



HubSpot Overview

Q4 2023



Safe Harbor Statement

This presentation includes certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding management’s expectations of future financial and operational performance and operational expenditures, expected growth, foreign currency movement, and business outlook, including our financial guidance for the first fiscal quarter of and full year 2024 and our long-term financial framework; statements regarding our positioning for future growth and market leadership; statements regarding the economic environment; and statements regarding expected market trends, future priorities, and related investments, and market opportunities (including with respect to our expanding Total Addressable Market). These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts and statements identified by words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” or words of similar meaning. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation, risks associated with our history of losses; our ability to retain existing customers and add new customers; the continued growth of the market for a CRM platform; our ability to develop new products and technologies and to differentiate our platform from competing products and technologies, including artificial intelligence and machine learning technologies; our ability to realize the anticipated benefits of the Clearbit acquisition; our ability to manage our growth effectively over the long-term to maintain our high level of service; our ability to maintain and expand relationships with our solutions partners; the price volatility of our common stock; the impact of geopolitical conflicts, inflation, foreign currency movement, and macroeconomic instability on our business, the broader economy, our workforce and operations, the markets in which we and our partners and customers operate, and our ability to forecast our future financial performance; regulatory and legislative developments on the use of artificial intelligence and machine learning; and other risks set forth under the caption “Risk Factors” in our SEC filings. We assume no obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

HubSpot is a leading **Customer Relationship Management platform** for scaling companies.

Our mission is to help millions of organizations **grow better.**

HubSpot at a Glance

\$2.2b

TTM revenue



25%¹

YoY growth

\$292m²

TTM FCF



13%

margin

205k³

customers



23%

YoY growth

7.7k

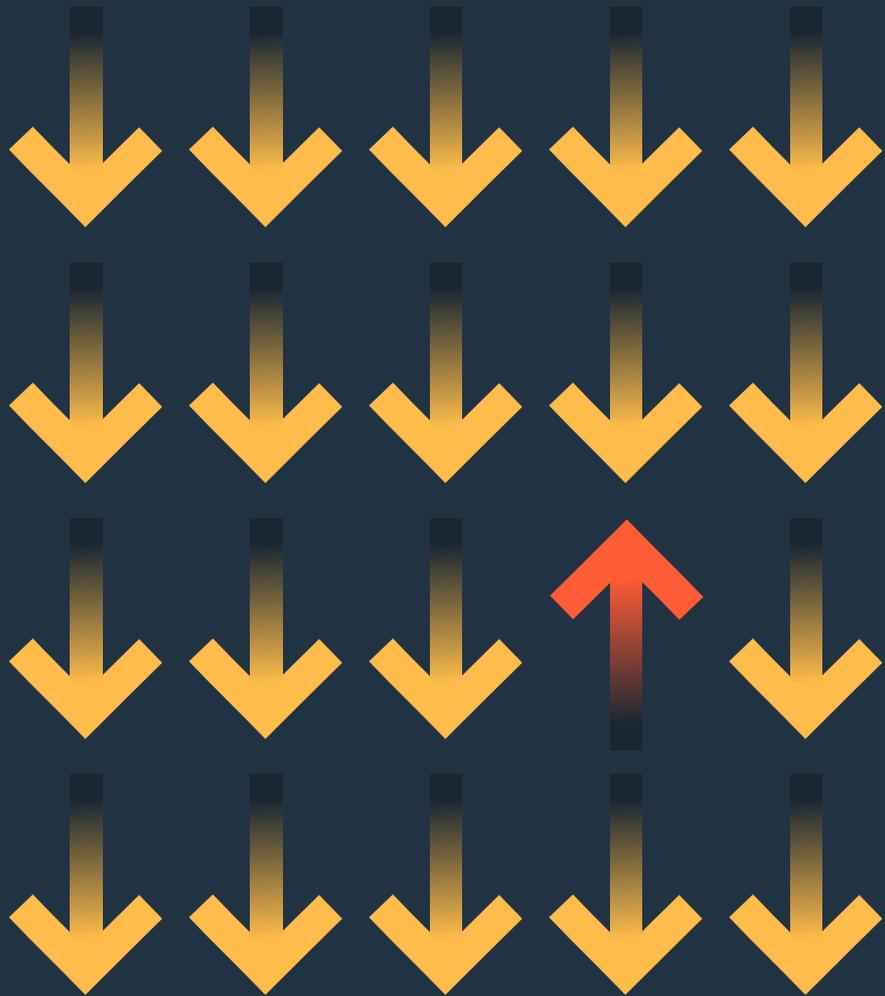
employees



135+⁴

countries

¹ As-reported YoY growth based on trailing twelve month period as of Q4 2023, compared to prior trailing twelve month period as of Q4 2022. ² FCF = Free Cash Flow is a non-GAAP metric. Please refer to the end of this presentation for a reconciliation of GAAP to non-GAAP figures. ³ Excludes Clearbit customers. ⁴ Customers located in 135+ countries globally.



Our foundational choices

- Focus on SMB
- Move from app to suite to platform
- Build products organically
- Deliver value before you monetize



Disconnected point solutions

The SMB market is underserved



Cobbled enterprise solutions

HubSpot is well positioned to solve this problem



Disconnected point solutions



Cobbled enterprise solutions

To help our customers make connections, we've transformed from a single app to a platform

 AI-Powered

Marketing Hub™

Lead Generation

Marketing
Automation

Sales Hub™

Prospecting

Deal
Management

Service Hub™

Help Desk

Self Service

CMS Hub®

Content Creation

Content
Management

Operations Hub™

Advanced Reporting

Process
Automation

Commerce Hub

Payments &
Subscriptions

Billing & Invoices

Smart CRM

Unified Customer Data

Customer Intelligence

Customization & Extensibility

Marketplace

Find integrations, templates & services

Academy

Learn new skills, gain credentials

Network

Join our community, grow your craft

What matters to our customers?

Acquire customers



Quality rather than quantity.

Sr. CRM Manager,
Cambridge University
Press
(EE: 2000+)

Make data-driven decisions



Being smarter with our data.

Marketing Manager,
Safe Contractors
(EE: 101-500)

Improve customer experience



Winning where winning matters.

COO,
Owl Cyber Defence
(EE: 101-500)

Increase efficiency



Don't scale chaos.

Director Client Success,
Sandler EAM Consulting
(EE: 1-10)

Thrive with AI



We want to show up like people, not bots.

CIO, IDEO
(EE: 101-500)

Early stages of large TAM opportunity



¹ Includes Total Addressable Market for software in HubSpot's core product groups including Marketing Hub, Sales Hub, Service Hub, Operations Hub and CMS Hub. Does not include Commerce Hub. Source: IDC and HubSpot estimates

Our focus is on driving broad and efficient distribution



Building a company future generations will be proud of



#1 Best Sales and Marketing Software by G2



#3 Best CEOs for Women by Comparably

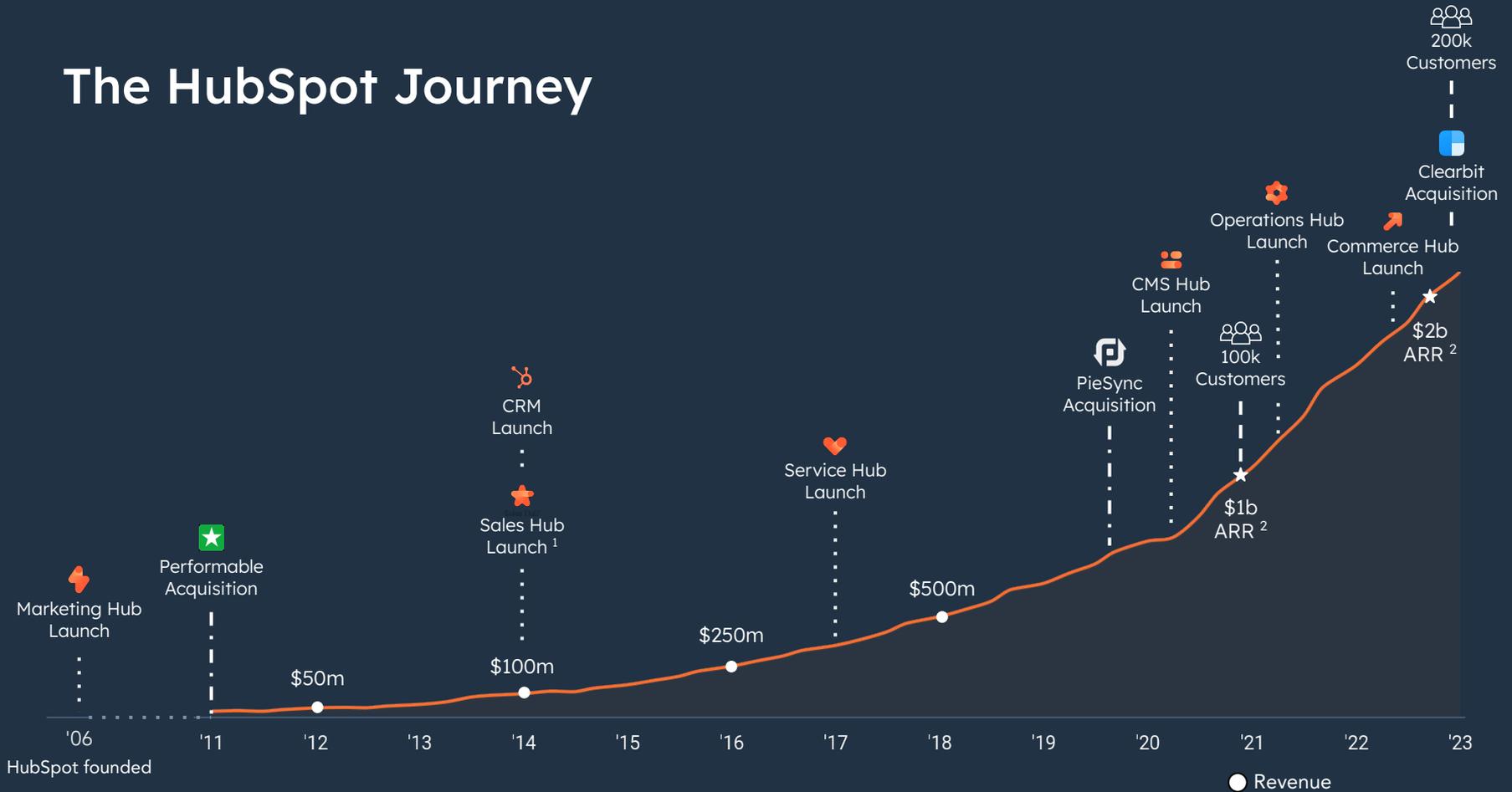


100 Best Companies to Work For® by Great Places to Work



Best Workplaces for Millennials™ by Great Places to Work

The HubSpot Journey



¹ Sales Hub originally launched and branded as "Sidekick".

² ARR: Annual Recurring Revenue.

HubSpot is positioned for long-term, durable growth



Financial Overview

Q4 2023



Strong Revenue Growth

Quarterly Revenue



Q4'23

revenue **\$582m**

revenue growth yoy **21%¹**

¹ Excludes impact of foreign currency. Q4'23 revenue growth was 24% as reported and 21% in constant currency. Constant Currency is presented by converting current and comparative prior period operating results for entities reporting in currencies other than U.S. Dollars into U.S. Dollars at constant exchange rates rather than actual exchange rates in effect during the respective period.

Strong **Customer** Growth



Q4'23

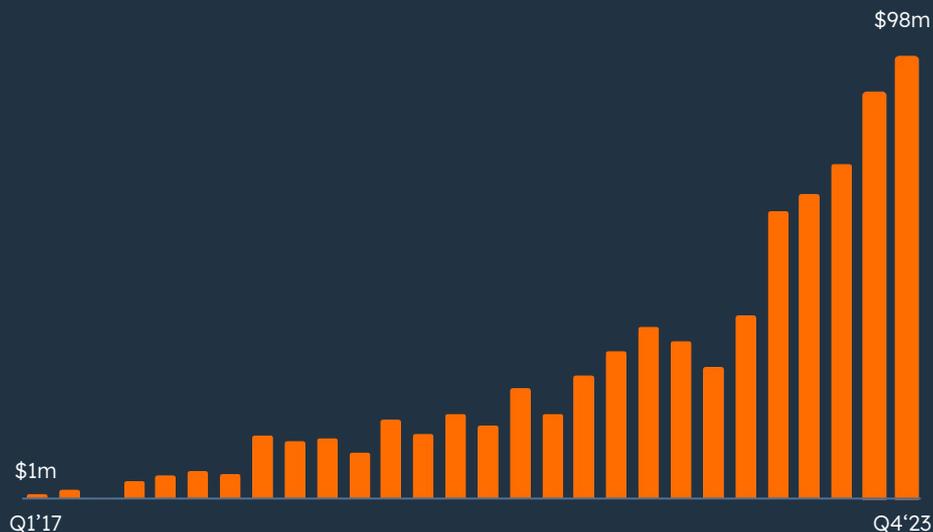
customers **205k¹**

customer growth yoy **23%**

¹ Excludes Clearbit customers.

Growing Profitability with Scale

Quarterly Operating Profit ¹



Q4'23

operating profit¹ **\$98m**

operating profit¹
margin **17%**

¹ Non-GAAP operating profit excludes expenses associated with stock based compensation, amortization of acquired intangible assets, acquisition related expenses and restructuring charges. Please refer to the end of this presentation for a reconciliation of GAAP to non-GAAP figures.

Philosophy on balancing growth and profitability

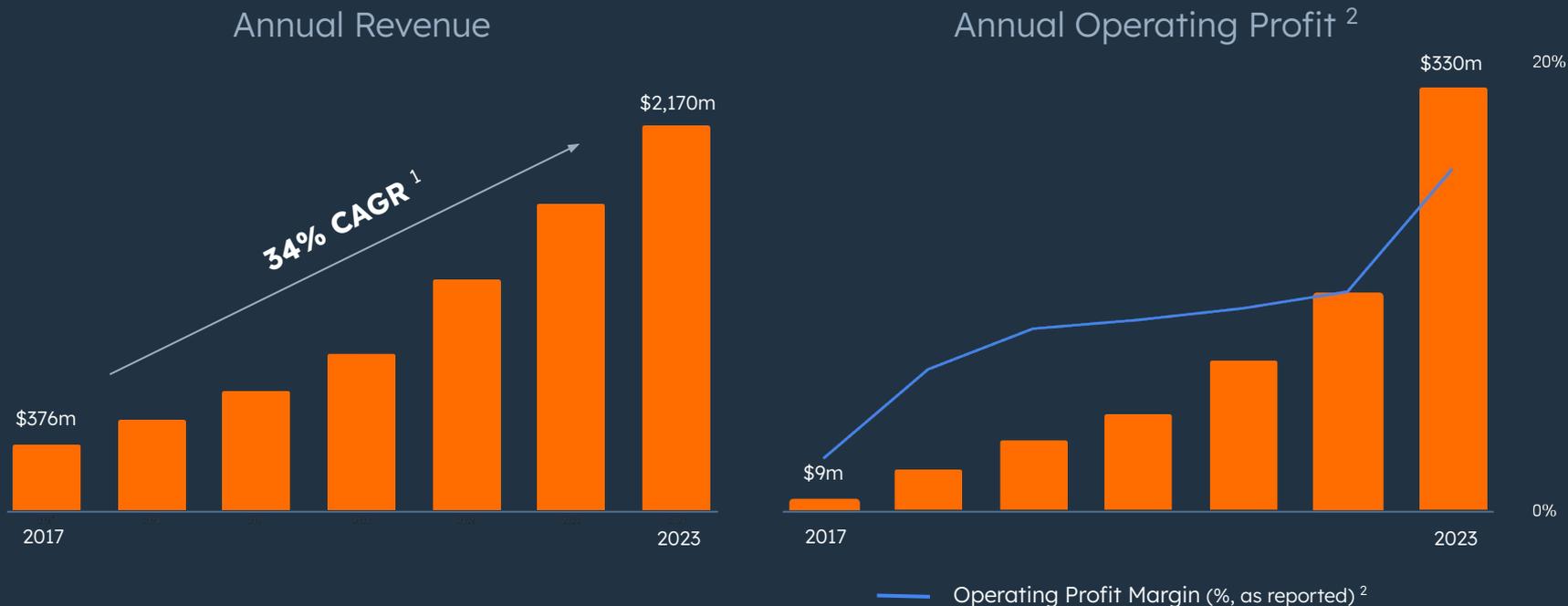


Drive durable
revenue growth
at scale



Generate operating
leverage as we scale
toward long-term
margin targets

Strong Track Record of Profitable Growth



¹ CAGR: compound annual growth rate. Based on as-reported revenue from 2017 to 2023.

² See definition and reconciliation of non-GAAP operating profit in appendix.

Increasing **Free Cash Flow** Generation



Q4'23

free cash flow¹ **\$83m**

cash position **\$1.7b**

¹ Free cash flow is a non-GAAP metric and is defined as cash and cash equivalents provided by (used in) operating activities less purchases of property and equipment and capitalization of software development costs. Please refer to the end of this presentation for a reconciliation of GAAP to non-GAAP figures.

Long term **financial targets**

| | 2022 | Q1'23 | Q2'23 | Q3'23 | Q4'23 | 2023 | 2026 Target Model ¹ | Long Term Target Model ¹ |
|--------------------------------|------------|------------|------------|------------|------------|------------|--------------------------------|-------------------------------------|
| Gross Margin | 83% | 84% | 85% | 85% | 86% | 85% | 84% | 81% - 83% |
| R&D % of revenue | 19% | 19% | 20% | 19% | 19% | 19% | 20% | 20% |
| S&M % of revenue | 45% | 44% | 43% | 42% | 43% | 43% | 36% - 38% | 30% - 35% |
| G&A % of revenue | 9% | 8% | 8% | 8% | 8% | 8% | 8% | 8% |
| Operating Margin | 10% | 13% | 14% | 16% | 17% | 15% | 18% - 20% | 20% - 25% |

¹These estimates reflect our current operating plan as of February 14, 2024 and are subject to change as future events and opportunities arise. All percentages are non-GAAP and exclude expenses associated with stock-based compensation, amortization of acquired intangibles and acquisition related expenses. Percentages are based on actual values. Totals may not sum due to rounding. Please refer to appendix for a reconciliation of GAAP to non-GAAP figures.

GAAP to Non-GAAP Reconciliations

GAAP to Non-GAAP Reconciliations

| | 2020 | | 2021 | | 2022 | | 2023 | |
|---|----------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | \$ '000s | % of Revenues | \$ '000s | % of Revenues | \$ '000s | % of Revenues | \$ '000s | % of Revenues |
| Cost of Revenue | | | | | | | | |
| Subscription | 130,685 | 15% | 211,132 | 16% | 257,513 | 15% | 290,802 | 13% |
| Stock-based compensation | (4,408) | 0% | (6,297) | 0% | (9,076) | -1% | (12,652) | -1% |
| Amortization of acquired intangibles | (2,340) | 0% | (937) | 0% | (1,203) | 0% | (2,123) | 0% |
| Gain on termination of operating leases | - | 0% | 395 | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | (600) | 0% | - | 0% | - | 0% |
| Non-GAAP subscription | <u>123,937</u> | <u>14%</u> | <u>203,693</u> | <u>16%</u> | <u>247,234</u> | <u>14%</u> | <u>276,027</u> | <u>13%</u> |
| Professional services and other | 36,274 | 4% | 47,725 | 4% | 56,746 | 3% | 54,687 | 3% |
| Stock-based compensation | (2,536) | 0% | (3,092) | 0% | (4,393) | 0% | (4,958) | 0% |
| Gain on termination of operating leases | - | 0% | 275 | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | (415) | 0% | - | 0% | - | 0% |
| Non-GAAP professional services and other | <u>33,738</u> | <u>4%</u> | <u>44,908</u> | <u>3%</u> | <u>52,353</u> | <u>3%</u> | <u>49,729</u> | <u>2%</u> |
| Gross Margin | | | | | | | | |
| Gross margin | 716,067 | 81% | 1,041,801 | 80% | 1,416,710 | 82% | 1,824,741 | 84% |
| Stock-based compensation | 6,944 | 1% | 9,389 | 1% | 13,469 | 1% | 17,610 | 1% |
| Amortization of acquired intangible assets | 2,340 | 0% | 662 | 0% | 1,203 | 0% | 2,123 | 0% |
| Gain on termination of operating leases | - | 0% | (670) | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | 1,015 | 0% | - | 0% | - | 0% |
| Non-GAAP gross margin | <u>725,351</u> | <u>82%</u> | <u>1,052,197</u> | <u>81%</u> | <u>1,431,382</u> | <u>83%</u> | <u>1,844,474</u> | <u>85%</u> |
| Operating Expenses | | | | | | | | |
| Research and development | 205,589 | 23% | 301,970 | 23% | 442,022 | 26% | 617,745 | 28% |
| Stock-based compensation | (39,366) | -4% | (61,614) | -5% | (107,517) | -6% | (198,953) | -9% |
| Acquisition/disposition related income (expenses) | (1,287) | 0% | (1,152) | 0% | 300 | 0% | (255) | 0% |
| Gain on termination of operating leases | - | 0% | 1,346 | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | (2,036) | 0% | - | 0% | - | 0% |
| Non-GAAP research and development | <u>164,936</u> | <u>19%</u> | <u>238,514</u> | <u>18%</u> | <u>334,805</u> | <u>19%</u> | <u>418,537</u> | <u>19%</u> |
| Sales and marketing | 452,081 | 51% | 649,681 | 50% | 886,069 | 51% | 1,068,560 | 49% |
| Stock-based compensation | (50,552) | -6% | (67,413) | -5% | (107,640) | -6% | (140,362) | -6% |
| Amortization of acquired intangible assets | (79) | 0% | (389) | 0% | (1,426) | 0% | (3,153) | 0% |
| Acquisition related expenses | - | 0% | (367) | 0% | - | 0% | - | 0% |
| Gain on termination of operating leases | - | 0% | 1,839 | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | (2,781) | 0% | - | 0% | - | 0% |
| Non-GAAP sales and marketing | <u>401,450</u> | <u>45%</u> | <u>580,570</u> | <u>45%</u> | <u>777,003</u> | <u>45%</u> | <u>925,045</u> | <u>43%</u> |
| General and administrative | 109,225 | 12% | 144,949 | 11% | 197,720 | 11% | 249,649 | 12% |
| Stock-based compensation | (24,626) | -3% | (28,345) | -2% | (47,223) | -3% | (75,346) | -3% |
| Acquisition related expenses | (545) | 0% | (568) | 0% | - | 0% | (3,651) | 0% |
| Amortization of acquired intangible assets | - | 0% | - | 0% | - | 0% | (35) | 0% |
| Gain on termination of operating leases | - | 0% | 421 | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | (636) | 0% | - | 0% | - | 0% |
| Non-GAAP general and administrative | <u>84,054</u> | <u>10%</u> | <u>115,821</u> | <u>9%</u> | <u>150,497</u> | <u>9%</u> | <u>170,617</u> | <u>8%</u> |
| Restructuring charges | - | 0% | - | 0% | - | 0% | 96,843 | 4% |
| Loss from Operations | | | | | | | | |
| Loss from operations | (50,828) | -6% | (54,799) | -4% | (109,101) | -6% | (208,056) | -10% |
| Stock-based compensation | 121,488 | 14% | 166,761 | 13% | 275,849 | 16% | 432,271 | 20% |
| Amortization of acquired intangible assets | 2,419 | 0% | 1,326 | 0% | 2,629 | 0% | 5,311 | 0% |
| Acquisition related expenses | 1,832 | 0% | 2,087 | 0% | (305) | 0% | 3,906 | 0% |
| Gain on termination of operating leases | - | 0% | (4,276) | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | 6,468 | 0% | - | 0% | - | 0% |
| Restructuring charges | - | 0% | - | 0% | - | 0% | 96,843 | 4% |
| Non-GAAP loss from operations | <u>74,911</u> | <u>8%</u> | <u>117,567</u> | <u>9%</u> | <u>169,072</u> | <u>10%</u> | <u>330,275</u> | <u>15%</u> |

GAAP to Non-GAAP Reconciliations

| | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | |
|--|--------------------|--------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|
| | March 31, 2017 | | June 30, 2017 | | September 30, 2017 | | December 31, 2017 | | March 31, 2018 | | June 30, 2018 | |
| | \$ '000s | % of Revenue | \$ '000s | % of Revenues |
| Gross Margin | | | | | | | | | | | | |
| Gross margin | 65,180 | 79% | 70,502 | 79% | 78,716 | 81% | 85,485 | 80% | 92,179 | 80% | 97,725 | 80% |
| Stock-based compensation | 564 | 1% | 844 | 1% | 754 | 1% | 823 | 1% | 967 | 1% | 1,163 | 1% |
| Amortization of acquired intangible assets | 9 | 0% | - | 0% | 38 | 0% | 50 | 0% | 50 | 0% | 50 | 0% |
| Non-GAAP gross margin | <u>65,753</u> | 80% | <u>71,346</u> | 80% | <u>79,508</u> | 81% | <u>86,358</u> | 81% | <u>93,196</u> | 81% | <u>98,938</u> | 81% |
| Loss from Operations | | | | | | | | | | | | |
| Loss from operations | (8,000) | -10% | (10,577) | -12% | (12,126) | -12% | (9,433) | -9% | (11,324) | -10% | (14,052) | -11% |
| Stock-based compensation | 9,303 | 11% | 13,006 | 15% | 12,110 | 12% | 12,898 | 12% | 16,046 | 14% | 19,675 | 16% |
| Amortization of acquired intangible assets | 16 | 0% | - | 0% | 38 | 0% | 50 | 0% | 50 | 0% | 50 | 0% |
| Acquisition/disposition related income (expense) | - | 0% | - | 0% | 439 | 0% | 827 | 1% | 802 | 1% | 802 | 1% |
| Non-GAAP loss from operations | <u>1,319</u> | 2% | <u>2,429</u> | 3% | <u>461</u> | 0% | <u>4,342</u> | 4% | <u>5,574</u> | 5% | <u>6,475</u> | 5% |

| | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | |
|---|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|
| | September 30, 2018 | | December 31, 2018 | | March 31, 2019 | | June 30, 2019 | | September 30, 2019 | | December 31, 2019 | |
| | \$ '000s | % of Revenue |
| Gross Margin | | | | | | | | | | | | |
| Gross margin | 106,061 | 80% | 116,658 | 81% | 122,220 | 81% | 132,113 | 81% | 140,358 | 81% | 150,211 | 81% |
| Stock-based compensation | 1,194 | 1% | 1,076 | 1% | 1,633 | 1% | 1,488 | 1% | 1,488 | 1% | 1,367 | 1% |
| Amortization of acquired intangible assets | 494 | 0% | 800 | 1% | 800 | 1% | 800 | 0% | 762 | 0% | 839 | 0% |
| Acquisition related expenses | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% |
| Non-GAAP gross margin | <u>107,749</u> | 82% | <u>118,534</u> | 82% | <u>124,653</u> | 82% | <u>134,401</u> | 82% | <u>142,588</u> | 82% | <u>152,417</u> | 82% |
| Loss from Operations | | | | | | | | | | | | |
| Loss from operations | (15,050) | -11% | (7,832) | -5% | (9,036) | -6% | (15,725) | -10% | (14,072) | -8% | (8,158) | -4% |
| Stock-based compensation | 19,612 | 15% | 20,927 | 15% | 21,205 | 14% | 28,663 | 18% | 23,791 | 14% | 24,095 | 13% |
| Amortization of acquired intangible assets | 494 | 0% | 800 | 1% | 800 | 1% | 800 | 0% | 762 | 0% | 839 | 0% |
| Acquisition/disposition related income (expenses) | 802 | 1% | 289 | 0% | 32 | 0% | 32 | 0% | 30 | 0% | 814 | 0% |
| Non-GAAP loss from operations | <u>5,858</u> | 4% | <u>14,184</u> | 10% | <u>13,001</u> | 9% | <u>13,770</u> | 8% | <u>10,511</u> | 6% | <u>17,590</u> | 9% |

GAAP to Non-GAAP Reconciliations

| | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | |
|---|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|
| | March 31, 2021 | | June 30, 2021 | | September 30, 2021 | | December 31, 2021 | | March 31, 2021 | | June 30, 2021 | | September 30, 2021 | | December 31, 2021 | |
| | \$ '000s | % of Revenue |
| Gross Margin | | | | | | | | | | | | | | | | |
| Gross margin | 160,683 | 81% | 164,831 | 81% | 185,782 | 81% | 204,771 | 81% | 226,631 | 81% | 247,911 | 80% | 289,589 | 79% | 297,670 | 81% |
| Stock-based compensation | 1,505 | 1% | 1,703 | 1% | 1,792 | 1% | 1,945 | 1% | 2,007 | 1% | 2,408 | 1% | 2,408 | 1% | 2,563 | 1% |
| Amortization of acquired intangible assets | 880 | 0% | 879 | 0% | 442 | 0% | 139 | 0% | 239 | 0% | 236 | 0% | 234 | 0% | 228 | 0% |
| Gain on termination of operating leases | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | (670) | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | 1,015 | 0% | - | 0% |
| Non-GAAP gross margin | <u>163,068</u> | 82% | <u>167,413</u> | 82% | <u>188,016</u> | 82% | <u>206,855</u> | 82% | <u>228,877</u> | 81% | <u>250,555</u> | 81% | <u>272,576</u> | 80% | <u>300,461</u> | 81% |
| Loss from Operations | | | | | | | | | | | | | | | | |
| Loss from operations | (14,102) | -7% | (13,625) | -7% | (15,461) | -7% | (7,641) | -3% | (15,032) | -5% | (16,602) | -5% | (14,927) | -4% | (8,237) | -2% |
| Stock-based compensation | 27,463 | 14% | 31,374 | 15% | 31,186 | 14% | 31,466 | 12% | 32,423 | 12% | 43,433 | 14% | 44,987 | 13% | 45,914 | 12% |
| Amortization of acquired intangible assets | 900 | 0% | 899 | 0% | 462 | 0% | 159 | 0% | 345 | 0% | 337 | 0% | 326 | 0% | 318 | 0% |
| Acquisition/disposition related income (expenses) | 333 | 0% | 518 | 0% | 340 | 0% | 640 | 0% | 1,195 | 0% | 372 | 0% | 350 | 0% | 170 | 0% |
| Gain on termination of operating leases | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | (4,276) | -1% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | 6,468 | 2% | - | 0% |
| Non-GAAP loss from operations | <u>14,594</u> | 7% | <u>19,166</u> | 9% | <u>16,527</u> | 7% | <u>24,624</u> | 10% | <u>18,931</u> | 7% | <u>27,540</u> | 9% | <u>32,928</u> | 10% | <u>38,165</u> | 10% |

| | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | | Three Months Ended | |
|---|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|
| | March 31, 2022 | | June 30, 2022 | | September 30, 2022 | | December 31, 2022 | | March 31, 2023 | | June 30, 2023 | | September 30, 2023 | | December 31, 2023 | |
| | \$ '000s | % of Revenues |
| Gross Margin | | | | | | | | | | | | | | | | |
| Gross margin | 322,663 | 82% | 342,824 | 65% | 361,831 | 65% | 389,393 | 83% | 419,574 | 84% | 441,852 | 84% | 470,031 | 84% | 493,279 | 85% |
| Stock-based compensation | 2,658 | 1% | 3,631 | 1% | 3,479 | 1% | 3,673 | 1% | 3,832 | 1% | 4,975 | 1% | 4,358 | 1% | 4,752 | 1% |
| Amortization of acquired intangible assets | 321 | 0% | 306 | 0% | 292 | 0% | 283 | 0% | 399 | 0% | 405 | 0% | 408 | 0% | 911 | 0% |
| Gain on termination of operating leases | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% |
| Loss on disposal of fixed assets | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% |
| Non-GAAP gross margin | <u>325,642</u> | 82% | <u>346,761</u> | 66% | <u>365,602</u> | 66% | <u>393,349</u> | 84% | <u>423,805</u> | 84% | <u>447,232</u> | 85% | <u>474,797</u> | 85% | <u>498,942</u> | 86% |
| Loss from Operations | | | | | | | | | | | | | | | | |
| Loss from operations | (11,154) | -3% | (118,499) | -22% | (20,442) | -4% | (13,486) | -3% | (44,767) | -9% | (118,499) | -22% | (20,442) | -4% | (24,346) | -4% |
| Stock-based compensation | 45,704 | 12% | 128,003 | 24% | 107,506 | 19% | 76,768 | 16% | 83,037 | 17% | 128,003 | 24% | 107,506 | 19% | 113,726 | 20% |
| Amortization of acquired intangible assets | 410 | 0% | 851 | 0% | 2,311 | 0% | 729 | 0% | 845 | 0% | 851 | 0% | 2,311 | 0% | 1,304 | 0% |
| Acquisition/disposition related income (expenses) | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | - | 0% | 3,906 | 1% |
| Restructuring charges | - | 0% | - | 0% | - | 0% | - | 0% | 28,570 | 6% | 63,880 | 12% | 846 | 0% | 3,547 | 1% |
| Non-GAAP loss from operations | <u>34,960</u> | 9% | <u>10,355</u> | 2% | <u>89,375</u> | 16% | <u>64,011</u> | 14% | <u>67,685</u> | 13% | <u>74,235</u> | 14% | <u>90,221</u> | 16% | <u>101,684</u> | 17% |

GAAP to Non-GAAP Reconciliations

| | March 31, 2017 | June 30, 2017 | September 30, 2017 | December 31, 2017 | March 31, 2018 | June 30, 2018 | September 30, 2018 |
|---|----------------|---------------|--------------------|-------------------|----------------|---------------|--------------------|
| | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s |
| GAAP net cash and cash equivalents provided by (used in) operating activities | 35,279 | 35,364 | 37,893 | 49,614 | 57,244 | 62,018 | 65,734 |
| Purchases of property & equipment | (14,983) | (15,592) | (17,528) | (20,276) | (20,680) | (20,514) | (21,875) |
| Capitalization of software development costs | (5,925) | (6,577) | (6,882) | (7,071) | (8,077) | (9,537) | (10,491) |
| Repayment of 2022 Convertible Notes attributable to the debt discount | - | - | - | - | - | - | - |
| Free cash flow | 14,371 | 13,195 | 13,483 | 22,267 | 28,487 | 31,967 | 33,368 |

| | December 31, 2018 | March 31, 2019 | June 30, 2019 | September 30, 2019 | December 31, 2019 | March 31, 2020 | June 30, 2020 |
|---|-------------------|----------------|---------------|--------------------|-------------------|----------------|---------------|
| | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s |
| GAAP net cash and cash equivalents provided by (used in) operating activities | 84,851 | 95,845 | 96,041 | 104,193 | 118,972 | 104,267 | 56,880 |
| Purchases of property & equipment | (22,305) | (20,331) | (23,051) | (26,814) | (40,372) | (47,249) | (48,257) |
| Capitalization of software development costs | (11,168) | (11,373) | (10,690) | (11,581) | (13,474) | (15,422) | (18,309) |
| Repayment of 2022 Convertible Notes attributable to the debt discount | - | - | - | - | - | - | 48,675 |
| Free cash flow | 51,378 | 64,141 | 62,300 | 65,798 | 65,126 | 41,596 | 38,989 |

| | September 30, 2020 | December 31, 2020 | March 31, 2021 | June 30, 2021 | September 30, 2021 | December 31, 2021 | March 31, 2022 |
|---|--------------------|-------------------|----------------|---------------|--------------------|-------------------|----------------|
| | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s |
| GAAP net cash and cash equivalents provided by (used in) operating activities | 75,878 | 88,013 | 128,602 | 200,483 | 204,469 | 238,728 | 258,254 |
| Purchases of property & equipment | (46,972) | (37,318) | (30,143) | (28,123) | (26,920) | (28,726) | (34,699) |
| Capitalization of software development costs | (19,979) | (21,599) | (24,171) | (27,857) | (31,593) | (33,139) | (35,520) |
| Repayment of 2022 Convertible Notes attributable to the debt discount | 48,675 | 49,048 | 58,853 | 13,401 | 24,830 | 26,428 | 16,623 |
| Free cash flow | 57,602 | 79,044 | 133,141 | 157,904 | 170,786 | 203,291 | 204,658 |

| | June 30, 2022 | September 30, 2022 | December 31, 2022 | March 31, 2023 | June 30, 2023 | September 30, 2023 | December 31, 2023 |
|---|---------------|--------------------|-------------------|----------------|---------------|--------------------|-------------------|
| | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s | \$ '000s |
| GAAP net cash and cash equivalents provided by (used in) operating activities | 260,984 | 278,395 | 273,177 | 272,021 | 307,643 | 336,625 | 350,972 |
| Purchases of property & equipment | (36,252) | (42,711) | (37,426) | (30,796) | (33,343) | (31,073) | (33,718) |
| Capitalization of software development costs | (36,649) | (38,851) | (44,345) | (49,745) | (56,009) | (62,283) | (66,372) |
| Repayment of 2022 Convertible Notes attributable to the debt discount | 13,400 | 1,971 | - | - | - | - | - |
| Payment of restructuring charges | - | - | - | 22,513 | 32,938 | 37,163 | 41,572 |
| Free cash flow | 201,483 | 198,804 | 191,406 | 213,993 | 251,229 | 280,432 | 292,454 |