



Investor Presentation

December 2024

Safe Harbor Statement

Statements in this presentation that are not statements of historical facts are forward-looking statements and should be evaluated as such. Forward-looking statements include, but not limited to, statements regarding: our expected financial and operating results in future periods; our expectations regarding the growth of our company; our market opportunity; the expected effects of our acquisition and integration of Hearsay Social, Inc.; our product roadmap, including artificial intelligence; sales efficiency efforts; and our industry. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "intend," "potential," "might," "would," "continue," or the negative of these terms or other comparable terminology.

We have based the forward-looking statements contained in this release primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, strategy, short- and long-term business operations, prospects, business strategy and financial needs. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including, but not limited to, those previously disclosed in the sections titled "Special Note Regarding Forward Looking Statements" and "Risk Factors" in our most recent Quarterly Report on Form 10-Q, our most recent Annual Report on Form 10-K and in other filings we make with the Securities and Exchange Commission (the "SEC") and other public communications. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this presentation. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. Accordingly, you should not rely on forward-looking statements as predictions of future events.

The forward-looking statements made in this presentation relate only to events as of the date on which such statements are made. All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements as well as other cautionary statements that are made from time to time in our SEC filings and public communications. We undertake no obligation to update any forward-looking statements after the date hereof or to conform such statements to actual results or revised expectations, except as required by law.

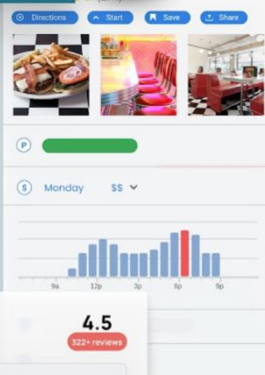
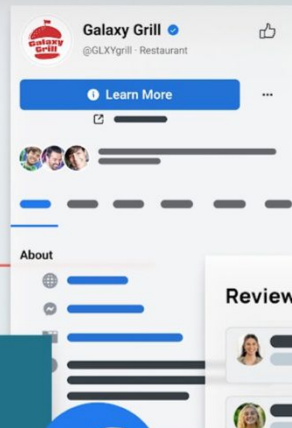


Yext is the leading **digital presence platform** for multi-location brands, helping them reach and serve their end customer

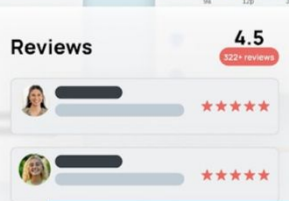


Consumers expect to find **accurate, relevant, and engaging** information, wherever they are

83% of shoppers
use Google Search to learn
about local businesses



54% of users
engage with social media to
research products

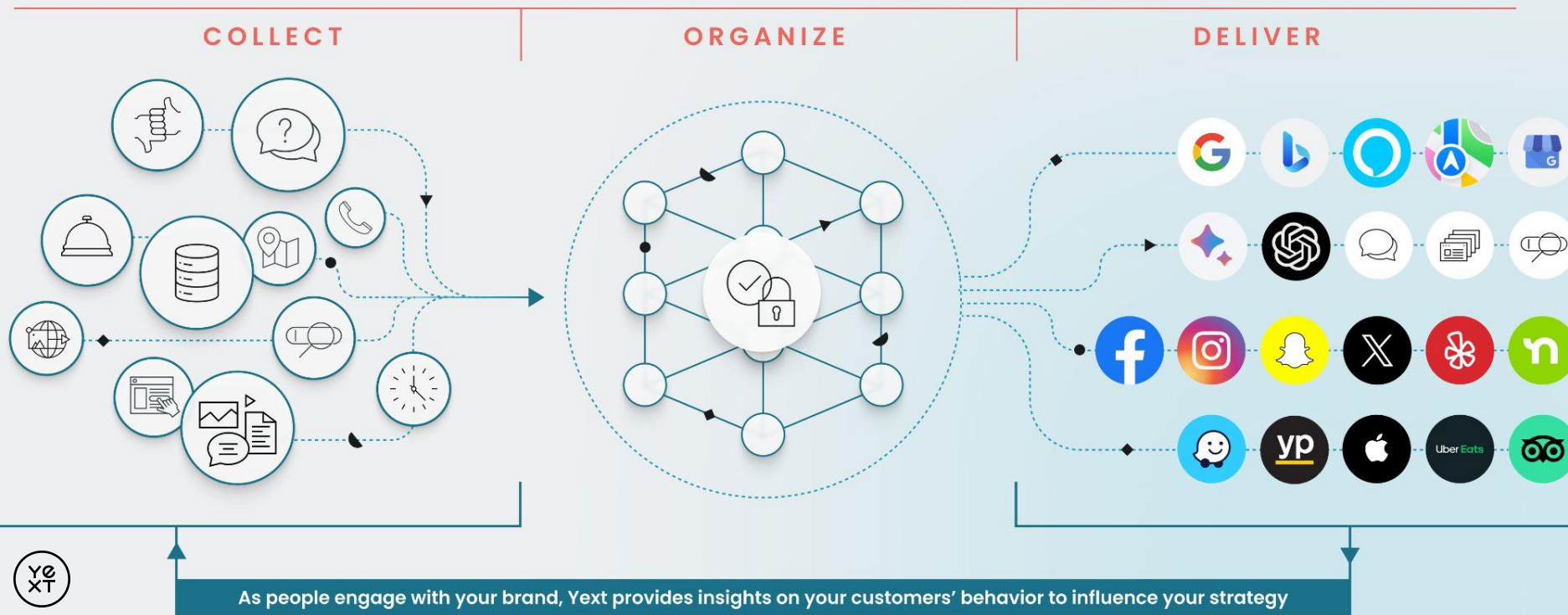


99% of consumers
read online reviews as part
of their search

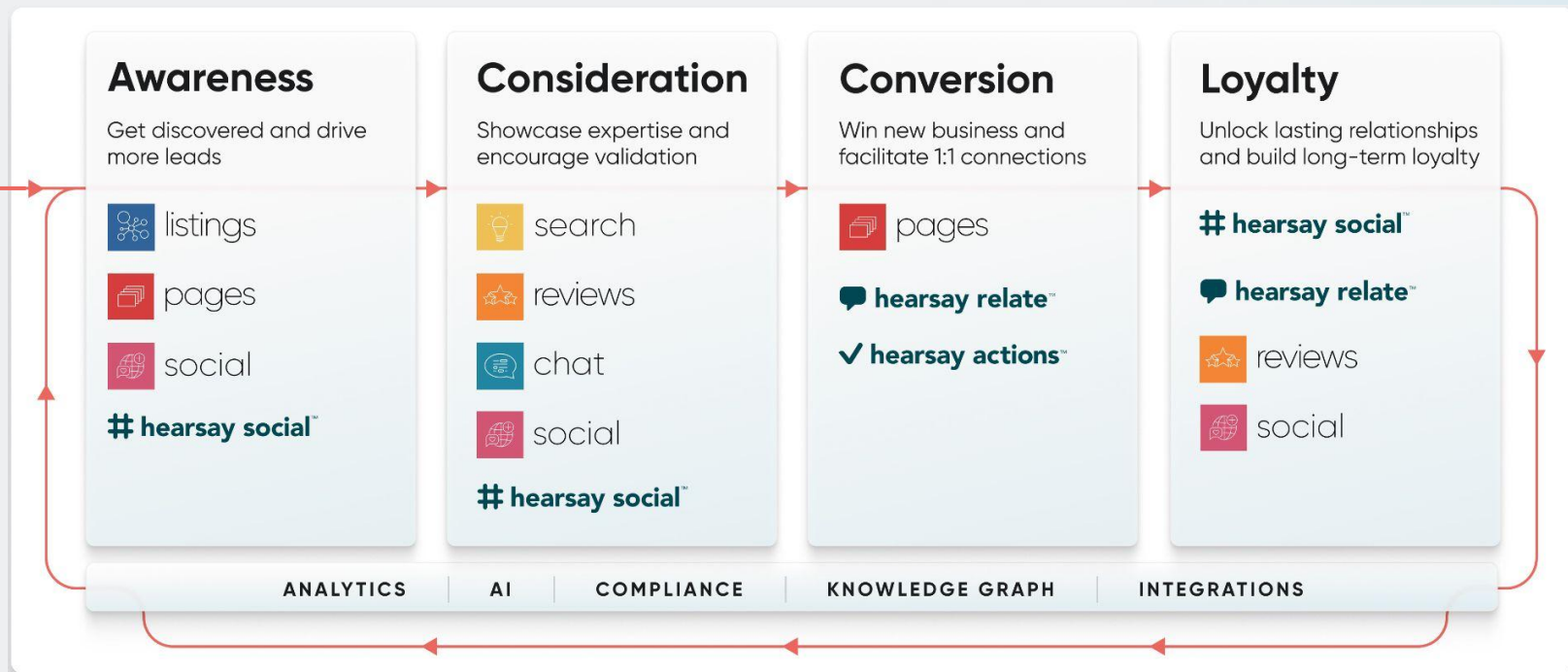


Source: Google Consumer Insights, GlobalWebIndex & Power Reviews.

Yext optimizes brand content to enable discovery and drive conversions



We are the only end-to-end platform powering the entire digital customer journey



AI and Search fragmentation are further complicating that journey



The Yext value proposition

enables customers to **accelerate revenue growth** while **reducing costs**

GROWTH

REVENUE

Increase visibility

Manage a consistent brand experience across all digital channels

Drive conversions

Increase engagement with local customers through personalized interactions at scale

Enhance customer experience

Receive the expertise and resources you need to drive differentiation and growth

Operate efficiently

Automate and optimize workflows to save time and money

INSIGHTS

COST

OPERATIONS

DIGITAL EXPERIENCES



Brands choose any combination of products

and iterate as needs grow



 content

 listings

 pages

 reviews

 search

 chat

 social

 analytics

 **hearsay sites™**

 **hearsay relate™**

 **hearsay social™**

Yext delivers the results brands want



**Show up
everywhere
customers are
looking**

+47%

**listings
impressions**

when customers switch to
Yext



**Leverage
AI-powered
tools to increase
efficiency**

2.3x

**more
appearances
in local search**

than their competitors



**Make
data-driven
decisions in
real-time**

40.8%

**unbranded
listings
impressions**

when Listings are
optimized



**Scale
workflows with
one platform**

+30%

**customer
actions**

when customers use
Listings and Reviews

+57%

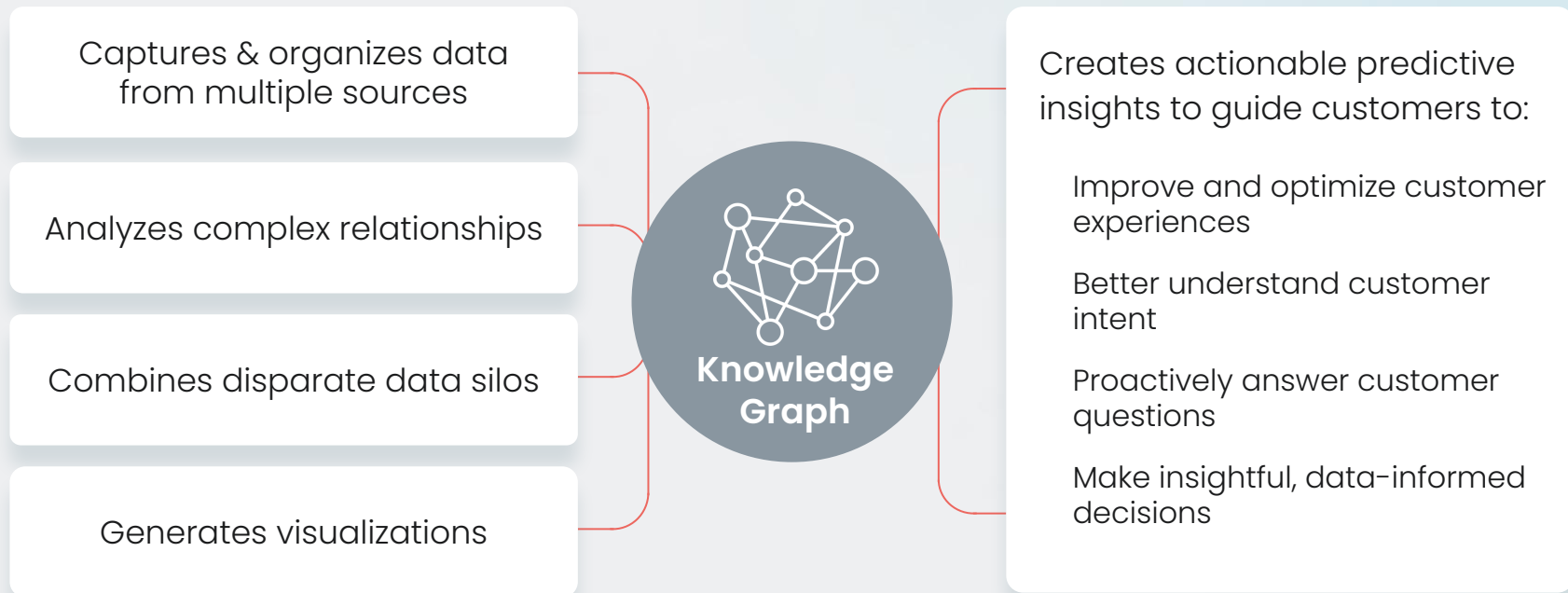
**improvement in
response times**

with Reviews



Metrics from internal Yext data 11/2022 through 2/2024, see Appendix for more details.

Our Knowledge Graph is our **economic moat**



Yext is the **source of truth** for our customers' brand information

Trust (and rank)
is gained through
consistent and
frequent data
synchronization



social

Highest update frequency, requires consistency with Pages & Listings



pages

Schema everywhere, reinforced by Listings consistency, first-party page control



listings

Broad network distribution, third-party platforms with real-time updates



Yext enhances brands' AI readiness...

Your **digital presence**
is your data strategy

Search engines

Web pages

Listings

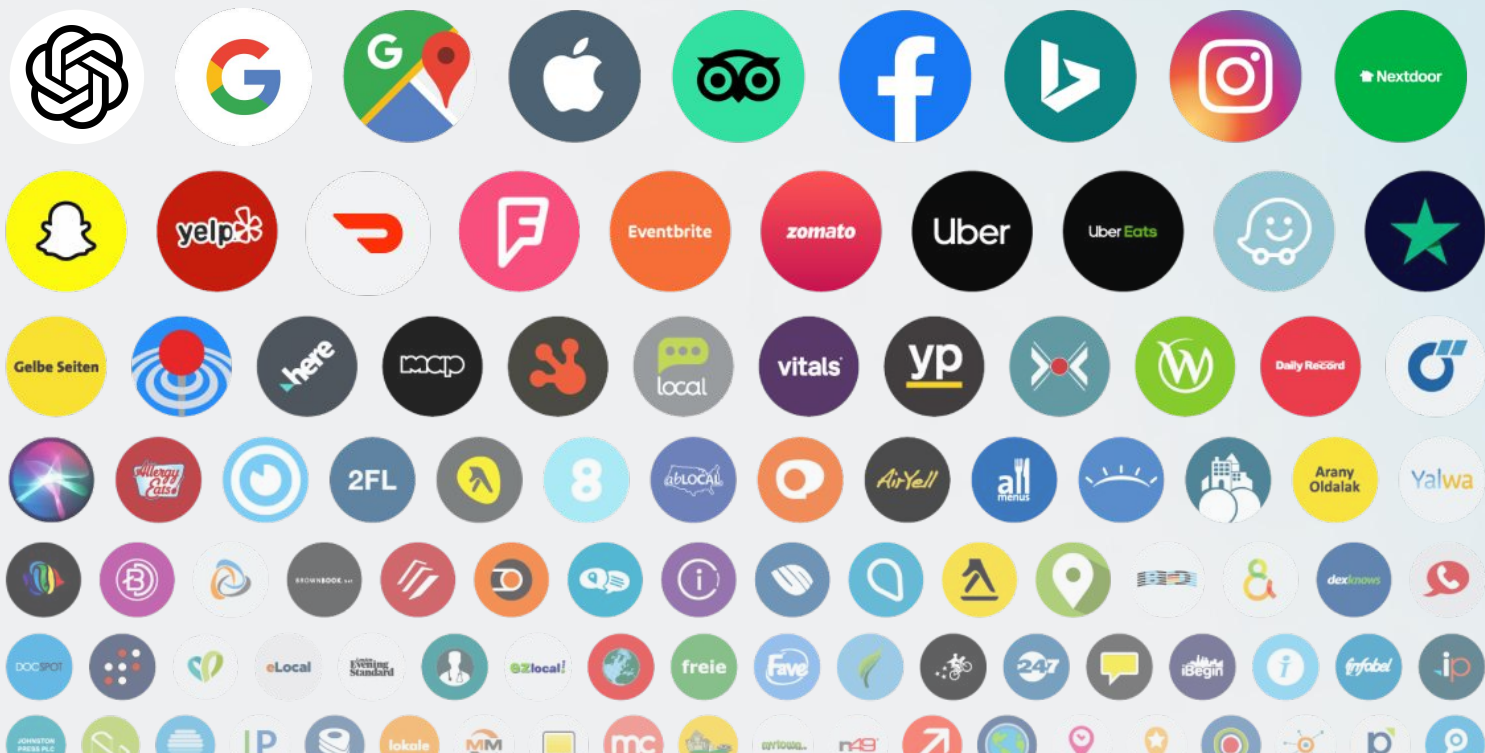
Reviews

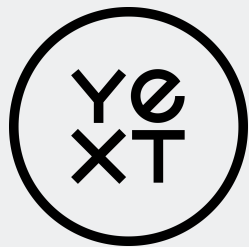
Social

AI



...and enables generative AI experiences through integrations with key publishers





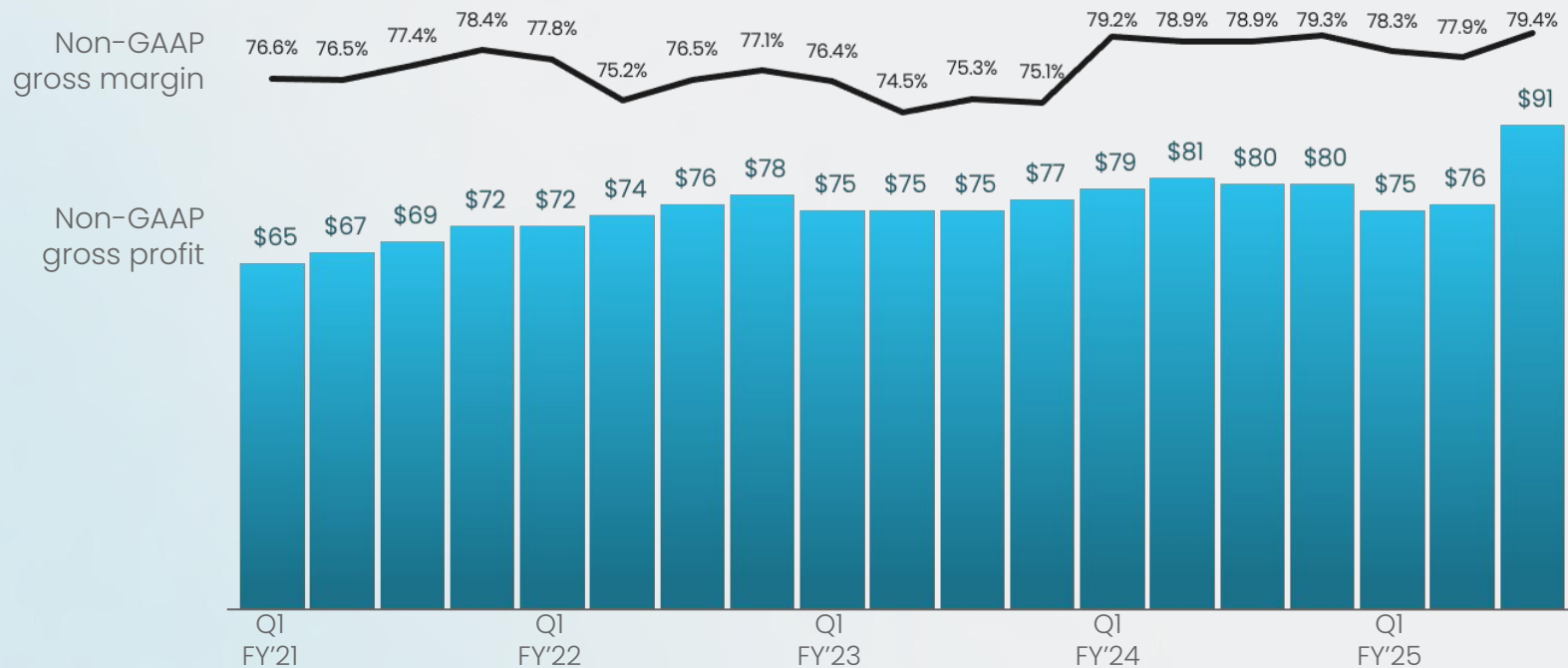
Financials

Driving profitable growth



Adjusted EBITDA is a non-GAAP measure; see Appendix for further information and reconciliations of GAAP to non-GAAP measures.

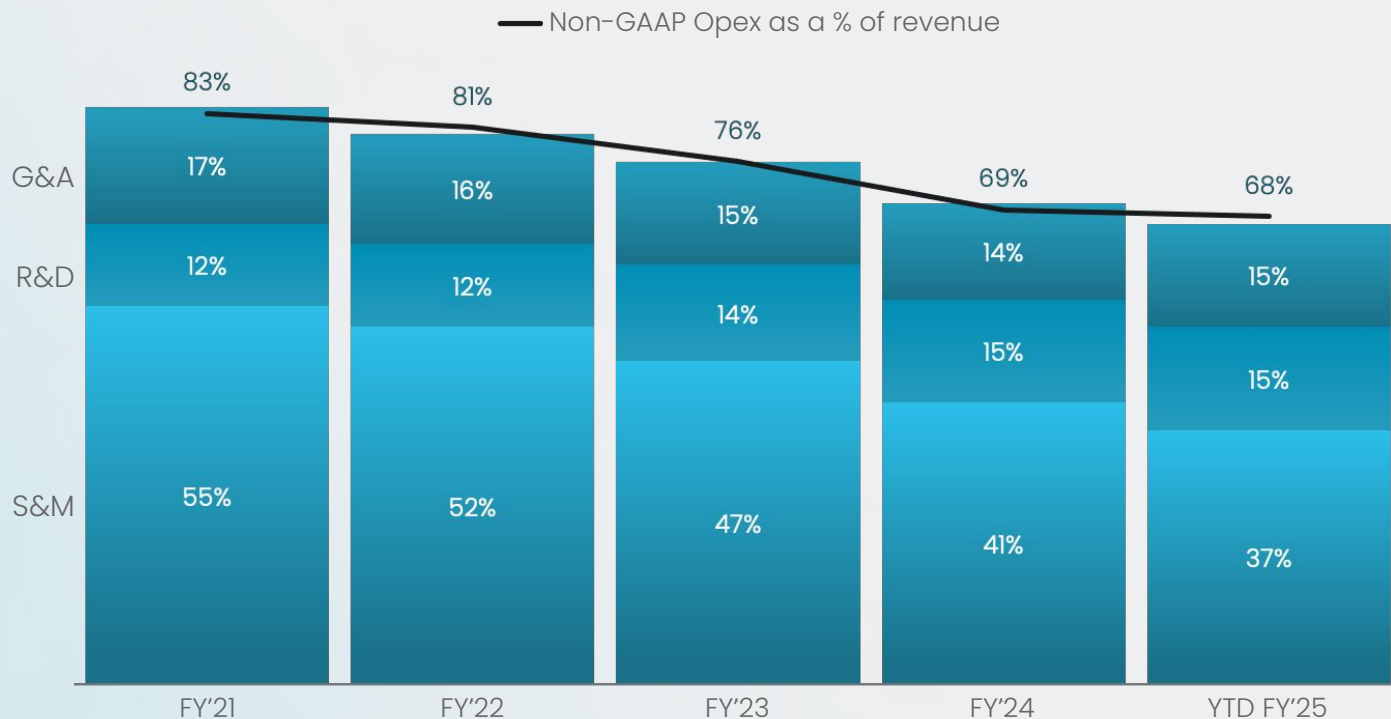
Delivering consistently strong gross margins



Non-GAAP gross profit \$ in millions; see Appendix for reconciliations of GAAP to non-GAAP measures.

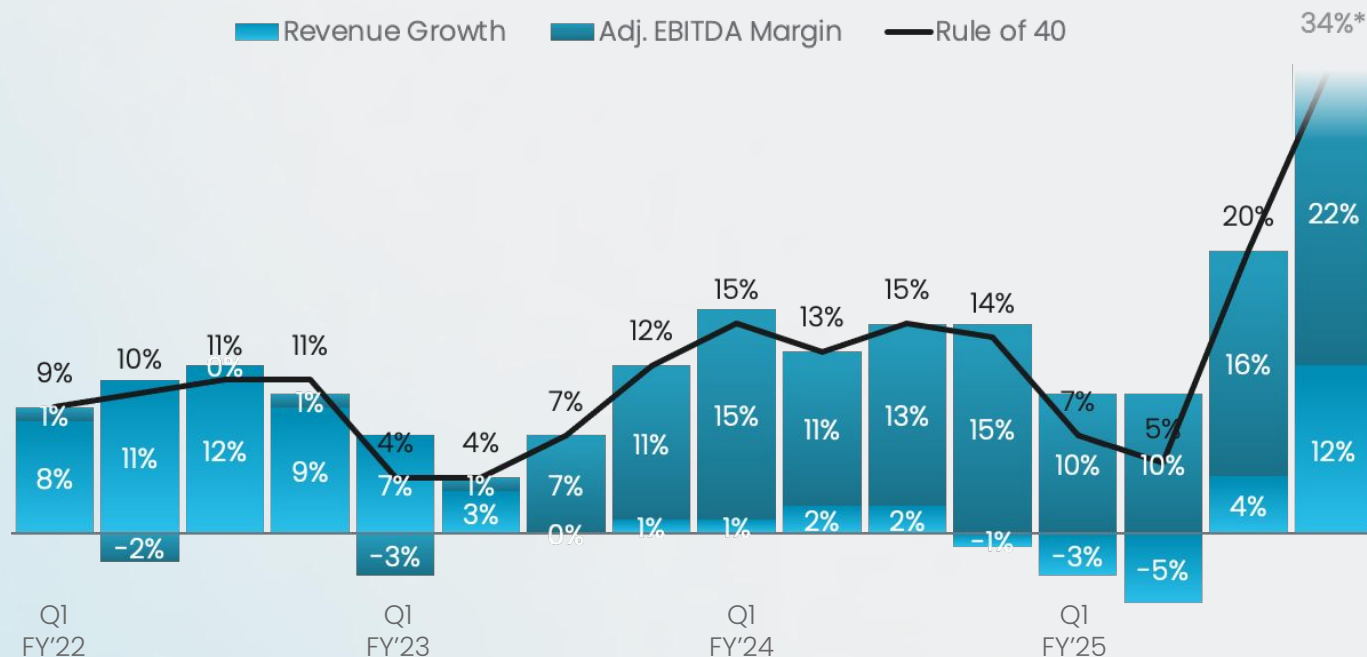


Producing Opex efficiency



See Appendix for reconciliations of GAAP to non-GAAP measures.

Progress toward Rule of 40



*Based on the midpoints of Q4 FY'25 guidance ranges, as of December 9, 2024. Adj. EBITDA margin is a non-GAAP measure; see Appendix for reconciliations of GAAP to non-GAAP measures. We have not reconciled this forward-looking measure to its most directly comparable GAAP financial measure of net income (loss). Information on which this reconciliation would be based on is not available without unreasonable efforts due to the uncertainty and inherent difficulty of predicting within a reasonable range, the timing, occurrence and financial impact of when such items may be recognized.

Q3 FY'25 Performance*

Top Line		Efficiency		Profitability		
				Q3 FY'24	Q3 FY'25	
\$114 M	Revenue	79%	Gross margin (non-GAAP)	\$11.3 M	\$15.6 M	Net Income (non-GAAP)
		62%	Operating expense as a % of revenue (non-GAAP)	\$0.09	\$0.12	EPS (non-GAAP)
\$442 M	ARR	31%	S&M as a % of revenue (non-GAAP)	\$13.5 M	\$23.1 M	Adj. EBITDA
Direct		Reseller		Cash + Debt		
\$375 M	ARR			\$37.7 M	TTM Free Cash Flow	
91%	Dollar-based Net Retention Rate	\$67 M	ARR	\$100.5 M**	Cash as of 10/31/24	
		93%	Dollar-based Net Retention Rate	\$0	Debt	

*Adj. EBITDA, Net Income, EPS, gross margin, operating expense and S&M as a % of revenue, and TTM Free Cash Flow are presented in non-GAAP; ARR and dollar-based net retention rates are operating metrics; see Appendix for further information, including definitions and reconciliations of GAAP to non-GAAP measures.

**Excludes restricted cash.



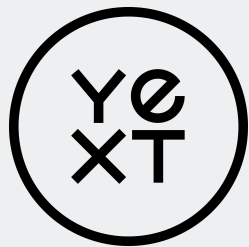
Guidance

	Projected Q4 FY'25*	Projected FY'25*
Revenue (\$ millions)	\$112.4 to \$112.9	\$420.3 to \$420.8
Adjusted EBITDA** (\$ millions)	\$24.5 to \$25.0	\$67.0 to \$67.5
Non-GAAP net income per share**	\$0.12 to \$0.13	\$0.35 to \$0.36
Weighted-average basic shares outstanding (millions)	128.2	127.0
Non-GAAP tax rate	25%	25%

*as of December 9, 2024

**Adjusted EBITDA and Non-GAAP net income per share are non-GAAP measures. We have not reconciled these forward-looking measures to their most directly comparable GAAP financial measures of net income (loss). Information on which this reconciliation would be based on is not available without unreasonable efforts due to the uncertainty and inherent difficulty of predicting within a reasonable range, the timing, occurrence and financial impact of when such items may be recognized.





Appendix

Yext puts brands front and center sources

+47% listings impressions when customers switch to Yext

Sampled a random set of 20 Yext customers who moved to Yext after working with a competitor using an aggregator strategy with very few direct integrations. Across this sample, the median growth they achieved was 16% for actions and 47% for impressions – November 2022

2.3x more appearances in Local Search than competitors:

600 businesses with ST that have set up competitors in the platform and limited the tool to only “primary category” as the keyword. The 2.3x number is the metric “local pack matches” for our client’s locations and compared it to the number for each client’s top competitor by the same metric – February 2024

+40.8% unbranded listings impressions when Listings are optimized

The overall unbranded listings percentage for our clients from Feb 2023 – Jan 2024. When “listings are optimized” means working with Yext – January 2024

+57% improvement in response times with Reviews source: [FedEx customer case study](#)

+30% customer actions when customers use Listings and Reviews source: Internal Yext Data





Q3FY25

Condensed Consolidated Balance Sheets

	October 31, 2024	January 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 100,484	\$ 210,184
Restricted cash, current	11,671	—
Accounts receivable, net of allowances of \$1,468 and \$1,013, respectively	57,778	108,198
Prepaid expenses and other current assets	17,353	14,849
Costs to obtain revenue contracts, current	21,447	26,680
Total current assets	208,733	359,911
Property and equipment, net	42,246	48,542
Operating lease right-of-use assets	70,124	75,989
Restricted cash, non-current	5,850	—
Costs to obtain revenue contracts, non-current	11,649	16,710
Goodwill	105,020	4,478
Intangible assets, net	87,986	168
Other long term assets	8,735	3,012
Total assets	<u>\$ 540,343</u>	<u>\$ 508,810</u>

In thousands, except share and per share data; Unaudited



Q3FY25

Condensed Consolidated Balance Sheets

	October 31, 2024	January 31, 2024
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable, accrued expenses and other current liabilities	\$ 62,111	\$ 38,766
Unearned revenue, current	160,855	212,210
Operating lease liabilities, current	18,380	16,798
Total current liabilities	241,346	267,774
Operating lease liabilities, non-current	80,293	89,562
Contingent consideration, non-current	40,107	—
Other long term liabilities	18,635	4,300
Total liabilities	380,381	361,636
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 50,000,000 shares authorized at October 31, 2024 and January 31, 2024; zero shares issued and outstanding at October 31, 2024 and January 31, 2024	—	—
Common stock, \$0.001 par value per share; 500,000,000 shares authorized at October 31, 2024 and January 31, 2024; 152,424,199 and 148,197,347 shares issued at October 31, 2024 and January 31, 2024, respectively; 128,010,487 and 124,867,093 shares outstanding at October 31, 2024 and January 31, 2024, respectively	152	148
Additional paid-in capital	983,358	942,622
Accumulated other comprehensive loss	(4,501)	(4,183)
Accumulated deficit	(699,845)	(679,172)
Treasury stock, at cost	(119,202)	(112,241)
Total stockholders' equity	159,962	147,174
Total liabilities and stockholders' equity	\$ 540,343	\$ 508,810

In thousands, except share and per share data; Unaudited



Condensed Consolidated Statements of Operations and Comprehensive Loss

	Three months ended October 31,		Nine months ended October 31,	
	2024	2023	2024	2023
Revenue	\$ 113,989	\$ 101,164	\$ 307,866	\$ 303,215
Cost of revenue	26,247	22,066	70,086	65,809
Gross profit	87,742	79,098	237,780	237,406
Operating expenses:				
Sales and marketing	43,667	45,355	128,878	136,942
Research and development	21,070	18,291	56,709	53,934
General and administrative	33,373	17,233	75,553	53,774
Total operating expenses	98,110	80,879	261,140	244,650
Loss from operations	(10,368)	(1,781)	(23,360)	(7,244)
Interest income	823	1,922	5,578	5,296
Interest expense	(222)	(173)	(738)	(334)
Other expense, net	(55)	(70)	(397)	(687)
Loss from operations before income taxes	(9,822)	(102)	(18,917)	(2,969)
Provision for income taxes	(2,977)	(366)	(1,756)	(1,348)
Net loss	\$ (12,799)	\$ (468)	\$ (20,673)	\$ (4,317)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.10)	\$ —	\$ (0.16)	\$ (0.03)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	128,036,993	124,239,180	126,668,394	123,962,358
Other comprehensive (loss) income:				
Foreign currency translation adjustment	\$ (144)	\$ (876)	\$ (324)	\$ (722)
Unrealized gain on marketable securities, net	2	16	6	4
Total comprehensive loss	\$ (12,941)	\$ (1,328)	\$ (20,991)	\$ (5,035)

In thousands, except share and per share data; Unaudited



Q3FY25

Condensed Consolidated Statements of Cash Flows

Operating activities:

	Nine months ended October 31,	
	2024	2023
Net loss	\$ (20,673)	\$ (4,317)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expense	12,101	12,625
Bad debt expense	1,017	589
Stock-based compensation expense	37,091	34,335
Amortization of operating lease right-of-use assets	6,471	6,739
Adjustments to contingent consideration	607	—
Other, net	(751)	351
Changes in operating assets and liabilities, net of assets acquired and liabilities assumed in a business acquisition:		
Accounts receivable	55,285	57,251
Prepaid expenses and other current assets	(74)	(2,738)
Costs to obtain revenue contracts	10,476	9,054
Other long term assets	256	542
Accounts payable, accrued expenses and other current liabilities	7,181	(9,175)
Unearned revenue	(89,117)	(78,434)
Operating lease liabilities	(8,312)	(8,892)
Other long term liabilities	307	207
Net cash provided by operating activities	11,865	18,137

In thousands; Unaudited



Q3FY25

Condensed Consolidated Statements of Cash Flows

Investing activities:

- Capital expenditures
- Cash paid in acquisition, net of cash acquired
- Net cash used in investing activities

Financing activities:

- Proceeds from exercise of stock options
- Repurchase of common stock
- Payments for taxes related to net share settlement of stock-based compensation awards
- Payments of deferred financing costs
- Proceeds, net from employee stock purchase plan withholdings
- Net cash used in financing activities
- Effect of exchange rate changes on cash, cash equivalents and restricted cash
- Net decrease in cash, cash equivalents and restricted cash
- Cash, cash equivalents and restricted cash at beginning of period
- Cash, cash equivalents and restricted cash at end of period

Nine months ended October 31,	
2024	2023
(1,769)	(2,320)
(89,407)	—
(91,176)	(2,320)
1,137	8,770
(6,760)	(23,086)
(9,031)	(10,718)
(777)	(394)
2,218	2,546
(13,213)	(22,882)
345	(993)
(92,179)	(8,058)
210,184	190,214
\$ 118,005	\$ 182,156

Supplemental reconciliation of cash, cash equivalents and restricted cash reported within the condensed consolidated balance sheets:

- Cash and cash equivalents
- Restricted cash, current and non-current
- Total cash, cash equivalents and restricted cash

Nine months ended October 31,	
2024	2023
\$ 100,484	\$ 182,156
17,521	—
\$ 118,005	\$ 182,156

In thousands; Unaudited



Reconciliation of GAAP to Non-GAAP Financial Measures

	Three months ended October 31,		Nine months ended October 31,	
	2024	2023	2024	2023
GAAP net loss to Adjusted EBITDA:				
GAAP net loss	\$ (12,799)	\$ (468)	\$ (20,673)	\$ (4,317)
Interest (income) expense, net	(601)	(1,749)	(4,840)	(4,962)
Provision for income taxes	2,977	366	1,756	1,348
Depreciation and amortization	6,287	3,537	12,101	12,625
Other expense (income), net	55	70	397	687
Stock-based compensation expense	12,693	11,758	37,091	34,335
Acquisition-related costs	14,482	—	16,650	—
Adjusted EBITDA	<u>\$ 23,094</u>	<u>\$ 13,514</u>	<u>\$ 42,482</u>	<u>\$ 39,716</u>
GAAP net loss as a percentage of revenue	(11.2) %	(0.5) %	(6.7) %	(1.4) %
Adjusted EBITDA margin	20.3 %	13.4 %	13.8 %	13.1 %

Note: Numbers rounded for presentation purposes and may not sum
In thousands; Unaudited



Reconciliation of GAAP to Non-GAAP Financial Measures

Cost of revenue

	Three months ended October 31,		Nine Months ended October 31,	
	2024	2023	2024	2023
GAAP cost of revenue	\$ 26,247	\$ 22,066	\$ 70,086	\$ 65,809
Less: Stock-based compensation expense	(701)	(739)	(2,087)	(2,151)
Less: Acquisition-related costs	(100)	—	(100)	—
Less: Amortization of acquired intangibles	(2,017)	—	(2,017)	—
Non-GAAP cost of revenue	<u>\$ 23,429</u>	<u>\$ 21,327</u>	<u>\$ 65,882</u>	<u>\$ 63,658</u>
GAAP cost of revenue as a % of revenue	23 %	22 %	23 %	22 %
Non-GAAP cost of revenue as a % of revenue	21 %	21 %	21 %	21 %

Sales and marketing

GAAP sales and marketing	\$ 43,667	\$ 45,355	\$ 128,878	\$ 136,942
Less: Stock-based compensation expense	(4,104)	(4,336)	(10,010)	(12,222)
Less: Acquisition-related costs	(2,431)	—	(2,431)	—
Less: Amortization of acquired intangibles	(1,448)	—	(1,448)	—
Non-GAAP sales and marketing	<u>\$ 35,684</u>	<u>\$ 41,019</u>	<u>\$ 114,989</u>	<u>\$ 124,720</u>
GAAP sales and marketing as a % of revenue	38 %	45 %	42 %	45 %
Non-GAAP sales and marketing as a % of revenue	31 %	41 %	37 %	41 %

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Reconciliation of GAAP to Non-GAAP Financial Measures

Research and development

GAAP research and development

Less: Stock-based compensation expense

Less: Acquisition-related costs

Non-GAAP research and development

GAAP research and development as a % of revenue

Non-GAAP research and development as a % of revenue

	Three months ended October 31,		Nine Months ended October 31,	
	2024	2023	2024	2023
GAAP research and development	\$ 21,070	\$ 18,291	\$ 56,709	\$ 53,934
Less: Stock-based compensation expense	(2,533)	(2,822)	(7,923)	(8,385)
Less: Acquisition-related costs	(1,105)	—	(1,105)	—
Non-GAAP research and development	<u>\$ 17,432</u>	<u>\$ 15,469</u>	<u>\$ 47,681</u>	<u>\$ 45,549</u>
GAAP research and development as a % of revenue	18 %	18 %	18 %	18 %
Non-GAAP research and development as a % of revenue	15 %	15 %	15 %	15 %
<u>General and administrative</u>				
GAAP general and administrative	\$ 33,373	\$ 17,233	\$ 75,553	\$ 53,774
Less: Stock-based compensation expense	(5,355)	(3,861)	(17,071)	(11,577)
Less: Acquisition-related costs	(10,846)	—	(13,015)	—
Non-GAAP general and administrative	<u>\$ 17,172</u>	<u>\$ 13,372</u>	<u>\$ 45,467</u>	<u>\$ 42,197</u>
GAAP general and administrative as a % of revenue	29 %	17 %	25 %	18 %
Non-GAAP general and administrative as a % of revenue	15 %	13 %	15 %	14 %

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Reconciliation of GAAP to Non-GAAP Financial Measures

Gross profit

GAAP gross profit
Plus: Stock-based compensation expense
Plus: Acquisition-related costs
Plus: Amortization of acquired intangibles
Non-GAAP gross profit
GAAP gross margin
Non-GAAP gross margin

Three months ended October 31,		Nine Months ended October 31,	
2024	2023	2024	2023
\$ 87,742	\$ 79,098	\$ 237,780	\$ 237,406
701	739	2,087	2,151
100	—	100	—
2,017	—	2,017	—
<u>\$ 90,560</u>	<u>\$ 79,837</u>	<u>\$ 241,984</u>	<u>\$ 239,557</u>
77.0 %	78.2 %	77.2 %	78.3 %
79.4 %	78.9 %	78.6 %	79.0 %

Operating expenses

GAAP operating expenses
Less: Stock-based compensation expense
Less: Acquisition-related costs
Less: Amortization of acquired intangibles
Non-GAAP operating expenses
GAAP operating expenses as a percentage of revenue
Non-GAAP operating expenses as a percentage of revenue

\$ 98,110	\$ 80,879	\$ 261,140	\$ 244,650
(11,992)	(11,019)	(35,004)	(32,184)
(14,382)	—	(16,551)	—
(1,448)	—	(1,448)	—
<u>\$ 70,288</u>	<u>\$ 69,860</u>	<u>\$ 208,137</u>	<u>\$ 212,466</u>
86 %	80 %	85 %	81 %
62 %	69 %	68 %	70 %

Income/Loss from operations

GAAP loss from operations
Plus: Stock-based compensation expense
Plus: Acquisition-related costs
Plus: Amortization of acquired intangibles
Non-GAAP income from operations
GAAP operating margin
Non-GAAP operating margin

\$ (10,368)	\$ (1,781)	\$ (23,360)	\$ (7,244)
12,693	11,758	37,091	34,335
14,482	—	16,650	—
3,465	—	3,465	—
<u>\$ 20,272</u>	<u>\$ 9,977</u>	<u>\$ 33,846</u>	<u>\$ 27,091</u>
(9) %	(2) %	(8) %	(2) %
18 %	10 %	11 %	9 %

Note: Numbers rounded for presentation purposes and may not sum
in thousands; Unaudited



Q3FY25

Reconciliation of GAAP to Non-GAAP Financial Measures

	Three months ended October 31,	
	2024	2023
GAAP net loss	\$ (12,799)	\$ (468)
Plus: Stock-based compensation expense	12,693	11,758
Plus: Acquisition-related costs	14,482	—
Plus: Amortization of acquired intangibles	3,465	—
Less: Tax adjustment ⁽¹⁾	(2,226)	—
Non-GAAP net income	<u>\$ 15,615</u>	<u>\$ 11,290</u>
GAAP net loss as a percentage of revenue	(11.2) %	(0.5) %
Non-GAAP net income as a percentage of revenue	13.7 %	11.2 %
GAAP net loss per share attributable to common stockholders, basic	\$ (0.10)	\$ —
Non-GAAP net income per share attributable to common stockholders, basic	\$ 0.12	\$ 0.09
GAAP net loss per share attributable to common stockholders, diluted	\$ (0.10)	\$ —
Non-GAAP net income per share attributable to common stockholders, diluted	\$ 0.12	\$ 0.09
Weighted-average number of shares used in computing GAAP net loss per share attributable to common stockholders		
Basic	128,036,993	124,239,180
Diluted	128,036,993	124,239,180
Weighted-average number of shares used in computing non-GAAP net income per share attributable to common stockholders		
Basic	128,036,993	124,239,180
Diluted	130,351,066	126,733,610

⁽¹⁾ Beginning in fiscal 2025, we are utilizing a projected tax rate of 25% in our computation of the non-GAAP income tax provision. Our estimated tax rate on non-GAAP income is determined annually and may be adjusted during the year to take into account events or trends that we believe materially impact the estimated annual rate including, but not limited to, significant changes resulting from tax legislation, material changes in the geographic mix of revenue and expenses and other significant events. Our estimated tax rate on non-GAAP income may differ from our GAAP tax rate and from our actual tax liabilities.

Note: Numbers rounded for presentation purposes and may not sum
in thousands, except share and per share data; Unaudited



Q3FY25

Reconciliation of GAAP to Non-GAAP Financial Measures

	Nine months ended October 31,	
	2024	2023
GAAP net loss	\$ (20,673)	\$ (4,317)
Plus: Stock-based compensation expense	37,091	34,335
Plus: Acquisition-related costs	16,650	—
Plus: Amortization of acquired intangibles	3,465	—
Less: Tax adjustment ⁽¹⁾	(7,816)	—
Non-GAAP net income	<u>\$ 28,717</u>	<u>\$ 30,018</u>
GAAP net loss as a percentage of revenue	(6.7) %	(1.4) %
Non-GAAP net income as a percentage of revenue	9.3 %	9.9 %
GAAP net loss per share attributable to common stockholders, basic	\$ (0.16)	\$ (0.03)
Non-GAAP net income per share attributable to common stockholders, basic	\$ 0.23	\$ 0.24
GAAP net loss per share attributable to common stockholders, diluted	\$ (0.16)	\$ (0.03)
Non-GAAP net income per share attributable to common stockholders, diluted	\$ 0.22	\$ 0.23
Weighted-average number of shares used in computing GAAP net loss per share attributable to common stockholders		
Basic	<u>126,668,394</u>	<u>123,962,358</u>
Diluted	<u>126,668,394</u>	<u>123,962,358</u>
Weighted-average number of shares used in computing non-GAAP net income per share attributable to common stockholders		
Basic	<u>126,668,394</u>	<u>123,962,358</u>
Diluted	<u>127,976,060</u>	<u>127,808,283</u>

⁽¹⁾ Beginning in fiscal 2025, we are utilizing a projected tax rate of 25% in our computation of the non-GAAP income tax provision. Our estimated tax rate on non-GAAP income is determined annually and may be adjusted during the year to take into account events or trends that we believe materially impact the estimated annual rate including, but not limited to, significant changes resulting from tax legislation, material changes in the geographic mix of revenue and expenses and other significant events. Our estimated tax rate on non-GAAP income may differ from our GAAP tax rate and from our actual tax liabilities.

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Q3FY25

Reconciliation of GAAP to Non-GAAP Financial Measures

Constant Currency Revenue

Revenue (GAAP)

Effects of foreign currency rate fluctuations

Revenue on a constant currency basis (Non-GAAP)

Three months ended October 31,		Growth Rates
2024	2023	
\$ 113,989	\$ 101,164	13 %
(1,251)		
<u>\$ 112,738</u>		11 %

Revenue (GAAP)

Effects of foreign currency rate fluctuations

Revenue on a constant currency basis (Non-GAAP)

Nine months ended October 31,		Growth Rates
2024	2023	
\$ 307,866	\$ 303,215	2 %
(1,645)		
<u>\$ 306,221</u>		1 %

Free Cash Flow

Net cash provided by (used in) operating activities

Less: Capital expenditures inclusive of capitalized software development costs

Free cash flow

Operating cash flow margin

Free cash flow margin

Three months ended October 31,		Nine months ended October 31,	
2024	2023	2024	2023
\$ (15,795)	\$ (1,573)	\$ 11,865	\$ 18,137
(577)	(753)	(1,769)	(2,320)
<u>\$ (16,372)</u>	<u>\$ (2,326)</u>	<u>\$ 10,096</u>	<u>\$ 15,817</u>
(14) %	(2) %	4 %	6 %
(14) %	(2) %	3 %	5 %

Note: Numbers rounded for presentation purposes and may not sum
In thousands; Unaudited



Supplemental Information

	October 31,		Variance	
	2024	2023	Dollars	Percent
Annual Recurring Revenue				
Direct Customers	\$ 374,502	\$ 326,625	\$ 47,877	15 %
Third-Party Reseller Customers	67,293	70,201	(2,908)	(4) %
Total Annual Recurring Revenue	<u>\$ 441,795</u>	<u>\$ 396,826</u>	<u>\$ 44,969</u>	11 %

Annual Recurring Revenue Trend

	Oct. 31, 2024	Jul. 31, 2024	Apr. 30, 2024	Jan. 31, 2024	Oct. 31, 2023
Direct Customers	\$ 374,502	\$ 313,392	\$ 312,060	\$ 315,594	\$ 326,625
Third-Party Reseller Customers	67,293	68,361	70,528	71,784	70,201
Total Annual Recurring Revenue	<u>\$ 441,795</u>	<u>\$ 381,753</u>	<u>\$ 382,588</u>	<u>\$ 387,378</u>	<u>\$ 396,826</u>

Dollar-Based Net Retention Rate

	Oct. 31, 2024	Jul. 31, 2024	Apr. 30, 2024	Jan. 31, 2024	Oct. 31, 2023
Direct Customers	91%	91%	91%	91%	97%
Third-Party Reseller Customers	93%	94%	94%	95%	95%
Total Customers	91%	91%	91%	92%	96%

Note: Numbers rounded for presentation purposes and may not sum
in thousands; Unaudited



Q3FY25

Non-GAAP Measurements

In addition to disclosing financial measures prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation and the accompanying tables include non-GAAP cost of revenue, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative), non-GAAP operating expenses (sales and marketing, research and development, general and administrative) as a percentage of revenue, non-GAAP income (loss) from operations, non-GAAP operating margin, non-GAAP net income (loss), non-GAAP net income (loss) per share, and non-GAAP net income (loss) as a percentage of revenue, which are referred to as non-GAAP financial measures.

These non-GAAP financial measures are not calculated in accordance with GAAP as they have been adjusted to exclude the effects of stock-based compensation expenses, acquisition-related costs, and amortization of acquired intangibles. Acquisition-related costs include transaction and related costs, subsequent fair value movements in contingent consideration, and compensation arrangements. Non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative) as a percentage of revenue, non-GAAP operating margin, and non-GAAP net income (loss) as a percentage of revenue are calculated by dividing the applicable non-GAAP financial measure by revenue. Non-GAAP net income (loss) per share is defined as non-GAAP net income (loss) on a per share basis. We define non-GAAP net income (loss) per share, basic, as non-GAAP net income (loss) divided by weighted average shares outstanding and non-GAAP net income (loss) per share, diluted, as non-GAAP net income (loss) divided by weighted average diluted shares outstanding, which includes the potentially dilutive effect of the company's employee equity incentive awards.

In addition, beginning in fiscal 2025, we are utilizing a projected tax rate of 25% in our computation of the non-GAAP income tax provision. Our estimated tax rate on non-GAAP income is determined annually and may be adjusted during the year to take into account events or trends that we believe materially impact the estimated annual rate including, but not limited to, significant changes resulting from tax legislation, material changes in the geographic mix of revenue and expenses and other significant events. Our estimated tax rate on non-GAAP income may differ from our GAAP tax rate and from our actual tax liabilities.

We believe these non-GAAP financial measures provide investors and other users of our financial information consistency and comparability with our past financial performance and facilitate period-to-period comparisons of our results of operations. With respect to non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative) as a percentage of revenue, non-GAAP operating margin and non-GAAP net income (loss) as a percentage of revenue, we believe these non-GAAP financial measures are useful in evaluating our profitability relative to the amount of revenue generated, excluding the impact of stock-based compensation expense, acquisition-related costs, and amortization of acquired intangibles. We also believe non-GAAP financial measures are useful in evaluating our operating performance compared to that of other companies in our industry, as these metrics eliminate the effects of stock-based compensation and certain acquisition-related costs, which may vary for reasons unrelated to overall operating performance.

We also present Adjusted EBITDA and Adjusted EBITDA margin, non-GAAP financial measures that we believe offer a useful view of overall operations used to assess the performance of core business operations and for planning purposes. We define Adjusted EBITDA as GAAP net income (loss) before (1) interest income (expense), net, (2) benefit from (provision for) income taxes, (3) depreciation and amortization, (4) other income (expense), net, (5) stock-based compensation expense, and (6) acquisition-related costs. The most directly comparable GAAP financial measure to Adjusted EBITDA is GAAP net income (loss). Users should consider the limitations of using Adjusted EBITDA, including the fact that this measure does not provide a complete measure of our operating performance. Adjusted EBITDA is not intended to purport to be an alternate to GAAP net income (loss) as a measure of operating performance. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by revenue.



Q3FY25

Non-GAAP Measurements

In addition, we present non-GAAP constant currency measures of revenue. Constant currency as it relates to revenue provides a framework for assessing Company performance which excludes the effect of foreign currency rate fluctuations. Current period results for entities reporting in currencies other than U.S. Dollars ("USD") are converted into USD at the average monthly exchange rates in effect during the comparative period, as opposed to the average monthly exchange rates in effect during the current period.

We also present free cash flow, which is a non-GAAP measure defined as net cash provided by (used in) operating activities, less cash used for purchases of capital expenditures, inclusive of capitalized software development costs. Free cash flow margin is calculated as free cash flow divided by total revenue. We believe this is meaningful to investors because it is a measure of liquidity that provides useful information in understanding and evaluating the strength of our liquidity and future ability to generate cash that can be used for strategic opportunities or investing in our business.

We use these non-GAAP financial measures in conjunction with traditional GAAP measures as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, and to evaluate the effectiveness of our business strategies. Our definition may differ from the definitions used by other companies and therefore comparability may be limited. In addition, other companies may not publish these or similar metrics. Thus, our non-GAAP financial measures should be considered in addition to, not as a substitute for, nor superior to or in isolation from, measures prepared in accordance with GAAP.

These non-GAAP financial measures may be limited in their usefulness because they do not present the full economic effect of our use of stock-based compensation and certain acquisition-related costs. We compensate for these limitations by providing investors and other users of our financial information a reconciliation of the non-GAAP financial measure to the most closely related GAAP financial measures. However, we have not reconciled the non-GAAP guidance measures disclosed under "Financial Outlook" to their corresponding GAAP measures because certain reconciling items such as stock-based compensation, certain acquisition-related costs, and the corresponding provision for income taxes depend on factors such as the stock price at the time of award of future grants, and certain purchase accounting adjustments including subsequent measurements, among others, and thus cannot be reasonably predicted. Accordingly, reconciliations to the non-GAAP guidance measures is not available without unreasonable effort. We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure and to view non-GAAP net income (loss) and non-GAAP net income (loss) per share in conjunction with GAAP net income (loss) and net income (loss) per share.

We have not reconciled our forward-looking Adjusted EBITDA to its most directly comparable GAAP financial measure of net income (loss). Information on which this reconciliation would be based on is not available without unreasonable efforts due to the uncertainty and inherent difficulty of predicting within a reasonable range, the timing, occurrence and financial impact of when such items may be recognized. In particular, Adjusted EBITDA excludes certain items including interest income (expense), net, provision for income taxes, depreciation and amortization, other income (expense), net, stock-based compensation expense, and acquisition-related costs.



Q3FY25

Operating Metrics

This presentation also includes certain operating metrics that we believe are useful in providing additional information in assessing the overall performance of our business.

Annual recurring revenue, or ARR, for Direct customers is defined as the annualized recurring amount of all contracts in our enterprise, mid-size and small business customer base as of the last day of the reporting period. The recurring amount of a contract is determined based upon the terms of a contract and is calculated by dividing the amount of a contract by the term of the contract and then annualizing such amount. The calculation assumes no subsequent changes to the existing subscription. Contracts include portions of professional services contracts that are recurring in nature.

ARR for Third-party Reseller customers is defined as the annualized recurring amount of all contracts with Third-party Reseller customers as of the last day of the reporting period. The recurring amount of a contract is determined based upon the terms of a contract and is calculated by dividing the amount of a contract by the term of the contract and then annualizing such amount. The calculation assumes no subsequent changes to the existing subscription. The calculation includes the annualized contractual minimum commitment and excludes amounts related to overages above the contractual minimum commitment. Contracts include portions of professional services contracts that are recurring in nature.

Total ARR is defined as the annualized recurring amount of all contracts executed as of the last day of the reporting period. The recurring amount of a contract is determined based upon the terms of a contract and is calculated by dividing the amount of a contract by the term of the contract and then annualizing such amount. The calculation assumes no subsequent changes to the existing subscription, and where relevant, includes the annualized contractual minimum commitment and excludes amounts related to overages above the contractual minimum commitment. Contracts include portions of professional services contracts that are recurring in nature.

ARR is independent of historical revenue, unearned revenue, remaining performance obligations or any other GAAP financial measure over any period. It should be considered in addition to, not as a substitute for, nor superior to or in isolation from, these measures and other measures prepared in accordance with GAAP. We believe ARR-based metrics provides insight into the performance of our recurring revenue business model while mitigating fluctuations in billing and contract terms.

Dollar-based net retention rate is a metric we use to assess our ability to retain our customers and expand the ARR they generate for us. We calculate dollar-based net retention rate by first determining the ARR generated 12 months prior to the end of the current period for a cohort of customers who had active contracts at that time. We then calculate ARR from the same cohort of customers at the end of the current period, which includes customer expansion, contraction and churn. The current period ARR is then divided by the prior period ARR to arrive at our dollar-based net retention rate. Any ARR obtained through merger and acquisition transactions does not affect the dollar-based net retention rate until one year from the date on which the transaction closed. The cohorts of customers that we present dollar-based net retention rate for include direct, third-party reseller, and total customers. Direct customers include enterprise, mid-size and small business customers.