

Operator

Good morning, everyone, and thank you for participating in today's conference call to discuss Dave's financial results for the first quarter ended March 31, 2025. Joining us today are Dave's CEO, Mr. Jason Wilk; and the company's CFO, Mr. Kyle Beilman. By now, everyone should have access to the first quarter 2025 earnings press release, which was issued this morning. 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. Following management remarks, we'll open the call to answer your questions. 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 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 net income, non-GAAP variable profit, non-GAAP variable margin and compensation expense, excluding stock-based compensation as supplemental 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 Dave's CEO, Mr. Jason Wilk. Please go ahead.

Jason Wilk

Co-Founder, CEO, President & Chairman

Thank you, and good morning, everyone. Building on the success of last year's results, we are pleased to report another record-setting first quarter, which outperformed expectations across key areas of our business. Top line growth accelerated on a year-over-year basis to its highest level since 2021, thanks in large part to the strong double-digit gains in ARPU and monthly transacting members. Adjusted EBITDA growth accelerated 235% to \$44.2 million, representing a year-over-year increase of \$31 million, which is the largest dollar increase in our company's history. This increase is mostly due to the operating leverage we continue to achieve on our fixed cost base as well as the variable margin expansion we continue to generate from cash AI credit performance improvements. Given our results and the momentum we have in our business, we are raising our full year 2025 guidance for both revenue and adjusted EBITDA.

This is the seventh consecutive quarter we have either raised or exceeded our guidance. Before turning to our strategic growth pillars, I want to provide an update on our recent transition to the new fee structure for ExtraCash. As a reminder, on February 19, we fully transitioned to a new fee structure consisting of a flat 5% fee on all ExtraCash transactions with a \$5 minimum and a \$15 cap, removing optional tips as well as additional transfer fees to Dave checking. Consistent with the testing we performed at the end of last year and into early this year, results have been better than expected. With this change, we have unlocked enhanced member lifetime value through improvements in conversion, retention and monetization among new and existing members. Approximately 60% of total originations were on the new fee model in Q1, so we will receive the full benefit of the change in Q2 onwards.

Turning now to our three strategic growth pillars, efficient member acquisition, enhanced member engagement through ExtraCash and deepening relationships via the Dave Card. Starting with our first strategic growth pillar of efficient member acquisition. We continue to efficiently acquire members at scale, reflecting the power of our credit-first value proposition and its synergies with our banking product suite. In Q1, total members grew 15% year-over-year, ending the first quarter at 12.4 million members.

CAC in the first quarter increased 13% year-over-year as a result of strategic refinements in our marketing approach. We are increasingly optimizing our marketing investments by device platform and channel, prioritizing investments that yield the highest projected variable profit dollar returns rather than the lowest CAC. This recalibration is also closely tied to the higher member lifetime value we are observing following the transition to our new fee model. Based on these factors, the return on our Q1 marketing investments is expected to outpace that of prior periods. Importantly, our outlook for new member growth remains strong, and we expect to continue to achieve strong LTV to CAC returns at scale moving forward.

Our second strategic pillar centers around continuing to strengthen engagement with our members through credit. ExtraCash remains the key entry point for building long-term relationships with our members by addressing what is typically their primary need, short-term liquidity for gas, groceries and bills. Our monthly transacting member base continues to grow with MTMs up 13% year-over-year and 3% sequentially to a record \$2.5 million. This growth was favorably impacted by higher new member conversion and dormant member reactivation in addition to continued strength in member retention.

We saw strong engagement with ExtraCash originations exceeding \$1.5 billion, representing an increase of 46% year-over-year and 3% sequentially. We believe this sustained growth, particularly during a seasonally softer quarter, is a testament to the effectiveness of our Cash AI underwriting engine and new fee model, both of which allow us to more profitably underwrite larger numbers of Dave members for higher ExtraCash approval amounts. The average size of an ExtraCash origination in Q1 expanded 21% year-over-year to 192.

In March, which was the first full month operating under our new fee model, the average ExtraCash size was just over \$200, which we believe bodes well for origination volumes and corresponding monetization in Q2 and going forward. Turning to credit performance. Our 28-day delinquency rate improved 33 basis points or 18% year-over-year to 1.5%, over which time ExtraCash originations expanded 46%, as I mentioned. We believe this performance underscores the continued strength and scalability of our proprietary CashAI underwriting engine and the inherent advantages of our ExtraCash product structure. ExtraCash's short duration has allowed us to originate over 136 million transactions since inception, enabling continuous and dynamic credit risk evaluation. We believe the product's primary use cases, covering essential needs such as gas, groceries and rent further enhance its resiliency across macroeconomic cycles. CashAI enables near real-time identification of credit risk through fully automated analysis of bank account transaction data. Combined with ExtraCash's short repayment cycle, this creates a rapid feedback loop for optimizing underwriting.

This agile framework gives us strong confidence in our ability to manage credit risk across a range of economic scenarios. In uncertain macro environments, such as those influenced by tariffs or economic shocks, we believe most lenders need to tighten credit due to the slower feedback loop and lack of transaction level insights inherent in traditional loan products. In contrast, our short-cycle model and real-time risk identification enables us to adapt underwriting dynamically, a structural advantage that could provide a tailwind for Dave in a stressed macro when there are fewer credit alternatives for consumers in the market.

As we previously highlighted, tax refund season is typically the strongest period of credit performance as a result of the additional liquidity tax refunds provided to our members. As such, we expect our 28-day delinquency rate to normalize throughout the rest of the year. CashAI is a sophisticated tool that allows us to manage delinquency and loss rates with considerable precision and optimize credit performance in order to maximize variable profit dollars. The third and final pillar of our growth strategy focuses on deepening member relationships by enhancing engagement with Dave Card. Our strategy leverages the power of our market-leading ExtraCash offering to build deeper, long-term banking relationships with our members. Dave Card spending increased to a record \$488 million, up 24% year-over-year and 7% sequentially. This growth was primarily driven by the growth in MTMs as well as the seasonal spending supported provided by tax refunds. Between the growing usage of the Dave Card and the continued momentum we are seeing in ExtraCash, we expanded ARPU by 29% year-over-year.

This is our seventh consecutive quarter of double-digit ARPU expansion on a year-over-year basis and the fastest pace of growth since early 2022. Much of this improvement in Q1 is attributable to the higher average revenue per origination, which came in at approximately \$11.40, up 26% year-over-year and 12% sequentially due largely to the impact from our new fee model driving higher ExtraCash approval limits. In March, which is the first full month operating under our new fee model, average revenue per origination was over \$13, which we believe bodes well

for monetization in Q2 and beyond.

Switching gears a bit, I'd like to provide an update on our strategic partnership with Coastal Community Bank, which will take over support of Dave's ExtraCash and banking products from our current partner. We have been busy planning the transition process and expect to begin onboarding new customers to the Coastal platform in early Q3, with existing customers beginning to transition later this year. We believe Coastal's scale, experience and strong compliance and risk management capabilities will best serve our members in our business as we continue to deliver on our growth and profitability objectives. The partnership is expected to also strengthen Dave's ability to launch new next-generation products aligned with our mission of leveling the playing field for everyday Americans.

Before turning the call over to Kyle, I want to briefly touch on the litigation with the Department of Justice. As we discussed at our last earnings call, on February 28, we filed our motion to dismiss the lawsuit, outlining what we believe to be the technical deficiencies in the DOJ's amended complaint. We now expect a ruling on this motion in Q3 of this year. We remain confident in our legal position and are prepared to vigorously defend ourselves throughout the legal process.

Going forward, we remain well positioned to execute against our strategic initiatives that we believe will unlock the full earnings potential of our business model. Q1 represented another step function change in our profitable growth trajectory attributed to solid performance across the business and amplified by the early success of our new fee structure. I want to thank our team for their tireless dedication to delivering outstanding value for our members and shareholders.

With that, I'll now turn the call over to Kyle to discuss our detailed financial results. Kyle?

Kyle Beilman
CFO & Secretary

Thank you, and good morning, everyone. Building on the momentum from last year, our first quarter results set new records across nearly all key operating and financial metrics, further underscoring the strength and scalability of our business model. We continue to demonstrate substantial operating leverage by accelerating revenue growth through increased ARPU and transacting member growth while maintaining disciplined cost control. In Q1, total revenue reached a record high of \$108 million, representing year-over-year growth of 47%. This was driven by a 13% increase in MTMs and a 29% lift in ARPU, reflecting increased member engagement and stronger monetization. During the first quarter, non-GAAP variable profit grew 67% year-over-year to \$83.4 million, with variable margin reaching 77%, up nearly 950 basis points year-over-year.

This improvement was primarily driven by reduced provision expense as a percentage of revenue, reflecting significant credit performance improvements delivered by CashAI. Ongoing optimization of payment processing costs and renegotiations of key vendor contracts contributed as well. Looking ahead, we anticipate credit performance will normalize following the seasonally strong first quarter with variable margins expected to be in the upper 60s to low 70s range for the remainder of the year.

Now turning to operating expenses. Our provision for credit losses increased by 7% year-over-year to \$10.6 million, primarily due to increased origination volumes, which rose by 46%, partially offset by continued enhancements in credit risk management. As a percentage of originations, our provision for credit losses declined to 0.69% from 0.94% in the same quarter last year, demonstrating CashAI's ongoing ability to leverage insights and performance data from the greater than 136 million unique ExtraCash transactions originated to date. We believe this proprietary training data set paired with Cash AI has allowed us to build a moat and flywheel for our business. With more training data, we're better able to identify and segment good risk, thereby maximizing approval and offer amounts for our members that are differentiated from competitors.

On a sequential basis, our provision for credit losses improved 36% due to the favorable repayment trends we experienced in the first quarter as a result of tax refund season. We observed higher tax refunds per member in Q1 relative to Q1 of last year, which was a driver of lower charge-offs and stronger recoveries than we anticipated. Going forward, we anticipate provision for credit losses as a percentage of originations will trend upward over the

remainder of the year. This expectation primarily reflects the normalization coming out of tax refund season. As Jason referenced, we are leveraging Cash AI as part of our plan to strategically manage performance in order to achieve the greatest amount of variable profit dollars, which is consistent with the variable margin expectations I set a moment ago. We expect provision expense as a percentage of originations to reach its high point in Q3 since that quarter ends on a Tuesday, which is typically the intra-week peak for receivables balances.

Processing and servicing costs decreased 8% year-over-year to \$7.1 million, driven primarily by efficiencies gained from 2 significant vendor contracts renegotiated last year. We also benefited from the scale economies inherent in most of our processing vendor contracts. As a percentage of ExtraCash origination volume, these costs improved to 0.5% from 0.7% in Q1 of last year. Advertising and marketing expenses increased 13% year-over-year to \$10.3 million.

As a reminder, we typically moderate our spend in Q1, which is historically the softest quarter for marketing efficiency given that tax refunds reduced liquidity needs within the market. We expect to opportunistically expand marketing investment over the remainder of the year with a moderate step-up in spend during the summer months to capitalize on the higher levels of demand for ExtraCash during that period. Compensation-related expenses increased 12% year-over-year to \$27.5 million, primarily driven by stock-based compensation tied to performance-based restricted stock units and payroll taxes triggered by the vesting of these awards during the quarter.

Looking ahead, we expect stock-based compensation to normalize toward levels seen prior to Q3 of 2024. Excluding stock-based compensation, compensation as a percentage of revenue fell to 19% from 25% a year ago, highlighting the inherent operating leverage provided by our technology platform and scalable cost structure. In terms of growth-related investments, we remain committed to delivering profitability while also increasing member acquisition spend and pursuing disciplined investments in product development and data capabilities throughout the year.

GAAP net income declined to \$28.8 million from \$34.2 million in Q1 of last year due to the \$33 million nonrecurring gain from the discounted convertible note repurchase during the first quarter of 2024. Our year-to-date effective tax rate was approximately 15%, and we estimate our 2025 annual effective tax rate to range between 21% and 23%. Adjusted net income, excluding nonrecurring items, stock-based compensation and noncash liabilities increased nearly 350% to \$36.3 million from \$8.1 million in the year ago period. Similarly, adjusted EBITDA reached \$44.2 million, more than tripling the \$13.2 million generated in Q1 of last year, driven by our revenue growth, variable margin expansion and operating leverage with flow-through from revenue growth to EBITDA growth of more than 90%.

Now turning to the balance sheet. Our overall liquidity remains strong. As of quarter end, we had approximately \$89.7 million of cash and cash equivalents, marketable securities, investments and restricted cash compared to \$91.9 million as of the end of 2024. This decrease was primarily driven by 2 factors. First, we invested over \$20 million of cash to reduce our share count through share repurchases and the RSU net settlement transaction we discussed on our last call. Second, net receivables grew by roughly \$19 million quarter-over-quarter, which we chose to self-fund with existing cash as we believe it represents an attractive use of capital at this time. As a whole, we invested upwards of \$40 million of balance sheet cash in these 2 areas, while total cash, cash equivalents and investments was down just over \$2 million versus prior quarter end. I bring this up to highlight the significant amount of free cash flow that we're generating and our high conversion of earnings to free cash flow.

Additionally, as of quarter end, we had approximately \$100 million of borrowing capacity under our credit facility, resulting from our decision to use balance sheet cash to fund portfolio growth over the past several years. We have the ongoing ability to tap this source of capital, providing us with additional flexibility to pursue capital allocation opportunities such as M&A and capital return to drive value creation.

On the topic of capital return, in March, our Board of Directors authorized a \$50 million share repurchase program, reflecting our confidence in the company's financial strength, long-term growth trajectory and expanding free cash flow profile. We view this program as a strategic capital allocation tool and a compelling way to drive shareholder value. We began executing against this program in March, repurchasing approximately \$7 million of common stock. Looking ahead, we intend to be opportunistic and execute repurchases when returns are attractive and they

represent the most efficient use of our excess cash.

Finally, turning to guidance. For the full year 2025, we are raising our revenue outlook to a range of \$460 million to \$475 million, representing 33% to 37% growth year-over-year and a \$42.5 million increase at the midpoint compared to our prior guidance. We are also raising our adjusted EBITDA guidance to \$155 million to \$165 million, reflecting approximately 79% to 91% growth versus 2024 and a \$45 million increase from our previous outlook.

In closing, our strong momentum and positive results underscore the essential role we play in our members' financial lives. We remain confident in our strategy, encouraged by the demand for our products and energized by the opportunities ahead. We look forward to continuing to deliver meaningful value to both our members and shareholders throughout 2025 and beyond. And with that, we can now open up the line for questions. Thank you.

Question and Answer

Operator

[Operator Instructions]. Our first question comes from Devin Ryan with Citizens.

Devin Patrick Ryan

Citizens JMP Securities, LLC, Research Division

Yes, really impressive results here. I want to start with a 2-part question on ExtraCash. So 12.4 members today, it's more than doubled over the past 3 years. I heard the positive outlook on member acquisition. But just as we think about kind of where this product specifically is going, can you give us an update on your thoughts of where you are on market share of people that are likely or would potentially consider a product like ExtraCash? And then I'm not sure if there's a good way to frame this. But on average, as the advances go up in size, is there a point where that will lead to fewer advances per member? So you kind of hit a tipping point there where maybe it becomes a drag, I don't know, but I'm just curious on both of those.

Jason Wilk

Co-Founder, CEO, President & Chairman

So on the first question, I'd say we're at 2.5 million MTMs at this point. We feel the TAM is still massive of that half of America, roughly 150 million people that could use a product like ExtraCash and/or our free checking account. So we feel like there's just still a lot of room to run and it was another impressive quarter of acquiring over 0.5 million new members at a very efficient CAC. On the advance origination size going up per member, it wouldn't reduce the amount of advances people would take because effectively, it's still due on your next paycheck date.

And so all we're doing is, I think, with the increase, giving people more flexibility of how they can utilize ExtraCash. They can use it more for things like rent or for larger purchases versus our previous limits were lower, so tended to only be used for gas and groceries. As far as where we go from here, we do believe our members aspire for more duration on ExtraCash. And so that's where sort of new products could enter the market for us, which we're excited to talk about in future quarters.

Devin Patrick Ryan

Citizens JMP Securities, LLC, Research Division

Yes. Okay. Got it. Really helpful. And then a follow-up here just on kind of the theme of deepening relationships with members. Obviously, new products would be one way. But you saw nice growth in Dave Card. Can you just talk about some of the things you're doing on that front to kind of drive more engagement, whether it's things you're experimenting with on the cross-sell or just even how we should think about what's coming here in the coming quarters? It feels like there's still a fair amount to do and there's some good momentum there.

Jason Wilk

Co-Founder, CEO, President & Chairman

Yes. Look, I'd say there's still a lot of upside in that product because we're not doing a lot historically, not a lot of product development around the bank. There's not been a lot of new features introduced there. The real growth here is just sort of an organic extension of how much synergy there is between ExtraCash and the Dave Card where it's faster and cheaper to access credit using our own card. But we do plan to spend more resources on that product to find new ways to drive further cross attach and ultimately more direct deposit.

Devin Patrick Ryan

Citizens JMP Securities, LLC, Research Division

Congrats on the great quarter.

Operator

And the next question comes from Joseph Vafi with Canaccord.

Joseph Anthony Vafi

Canaccord Genuity Corp., Research Division

Terrific results. Congrats. Is there any have you I mean, I know it's a little early on the new price structure, and I know that Q1 does have a tax season effect to it. Are you seeing any correlation between the new price structure and credit performance? Is the new price structure have any effect on that, that you can see? And then I have a quick follow-up after that.

Kyle Beilman

CFO & Secretary

Thanks for joining, Joe. This is Kyle. To answer the question about the relationship between credit performance and our new pricing model, we just haven't seen any changes there in terms of like something like adverse selection or anything like that, that might occur. It's been all positive. And I think as we've mentioned, our conversion rates are up for new customers and existing customers have adapted to the new pricing structure as well, and we're seeing no negative impact. It's all been upside from a customer orientation standpoint. And I think the upside on the size per origination as well as the average revenue per origination speak to the business benefits. So credit performance in Q1 hit an all-time low, and we're feeling really good about managing credit performance from here.

Joseph Anthony Vafi

Canaccord Genuity Corp., Research Division

That's great. That's great feedback. And then I mean, the guide looks great and an impressive increase there. If we kind of double-click on that a little bit more, should we assume or is the guide assuming further ARPU increases? Or are you really just holding the line on the run rate on the newer guide? And then I guess, any kind of changes to MTM growth that we should be thinking about moving forward?

Kyle Beilman

CFO & Secretary

Certainly, we would expect to continue to grow MTMs throughout the year. I think naturally, we'll get some benefit on the ARPU side just by virtue of having a full quarter's benefit in Q2 onward on the new pricing structure. So that should support some ARPU expansion from here as well. But we're going to continue to focus on the other ARPU levers at our disposal, namely kind of continuing to pull good risk up the limit spectrum by increasing offer amounts, and that should drive overall monetization higher as well. So I'd say both on the MTMs and ARPU side, feeling like there's opportunities to continue to kind of pull levers on both those dimensions.

Operator

And the next question comes from Hal Goetsch with B. Riley.

Harold Lee Goetsch

B. Riley Securities, Inc., Research Division

Terrific results thank you very much on that. You mentioned a reengagement of maybe former customers that are coming back. I imagine you always have a few. Are you seeing like an acceleration of that? And then I wanted to get your thoughts on these average ExtraCash origination sizes are getting larger year-over-year. And are you engaging maybe a different kind of customer now that maybe has higher W-2 income? Or is it just that the Cash AI is just granting through repeat borrowing, people have promoted themselves to higher amounts if they wish to take them. I wanted your thoughts on those couple of items.

Jason Wilk

Co-Founder, CEO, President & Chairman

So I'd say no changes on the reactivation of customers. I mean we're doing a great job there per usual, but nothing out of the ordinary, I would say, Hal, sort of business as usual. As far as the origination amounts going up, I think it's a combo we have a significant amount of our base as repeat customers. And so the longer time on book, we will increase limits there. But I'd say we are doing a better job of offering better credit for new customers as well, and that's also supported by the new fee structure, allowing us to have larger limits for customers given the durability of the new monetization. So I'd say it's a combination of those things.

I'd say lastly, I touched on this a little bit in the script, but we just think our credit class of how short duration, how fast the repayment cycles are just puts us in a different category than a longer duration lender. So with macro uncertainties out there, some traditional lenders would pull back on credit, and this is actually a great environment for us. So we think it's a good opportunity to keep growing.

Harold Lee Goetsch

B. Riley Securities, Inc., Research Division

Do you think if your AI model allows for slightly higher initial first-time advances to people, the user experience goes up. I imagine if you only grant some \$30 or \$40, you're like, that didn't do me a whole lot. I got \$120. That's a whole different matter that really helped me out. I mean that was worth it. Is that part of it you getting...

Jason Wilk

Co-Founder, CEO, President & Chairman

Yes. There is absolutely correlation between better first-time limit and better first-time conversion.

Harold Lee Goetsch

B. Riley Securities, Inc., Research Division

That makes intuitively makes sense, right? You got more banking on you?

Kyle Beilman

CFO & Secretary

Yes. I mean that's why the increased limits is such a business and customer win-win, right, as we move people up the limit curve even for first-time customers, just the value proposition increases. We obviously, as a business, benefit from that incremental monetization. And so yes, it's just a win-win. And that's where I feel like I made some

remarks about this in the script as well, where we've just built this positive flywheel for the business as we continue to improve on credit performance and have more training data because we can just offer more differentiated amounts, which is just a better value proposition for our customers. So we're definitely seeing the benefits of that play out.

Harold Lee Goetsch

B. Riley Securities, Inc., Research Division

Yes. Last one on me. On coastal, opportunity to do a little bit longer duration, you mentioned that on the Q4 call. Are those products really a 2026 event? Or can we see the first maybe roll out of those later in the year?

Jason Wilk

Co-Founder, CEO, President & Chairman

I don't think you'll hear us talk about results until next year.

Operator

And the next question comes from Jacob Stephan with Lake Street Capital Markets.

Jacob Michael Stephan

Lake Street Capital Markets, LLC, Research Division

I'll echo the congratulations on the great quarter. I just wanted to touch on the customer acquisition cost, up \$2 sequentially. Maybe you could kind of highlight what are you doing differently? Why the increase? And how is it different from before?

Jason Wilk

Co-Founder, CEO, President & Chairman

Jacob, good to hear from you. We are very focused on channel optimization and continue to drive our channels based on just LTV. And so if you look at our CAC to LTV, our ratios have never been better from that perspective as LTV has been increasing through business performance and the new fee structure. So as we just, again, continue to focus on LTV optimization on channels, we're not as focused on driving the lowest CAC. It's whatever is driving the best returns. And so we still view the \$18 CAC in the quarter to be incredibly efficient in light of how well the company is doing.

Jacob Michael Stephan

Lake Street Capital Markets, LLC, Research Division

Yes. And maybe you could just kind of touch on what some of those channels are that you're actually seeing a better return on.

Jason Wilk

Co-Founder, CEO, President & Chairman

Nothing really to share there, although anything to point to a little bit more spending towards iOS devices versus Android seeing some better conversion and lifetime value there at a little higher CAC.

Jacob Michael Stephan

Lake Street Capital Markets, LLC, Research Division

Maybe last one for me then. The Dave Credit product, I know you guys have talked about that in the past. Maybe any update on that? Do you expect kind of a later launch this year or maybe that's pushed out until '26?

Jason Wilk

Co-Founder, CEO, President & Chairman

I'd say we're still targeting friends and family for later this year, and we'll hopefully talk about some results starting next year.

Operator

And the next question comes from Jeff Cantwell with Seaport Research.

Jeffrey Brian Cantwell

Seaport Research Partners

First of all, congrats on the results. Can you maybe drill down a little more, on the Dave Card, what are you seeing from customers right now on that front? It looks like you see greater engagement on that product. Spend volumes were up there by 24% year-over-year to \$488 million. So, there's a lot of traction. How are you thinking about that over the balance of the year? And maybe just on a related note, ARPU is now \$171. That was up 29%. Do you mind just walking us through the puts and takes there as far as growth as you think about balancing driving new member acquisition against also this ongoing deepening engagement that we're seeing and so forth.

Jason Wilk

Co-Founder, CEO, President & Chairman

Yes. Sorry, the first question was around Dave Card and what exactly?

Jeffrey Brian Cantwell

Seaport Research Partners

Just trying to get a sense of what you're seeing in terms of traction and how you're thinking about that going forward over the balance of the year in terms of growth.

Jason Wilk

Co-Founder, CEO, President & Chairman

Yes. As I mentioned at the first question, we are seeing just really nice organic synergy between ExtraCash and the Dave Card. We're not really doing a lot there historically on incentives to drive that adoption other than the fact it's faster and cheaper to access ExtraCash with the Dave Card. But we are testing some ideas right now around rewards to drive further incentives as we do have increased margin with the new fee structure. And so excited to see how we can play around with the further incentives to get more adoption there and ultimately direct deposit. But as you pointed out, nice growth, nearly \$500 million of card spend and still excited about that product opportunity.

Jeffrey Brian Cantwell

Seaport Research Partners

And maybe can you just give us your thoughts ARPU as well. That was \$171. That was up 29%. Do you mind just walk us through the puts and takes there as you're thinking about the remainder of the year?

Jason Wilk

Co-Founder, CEO, President & Chairman

Yes. Look, I'd say that's largely driven by the new fee structure. I mean we're seeing tremendous results there. I mean it's a more durable monetization than our previous model of instant transfer fees and tips, especially as customers stay longer on book. We had not an insignificant amount of customers that were no longer tipping and no longer using the instant transfer feature and therefore, moving people to the mandatory fee structure, it just gives us a lot more ability to forecast the business, and it's really showing its teeth in the higher ARPU growth. And as Kyle pointed out, we only had the new fee model rolled out for 60% of the base. And so Q2 will be our first quarter of 100% rollout on the fees. So, we should expect to see further ARPU expansion, but it's all fee related.

Kyle Beilman

CFO & Secretary

Yes. I'd just add to that, as we continue to try and drive further adoption of the Dave Card among the base, that's another lever for ARPU expansion. And then outside of that, the other levers that I talked about, which is continued sort of optimization of cash AI to move people up the limit spectrum to higher average origination sizes is also a tailwind and a lever for ARPU expansion. And we're feeling good about our ability to continue to make improvements there, especially in light of the new fee model, as Jason alluded to, the great thing about the new structure is that we're fully incentivized from a monetization standpoint to take incremental risk by moving people up the limit curve because we're getting paid for those incremental risk dollars. So, it's, again, kind of a nice alignment of the business and customer need and relationship.

Operator

And the next question comes from Gary Prestopino with Barrington.

Gary Frank Prestopino

Barrington Research Associates, Inc., Research Division

A couple of questions here. First of all, Jason, you did mention something about repeat users of the product. And I think you're allowed 2 ExtraCash originations per month. Is that correct? Or am I wrong there?

Kyle Beilman

CFO & Secretary

That's correct. Well, just to like clarify, Gary, it could be higher if you're on a weekly pay cycle. So, it really is aligned to the pay cycle. Most people do get paid every 2 weeks, but we do have a segment of the base who gets paid weekly, and so they would be able to use ExtraCash more than twice.

Gary Frank Prestopino

Barrington Research Associates, Inc., Research Division

What I'm getting at here is with your 2.5 million monthly transacting members. I'm trying to get an idea of like, say, the lifetime value of the account and all that. How many of those people that are on there do multiple transactions

on ExtraCash and the Dave Card and have really done multiple transactions over a 6-month period. I guess what I'm getting at is that are you seeing in your at least the majority of your monthly transacting member bases maybe using your product as more or less their bank, a standard bank product versus using a traditional brick-and-mortar bank?

Jason Wilk

Co-Founder, CEO, President & Chairman

I would say we talk about our direct deposit penetration like the true customers that would think of Dave as our primary accounts still sub-10%. But if you think about the customers that are taking ExtraCash a couple of times per month, they're spending it on their gas and groceries, we're winning a good amount of their sort of essential spending, and that's, we think, a big win and a good sign of us taking more market share away from the larger banks.

Kyle Beilman

CFO & Secretary

And then just to add maybe a little bit of color there, Gary, in terms of kind of the repeat usage and the type of engagement that we see amongst the base, call it, between 97% and 98% of dollar value originations go to repeat customers in any given month or quarter, and that number just continues to go up and up as we make improvements to retention and the overall base continues to season. And so amongst that kind of 97% to 98%, many of those customers or the median have transacted with Dave on ExtraCash 20 to 30x. And so just a strong sort of repeat usage and I'd say, really significant type of relationship that we have with these customers, and we're seeing them all the time. So, it has us feeling really good about sort of the proximity that we have to these users and our ability to kind of cross-sell them things over time just based on the nature of the relationship.

Gary Frank Prestopino

Barrington Research Associates, Inc., Research Division

And then just on your guidance in terms of what you've given here, are you contemplating some increased expenditures for product development, adding people, anything of that nature as we go forward throughout the year?

Kyle Beilman

CFO & Secretary

Yes. As I mentioned in my remarks, we are going to be making some very disciplined investments in product development and data capabilities throughout the year. I mean these are not large numbers, I think, but we are continuing to add capabilities on those teams to support strategy and key initiatives. Additionally, we do plan to ramp marketing spend over the subsequent quarters, which if you look at Q1 over Q1 of last year, I think is a good indication of where marketing should fall on a relative basis year-over-year.

Operator

This concludes our question-and-answer session. The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.