result in high inflation rates, interest rates, or unemployment rates, leading to economic challenges for consumers and our retail distributors and other partners as well as reduced transaction and spending volumes on accounts. Additionally, these effects increase the settlement risk from our retail distributors and banking partners and could cause us to experience contraction in the number of locations within our network of retail distributors due to store closures or other developments, such as Rite Aid's recent bankruptcy proceedings, with attendant negative impacts to our operating revenues and results of operations. If current market conditions deteriorate, we may decide to adjust pricing to account for an increasing cost of funds and increased credit risk, and thereby erode our margins and negatively impact our future financial performance and the price of our Class A common stock. Additionally, significant inflationary pressure increases borrowing rates, and we may not be able to fully offset such higher costs through rate increases. Our inability or failure to do so could negatively impact our business, financial condition and results of operations. Additionally, a rising interest rate environment may negatively impact our customers' spending levels or our customers' ability to pay outstanding amounts owed to us.

Please see "Quantitative and Qualitative Disclosures about Market Risk" for more information regarding the potential impact of the various market risks on our business.

Economic, political and other conditions may negatively impact trends in consumer spending.

The electronic payments industry, including the prepaid and debit card financial services segment within that industry, depends heavily upon the overall level of consumer spending. Economic recessions have resulted and may continue to result in decreased consumer spending and may also result in us experiencing a reduction in the number of our accounts that are purchased or reloaded, the number of transactions involving our cards and the use of our reload network and related services. A sustained reduction in the use of our products and related services, either as a result of a general reduction in consumer spending or as a result of a disproportionate reduction in the use of card-based payment systems, would negatively impact our business, results of operations and financial condition.

We must be able to operate and scale our technology effectively.

Our ability to continue to provide our products and services to network participants, as well as to enhance our existing products and services and offer new products and services, is dependent on our information technology systems. If we are unable to manage and scale the technology associated with our business effectively, we could experience increased costs, reductions in system availability and losses of our network participants. Any failure of our systems in scalability and functionality would negatively impact our business, financial condition and results of operations.

We make significant investments in products and services that may not be successful.

Our prospects for growth depend on our ability to innovate by offering new, and adding value to our existing, product and service offerings and on our ability to effectively commercialize such innovations. While we will continue to make investments in research, development, and marketing for new products and services, if customers do not perceive our new offerings as providing significant value, they may fail to accept our new products and services, which would negatively impact our operating revenues. We may not achieve significant operating revenues from new product and service investments for a number of years, if at all. Moreover, new products and services may not be profitable, and even if they are profitable, operating margins for new products and services may not be as high as the margins we have experienced in the past.

Our business could be negatively impacted if there is a decline in the use of prepaid cards or demand deposit accounts as a payment mechanism or there are adverse developments with respect to the financial services industry in general.

As the financial services industry evolves, consumers may find prepaid financial services or demand deposit accounts to be less attractive and demand for such services and accounts could decline. Consumers might not use prepaid financial services or demand deposit accounts for any number of reasons, including the general perception of our industry, new technologies, a decrease in our distribution partners' willingness to sell these products as a result of a more challenging regulatory environment or other factors outside of our control. If consumers do not continue to use or increase their usage of prepaid cards or demand deposit accounts, including making changes in the way such products are funded, our operating revenues may decline. Any projected growth for the industry may not occur or may occur more slowly than estimated. If there is a shift in the mix of payment forms, such as cash, credit cards, traditional debit cards and prepaid cards, away from our products and services, it could have a negative impact on our financial position and results of operations.

RISKS RELATED TO OUR OPERATIONS

Our business is dependent on the efficient and uninterrupted operation of computer network systems and data centers, including third party systems.

Our ability to provide reliable service to customers and other network participants depends on the efficient and uninterrupted operation of our computer network systems and data centers as well as those of our retail distributors, network acceptance members and third-party processors. Our business involves the movement of large sums of money, the processing of large numbers of transactions and the management of the data necessary to do both. Our success in our account programs, including our BaaS programs, as well as our services within our Money Movement Services segment, depends upon the efficient and error-free handling of the money that is collected, remitted or deposited in connection with the provision of our products and services. We rely on the ability of our employees, systems and processes and those of the banks that issue our cards, our retail distributors, tax refund preparation partners, other business partners and third-party processors to process and facilitate these transactions in an efficient, uninterrupted and error-free manner. Their failure to do so could negatively impact our operating revenues and results of operations, particularly during the tax season, when we derive substantially all of our operating revenues for our tax refund processing services and a significant portion of our other operating revenues.

Our systems and the systems of third-party processors are susceptible to outages and interruptions including due to fire, natural disaster, cyber-attacks, power loss, telecommunications failures, software or hardware defects, terrorist attacks, pandemics and similar events. We use both internally developed and third-party systems, including cloud computing and storage systems, for our services and certain aspects of transaction processing. Interruptions in our service may result for a number of reasons. Additionally, the data center hosting facilities that we use could be closed without adequate notice or experience unanticipated problems resulting in lengthy interruptions in our service. Moreover, as we continue to add cloud-based solutions, we could experience problems transferring customer accounts and data or interruptions in service from our cloud providers, impairing the delivery of our service.

Our technology platforms continue to evolve as we regularly invest in enhancing our systems. As a result, some customers have in the past and may in the future experience disruptions in service despite significant investments in planning and testing on the part of us and our technology partners. In addition, the implementation of technological changes could cause significant disruptions to our customers and our business and may cause processing errors.

Any damage to, or failure of, or delay in our processes or systems generally, or those of our vendors (including as a result of disruptions at our third-party data center hosting facilities and cloud providers), or an improper action by our employees, agents or third-party vendors, could result in interruptions in our service, causing customers, retail distributors and other partners to become dissatisfied with our products and services or obligate us to issue credits or pay fines or other penalties to them. Sustained or repeated process or system failures have in the past and could in the future reduce the attractiveness of our products and services, including our banking platform, and could result in contract terminations, thereby reducing operating revenue and negatively impact our results of operations and could result in additional regulatory actions and/or fines and penalties. Further, negative publicity arising from these types of disruptions could damage our reputation and may negatively impact use of our products and services, including our banking platform, and negatively impact our ability to attract new customers and business partners. Additionally, some of our contracts with retail distributors, including our contract with Walmart, contain service level standards pertaining to the operation of our systems, and provide the retail distributor with the right to collect damages and to potentially terminate its contract with us for system downtime exceeding stated limits. If we face system interruptions or failures, our business interruption insurance may not be adequate to cover

the losses or damages that we incur. In addition, our insurance costs may also increase substantially in the future to cover the costs our insurance carriers may incur.

A cyber-attack, incident or security breach could expose us to liability and protracted and costly litigation, regulatory penalties, and could negatively impact our reputation and operating revenues.

We and our retail distributors, tax preparation partners, network acceptance members, third-party processors and the merchants that accept our cards receive, transmit and store confidential customer and other information, including personal information, in connection with the sale and use of our products and services. Despite the encryption software and the other technologies and systems we use to provide security for storage, processing and transmission of confidential customer and other information these technologies or systems have been, and continue to be, vulnerable to cyber-attacks, incidents and data security breaches by third parties and we have experienced, and may in the future experience, attacks, incidents and breaches that circumvent our security measures. The risk of unauthorized circumvention of our security measures has been heightened by advances in artificial intelligence, computer capabilities and the increasing sophistication of hackers, including state sponsored hackers. Our retail distributors, tax preparation partners, network acceptance members, other business partners, third-party processors and the merchants that accept our cards also may experience similar cyber-attacks, incidents or security breaches or discover securities vulnerabilities involving the receipt, transmission and storage of our confidential customer and other information. Improper access to our or these third parties' systems or databases could result in the theft, publication, deletion or modification of confidential customer and other information.

A data security breach of the systems on which sensitive accountholder or other customer or end-customer data and account information are stored have led, and could in the future lead, to fraudulent activity involving our products and services, reputational damage and claims, and could lead to regulatory actions, including penalties, against us. Further, a cyber-attack or other incident could go undetected and persist in our systems for extended periods. Regardless of whether or not we are sued or face regulatory actions, a breach will require us to carefully assess the materiality of a cyber-attack or other incident. Depending on the nature and magnitude of the accessed data, this effort may require substantial resources. If we are sued in connection with any data security breach, we could be involved in protracted and costly litigation and might be forced to pay damages and/or change our business practices, any of which could have a negative impact on our operating revenues and profitability. We would also likely have to pay (or indemnify the banks that issue our products and services which includes cards) fines, penalties and/or other assessments imposed by the networks such as Visa or Mastercard as a result of any data security breach. Further, a significant data security breach could lead to additional regulation, which could impose new and costly compliance obligations. In addition, a data security breach or perceived security vulnerability at any of the third-party banks that issue our cards or at any of our retail distributors, tax preparation partners, network acceptance members, other business partners, third-party processors or the merchants that accept our cards could result in significant reputational harm to us and cause the use and acceptance of our cards or other products and services to decline, either of which could have a significant adverse impact on our operating revenues and future growth prospects. Moreover, it may require substantial financial resources to address and remediate any such breach, including additional costs for hiring an external party to conduct a forensic investigation, replacement cards, manufacturing, distribution, re-stocking fees, fraud monitoring, and other added security measures, among others, which could have a significant adverse impact on our operating results.

Additionally, we cannot be certain that our insurance coverage will be adequate for data security liabilities actually incurred, will cover any indemnification claims against us relating to any incident, that insurance will continue to be available to us on reasonable terms, or that any insurer will not deny coverage as to any future claim. The assertion of large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or large deductible or co-insurance requirements, could have a negative impact on our business, including our financial condition, operating results, and reputation.

Failure to maintain satisfactory compliance with certain privacy and data protection laws and regulations may subject us to substantial negative financial consequences, civil or criminal penalties and business reputation risk.

Complex existing and emerging local, state, and federal laws and regulations apply to the collection, use, retention, protection, disclosure, transfer, and other processing of personal information. These privacy and data protection laws and regulations are quickly evolving, with new or modified laws and regulations proposed and implemented frequently and existing laws and regulations subject to new or different interpretations. Complying with these laws and regulations can be costly and can impede the development and offering of new products and services. In addition, our failure to comply with applicable laws and regulations or other obligations to which we may be subject relating to personal information, or to protect personal information from unauthorized access, use, or other processing, could result in enforcement actions and regulatory investigations against us, claims for damages

by customers and other affected individuals, fines, damage to our reputation, and loss of goodwill, any of which could have a negative impact on our operations, financial performance, and business.

Replacing third-party vendors would be difficult and disruptive to our business.

Some services relating to our business, including fraud management and other customer verification services, cash processing, card production, and customer service, are outsourced to third-party vendors. We also depend on third-party banks to assist with our tax refund processing services. It would be difficult to replace some of our third-party vendors in a timely manner if they were unwilling or unable to provide us with these services during the term of their agreements with us or if they elected not to renew their contracts with us, and our business and operations would be negatively impacted. Additionally, replacing third-party vendors with in-house solutions may lead to unanticipated operating costs and potential exposure to increased regulatory scrutiny. In particular, due to the seasonality in our business, any material service interruptions, service delays or changes in service contracts with key vendors during the tax season would result in losses that have an even greater negative impact on that business than would be the case with our overall business.

Further, we have in the past and may in the future experience operational issues with the third-party call centers that we rely on to provide customer support. Any prolonged closure or disruption in the services provided by such call centers would have a negative impact on our business.

Some of our operations are located outside of the United States, which subjects us to additional risks.

A significant portion of our software development operations were based in Shanghai, China and have been or are being relocated to locations in and outside of the United States. A prolonged disruption at our facilities or the facilities of our outsourcing service providers for any reason including due to natural or man-made disasters, outbreaks of disease, climate change, geopolitical matters or other events outside of our control, such as equipment malfunction or large-scale outages or interruptions of service from utilities or telecommunications providers, could potentially delay our ability to launch new products or services or impact our ability to deliver current products and services, which could negatively impact our business. Additionally, we face numerous other challenges and risks, including, but not limited to:

- increased complexity and costs of managing international operations, including regulatory compliance;
- regional economic and geopolitical instability and military conflicts;
- limited protection of our intellectual property and other assets;
- compliance with and unanticipated changes in local laws and regulations, including tax laws and regulations;
- foreign currency exchange fluctuations relating to our international operating activities;
- local business and cultural factors that differ from our normal standards and practices; and
- differing employment practices and labor relations.

REGULATORY AND LEGAL RISKS

As a bank holding company, we are subject to extensive and potentially changing regulations and regulatory expectations, which may limit our ability to pursue business opportunities and increase compliance challenges.

As a bank holding company, we, along with Green Dot Bank, are subject to comprehensive supervision and examination by the Federal Reserve Board and the State of Utah Department of Financial Institutions and must comply with applicable laws and regulations and other commitments we have agreed to, including financial commitments with respect to minimum capital and leverage requirements. As has been the case in the past, when the regulators believe that we or Green Dot Bank have not complied with any of these requirements, we may in the future become subject to, in addition to our then-current obligations (which includes the formal enforcement action noted below), additional formal or informal enforcement actions, proceedings, or investigations, which could result in regulatory orders, penalties, restitution, restrictions on our business operations or requirements to take corrective actions, which may, individually or in the aggregate, negatively impact our results of operations and restrict our ability to grow. For example, in July 2024 we and our subsidiary bank entered into a consent order, including a \$44 million civil money penalty, with the Federal Reserve Board relating principally to various aspects of compliance risk management, including consumer compliance and compliance with AML regulations (the "Consent Order"). In response to enhanced regulatory scrutiny, we have increased our investment in our regulatory and compliance infrastructure and will continue with further increases. We expect heightened oversight of our compliance and other

risk management capabilities will continue for the foreseeable future. If we fail to comply with the applicable capital and leverage requirements, or if Green Dot Bank fails to comply with its applicable capital and leverage requirements, the Federal Reserve Board may limit our or Green Dot Bank's ability to pay dividends or fund stock repurchases, or require us to raise additional capital. In addition, if at any time we or Green Dot Bank fail to be "well-capitalized" or "well managed," we may not commence, or acquire any shares of a company engaged in, any activities only permissible for an FHC, without prior Federal Reserve approval.

The restriction on our ability to commence, or acquire any shares of a company engaged in, any activities only permissible for an FHC, without prior Federal Reserve approval would also generally apply if Green Dot Bank received a CRA rating of less than "Satisfactory." Currently, under the Bank Holding Company Act (the "BHC Act"), we may not be able to engage in new activities or acquire shares or control of other businesses. Such restrictions might limit our ability to pursue future business opportunities which we might otherwise consider, but which might fall outside the scope of permissible activities. U.S. bank regulatory agencies from time to time take supervisory actions under certain circumstances that restrict or limit a financial institution's activities, including in connection with examinations, which take place on a continual basis. We are subject to significant legal restrictions on our ability to publicly disclose the existence of these actions or any of the related details. In addition, as part of the regular examination process, our and Green Dot Bank's regulators may direct us or our subsidiaries to operate under various restrictions as a prudential matter. Such restrictions may include not being able to engage in certain categories of new activities or acquire shares or control of other companies.

The failure by Green Dot Bank to properly classify its deposits could have a negative impact on our financial condition.

The FDIC issued a final rule establishing a framework for analyzing certain provisions of the "deposit broker" definition, including "placing deposits," "facilitating the placement of deposits" and "primary purpose," for purposes of the classification of deposits as brokered deposits and exemptions from such a classification. As a result of the final rule, Green Dot Bank reclassified most of its deposits as non-brokered. If our reclassification is deemed non-compliant, we could be subject to regulatory fines and penalties, increased regulatory oversight, restrictions on our activities, and increased litigation risk.

Failure by us and our business partners to comply with applicable laws and regulations could have a negative impact on our business, financial position and results of operations.

The banking, financial technology, transaction processing and tax refund processing services industries are highly regulated, and failure by us, the banks that issue our cards or the businesses that participate in our reload network, third party service providers or other business partners to comply with the laws and regulations to which we or they are subject could negatively impact our business. We are subject to a wide range of federal and other state laws and regulations. In particular, our products and services are subject to an increasingly strict set of legal and regulatory requirements intended to protect consumers, such as various disclosure and consent requirements, mandated or prohibited terms and conditions, prohibitions on discrimination based on certain prohibited bases, prohibitions on unfair, deceptive or abusive acts or practices, or to help detect and prevent money laundering, terrorist financing and other illicit activities. For example, we are subject to the AML reporting and recordkeeping requirements of the BSA, as amended by the PATRIOT Act. Monitoring and complying with all applicable laws, regulations and licensing requirements can be difficult and costly. Failure to comply with these requirements exposes us to the risk of being required to undertake substantial remediation efforts and to the risk of, among other things, enforcement actions, lawsuits, monetary damages, fines, penalties and reputational harm, any one of which could have a material adverse impact on our results of operations, financial condition or business prospects.

From time to time, federal and state legislators and regulatory authorities, including state attorney generals and federal executive departments, increase their focus on the banking, consumer financial services and tax preparation industries and have commenced and may in the future commence formal and informal inquiries. The adoption of new or proposed legislation or guidance has in the past and may in the future result in significant adverse changes in the regulatory landscape for financial institutions and financial services companies. Accordingly, changes in laws and regulations or the interpretation or enforcement thereof may occur that could increase our compliance and other costs of doing business, require significant systems redevelopment, or render our products or services less profitable or obsolete, any of which could have a negative impact on our results of operations. For example, we could face more stringent AML rules and regulations, as well as more stringent licensing rules and regulations, compliance with which could be expensive and time consuming. In addition, adverse rulings relating to the industries in which we participate could cause our products and services to be subject to additional laws and regulations, which could make our products and services less profitable.

If additional legal or regulatory requirements were imposed on our bank or the sale of our products and services, the requirements could lead to a loss of retail distributors, network participants, tax preparation partners or other business partners, which could negatively impact our operations. Moreover, if our products are negatively impacted by the interpretation or enforcement of these regulations or if we or any of our retail distributors or tax preparation partners were unwilling or unable to make such operational changes to comply with the interpretation or enforcement thereof, we would no longer be able to sell our products and services through that noncompliant retail distributor or tax preparation partner, which could negatively impact our business, financial position and operating results.

Failure by us or those businesses to comply with the laws and regulations to which we are or may become subject could result in additional fines, penalties or limitations on our ability to conduct our business, or federal or state actions, any of which could significantly harm our reputation with consumers, banks that issue our cards and regulators, and could negatively impact our business, operating results and financial condition. Many of these laws can be unclear and inconsistent across various jurisdictions and ensuring compliance with them could be difficult and costly. If new regulations or laws result in changes in the way we are regulated, these regulations could expose us to increased regulatory oversight, more burdensome regulation of our business, and increased litigation risk, each of which could increase our costs and decrease our operating revenues. Furthermore, limitations placed on the fees we charge or the disclosures that must be provided with respect to our products and services could increase our costs and decrease our operating revenues.

Changes in rules or standards set by the payment networks, or changes in debit network fees or products or interchange rates, could negatively impact our business, financial position and results of operations.

We are subject to association rules that could subject us to a variety of fines or penalties that may be levied by the card associations or networks for acts or omissions by us or businesses that work with us, including card processors. The termination of the card association registrations held by us or any changes in card association or other debit network rules or standards, including interpretation and implementation of existing rules or standards, that increase the cost of doing business or limit our ability to provide our products and services could have a negative impact on our business, operating results and financial condition. In addition, from time to time, card associations may increase the fees that they charge, which could increase our operating expenses, reduce our profit margin and negatively impact our business, results of operations and financial condition.

Furthermore, a material portion of our operating revenues is derived from interchange fees. For each of the three and nine months ended September 30, 2025, interchange revenues represented 9% of our total operating revenues, and we expect interchange revenues to continue to represent a significant percentage of our total operating revenues. The amount of interchange revenues that we earn is highly dependent on the interchange rates that the payment networks set and adjust from time to time.

The enactment of the Dodd-Frank Act required the Federal Reserve Board to implement regulations that have substantially limited interchange fees for many issuers. While the interchange rates that may be earned by us and Green Dot Bank are exempt from the limitations imposed by the Dodd-Frank Act, federal legislators and regulatory authorities have become increasingly focused on interchange fees, and continue to propose new legislation that could result in significant adverse changes to the rates we are able to charge and there can be no assurance that future regulation or changes by the payment networks will not substantially impact our interchange revenues. If interchange rates decline, whether due to actions by the payment networks or future regulation, we would likely need to change our fee structure to offset the loss of interchange revenues. However, our ability to make these changes is limited by the terms of our contracts and other commercial factors, such as price competition. To the extent we increase the pricing of our products and services, we might find it more difficult to acquire consumers and to maintain or grow card usage and customer retention, and we could suffer reputational damage and become subject to greater regulatory scrutiny. We also might have to discontinue certain products or services. As a result, our total operating revenues, operating results, prospects for future growth and overall business could be negatively impacted.

Litigation or investigations could result in significant settlements, sanctions, fines or penalties.

We are subject to regulatory oversight in the normal course of our business and have been, currently are and from time to time in the future may be subject to securities class actions, commercial and other litigation or regulatory or judicial proceedings, investigations or subpoenas. The outcome of litigation and regulatory or judicial proceedings or investigations is difficult to predict. Plaintiffs or regulatory agencies or authorities in these matters have sought and may seek recovery of very large or indeterminate amounts, seek to have aspects of our business suspended or modified or seek to impose sanctions, including significant monetary fines. For example, in July 2024 we and our subsidiary bank entered into the Consent Order, including a civil money penalty of \$44 million, with the

Federal Reserve Board as further discussed in the "As a bank holding company, we are subject to extensive and potentially changing regulations and regulatory expectations, which may limit our ability to pursue business opportunities and increase compliance challenges" risk factor above. Additionally, the monetary and other impacts of these actions, litigations, proceedings or investigations may remain unknown for substantial periods of time. The cost to defend, settle or otherwise resolve these matters have been and may be significant. Further, an unfavorable resolution of litigation, proceedings or investigations against us could have a negative impact on our business, operating results, or financial condition. In this regard, such costs could make it more difficult to maintain the capital, leverage and other financial commitments at levels we have agreed to with the Federal Reserve Board and the Utah Department of Financial Institutions. Any regulatory or judicial proceedings or investigations initiated against us by private or governmental entities may result in adverse publicity associated with these proceedings or investigations and could negatively impact our relationships with retail distributors, tax preparation partners, network acceptance members, financial institutions and other lending partners, other business partners and card processors and decrease acceptance and use of, and loyalty to, our products and related services, and could impact the price of our Class A common stock. In addition, such proceedings or investigations could increase the risk that we will be involved in litigation. For the foregoing reasons, any regulatory or judicial proceedings or investigations that are initiated against us by private or governmental entities, could negatively impact our business, results of operations and financial condition or could cause our stock price to decline. Refer to *Note 17—Commitments and Contingencies* to the Consolidated Financial Statements included herein for further information regarding certain of our legal and other proceedings.

We may be unable to adequately protect our brand and our intellectual property rights related to our products and services or third parties may allege that we are infringing their intellectual property rights.

Our brands and marks are important to our business, and we utilize trademark registrations and other means to protect them. Our business would be negatively impacted if we were unable to protect our brand against infringement. We also rely on a combination of patent, trademark and copyright laws, trade secret protection and confidentiality and license agreements to protect the intellectual property rights related to our products and services. We currently have 18 issued patents. Although we generally seek patent protection for inventions and improvements that we anticipate will be incorporated into our products and services, there is always a chance that our patents or patent applications could be challenged, invalidated or circumvented, or that an issued patent will not adequately cover the scope of our inventions or improvements incorporated into our products or services. Additionally, our patents could be circumvented by third parties.

We may unknowingly violate the intellectual property or other proprietary rights of others and, thus, may be subject to claims by third parties. Because of the existence of a large number of patents in the mobile technology field, the secrecy of some pending patents, and the rapid rate of issuance of new patents, it is not economically practical or even possible to determine in advance whether a product or any of its elements infringes or will infringe on the patent rights of others. Regardless of the merit of these claims, we may be required to devote significant time and resources to defending against these claims or to protecting and enforcing our own rights. We might also be required to develop a non-infringing technology or enter into license agreements and there can be no assurance that licenses will be available on acceptable terms and conditions, if at all. Some of our intellectual property rights may not be protected by intellectual property laws, particularly in foreign jurisdictions. The loss of our intellectual property or the inability to secure or enforce our intellectual property rights or to defend successfully against an infringement action could negatively impact our business, results of operations, financial condition and prospects.

RISKS RELATED TO OUR CAPITAL NEEDS AND INDEBTEDNESS

We might require additional capital to support our business in the future, and this capital might not be available on acceptable terms, or at all.

If our unrestricted cash and cash equivalents balances and any cash generated from operations are not sufficient to meet our future cash requirements, we will need to access additional capital to fund our operations. We may also need to raise additional capital to take advantage of new business or acquisition opportunities. However, we may not be able to raise needed cash in a timely basis on terms acceptable to us or at all. Financings, if available, may be on terms that are dilutive or potentially dilutive to our stockholders. The holders of new securities may also receive rights, preferences or privileges that are senior to those of existing holders of our Class A common stock. In addition, if we were to raise cash through a debt financing, the terms of the financing might impose additional conditions or restrictions on our operations that could negatively impact our business. If we require new sources of financing but they are insufficient or unavailable, we would be required to modify our operating plans to take into account the limitations of available funding, which would negatively impact our ability to maintain or grow our business. Should we require additional credit at levels we are unable to access, the cost of credit is greater than

expected, or our cost-savings measures are ineffective or result in us incurring greater costs, our operating results could be negatively impacted.

We have increased debt service obligations as a result of the issuance of our senior unsecured notes.

In 2024 and 2025, we issued and sold senior unsecured notes in an aggregate principal amount of \$65.0 million, all of which mature in September 2029. As a result of these transactions, we have incurred additional debt service obligations in addition to normal operating expenses and planned capital expenditures. Our increased level of indebtedness may have several important effects on our future operations, including, without limitation, a portion of our cash flow must be dedicated to the payment of interest and principal on the senior unsecured notes, reducing funds available for distribution to stockholders and limiting our ability to obtain additional financing for working capital, capital expenditures, acquisitions and general corporate and other purposes. Our ability to meet our debt service obligations and to reduce our total indebtedness will be dependent upon our future performance, as well as Green Dot Bank and its ability to pay dividends to us, which will be subject to regulatory restrictions, general economic, industry and competitive conditions and to financial, business and other factors affecting us and Green Dot Bank, many of which are beyond our control. In addition, the senior unsecured notes contain certain affirmative and negative non-financial covenants applicable to us and Green Dot Bank that could limit our ability to take advantage of financing, merger, acquisition or other opportunities, to fund our business operations or to fully implement our current and future operating strategies.

We cannot assure you that we will be able to continue to generate cash flow at or above its current level and that we will be able to pay principal and interest on the senior unsecured notes as they become due. Further, we cannot assure you that our maintenance of our indebtedness or occurrence of future indebtedness will not negatively impact our operating results or financial condition.

GENERAL RISKS

Our operating results may fluctuate in the future, which could cause our stock price to decline.

If our quarterly and annual results of operations fall below the expectations of investors or any securities analysts who follow our Class A common stock, the trading price of our Class A common stock could decline substantially. Fluctuations in our quarterly or annual results of operations might result from a number of factors including the occurrence of one or more of the events or circumstances described in these risk factors, many of which are outside of our control, including, but not limited to:

- the timing and volume of purchases and use of our products and services;
- the timing and volume of tax refunds or other government payments processed by us;
- the timing and success of new product or service introductions by us or our competitors;
- fluctuations in customer retention rates;
- outages and interruptions in our systems, those of our partners or third-party service providers;
- changes in the mix of products and services that we sell or changes in the mix of our client retail distributors;
- the timing of commencement of new and existing product roll outs, developments and initiatives and the lag before those new products, channels or retail distributors generate material operating revenues;
- our ability to effectively sell our products through direct-to-consumer initiatives;
- costs associated with significant changes in our risk policies and controls;
- the amount and timing of major advertising campaigns, including sponsorships;
- the amount and timing of capital expenditures and operating costs;
- interest rate volatility;
- our ability to control costs, including third-party service provider costs and sales and marketing expenses;
- volatility in the trading price of our Class A common stock;
- changes in the political or regulatory environment affecting the industries in which we operate;
- economic recessions or uncertainty in financial markets, and the uncertainty regarding the impact of macroeconomic trends or conditions; and

- other factors beyond our control, such as terrorism, war, natural disasters and pandemics as well as the other items included in these risk factors.

Our actual operating results may differ significantly from our guidance.

From time to time, we issue guidance in our quarterly earnings conference calls, or otherwise, regarding our future performance that represents our management's estimates as of the date of release. Guidance is necessarily speculative in nature, and is only an estimate of what management believes is realizable as of the date of release, and it can be expected that some or all of the assumptions underlying the guidance furnished by us will prove to be incorrect or will vary significantly from actual results. Actual results will vary from our guidance and the variations may be material, especially in times of economic uncertainty.

Our future success depends on our ability to attract, integrate, retain and incentivize key personnel.

Our ability to manage and grow our business will depend, to a significant extent, on our ability to attract, integrate, retain and recognize key personnel, namely our management team and experienced sales, marketing and program and technology development personnel. We may experience difficulty in managing transitions and assimilating newly-hired personnel, and if we fail to manage these transitions successfully, we could experience significant delays or difficulty in the achievement of our development and strategic objectives and our business, financial condition and results of operations could be negatively impacted. Competition for qualified management, sales, marketing and program and technology development personnel can be intense. Competitors have in the past and may in the future attempt to recruit our top management and employees. In order to attract and retain personnel in a competitive marketplace, we must provide competitive pay packages, including cash and equity-based compensation and the volatility in our stock price may from time to time negatively impact our ability to recruit or retain employees. Additionally, our U.S.-based employees, including our senior management team, work for us on an at-will basis and there is no assurance that any such employee will remain with us.

Acquisitions or investments, or the failure to consummate such transactions, could disrupt our business and negatively impact our financial condition.

We have in the past acquired, and we may acquire in the future, other businesses and technologies. Identifying suitable acquisition candidates can be difficult, time-consuming and costly, and we may not be able to identify suitable candidates or successfully complete identified acquisitions. Failure to complete an acquisition could negatively impact our business as we could be required to pay a termination fee under certain circumstances or be subject to litigation, and our stock price may also be negatively impacted as the failure to consummate such an acquisition may result in negative perception in the investment community.

Further, the process of integrating an acquired business, product, service or technology can involve a number of special risks and challenges, including:

- increased regulatory and compliance requirements;
- implementation or remediation of controls, procedures and policies at the acquired company;
- diversion of management time and focus from operation of our then-existing business;
- integration and coordination of product, sales, marketing, program and systems management functions;
- transition of the acquired company's users and customers onto our systems;
- integration of the acquired company's systems and operations generally with ours;
- integration of employees from the acquired company into our organization;
- loss or termination, including costs associated with the termination or replacement of employees;
- liability for activities of the acquired company prior to the acquisition, including violations of law, commercial disputes, and tax and other known and unknown liabilities; and
- increased litigation or other claims in connection with the acquired company, including claims brought by terminated employees, customers, former stockholders or other third parties.

If we are unable to successfully integrate an acquired business or technology or otherwise address these special risks and challenges or other problems encountered in connection with an acquisition, we might not realize the anticipated benefits of that acquisition, we might incur unanticipated liabilities, or we might otherwise experience negative impacts to our business generally. Furthermore, acquisitions and investments are often speculative in nature and the actual benefits we derive from them could be lower or take longer to materialize than we expect. In addition, to the extent we pay the consideration for any future acquisitions or investments in cash, it would reduce the amount of cash available to us for other purposes. Future acquisitions or investments could also result in dilutive

issuances of our equity securities or the incurrence of debt, contingent liabilities, amortization expenses, or goodwill impairment charges, any of which could negatively impact our financial condition and negatively impact our stockholders.

An impairment charge of goodwill or other intangible assets could have a negative impact on our financial condition and results of operations.

Our net goodwill and intangible assets represent a significant portion of our consolidated assets. Our net goodwill and intangible assets were \$380.5 million as of September 30, 2025. Under generally accepted accounting principles in the United States, or ("U.S. GAAP"), we are required to test the carrying value of goodwill at least annually or sooner if events occur that indicate impairment could exist, such as a significant change in the business climate, including a significant sustained decline in a reporting unit's fair value, legal and regulatory factors, operating performance indicators, competition and other factors. The amount of any impairment charge could be significant and could have a negative impact on our financial condition and results of operations for the period in which the charge is taken.

If we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP. We have in the past and may in the future discover areas of our internal financial and accounting controls and procedures that need improvement. If we are unable to maintain proper and effective internal controls, we may not be able to produce accurate financial statements on a timely basis and might experience adverse regulatory consequences or violate NYSE listing standards, which could negatively impact our ability to operate our business and could result in regulatory action, and could require us to restate our financial statements. Any such restatement could result in a loss of public confidence in the reliability of our financial statements and sanctions imposed on us by the SEC.

Our business could be negatively impacted by actions of stockholders.

The actions of stockholders could negatively impact our business. Specifically, certain actions of certain types of stockholders, including without limitation public proposals, requests to pursue a strategic combination or other transaction or special demands or requests, could disrupt our operations, be costly and time-consuming or divert the attention of our management and employees and increase the volatility of our stock. In addition, perceived uncertainties as to our future direction in relation to the actions of our stockholders may result in the loss of potential business opportunities or the perception that we are unstable and need to make changes, which may be exploited by our competitors and make it more difficult to attract and retain personnel as well as customers, service providers and partners. Actions by our stockholders may also cause fluctuations in our stock price based on speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business.

Our charter documents, Delaware law and our status as a bank holding company could discourage, delay or prevent a takeover that stockholders consider favorable.

Provisions in our certificate of incorporation and bylaws, as well as provisions under Delaware law, could discourage potential takeover attempts, reduce the price that investors might be willing to pay in the future for shares of our Class A common stock, and result in the trading price of our Class A common stock being lower than it otherwise would be. In addition to the foregoing, under the BHC Act and the Change in Bank Control Act, and their respective implementing regulations, Federal Reserve Board approval is necessary prior to any person or company acquiring control of a bank or bank holding company, subject to certain exceptions. Control, among other considerations, exists if an individual or company acquires 25% or more of any class of voting securities, and may be presumed to exist if a person acquires 10% or more of any class of voting securities. These restrictions could affect the willingness or ability of a third party to acquire control of us for so long as we are a bank holding company.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

ITEM 5. Other Information

Insider Adoption or Termination of Trading Arrangements

During the fiscal quarter ended September 30, 2025, none of our directors or officers informed us of the adoption or termination of a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408.

ITEM 6. Exhibits

The following documents are filed as exhibits to this report:

Exhibit Number	Description of Exhibits
31.1	Certification of William I Jacobs, Principal Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Jess Unruh, Principal Financial Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of William I Jacobs, Principal Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification of Jess Unruh, Principal Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
101	The following financial statements from the company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, formatted in Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income and Loss, (iv) Consolidated Statements of Changes in Stockholders' Equity, (v) Consolidated Statements of Cash Flows and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Furnished, not filed.

+ Certain portions of this document that constitute confidential information have been redacted in accordance with Regulation S-K, Item 601(b)(10).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Green Dot Corporation

Date: November 10, 2025

By: /s/ William I Jacobs
Name: William I Jacobs
Title: Interim Chief Executive Officer
(Duly Authorized Officer and Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULE 13A-14(A)/15D-14(A)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jess Unruh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Green Dot Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2025

By:	/s/ Jess Unruh
Name:	<hr/> Jess Unruh Chief Financial Officer (Principal Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, William I Jacobs, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Quarterly Report on Form 10-Q of Green Dot Corporation for the quarter ended September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Green Dot Corporation.

Date: November 10, 2025

By: /s/ William I Jacobs

Name: William I Jacobs
Interim Chief Executive Officer
(Principal Executive Officer)

