
Call Participants

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Operator

Good afternoon, everyone, and thank you for participating in today's conference call to discuss Dave's financial results for the fourth quarter and full year ended December 31, 2025. Joining us today are Dave's CEO, Mr. Jason Wilk; and the company's CFO and COO, Mr. Kyle Beilman.

By now, everyone should have access to the fourth quarter and full year 2025 earnings press release, which was issued today after the market closed. The release is available in the Investor Relations section of Dave's website at investors.dave.com. In addition, this call will be available for webcast replay on the company's website. [Operator Instructions]

Certain comments made during this conference call and webcast are considered forward-looking statements under the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain known and unknown risks and uncertainties as well as assumptions that could cause actual results to differ materially from those reflected in these forward-looking statements.

These forward-looking statements are also subject to other risks and uncertainties that are described from time to time in the company's filings with the SEC. Do not place undue reliance on any forward-looking statements, which are being made only as of the date of this call, except as required by law. The company undertakes no obligation to revise or update any forward-looking statements.

The company's presentation also includes certain non-GAAP financial measures, including adjusted EBITDA, adjusted EBITDA margin, adjusted net income, non-GAAP gross profit, non-GAAP gross margin, adjusted earnings per share and compensation expense, excluding stock-based compensation as supplement measures of performance of our business. All non-GAAP measures have been reconciled to the most directly comparable GAAP measures in accordance with SEC rules. You'll find reconciliation tables and other important information in the earnings press release and Form 8-K furnished to the SEC.

I would now like to turn the call over to today's CEO, Mr. Jason Wilk. Please, you may begin.

Jason Wilk

Co-Founder, CEO, President & Chairman

Good afternoon, and thank you for joining us. 2025 was the strongest year in Dave's history. Revenue grew 60% to \$554 million, and adjusted EBITDA reached \$227 million at a roughly 41% margin. To put the year in perspective, we entered 2025 with guidance of \$415 million to \$435 million in revenue and \$110 million to \$120 million in adjusted EBITDA. We raised guidance every quarter and ultimately exceeded the midpoint of that original revenue guidance by 30% and nearly double the original EBITDA guidance. In dollar terms, we outperformed on revenue by \$129 million and EBITDA by \$112 million, meaning we had an 86% flow-through rate on our top line outperformance for the year. Full year adjusted EBITDA grew 162%, nearly 3x the revenue growth rate, driven by gross margin expansion and the operating leverage embedded in our business model. I want to thank our incredibly talented and hard-working team for making that possible.

The 2 key takeaways in this call are: one, we once again demonstrated the durability of what we will now refer to as our growth algorithm, which is to sustain mid-teens member growth and low double-digit ARPU growth. ARPU spend at 36% year-over-year and multi-transaction members accelerated 19%, which positions us well heading into 2026. Our 2.9 million MTMs are still a small fraction of the overall 185 million customer TAM, and we believe we're still early in our journey to drive incremental ARPU through underwriting enhancements, new ExtraCash features and price optimization, and new credit products.

The second takeaway is that credit performance resulting from CashAI v5.5 produced further improvement sequentially. Credit performance remains an input, not an output, to maximize gross profit dollars, which we again displayed in the fourth quarter. Gross profit and net monetization rate were both records in Q4, further demonstrating the improving unit economics underlying our growth.

Now let me touch on the key drivers of our growth strategy, starting with efficient member acquisition, our first strategic pillar. In Q4, we acquired 867,000 new members, up 13% year-over-year at a \$20 CAC. Our strategy is to deploy marketing spend to maximize gross profit rather than minimize CAC. This approach, combined with our improved unit economics, drove a \$48 increase year-over-year in annualized gross profit per MTM, significantly outpacing changes in CAC.

Our gross profit payback period improved by nearly 1 month year-over-year to under 4 months, which gives us confidence to continue scaling MTMs throughout 2026. Our second strategic pillar, engaging members with ExtraCash, continued to drive substantial growth. Originations reached a record \$2.2 billion, up 50% year-over-year, driven by 19% MTM growth and a 20% increase in average ExtraCash size of \$214.

CashAI v5.5, which was trained on our new fee structure and leverages nearly twice as many AI-driven features as our prior model, has now delivered a full quarter of performance. Our Q4 28-day past due rate improved 12% sequentially to 1.89%, outperforming our guidance of below 2.1% for the quarter.

Leveraging direct visibility from connected bank accounts, CashAI maintains disciplined risk controls while delivering what we believe are the largest average disbursements in the single-pay credit market. This differentiated underwriting capability strengthens our value proposition to support additional customer growth, allowing us to compound more training data for our AI models, creating a powerful flywheel that strengthens our moat.

Our third strategic pillar is deepening engagement through Dave Card. Total card spend grew 17% year-over-year to \$534 million. High-margin subscription revenue grew 92% year-over-year, benefiting from the full impact of our \$3 monthly subscription fee for new members. As a proportion of our MTM base acquired under the new subscription pricing increases, we expect subscription revenue to become a more meaningful contribution to total revenue.

Before turning it over to Kyle, I want to provide a few strategic updates. On Coastal Community Bank, we remain on track to begin transitioning ExtraCash receivables to the new off-balance sheet funding structure next quarter, which will begin unlocking meaningful liquidity and reduce our cost of capital. Kyle will provide additional details shortly.

Turning to our pay in 4 product, we are well into internal testing and expect to begin customer testing as early as next month. We believe this direct-to-consumer offering, which will not accrue compound interest or charge late fees, will be far superior and differentiated from traditional credit cards offered to our target market, which are optimized for customers who carry large balances at high APRs and incur excessive late fees.

Leveraging CashAI, we believe we can meaningfully differentiate our offering through superior underwriting and product experience while enhancing every aspect of our strategic pillars. We don't expect meaningful pay in 4 revenue in 2026 as we remain focused on optimizing unit economics before scaling in 2027.

Next, regarding the DOJ matter, the case is currently in the discovery phase, and we have no material updates. We continue to vigorously defend that we believe we were in compliance with applicable law at all times.

Lastly, I want to quickly touch on our thoughts on potential AI disruption in the software industry. From a defensibility perspective, we believe Dave has a sizable moat. We've invested significant time and capital in building the necessary regulatory and operational infrastructure and relationships across bank partnerships, payments infrastructure, compliance, capital markets and a large network of customized vendor integrations to operate at scale. Additionally, and most importantly, we have established a massive proprietary data set on credit performance and servicing interactions to refine our models, which is impossible to replicate without significant user scale and capital investment to absorb losses.

Second, in a scenario in which AI creates dislocation in the economy, leading to lower incomes or higher unemployment and government-assisted income, while origination per user could potentially decrease slightly, we believe this will be more than offset by the large increase in Americans looking for and for whom we can underwrite for short-term liquidity. Overall, we believe our business will continue to benefit from AI innovation. AI technology allows us to make CashAI more powerful, build to market more valuable products for our members with an efficient team, and support speed and

scalability across all aspects of our operations, all of which are expected to lead to more growth opportunities and operating leverage for our business.

Looking ahead to 2026, we believe our growth algorithm remains durable. Our momentum combined with disciplined investment and the continued evolution of CashAI to improve ExtraCash credit performance and enable new credit products help position us to deliver the growth and profitability embedded in our full year outlook.

With that, I'll turn the call over to Kyle for additional detail.

Kyle Beilman

COO, CFO & Secretary

Thanks, Jason, and good afternoon, everyone. Today, I'm going to walk through the core drivers of our fourth quarter and full year performance, a concise overview of credit, our balance sheet and capital allocation updates, and our 2026 outlook. Let's start with the key trends that shaped our results.

Our growth algorithm remains incredibly strong. We accelerated MTM growth for the third consecutive quarter, driven by efficient member acquisition, higher conversion and reactivation rates from successful product and marketing initiatives, and continued strong retention.

On the ARPU side, underwriting enhancements, including the impact of CashAI v5.5, combined with our updated pricing model and a growing mix of members on our new subscription tier were key drivers of growth. In the fourth quarter, we delivered revenue of \$163.7 million, up 62% year-over-year and 9% sequentially. For the full year, revenue reached \$554.2 million up 60%, driven by each component of our growth algorithm performing above expectations.

As Jason alluded to earlier, our credit performance demonstrated the strong fundamentals underlying our profitable growth. In the fourth quarter, our 28-day delinquency rate improved 14 basis points sequentially to 2.19%. Our 28 days past due or DPD metric, which we introduced last quarter, improved 26 basis points or 12% sequentially to 1.89%, well below the initial guidance we provided last quarter and the preliminary results that we shared last month. The DPD metric more closely aligns with industry standards and removes noise associated with assets with different duration profiles. Note that we will stop reporting on the 28-day delinquency rate in 2026 as we fully transition to 28 DPD as our core delinquency rate metric.

Seasonally, the first quarter typically reflects our lowest delinquency and loss rates due to the additional liquidity members receive from tax refunds, and performance to date in Q1 is tracking consistent with that pattern. Given these improvements in credit, alongside the expansion we're seeing on ARPU, our net monetization rate defined as ExtraCash revenue net of 121-day losses as a percentage of origination expanded 29 basis points year-over-year to an all-time high of 4.8%. And average revenue per ExtraCash origination net of losses grew 27% year-over-year.

Gross profit reached \$121.9 million in Q4, up 68% year-over-year. Gross margin was 74%, up approximately 300 basis points year-over-year and 500 basis points sequentially. The sequential improvement was primarily driven by a lower provision as a percentage of revenue, reflecting continued improvements in credit performance from CashAI v5.5 and a favorable quarter end calendar dynamic as Q4 ended on a Wednesday rather than a Tuesday in Q3.

For the full year, gross profit was \$401.5 million, up 68% with a gross margin of 72%, up approximately 400 basis points year-over-year. Looking ahead, we expect gross margins in the low 70s range in 2026, up from our previously guided range of upper 60s to low 70s, supported by improving credit performance and growing subscription revenue mix.

It's important to note that Q1 ends on a Tuesday, which typically marks the intra-week peak in outstanding receivables and as a result, drives higher provision for credit losses despite favorable underlying credit trends. All else equal, the Tuesday close creates adverse impacts to the provision, both sequentially and year-over-year.

To touch on a few other P&L items, advertising and activation costs were \$19.7 million in Q4, up 34% year-over-year as we leaned into user acquisition given the significant returns and sub-4-month payback periods we continue to generate

on our marketing dollars. As we look to 2026, the first quarter is typically our softest from a marketing efficiency standpoint due to tax refund dynamics. As a result, we are moderating marketing investment in Q1 to offset seasonal softness in ExtraCash demand. While average tax refund amounts appear modestly higher year-over-year, likely reflecting recent tax reform, we are not seeing demand impact outside of normal seasonal patterns. For the remainder of the year, we plan to moderately expand marketing investment above fourth quarter 2025 levels.

Turning to fixed costs. Compensation expenses in Q4 declined 7% year-over-year and were roughly flat sequentially. Excluding stock-based compensation, fixed expenses as a percentage of revenue improved to approximately 19%, down roughly 800 basis points year-over-year, highlighting the operating leverage inherent in our platform. Taking all this together, fourth quarter GAAP net income was \$66 million compared to \$16.8 million in the prior year period.

Adjusted EBITDA reached a record \$72.9 million, up 118% year-over-year, representing a 45% margin, an expansion of approximately 1,100 basis points. For the full year, adjusted EBITDA was \$226.7 million at a 41% margin with a flow-through rate of 86% from gross profit.

Regarding our Coastal Community Bank funding arrangement, we remain on track to begin transitioning ExtraCash receivables under the new off balance sheet structure next quarter. Upon full implementation, we expect to unlock over \$200 million in incremental liquidity, reduce our cost of capital and enable us to repay our existing credit facility by midyear. We anticipate the fees paid to Coastal under this new arrangement will be recognized as an operating expense. As a result, the associated expense will reduce non-GAAP gross profit, and gross margin will be added back for adjusted EBITDA purposes.

When you combine our year-end cash position with the incremental liquidity expected from the Coastal transition and our continued free cash flow generation, our forecasted cash balance at the end of the year represents a meaningful double-digit percentage of our current enterprise value, providing significant flexibility to execute on our capital allocation priorities. To that end, our Board has approved an increase in our share repurchase authorization from \$125 million to \$300 million. We believe this expanded program reflects our confidence in the intrinsic value of our shares and our firm commitment to returning capital to shareholders while continuing to invest in profitable growth. Given the current market backdrop, we expect to begin executing aggressively against this authorization in the near term.

Now let's turn to our outlook. First, as Jason alluded to, we've established a medium-term baseline growth algorithm where we expect MTM and ARPU growth rates to be in the mid-teens and low double digits, respectively. Given the size of our TAM and the additional product expansion opportunities ahead, we believe this algorithm is a sustainable baseline for the next several years while also giving ourselves the ability to outperform. For 2026, we expect revenue to be in the range of \$690 million to \$710 million, representing year-over-year growth of approximately 25% to 28%. We expect adjusted EBITDA to be in the range of \$290 million to \$305 million.

In addition, for the first time, we are introducing adjusted earnings per share guidance reflecting our focus on driving per share denominated value creation as a result of our focus on opportunistic share repurchases at scale. For 2026, we expect adjusted EPS to be in the range of \$14 to \$15. This guidance assumes estimated annual effective tax rate of approximately 23% for 2026.

Our outlook is built on a continuation of what we proved in 2025, mid-teens MTM growth, continued ARPU expansion driven by origination size, pricing, subscription mix and a disciplined investment posture. We plan to make modest and incremental investments in new product development and go-to-market capabilities that we believe will drive future growth while continuing to expand annual adjusted EBITDA margins.

In closing, the execution we demonstrated throughout 2025, raising guidance every quarter, accelerating MTM growth, significantly expanding margins and improving credit performance while scaling originations provide a strong foundation for 2026. We believe our competitive moat continues to strengthen through CashAI, and we have significant opportunities to drive shareholder value with our strong balance sheet and compelling product road map for many years to come.

And with that, we'll conclude our prepared remarks. Operator, let's open the line for questions.

Question and Answer

Operator

[Operator Instructions] Our first question comes from the line of Andrew Jeffrey with William Blair.

Andrew William Jeffrey

William Blair & Company L.L.C., Research Division

Nice results. It's great to see the flywheel, Jason, as you described it, spooling up. I wonder if you could give us a sense sort of how close you think you are to kind of optimizing credit outcomes and gross profit growth, namely driven by average ExtraCash loan size and whether as you approach what you think the limit is under 5.5, whether you start to roll out 6.0 and I guess, how seamless that transition will be. I don't want to get too far ahead of ourselves here, but I'm just trying to think ahead about how the growth algorithm perpetuates over time.

Jason Wilk

Co-Founder, CEO, President & Chairman

Yes. Thanks a lot, Andrew. It was a fantastic quarter. Look, I think we plan for this year with our growth algorithm to continue chipping away at average origination size growth. We think there's a lot of room left to run in v5.5, but we will start to be testing v6.0 later this year. And as we rolled out v5.5, you could see that we can test those new models pretty rapidly. We started testing the first versions of v5.5 early in the summer, and we had our first full month rolled out in September.

And I think that's just a real testament to how fast the duration is of our ExtraCash portfolio. Our book turns over every 8 to 10 days. And when you combine that with our CashAI algorithm that is able to look at cash flow data, it's just sort of an unparalleled position to sit within short duration consumer credit compared to our peers that are doing longer duration installment lending or open line credit card.

Andrew William Jeffrey

William Blair & Company L.L.C., Research Division

Okay. I look forward to seeing the progress there. And if I might, one follow-up. To the extent that Dave Card is important for ecosystem monetization, any thoughts on sort of how to perhaps incentivize behavior such as disbursement of ExtraCash balances into Dave Card accounts? Would that be something that's worth investing some CAC on? Or do you think that's sort of a natural maturation process that just takes place but with time?

Jason Wilk

Co-Founder, CEO, President & Chairman

We've seen historically about 30% of all ExtraCash dollars flow on to the Dave Debit Card. We see that as a meaningful way for us to drive our third pillar of our strategy, which is to deepen engagement with our members. We do plan on new credit products helping to also deepen that relationship. The debit card is strategic to our longer-term road map, but I'd say our more near-term road map is focused on new short-term credit opportunities like the pay in 4 product, which we're very excited about testing with existing employees right now in-house and expect to start testing with customers sometime in April. So excited to continue to see more products being shipped with CashAI.

And I think that's where we really have a lot of differentiation, not a ton of differentiation within debit other than giving customers discounts to adopt the product. And I do suspect that over the many years we do more for our members within credit, the chance we have to win more of their direct deposit will grow over time.

Operator

Our next question is from Ryan Tomasello with KBW.

Ryan John Tomasello

Keefe, Bruyette, & Woods, Inc., Research Division

Given the visibility you have into your member spending from the cash flow underwriting, are you able to size how much of your members' monthly spend that Dave is currently capturing? And then with the new pay in 4 product, how do you view that contributing to unlocking more of that wallet share and ultimately, capturing more of everyday spend and moving more up wallet with your members?

Jason Wilk

Co-Founder, CEO, President & Chairman

So Ryan, ultimately, the Dave Card is capturing about 30% of our customers' ExtraCash spend. And so if you look at the overall direct deposit adoption of the company, we don't have significant penetration there, so it's hard to say what overall spend penetration we have of our customers' wallet share. But as far as the pay in 4 product, we look to that as another way to drive incremental engagement. We expect the limits of that product to be pretty significantly larger than ExtraCash, roughly 50% to 2x the limit and so with that, tend to grow more within the credit TAM, which we see with our customers using things like other EWA products, other BNPL products or traditional overdraft, which is still our primary competition here. Kyle, anything to add there?

Ryan John Tomasello

Keefe, Bruyette, & Woods, Inc., Research Division

Got it. And -- sorry, go ahead.

Kyle Beilman

COO, CFO & Secretary

I think you largely covered it, but I think from an income perspective, we see customers have roughly \$3,000 to \$4,000 of income coming into their connected accounts with us. And if you look at the average ExtraCash amount today as a proportion of that total income, it's relatively small and see the overall spending potential to increase. If you want to think about just total sort of credit origination and therefore how much wallet share is that capturing as a percentage of income, yes, we're in a very low penetration of that overall equation there and view the flex card to be a meaningful opportunity to capture more of that wallet share, as Jason mentioned.

Ryan John Tomasello

Keefe, Bruyette, & Woods, Inc., Research Division

Got it. Yes, that \$3,000 to \$4,000, I think, is very helpful to contextualize the opportunity. And then just as a follow-up, within the guidance, can you give any color on the range of 28-day DPD rates that you're baking into the guide for the year for that 25% to 28% growth?

Kyle Beilman

COO, CFO & Secretary

Yes. I mean, roughly speaking, where we were at in Q4, we had about 1.89% DPD rate in Q4. So if you extrapolate that out to our 121-day loss metric, it implies about 1.3%. I'd say that's largely where we expect things to fall and that roughly tracks to the low 70s gross margin guidance that we provided. And really, our approach with the loss rates isn't to think about managing them lower from here. It's how can we just continue to increase monthly transacting members with loss rates kind of sustaining in that level.

Operator

Our next question is Devin Ryan with Citizens Bank.

Noah Katz

Citizens JMP Securities

It's Noah Katz on for Devin. Some quick questions. I guess on the pay in 4, it's great to hear that you see, I guess, kind of on the last question, how the revenue will compare over time relative to ExtraCash. Do you guys have any concern

that the product itself will cannibalize a portion of ExtraCash as it begins to roll out?

Jason Wilk

Co-Founder, CEO, President & Chairman

We're anticipating some cannibalization but ultimately view those products to be pretty complementary. We do see pretty significant penetration of our customers using online BNPL today, which will be quite differentiated from. And with that, they're still using ExtraCash because the use cases are quite different. ExtraCash primarily used for bills, gas, groceries, and today, we don't view ourselves winning any of the discretionary spending that we do see our competition within BNPL winning. So expect some cannibalization but again, mostly view those to be pretty complementary.

We also would expect -- even though the monetization of the pay in 4 product will be slightly less than ExtraCash, because of the heavy demand from our customers and feedback around giving more duration, we do expect longer retention or higher retention of that product. And so would view actually LTV to be higher of pay in 4, and so we actually wouldn't even mind if the -- if there was cannibalization given the higher LTV profile of the business. But importantly, I think with pay in 4, we do expect this to be a meaningful new UA go to market for us. And so it could unlock more incremental marketing scale, is that even if you look at it from that perspective, cannibalization is not as relevant.

Noah Katz

Citizens JMP Securities

All right. Great. And then I guess my next question, maybe a smaller one, is on the subscription charges for Dave Card. So obviously, new members are now paying \$3. Are the grandfathered accounts going to be changing over anytime soon? Or will they remain at \$1?

Kyle Beilman

COO, CFO & Secretary

The current plan is for us to keep those folks at \$1 per month, though we do see there being optionality around that in the future, but we'd like to compare that if and when we ever made a change with additional product value that we'd be delivering to those customers. So I would say no for now, but we'd reserve that right in the future to make a change there.

Operator

Our next question comes from the line of Joseph Vafi with Canaccord Genuity.

Joseph Anthony Vafi

Canaccord Genuity Corp., Research Division

Great results here once again. Maybe we just kind of double-click on the balance sheet impact we're seeing, obviously, moving off balance sheet for ExtraCash but pay in 4. What does that mean for the balance sheet moving forward if that product is successful? And then maybe just as a follow-up, as you roll out your guide here for 2026, guidance is -- I think it's an important part of the Dave story and investment case. So any changes or updates to the general philosophy around guidance relative to the market opportunity you've seen? Obviously, you've outperformed materially against your guidance and so maybe if you could kind of refresh us on your guidance philosophy and any learnings or updates to that philosophy versus a year ago.

Kyle Beilman

COO, CFO & Secretary

Joe, it's Kyle. Thanks for joining and appreciate the question. Maybe just to start off on the balance sheet impact for Coastal with respect to the ExtraCash product, to recap for everyone, we have plan to move all of our receivables or the majority of our receivables to Coastal in an off-balance sheet structure where we maintain full economic exposure of the assets. We're just effectively paying them for utilizing their balance sheet.

And so that should free up about \$200 million at current levels of cash as those receivables migrate, so it's a really

capital efficient structure for us. We will plan to mimic that structure for the BNPL product as well. So it will require us to invest a little bit in the receivables there, but the overwhelming majority of those receivables will also sit at Coastal, so again, a very capital-efficient approach to growing that product.

And then with respect to the guidance, as we've talked about in the past, our goal is to put out numbers that we have very high confidence in delivering upon. We think that's a really important part of our approach in building relationships and trust with the Street and we'd largely continue with that same approach for 2026.

I will say kind of rewinding back to this time last year, we had just rolled out our new fee model and that we were optimistic around that. We wanted to give ourselves a little bit of flexibility with the guidance and be a little bit maybe more conservative than we would have been otherwise just given the kind of the early innings of the performance data that we've seen to date. So that, I think, allowed us to outperform a bit more than what we had expected because the results of that were, I'd say, beyond expectation.

But yes, just to recap, conservative approach to the guide, want to give ourselves the ability to outperform. And I think we've beat and raised every quarter for the last 3-plus years now, and we'd like to be in a position to continue to do that moving forward as well.

Jason Wilk

Co-Founder, CEO, President & Chairman

And just to put numbers behind that, we still believe in this growth algorithm we just talked about on the call, which is to sustain mid-teens user growth and mid-double-digit ARPU growth. As you think about last year, our ARPU is 36% as a result of the new fee model, so just significant outperformance as a result of that. And so we expect growth to return more to normalcy this year.

Operator

[Operator Instructions] Our next question comes the line of Jacob Stephan with Lake Street Capital Markets.

Jacob Michael Stephan

Lake Street Capital Markets, LLC, Research Division

Appreciate you taking the questions. Nice quarter. Nice guide. I just wanted to touch on the MTMs. Obviously, you saw an acceleration in growth here in Q4. Maybe along with the subscription price increase here, maybe you could just talk about kind of do you see customers leaving with the subscription at \$3 a month and then coming back more often? Or is there any kind of comparison to the \$1 per month subscription? Any color there is helpful?

Jason Wilk

Co-Founder, CEO, President & Chairman

I think it's worth noting that we've been -- we're in testing with the higher price point subscription, testing everything from \$0, \$1, \$3 and \$5 price points for about 6 months, and we wanted to make sure that we were measuring both conversion and retention impact. We landed on the \$3 because we saw no impact to retention or conversion, and so it gave us a lot of conviction to roll it out for new customers. And so I think that helps answer your question there. Importantly, we didn't want to raise the price in existing members because we already increased revenue per user pretty significantly through the new fee model last year and so didn't feel the need, given the improvements in ARPU, that need to increase the subscription price as well. But I would expect that we'd have success there should we want to given the performance of the new customers on that model.

Jacob Michael Stephan

Lake Street Capital Markets, LLC, Research Division

That makes sense. And maybe could you kind of help us think, were -- was the acceleration in growth, I mean, was that better marketing strategy? Or do you think it was kind of economic-driven? Any color there?

Kyle Beilman

COO, CFO & Secretary

I would say that was more driven by things that we have done from either an underwriting perspective or product improvements or marketing improvements as opposed to anything that we've seen in the macro. I mean, if you just look at the sort of the activity rate of MTM as a percentage of total account holders, we're growing that number faster than what we are, the total account base. And so I think that just speaks to the improvements that we're making in -- from a product perspective and conversion and retention to drive overall MTM growth.

So we're excited to continue to invest in just making ExtraCash the #1 product in the market. And as Jason mentioned, we think that the pay in 4 product as well will give us another opportunity to acquire customers at the top of the funnel efficiently and drive additional retention as we're fulfilling more of their credit needs over time.

Jacob Michael Stephan

Lake Street Capital Markets, LLC, Research Division

Got it. Maybe just one last one. Impact, kind of tax refund season is upon us here. I know you said Q1 is -- ends on a Tuesday, your guys' least favorite day, but maybe help us think through kind of any impact that you're seeing from kind of the tax refund cycle currently.

Kyle Beilman

COO, CFO & Secretary

Jason, do you want to take that one?

Jason Wilk

Co-Founder, CEO, President & Chairman

Yes. I think we're ultimately seeing pretty much a normal tax refund season. We are seeing refunds up about 10%. So nothing near what people were worried about seeing that we would potentially see significant refund increases over last year and ultimately through the quarter, seeing no significant business impacts, and that's just business as usual here.

Operator

And this concludes our Q&A session. I will pass it back to Jason Wilk for closing remarks.

Jason Wilk

Co-Founder, CEO, President & Chairman

Thanks, everyone. We appreciate it.

Operator

This concludes our conference. Thank you all for participating, and you may now disconnect.