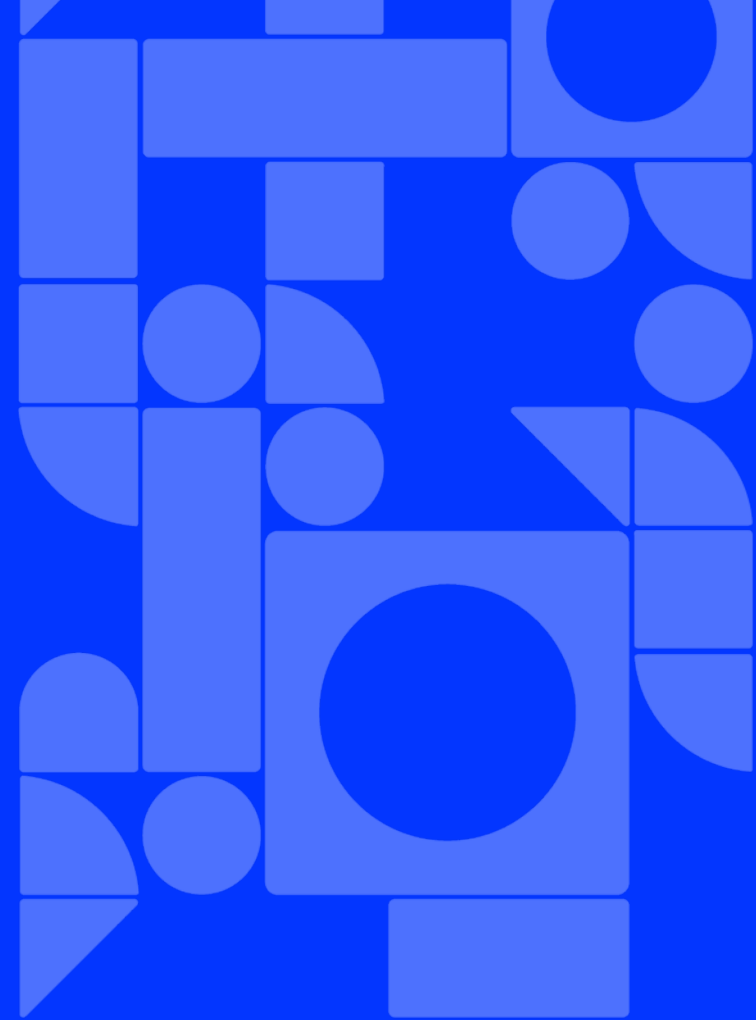


Q2 2023 Investor Presentation

Five9 (NASDAQ: FIVN)



The Intelligent Cloud Contact Center

Safe Harbor

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In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP and may differ from non-GAAP measures used by other companies in our industry. The Company considers these non-GAAP financial measures to be important because they provide useful measures of the operating performance of the Company, exclusive of unusual events, as well as factors that do not directly affect what we consider to be our core operating performance. The non-GAAP financial measures should not be considered a substitute for financial information presented in accordance with GAAP. Please see the reconciliation of non-GAAP financial measures to the most directly comparable GAAP measure set forth in the Appendix to this presentation.

This presentation contains statistical data that we obtained from industry publications and reports generated by third parties. Although we believe that the publications and reports are reliable, we have not independently verified this statistical data and accordingly, we cannot guarantee their accuracy or completeness.

Q2'23 Highlights

Strong Financial Results

- Q2'23 revenue was a record \$222.9M, representing 18% YoY growth
- LTM ENT Subscription revenue growth of 28% YoY
- Q2'23 adjusted EBITDA margin of 19%
- Record Q2 for operating cash flow of \$21.9M, or 10% of revenue

Upmarket Execution

- Enterprise accounted for 87% of LTM revenue
- \$1M+ ARR customers represent 50%+ of recurring revenue
- Nearly 80% attach rate of AI & Automation solutions for \$1M+ ARR new logo deals in Q2'23
- Significant Enterprise wins in Q2 ~\$42M in ARR
 - Fortune 50 global healthcare insurance company: \$20M+ in ARR
 - Full-service regional bank: ~\$8.4M in ARR
 - Healthcare company: ~\$8.3M in ARR
 - Telus International: ~\$5.2M in ARR
- \$1.3M expansion of an existing customer in the healthcare vertical, more than doubling their ARR to ~\$2.5M

Q2'23 Highlights (cont'd)

Channel and International Momentum

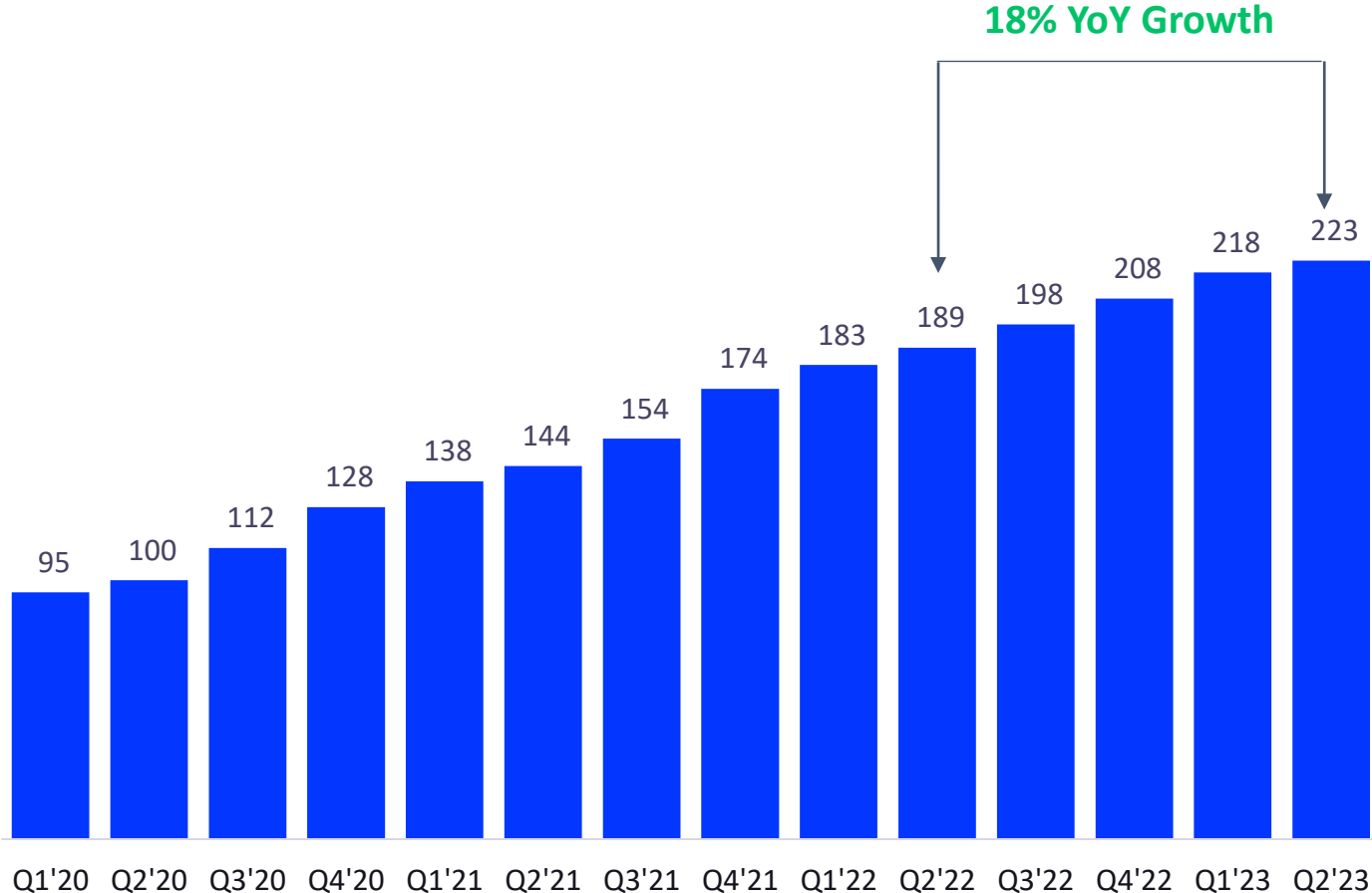
- Entered into a strategic partnership with Telus International
- All-time record for channel bookings
- 15 partners that achieved over \$1M in ACV bookings for the quarter
- Record high channel pipeline
- Over 60% of international implementations now being done by partners

Extension of Intelligent CX Platform

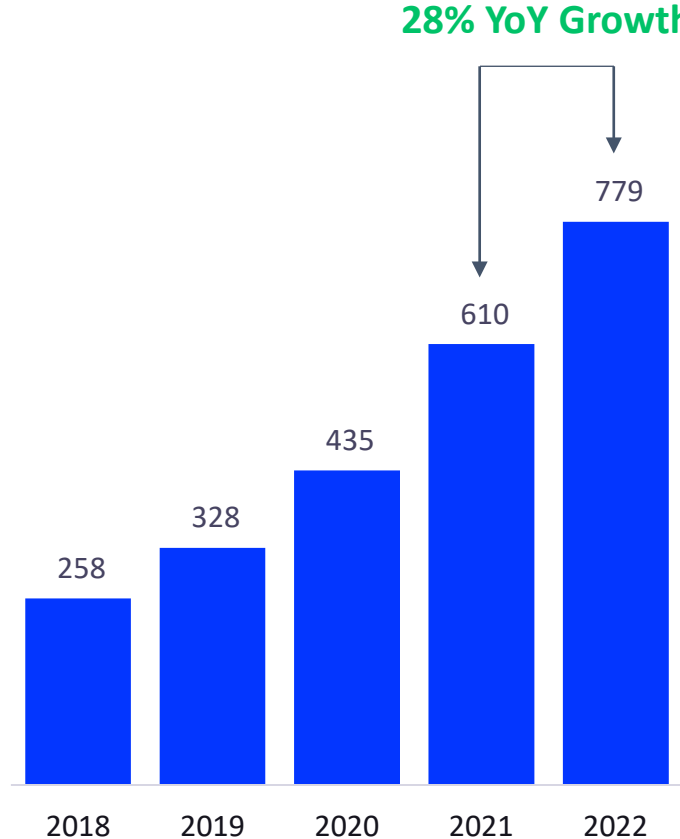
- Entered into a definitive agreement to acquire Aceyus
 - Market leader in advanced data integration and analytics
 - Will accelerate our ability to capitalize on two large opportunities:
 - Streamline the migration of large enterprise customers from on-prem to cloud
 - Leverage contextual data to deliver personalized experiences throughout the customer journey, including using this contextual data in our AI & Automation solutions

Strong, Consistent Revenue Growth

Quarterly Revenue (\$M)

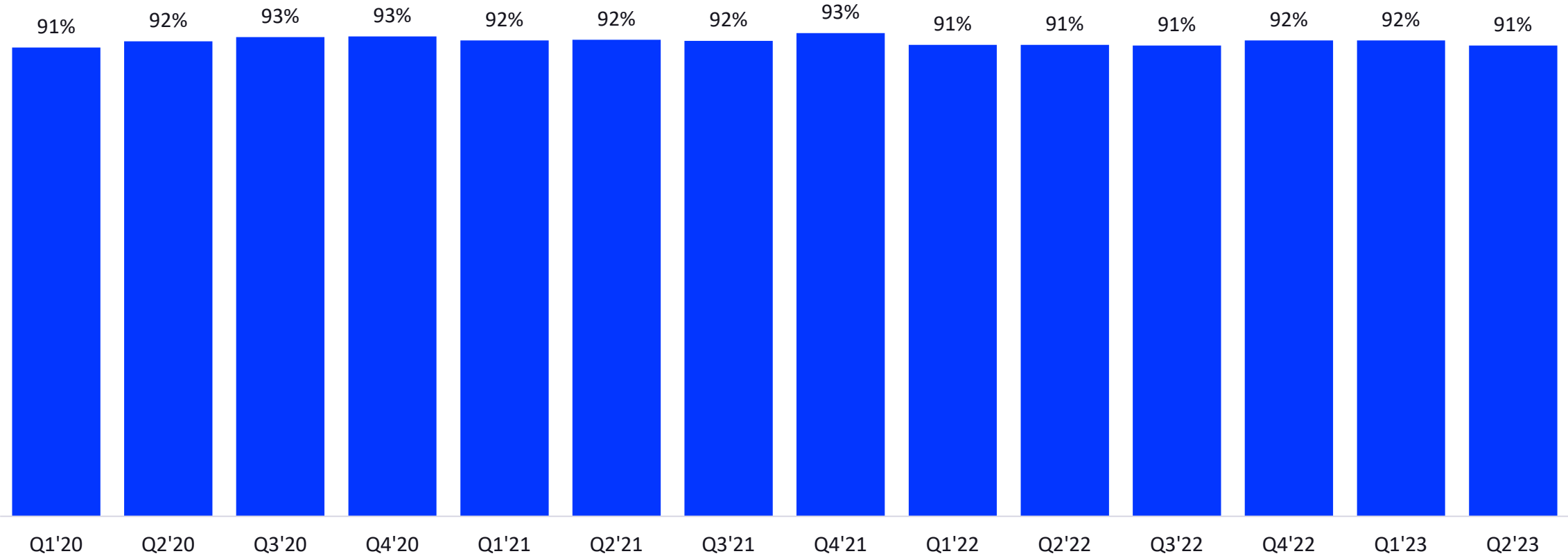


Annual Revenue (\$M)



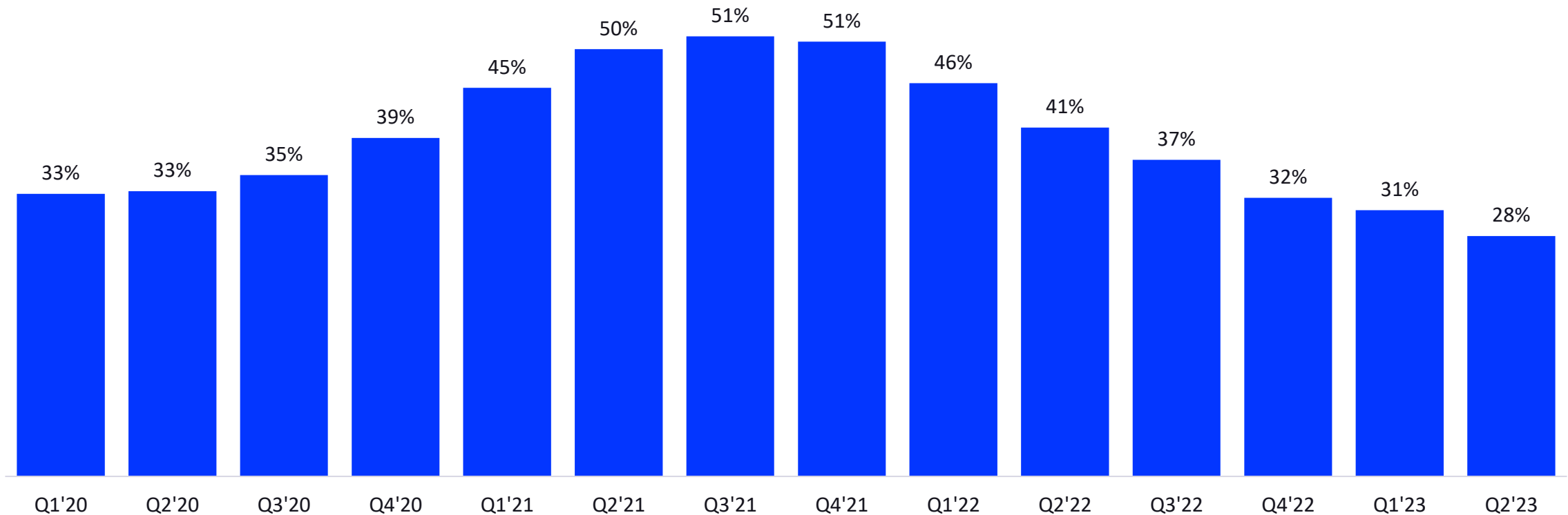
Attractive Revenue Visibility

Recurring as a % of Total Revenue



Executing on Enterprise Opportunity

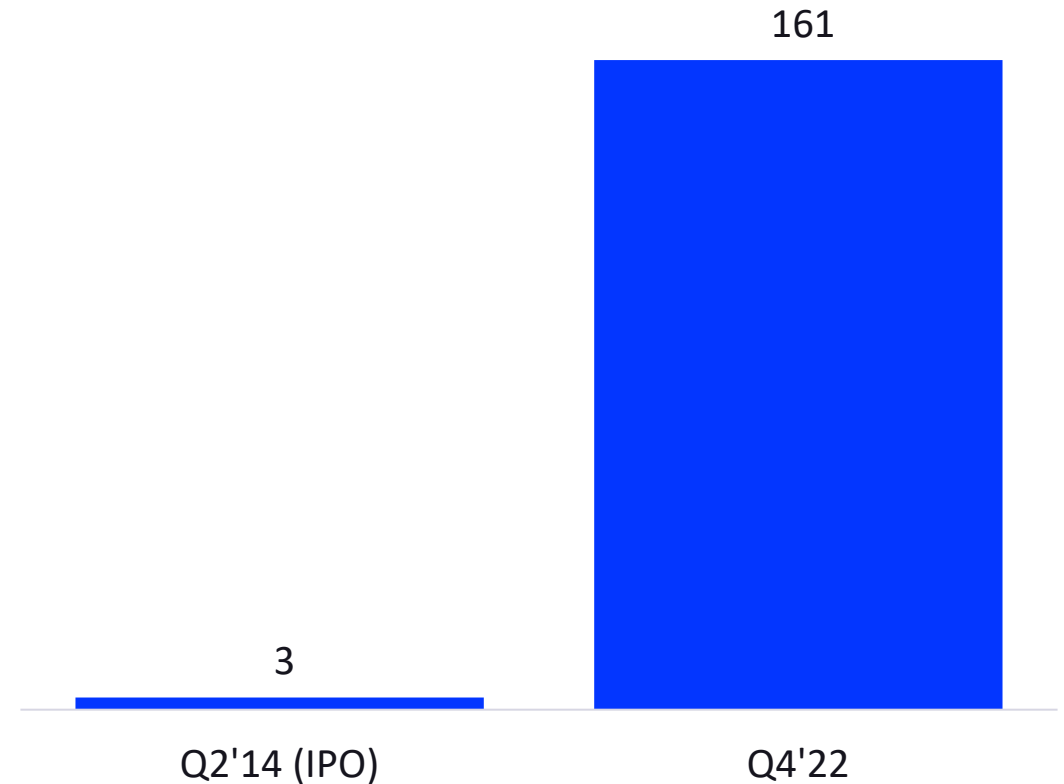
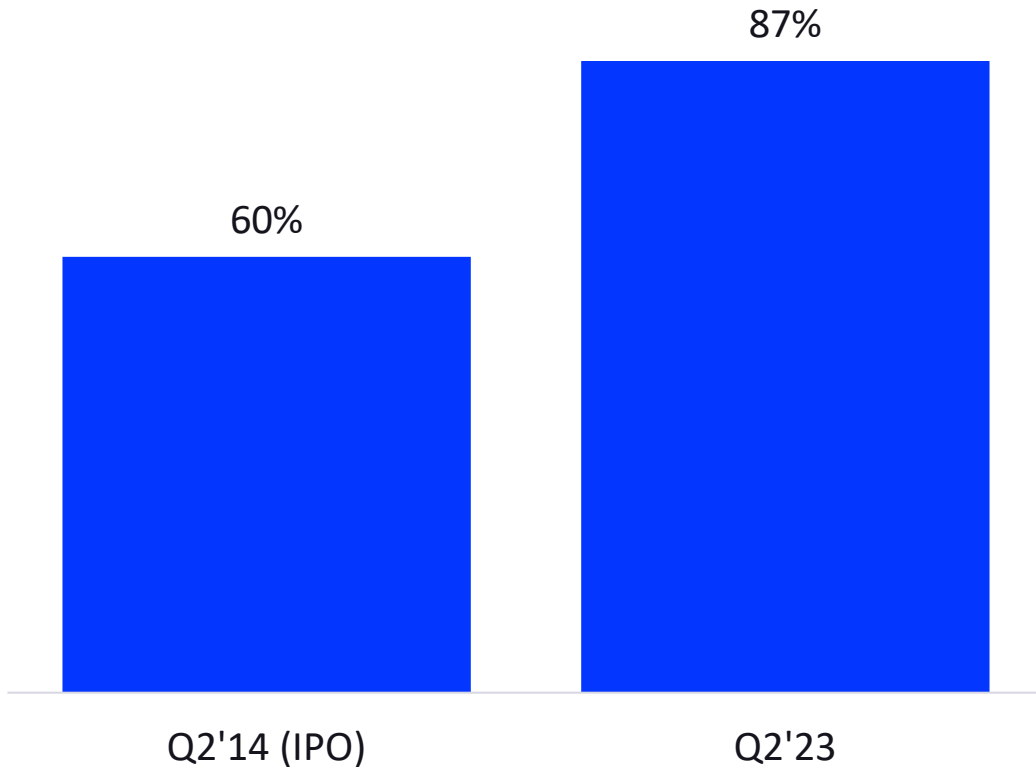
% YoY Enterprise Subscription Revenue Growth (LTM)



Executing on Enterprise Opportunity (cont'd)

Enterprise as a % of Total Revenue (LTM)

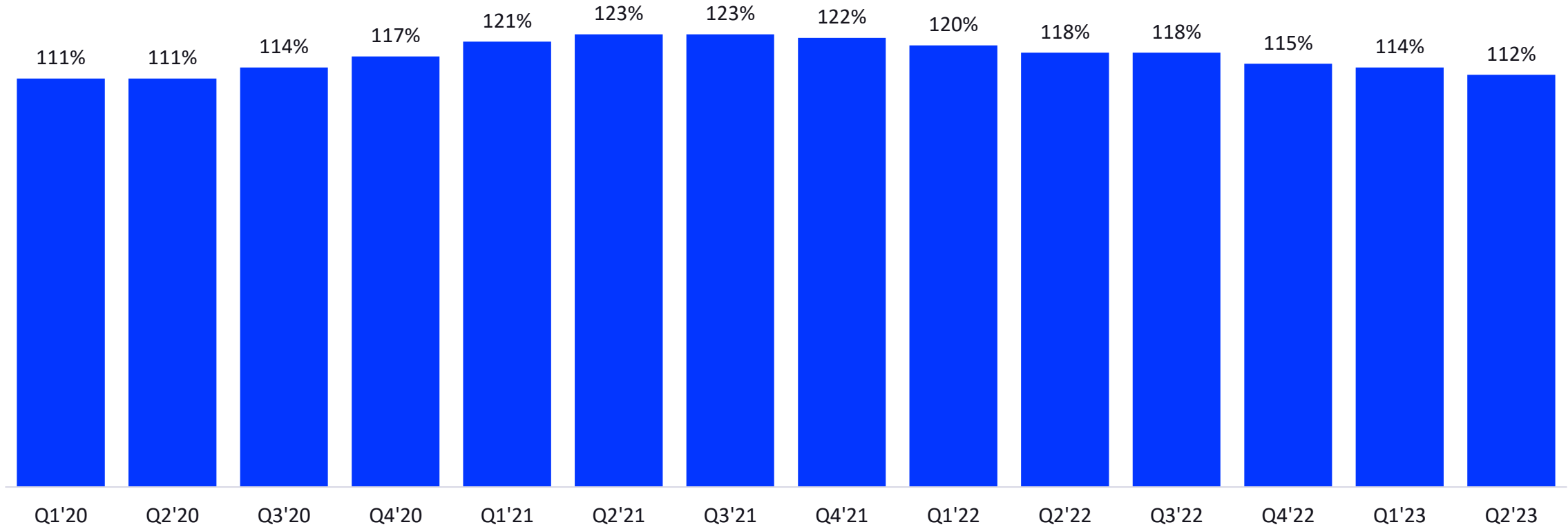
Enterprise Customers \$1M+ ARR (Q4'22 Ann.)



Note: Historical results prior to 2018 based on ASC 605; \$1M+ ARR based on Q4'22 annualized

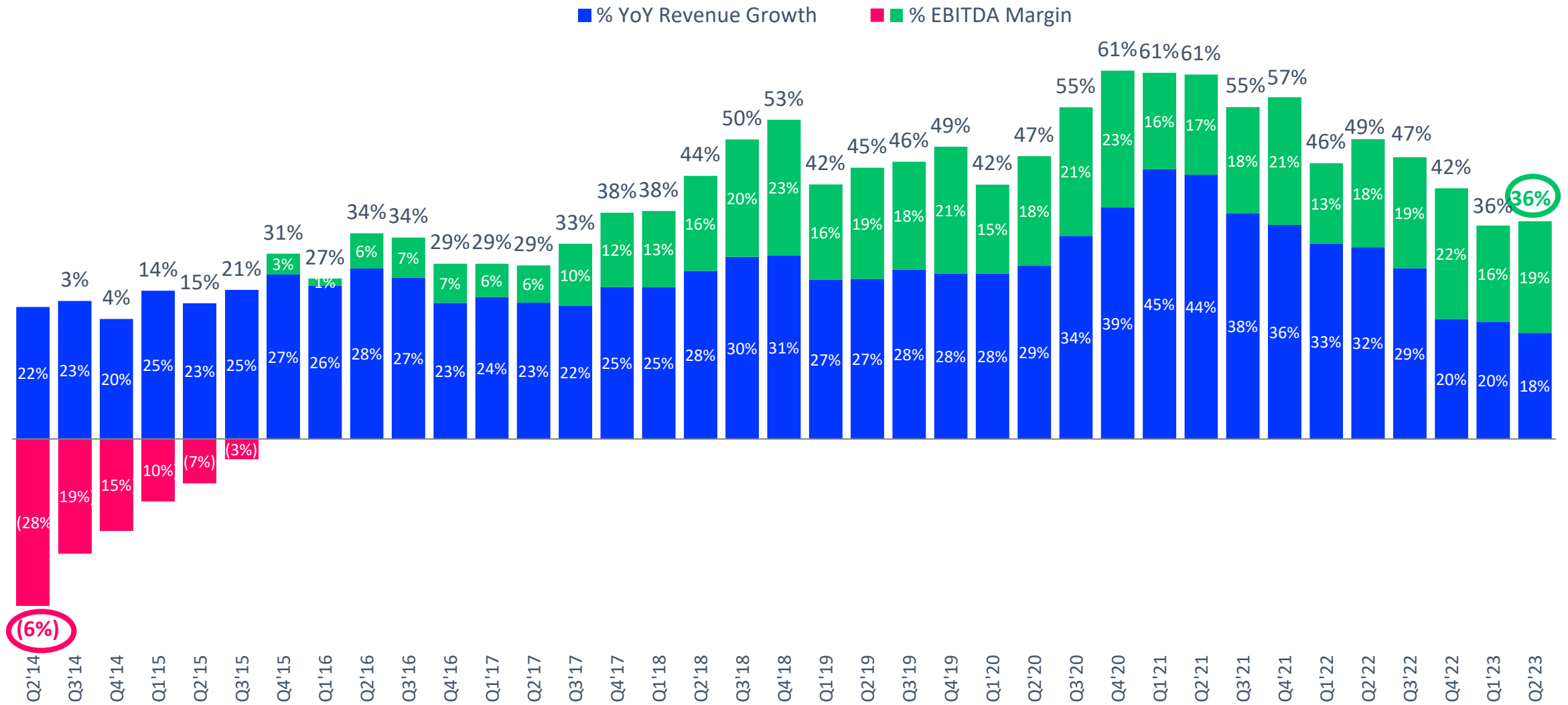
High Customer Retention

% Annual Dollar Based Retention Rate (DBRR)



Note: Annual DBRR based on last 12 months at the end of each respective quarter

Continuing to Drive Balanced Growth



Note: ASC 605 for periods prior to 2018

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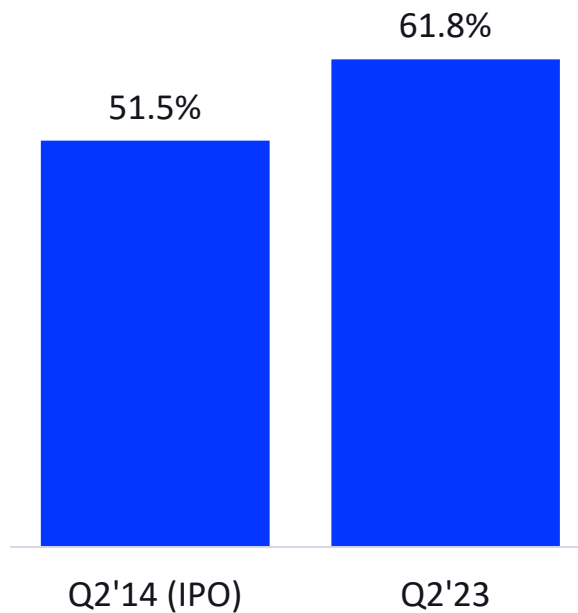


Robust Margin Expansion and Operating Leverage

Non-GAAP

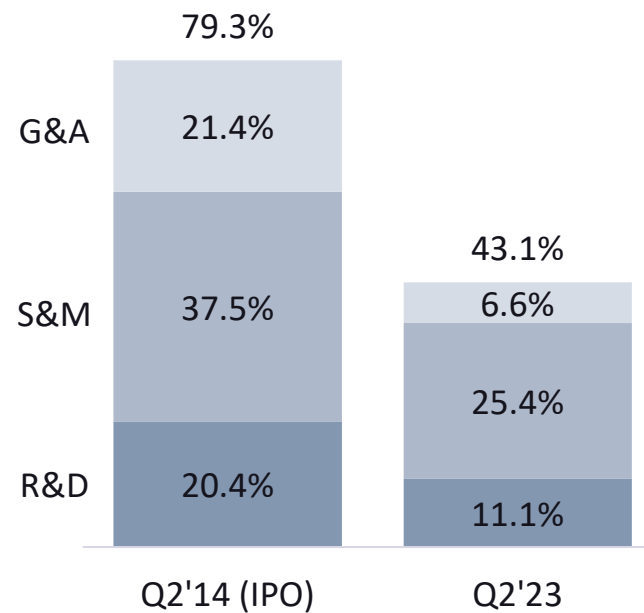
Adj. Gross Margin

10.3% expansion



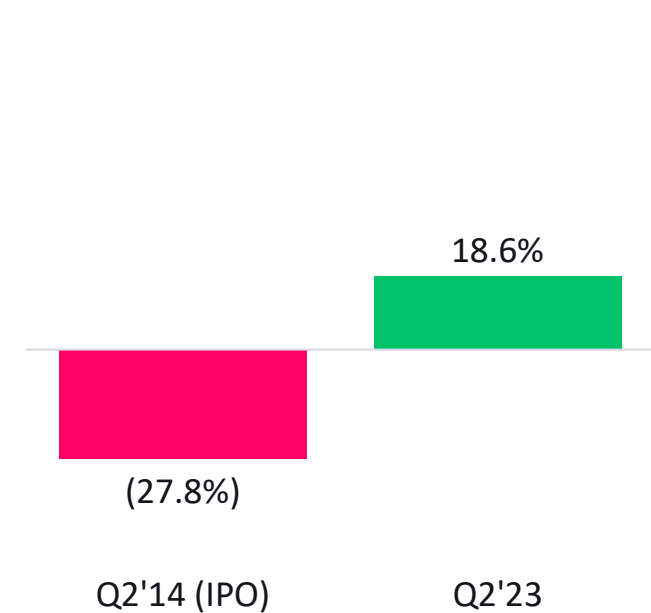
Non-GAAP Opex (% of revenue)

36.2% improvement



Adj. EBITDA Margin

46.4% expansion

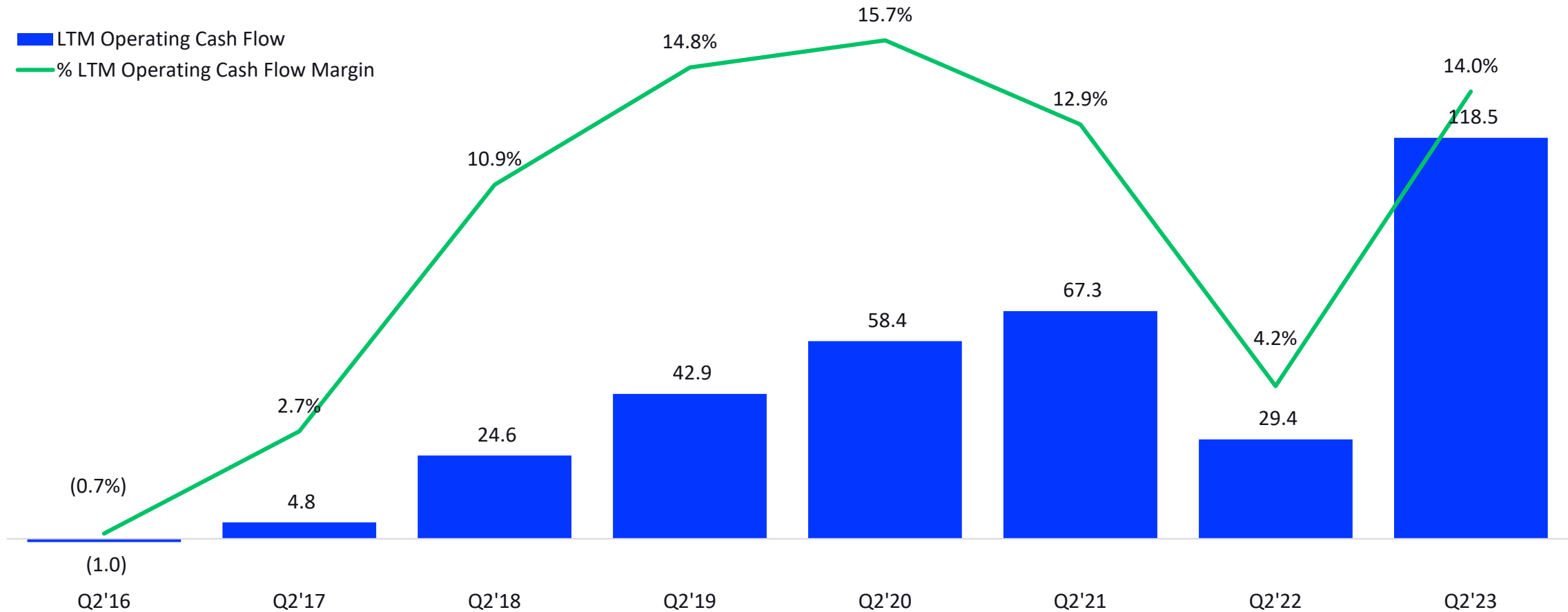


Note: Non-GAAP metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual transactions. Q2'14 metrics based on ASC 605. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure

Operating Cash Flow and Margin

LTM Operating Cash Flow (\$M)

DSO of 33 days in Q2'23



Note: Historical operating cash flow margin prior to 2018 based on ASC 605 revenue

Balance Sheet Summary

\$ in Millions	Quarter Ended	
	June 30, 2023	December 31, 2022
Cash, cash equivalents and marketable investments	\$744.9	\$615.1
Working capital	683.0	627.9
Total assets	1,402.9	1,244.5
Total debt	740.2	738.5
Total stockholders' equity	458.8	310.0

Q3'23 and 2023 Guidance

	Q3'23	2023
Revenue	\$223.5M - \$224.5M	\$908.0M - \$910.0M
GAAP Net Loss Per Basic Share	\$(0.40) - \$(0.35)	\$(1.48) - \$(1.37)
Non-GAAP Net Income Per Diluted Share	\$0.42 - \$0.44	\$1.79 - \$1.83
Basic Shares	72.4M	72.2M
Diluted Shares	73.7M	73.3M
Taxes	\$850K	\$3.0M
Capital Expenditures	\$20M - \$21M	\$46M - \$47M

Note: Refer to the "GAAP to Non-GAAP Net Income (Loss) Reconciliation – Guidance" table in the appendix for more details, including important assumptions upon which such guidance is based.

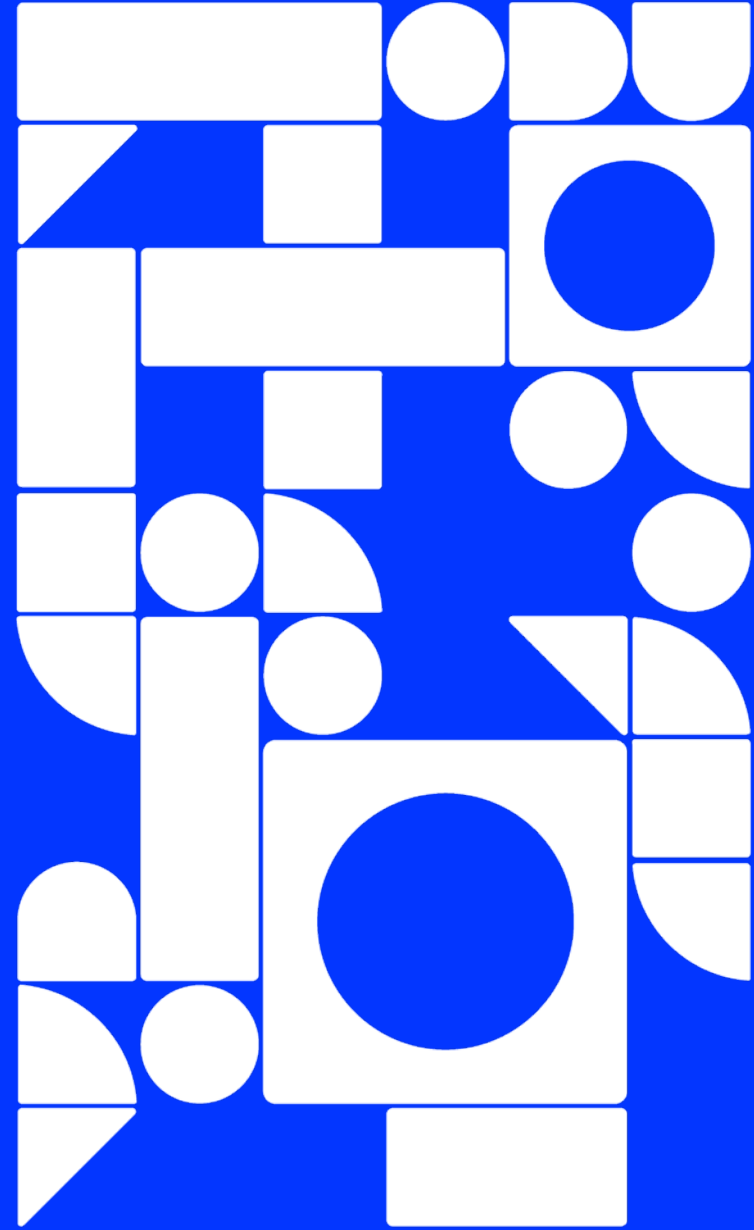
Long-Term Operating Model

Non-GAAP

% of Revenue	Today Q2'23	Long-Term Model 2027
Revenue	\$223M	Continued growth in Enterprise subscriptions
Adj. Gross Margin	62%	\$2.4B
S&M	25%	Subscription margin expansion and increasing subscription mix
R&D	11%	70%+
G&A	7%	Continued investments in GTM in line with revenue growth
Adj. EBITDA	19%	26% - 30%
		Continued investments in innovation
		12% - 14%
		Economies of scale
		5% - 7%
		23%+

Note: Non-GAAP metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual transactions. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure. Long-Term model assumes more robust macroeconomic conditions in 2024 and beyond.

Appendix



GAAP to Adjusted Gross Profit Reconciliation

Q2'14 – Q4'17

	Quarter Ended														
	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
GAAP gross profit	\$ 11,216	\$ 12,365	\$ 13,734	\$ 15,496	\$ 16,004	\$ 17,475	\$ 20,398	\$ 21,405	\$ 22,122	\$ 23,192	\$ 28,437	\$ 27,043	\$ 27,454	\$ 29,584	\$ 33,040
<i>% GAAP gross margin</i>	45.4 %	47.8 %	48.6 %	51.2 %	52.9 %	54.1 %	56.6 %	56.3 %	56.9 %	56.6 %	64.3 %	57.5 %	57.5 %	59.1 %	59.6 %
Depreciation & amortization	1,373	1,272	1,291	1,439	1,558	1,470	1,483	1,680	1,616	1,668	1,608	1,576	1,716	1,397	1,611
Stock-based compensation	121	158	176	188	218	233	227	265	329	357	424	434	575	599	594
One-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of accrued federal fees	—	—	—	—	—	—	—	—	—	—	(3,114)	—	—	—	—
Out of period adj. for accrued federal fees	—	—	235	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Adjusted gross profit	\$ 12,710	\$ 13,795	\$ 15,436	\$ 17,123	\$ 17,780	\$ 19,178	\$ 22,108	\$ 23,350	\$ 24,067	\$ 25,217	\$ 27,355	\$ 29,053	\$ 29,745	\$ 31,580	\$ 35,245
<i>% adjusted gross margin</i>	51.5 %	53.3 %	54.6 %	56.6 %	58.7 %	59.4 %	61.4 %	61.4 %	61.9 %	61.5 %	61.9 %	61.8 %	62.3 %	63.1 %	63.6 %

Note: Historical results prior to 2018 based on ASC 605

GAAP to Adjusted Gross Profit Reconciliation

Q1'18 – Q4'21

	Quarter Ended															
	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
GAAP gross profit	\$ 34,203	\$ 36,306	\$ 39,125	\$ 43,996	\$ 43,687	\$ 46,188	\$ 49,297	\$ 54,323	\$ 55,051	\$ 57,339	\$ 65,582	\$ 76,652	\$ 78,079	\$ 79,387	\$ 87,191	\$ 93,835
<i>% GAAP gross margin</i>	58.1 %	59.4 %	59.9 %	60.8 %	58.6 %	59.6 %	58.8 %	58.9 %	57.9 %	57.5 %	58.5 %	59.9 %	56.6 %	55.2 %	56.5 %	54.1 %
Depreciation & amortization	1,794	1,864	2,021	2,129	2,366	2,504	2,602	3,384	3,940	5,120	5,171	5,948	7,087	7,825	7,658	8,301
Stock-based compensation	678	853	860	942	1,229	1,658	1,702	1,745	1,989	2,499	2,603	2,331	3,105	3,781	3,994	6,854
One-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	30	2	37	43
Reversal of accrued federal fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Out of period adj. for accrued federal fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	618	—	—	—	—	—	—
Refund for prior year overpayment of USF fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Adjusted gross profit	\$ 36,675	\$ 39,023	\$ 42,006	\$ 47,067	\$ 47,282	\$ 50,350	\$ 53,601	\$ 59,452	\$ 60,980	\$ 65,576	\$ 73,356	\$ 84,931	\$ 88,301	\$ 90,995	\$ 98,880	\$ 109,033
<i>% adjusted gross margin</i>	62.3 %	63.8 %	64.3 %	65.1 %	63.4 %	65.0 %	64.0 %	64.4 %	64.1 %	65.7 %	65.4 %	66.4 %	64.0 %	63.3 %	64.1 %	62.8 %

GAAP to Adjusted Gross Profit Reconciliation

Q1'22 – Q2'23

	Quarter Ended					
	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
GAAP gross profit	\$ 93,910	\$ 101,153	\$ 104,231	\$ 112,051	\$ 113,683	\$ 118,521
<i>% GAAP gross margin</i>	51.4 %	53.4 %	52.6 %	53.8 %	52.0 %	53.0 %
Depreciation & amortization	8,500	8,747	8,904	8,803	8,907	9,269
Stock-based compensation	7,793	8,538	8,329	8,638	9,333	9,888
One-time integration costs	48	80	187	86	34	—
Reversal of accrued federal fees	—	—	—	—	—	—
Out of period adj. for accrued federal fees	—	—	—	—	—	—
Exit costs related to closure and relocation of Russian operations	380	3	96	219	23	51
COVID-19 relief bonus for employees	—	—	—	—	—	—
Refund for prior year overpayment of USF fees	—	(3,511)	—	—	—	—
Adjusted gross profit	\$ 110,631	\$ 115,010	\$ 121,747	\$ 129,797	\$ 131,980	\$ 137,729
<i>% adjusted gross margin</i>	60.5 %	60.7 %	61.4 %	62.3 %	60.4 %	61.8 %

GAAP to Adjusted Gross Profit Reconciliation

2014 – 2022

	Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	
GAAP gross profit	\$ 48,441	\$ 69,373	\$ 95,156	\$ 117,121	\$ 153,630	\$ 193,495	\$ 254,624	\$ 338,492	\$ 411,345	
% GAAP gross margin	47.0 %	53.8 %	58.7 %	58.5 %	59.6 %	59.0 %	58.5 %	55.5 %	52.8 %	
Depreciation & amortization	5,138	5,950	6,573	6,300	7,808	10,856	20,179	30,870	34,955	
Stock-based compensation	542	866	1,375	2,202	3,333	6,334	9,422	17,734	33,297	
Reversal of accrued federal fees	—	—	(3,114)	—	—	—	—	—	—	
Out of period adj. for accrued federal fees	235	—	—	—	—	—	—	—	—	
COVID-19 relief bonus for employees	—	—	—	—	—	—	618	—	—	
One-time integration costs	—	—	—	—	—	—	—	112	401	
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	698	
Refund for prior year overpayment of USF fees	—	—	—	—	—	—	—	—	(3,511)	
Adjusted gross profit	\$ 54,356	\$ 76,189	\$ 99,990	\$ 125,623	\$ 164,771	\$ 210,685	\$ 284,843	\$ 387,208	\$ 477,185	
% adjusted gross margin	52.7 %	59.1 %	61.7 %	62.7 %	63.9 %	64.2 %	65.5 %	63.5 %	61.3 %	

Note: Historical results prior to 2018 based on ASC 605

GAAP Net Inc. (Loss) to Adj. EBITDA Reconciliation

Q2'14 – Q4'17

	Quarter Ended															
	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	
GAAP net income (loss)	\$ (8,659)	\$ (11,435)	\$ (9,372)	\$ (8,903)	\$ (7,369)	\$ (6,048)	\$ (3,518)	\$ (4,911)	\$ (3,468)	\$ (3,890)	\$ 409	\$ (5,255)	\$ (4,007)	\$ 924	\$ (631)	
Non-GAAP adjustments:																
Depreciation and amortization	1,699	1,567	1,605	1,775	1,910	1,840	1,863	2,103	2,060	2,140	2,086	2,095	2,270	1,881	2,068	
Stock-based compensation	1,723	1,877	1,957	2,235	1,830	1,945	1,720	1,994	2,414	2,519	2,716	3,129	3,854	3,720	4,640	
Interest expense	1,092	1,116	1,175	1,139	1,155	1,235	1,198	1,199	1,197	961	869	882	888	865	836	
Interest income and other	28	(95)	(146)	(2)	49	(119)	(28)	45	33	(12)	(54)	(118)	(90)	(118)	(164)	
Provision for (benefit from) income taxes	12	13	33	18	(20)	50	13	28	42	(2)	(14)	49	50	43	126	
Extinguishment of debt	—	—	—	—	—	—	—	—	—	1,026	—	—	—	—	—	
Reversal of accrued federal fees	—	—	—	—	—	—	—	—	—	—	(3,114)	—	—	—	—	
Legal settlement	—	—	—	—	—	—	—	—	—	—	—	1,700	—	—	—	
Legal and indemnification fees related to settlement	—	—	—	—	—	—	—	—	—	—	—	135	—	—	—	
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Loss on early extinguishment of debt	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Contingent consideration expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Change in fair value of convertible preferred and common stock warrant liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Reversal of contingent sales tax liability (G&A)	(2,766)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Reversal of interest and penalties on accrued federal fees (G&A)	—	—	—	—	—	—	—	—	—	—	—	—	—	(2,133)	—	
Accrued FCC charge (G&A)	—	2,000	—	—	—	—	—	—	—	—	—	—	—	—	—	
Out of period adj. for accrued federal fees (COR)	—	—	235	—	—	—	—	—	—	—	—	—	—	—	—	
Out of period adj. for sales tax liability (G&A)	—	—	183	575	190	—	—	—	—	—	—	—	—	—	—	
Adjusted EBITDA	\$ (6,871)	\$ (4,957)	\$ (4,330)	\$ (3,163)	\$ (2,255)	\$ (1,097)	\$ 1,248	\$ 458	\$ 2,278	\$ 2,742	\$ 2,898	\$ 2,617	\$ 2,965	\$ 5,182	\$ 6,875	
% adjusted EBITDA margin	(27.8) %	(19.2) %	(15.3) %	(10.4) %	(7.4) %	(3.4) %	3.5 %	1.2 %	5.9 %	6.7 %	6.6 %	5.6 %	6.2 %	10.3 %	12.4 %	

Note: Historical results prior to 2018 based on ASC 605

GAAP Net Inc. (Loss) to Adj. EBITDA Reconciliation

Q1'18 – Q4'21

	Quarter Ended															
	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
GAAP net income (loss)	\$ (607)	\$ (2,042)	\$ (1,305)	\$ 3,733	\$ (1,924)	\$ (1,860)	\$ (1,604)	\$ 836	\$ (7,437)	\$ (16,052)	\$ (11,431)	\$ (7,210)	\$ (12,332)	\$ (16,530)	\$ (20,537)	\$ (3,601)
Non-GAAP adjustments:																
Depreciation and amortization	2,320	2,449	2,667	2,838	3,192	3,361	3,497	4,324	4,970	6,243	6,537	7,337	8,763	9,651	9,780	10,538
Stock-based compensation	5,325	6,797	8,869	7,493	8,686	10,436	11,075	11,868	13,794	16,791	17,286	16,876	20,908	24,901	27,395	35,601
Interest expense	810	2,378	3,595	3,462	3,396	3,406	3,486	3,506	3,484	5,734	9,649	9,481	1,938	2,118	1,947	2,024
Interest income and other	(398)	(206)	(1,352)	(1,359)	(1,745)	(1,490)	(1,460)	(1,384)	(1,072)	(830)	(631)	(501)	(175)	353	(213)	43
Provision for (benefit from) income taxes	45	64	41	150	(49)	29	50	74	69	(2,876)	346	8	(517)	(135)	(188)	(10,445)
Extinguishment of debt	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of accrued federal fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Legal settlement	—	—	—	—	—	420	—	—	—	—	—	—	—	—	—	—
Legal and indemnification fees related to settlement	—	241	258	93	292	64	—	—	—	—	—	—	—	—	—	—
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	338	329	1,637	2,030	2,339	1,094	973	9,158	2,351
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	1,817	—	—	—	—	—	—
Loss on early extinguishment of debt	—	—	—	—	—	—	—	—	—	5,795	282	887	—	—	—	—
Contingent consideration expense	—	—	—	—	—	—	—	—	—	—	—	—	2,500	2,700	60	380
Refund for prior year overpayment of USF fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Change in fair value of convertible preferred and common stock warrant liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of contingent sales tax liability (G&A)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of interest and penalties on accrued federal fees (G&A)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Accrued FCC charge (G&A)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Out of period adj. for accrued federal fees (COR)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Out of period adj. for sales tax liability (G&A)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Adjusted EBITDA	\$ 7,495	\$ 9,681	\$ 12,773	\$ 16,410	\$ 11,848	\$ 14,366	\$ 15,044	\$ 19,562	\$ 14,137	\$ 18,259	\$ 24,068	\$ 29,217	\$ 22,179	\$ 24,031	\$ 27,402	\$ 36,891
% adjusted EBITDA margin	12.7 %	15.8 %	19.6 %	22.7 %	15.9 %	18.6 %	18.0 %	21.2 %	14.9 %	18.3 %	21.5 %	22.8 %	16.1 %	16.7 %	17.8 %	21.3 %

GAAP Net Inc. (Loss) to Adj. EBITDA Reconciliation

Q1'22 – Q2'23

	Quarter Ended					
	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
GAAP net income (loss)	\$ (34,120)	\$ (23,670)	\$ (23,207)	\$ (13,653)	\$ (27,248)	\$ (21,739)
Non-GAAP adjustments:						
Depreciation and amortization	10,795	11,640	11,215	11,021	11,347	11,724
Stock-based compensation	39,394	44,786	44,503	43,824	50,743	53,367
Interest expense	1,870	1,857	1,879	1,887	1,845	1,866
Interest income and other	(845)	(280)	(982)	(2,706)	(4,121)	(6,123)
Provision for (benefit from) income taxes	2,256	332	579	1,221	527	753
Extinguishment of debt	—	—	—	—	—	—
Reversal of accrued federal fees	—	—	—	—	—	—
Legal settlement	—	—	—	—	—	—
Legal and indemnification fees related to settlement	—	—	—	—	—	—
Acquisition-related transaction costs and one-time integration costs	1,638	1,714	1,944	1,605	1,455	877
Exit costs related to closure and relocation of Russian operations	3,227	214	774	2,975	596	815
COVID-19 relief bonus for employees	—	—	—	—	—	—
Loss on early extinguishment of debt	—	—	—	—	—	—
Contingent consideration expense	260	—	—	—	—	—
Refund for prior year overpayment of USF fees	—	(3,511)	—	—	—	—
Change in fair value of convertible preferred and common stock warrant liabilities	—	—	—	—	—	—
Reversal of contingent sales tax liability (G&A)	—	—	—	—	—	—
Reversal of interest and penalties on accrued federal fees (G&A)	—	—	—	—	—	—
Accrued FCC charge (G&A)	—	—	—	—	—	—
Out of period adj. for accrued federal fees (COR)	—	—	—	—	—	—
Out of period adj. for sales tax liability (G&A)	—	—	—	—	—	—
Adjusted EBITDA	\$ 24,475	\$ 33,082	\$ 36,705	\$ 46,174	\$ 35,144	\$ 41,540
% adjusted EBITDA margin	13.4 %	17.5 %	18.5 %	22.2 %	16.1 %	18.6 %

GAAP Net Loss to Adjusted EBITDA Reconciliation

2014 – 2022

	Year Ended										
	2014	2015	2016	2017	2018	2019	2020	2021	2022		
GAAP net income (loss)	\$ (37,786)	\$ (25,838)	\$ (11,860)	\$ (8,969)	\$ (221)	\$ (4,552)	\$ (42,130)	\$ (53,000)	\$ (94,650)		
Non-GAAP adjustments:											
Depreciation and amortization	6,463	7,388	8,390	8,314	10,274	14,374	25,087	38,732	44,671		
Stock-based compensation	6,753	7,730	9,643	15,343	28,484	42,065	64,747	108,805	172,507		
Interest expense	4,161	4,727	4,226	3,471	10,245	13,794	28,348	8,027	7,493		
Interest income and other	(245)	(100)	13	(490)	(3,315)	(6,079)	(3,034)	8	(4,813)		
Provision for (benefit from) income taxes	85	61	54	268	300	104	(2,453)	(11,285)	4,388		
Extinguishment of debt	—	—	1,026	—	—	—	—	—	—		
Reversal of accrued federal fees	—	—	(3,114)	—	—	—	—	—	—		
Legal settlement	—	—	—	1,700	—	420	—	—	—		
Legal and indemnification fees related to	—	—	—	135	592	356	—	—	—		
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	338	6,335	13,576	6,901		
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	7,190		
COVID-19 relief bonus for employees	—	—	—	—	—	—	1,817	—	—		
Loss on early extinguishment of debt	—	—	—	—	—	—	6,964	—	—		
Contingent consideration expense	—	—	—	—	—	—	—	5,640	260		
Change in fair value of convertible preferred and common stock warrant liabilities	(1,745)	—	—	—	—	—	—	—	—		
Refund for prior year overpayment of USF fees	—	—	—	—	—	—	—	—	(3,511)		
Reversal of contingent sales tax liability (G&A)	(2,766)	—	—	—	—	—	—	—	—		
Reversal of interest and penalties on accrued federal fees (G&A)	—	—	—	(2,133)	—	—	—	—	—		
Accrued FCC charge (G&A)	2,000	—	—	—	—	—	—	—	—		
Out of period adj. for accrued federal fees (COR)	235	—	—	—	—	—	—	—	—		
Out of period adj. for sales tax liability (G&A)	183	765	—	—	—	—	—	—	—		
Adjusted EBITDA	\$ (22,662)	\$ (5,267)	\$ 8,378	\$ 17,639	\$ 46,359	\$ 60,820	\$ 85,681	\$ 110,503	\$ 140,436		
% adjusted EBITDA margin	(22.0)%	(4.1)%	5.2 %	8.8 %	18.0 %	18.5 %	19.7 %	18.1 %	18.0 %		

Note: Historical results prior to 2018 based on ASC 605

GAAP to Non-GAAP COR and OpEx Reconciliation

Q2'14 – Q4'17

	Quarter Ended															
	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	
GAAP COR	\$ 13,469	\$ 13,504	\$ 14,540	\$ 14,778	\$ 14,270	\$ 14,812	\$ 15,635	\$ 16,610	\$ 16,764	\$ 17,790	\$ 15,770	\$ 19,971	\$ 20,273	\$ 20,497	\$ 22,363	
% of revenue	54.6 %	52.2 %	51.4 %	48.8 %	47.1 %	45.9 %	43.4 %	43.7 %	43.1 %	43.4 %	35.7 %	42.5 %	42.5 %	40.9 %	40.4 %	
Depreciation & amortization	(1,373)	(1,272)	(1,291)	(1,439)	(1,558)	(1,470)	(1,483)	(1,680)	(1,616)	(1,668)	(1,608)	(1,576)	(1,716)	(1,397)	(1,611)	
Stock-based compensation	(121)	(158)	(176)	(188)	(218)	(233)	(227)	(265)	(329)	(357)	(424)	(434)	(575)	(599)	(594)	
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Reversal of accrued federal fees	—	—	—	—	—	—	—	—	—	—	3,114	—	—	—	—	
Out of period adj. for accrued federal fees	—	—	(235)	—	—	—	—	—	—	—	—	—	—	—	—	
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Non-GAAP COR	\$ 11,975	\$ 12,074	\$ 12,838	\$ 13,151	\$ 12,494	\$ 13,109	\$ 13,925	\$ 14,665	\$ 14,819	\$ 15,765	\$ 16,852	\$ 17,961	\$ 17,982	\$ 18,501	\$ 20,158	
% of revenue	48.5 %	46.7 %	45.4 %	43.4 %	41.3 %	40.6 %	38.6 %	38.6 %	38.1 %	38.5 %	38.1 %	38.2 %	37.7 %	36.9 %	36.4 %	
GAAP R&D	\$ 5,554	\$ 5,503	\$ 5,828	\$ 6,038	\$ 5,568	\$ 5,473	\$ 5,580	\$ 5,802	\$ 5,799	\$ 6,041	\$ 6,236	\$ 6,847	\$ 6,836	\$ 6,689	\$ 6,748	
% of revenue	22.5 %	21.3 %	20.6 %	19.9 %	18.4 %	17.0 %	15.5 %	15.3 %	14.9 %	14.7 %	14.1 %	14.6 %	14.3 %	13.4 %	12.2 %	
Depreciation & amortization	(50)	(58)	(75)	(87)	(102)	(126)	(140)	(148)	(161)	(204)	(224)	(206)	(237)	(182)	(170)	
Stock-based compensation	(471)	(583)	(527)	(574)	(340)	(475)	(401)	(435)	(528)	(547)	(549)	(637)	(801)	(797)	(807)	
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Non-GAAP R&D	\$ 5,033	\$ 4,862	\$ 5,226	\$ 5,377	\$ 5,126	\$ 4,872	\$ 5,039	\$ 5,219	\$ 5,110	\$ 5,290	\$ 5,463	\$ 6,004	\$ 5,798	\$ 5,710	\$ 5,771	
% of revenue	20.4 %	18.8 %	18.5 %	17.8 %	16.9 %	15.1 %	14.0 %	13.7 %	13.1 %	12.9 %	12.4 %	12.8 %	12.1 %	11.4 %	10.4 %	

Note: Historical results prior to 2018 based on ASC 605

GAAP to Non-GAAP OpEx Reconciliation

Q2'14 – Q4'17

	Quarter Ended														
	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
GAAP S&M	\$ 9,674	\$ 9,296	\$ 9,453	\$ 9,931	\$ 10,594	\$ 10,797	\$ 10,720	\$ 12,706	\$ 12,637	\$ 12,925	\$ 14,480	\$ 15,778	\$ 16,932	\$ 16,502	\$ 17,358
% of revenue	39.2 %	35.9 %	33.4 %	32.8 %	35.0 %	33.4 %	29.8 %	33.4 %	32.5 %	31.5 %	32.8 %	33.6 %	35.5 %	33.0 %	31.3 %
Depreciation & amortization	(48)	(50)	(50)	(49)	(51)	(52)	(54)	(53)	(54)	(56)	(58)	(30)	(30)	(30)	(30)
Stock-based compensation	(368)	(361)	(455)	(524)	(458)	(448)	(370)	(434)	(544)	(626)	(759)	(928)	(1,224)	(1,084)	(1,128)
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP S&M	9,258	8,885	8,948	9,358	10,085	10,297	10,296	12,219	12,039	12,243	13,663	14,820	15,678	15,388	16,200
% of revenue	37.5 %	34.3 %	31.6 %	30.9 %	33.3 %	31.9 %	28.6 %	32.1 %	31.0 %	29.9 %	30.9 %	31.5 %	32.8 %	30.7 %	29.2 %

Note: Historical results prior to 2018 based on ASC 605

GAAP to Non-GAAP OpEx Reconciliation

Q2'14 – Q4'17

	Quarter Ended															
	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	
GAAP G&A	\$ 3,515	\$ 7,967	\$ 6,763	\$ 7,275	\$ 6,027	\$ 6,087	\$ 6,433	\$ 6,536	\$ 5,882	\$ 6,143	\$ 6,511	\$ 8,860	\$ 6,845	\$ 4,679	\$ 8,767	
% of revenue	14.2 %	30.8 %	23.9 %	24.0 %	19.9 %	18.9 %	17.9 %	17.2 %	15.1 %	15.0 %	14.7 %	18.8 %	14.3 %	9.3 %	15.8 %	
Depreciation & amortization	(228)	(187)	(189)	(200)	(199)	(192)	(186)	(222)	(229)	(212)	(196)	(283)	(287)	(272)	(257)	
Stock-based compensation	(763)	(775)	(799)	(949)	(814)	(789)	(722)	(860)	(1,013)	(989)	(984)	(1,130)	(1,254)	(1,240)	(2,111)	
Legal settlement	—	—	—	—	—	—	—	—	—	—	—	(1,700)	—	—	—	
Legal and indemnification fees related to settlement	—	—	—	—	—	—	—	—	—	—	—	(135)	—	—	—	
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Contingent consideration expense	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Reversal of contingent sales tax liability	2,766	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Reversal of interest & penalties on accrued fed. fees	—	—	—	—	—	—	—	—	—	—	—	—	—	2,133	—	
Accrued FCC charge	—	(2,000)	—	—	—	—	—	—	—	—	—	—	—	—	—	
Out of period adj. for sales tax liability	—	—	(183)	(575)	(190)	—	—	—	—	—	—	—	—	—	—	
Non-GAAP G&A	5,290	5,005	5,592	5,551	4,824	5,106	5,525	5,454	4,640	4,942	5,331	5,612	5,304	5,300	6,399	
% of revenue	21.4 %	19.3 %	19.8 %	18.3 %	15.9 %	15.8 %	15.3 %	14.3 %	11.9 %	12.1 %	12.1 %	11.9 %	11.1 %	10.6 %	11.5 %	

Note: Historical results prior to 2018 based on ASC 605

GAAP to Non-GAAP COR and OpEx Reconciliation

Q1'18 – Q4'21

	Quarter Ended															
	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
GAAP COR	\$ 24,702	\$ 24,814	\$ 26,179	\$ 28,339	\$ 30,851	\$ 31,248	\$ 34,472	\$ 37,940	\$ 40,037	\$ 42,453	\$ 46,561	\$ 51,233	\$ 59,803	\$ 64,395	\$ 67,137	\$ 79,764
% of revenue	41.9 %	40.6 %	40.1 %	39.2 %	41.4 %	40.4 %	41.2 %	41.1 %	42.1 %	42.5 %	41.5 %	40.1 %	43.4 %	44.8 %	43.5 %	45.9 %
Depreciation & amortization	(1,794)	(1,864)	(2,021)	(2,129)	(2,366)	(2,504)	(2,602)	(3,384)	(3,940)	(5,120)	(5,171)	(5,948)	(7,087)	(7,825)	(7,658)	(8,301)
Stock-based compensation	(678)	(853)	(860)	(942)	(1,229)	(1,658)	(1,702)	(1,745)	(1,989)	(2,499)	(2,603)	(2,331)	(3,105)	(3,781)	(3,994)	(6,854)
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	—	—	—	(30)	(2)	(37)	(43)
Reversal of accrued federal	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Out of period adj. for accrued federal fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	(618)	—	—	—	—	—	—
Refund for prior year overpayment of USF fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP COR	\$ 22,230	\$ 22,097	\$ 23,298	\$ 25,268	\$ 27,256	\$ 27,086	\$ 30,168	\$ 32,811	\$ 34,108	\$ 34,216	\$ 38,787	\$ 42,954	\$ 49,581	\$ 52,787	\$ 55,448	\$ 64,566
% of revenue	37.7 %	36.2 %	35.7 %	34.9 %	36.6 %	35.0 %	36.0 %	35.6 %	35.9 %	34.3 %	34.6 %	33.6 %	36.0 %	36.7 %	35.9 %	37.2 %
GAAP R&D	\$ 7,772	\$ 8,367	\$ 9,582	\$ 8,451	\$ 10,546	\$ 10,811	\$ 11,665	\$ 12,168	\$ 15,189	\$ 17,208	\$ 17,674	\$ 18,676	\$ 22,121	\$ 24,648	\$ 29,680	\$ 30,448
% of revenue	13.2 %	13.7 %	14.7 %	11.7 %	14.1 %	14.0 %	13.9 %	13.2 %	16.0 %	17.2 %	15.8 %	14.6 %	16.0 %	17.1 %	19.2 %	17.5 %
Depreciation & amortization	(194)	(233)	(278)	(331)	(440)	(450)	(450)	(461)	(465)	(497)	(512)	(488)	(596)	(729)	(1,004)	(948)
Stock-based compensation	(877)	(1,064)	(2,352)	(1,010)	(1,470)	(1,907)	(2,022)	(2,259)	(2,806)	(3,684)	(3,876)	(3,675)	(4,763)	(6,152)	(9,101)	(9,163)
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	(248)	(439)	(332)	(337)	(666)	(660)	(462)
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	(365)	—	—	—	—	—	—
Non-GAAP R&D	\$ 6,701	\$ 7,070	\$ 6,952	\$ 7,110	\$ 8,636	\$ 8,454	\$ 9,193	\$ 9,448	\$ 11,918	\$ 12,414	\$ 12,847	\$ 14,181	\$ 16,425	\$ 17,101	\$ 18,915	\$ 19,875
% of revenue	11.4 %	11.6 %	10.6 %	9.8 %	11.6 %	10.9 %	11.0 %	10.2 %	12.5 %	12.4 %	11.5 %	11.1 %	11.9 %	11.9 %	12.3 %	11.4 %

GAAP to Non-GAAP COR and OpEx Reconciliation

Q1'22 – Q2'23

	Quarter Ended					
	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
GAAP COR	\$ 88,867	\$ 88,229	\$ 94,111	\$ 96,294	\$ 104,756	\$ 104,361
% of revenue	48.6 %	46.6 %	47.4 %	46.2 %	48.0 %	46.8 %
Depreciation & amortization	(8,500)	(8,747)	(8,904)	(8,803)	(8,907)	(9,269)
Stock-based compensation	(7,793)	(8,538)	(8,329)	(8,638)	(9,333)	(9,888)
Acquisition-related transaction costs and one-time integration costs	(48)	(80)	(187)	(86)	(34)	—
Reversal of accrued federal fees	—	—	—	—	—	—
Out of period adj. for accrued federal fees	—	—	—	—	—	—
Exit costs related to closure and relocation of Russian operations	(380)	(3)	(96)	(219)	(23)	(51)
COVID-19 relief bonus for employees	—	—	—	—	—	—
Refund for prior year overpayment of USF fees	—	3,511	—	—	—	—
Non-GAAP COR	\$ 72,146	\$ 74,372	\$ 76,595	\$ 78,548	\$ 86,459	\$ 85,153
% of revenue	39.5 %	39.3 %	38.6 %	37.7 %	39.6 %	38.2 %
GAAP R&D	\$ 35,824	\$ 34,992	\$ 34,113	\$ 36,865	\$ 38,108	\$ 39,210
% of revenue	19.6 %	18.5 %	17.2 %	17.7 %	17.4 %	17.6 %
Depreciation & amortization	(825)	(804)	(768)	(768)	(872)	(868)
Stock-based compensation	(10,145)	(11,818)	(10,603)	(11,799)	(12,382)	(13,013)
Acquisition-related transaction costs and one-time integration costs	(656)	(1,307)	(1,654)	(1,449)	(1,423)	—
Exit costs related to closure and relocation of Russian operations	(2,629)	(59)	(557)	(2,615)	(475)	(542)
COVID-19 relief bonus for	—	—	—	—	—	—
Non-GAAP R&D	\$ 21,569	\$ 21,004	\$ 20,531	\$ 20,234	\$ 22,956	\$ 24,787
% of revenue	11.8 %	11.1 %	10.4 %	9.7 %	10.5 %	11.1 %

GAAP to Non-GAAP OpEx Reconciliation

Q1'18 – Q4'21

	Quarter Ended															
	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
GAAP S&M	\$ 17,478	\$ 17,912	\$ 17,818	\$ 18,793	\$ 21,701	\$ 23,250	\$ 25,014	\$ 25,627	\$ 30,160	\$ 32,231	\$ 32,969	\$ 37,053	\$ 44,799	\$ 46,024	\$ 49,712	\$ 53,394
% of revenue	29.7 %	29.3 %	27.3 %	26.0 %	29.1 %	30.0 %	29.9 %	27.8 %	31.7 %	32.3 %	29.4 %	29.0 %	32.5 %	32.0 %	32.2 %	30.8 %
Depreciation & amortization	(29)	(30)	(30)	(6)	(1)	(1)	(2)	(2)	(2)	(2)	(1)	(2)	(1)	(1)	(1)	(1)
Stock-based compensation	(1,362)	(1,585)	(1,613)	(1,747)	(2,249)	(2,749)	(3,017)	(3,353)	(4,106)	(5,265)	(5,427)	(5,366)	(6,771)	(8,208)	(8,304)	(11,987)
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	—	—	(169)	(28)	(43)	(11)	(28)	(322)	(642)
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for	—	—	—	—	—	—	—	—	—	(596)	—	—	—	—	—	—
Non-GAAP S&M	\$ 16,087	\$ 16,297	\$ 16,175	\$ 17,040	\$ 19,451	\$ 20,500	\$ 21,995	\$ 22,272	\$ 26,052	\$ 26,199	\$ 27,513	\$ 31,642	\$ 38,016	\$ 37,787	\$ 41,085	\$ 40,764
% of revenue	27.3 %	26.7 %	24.8 %	23.6 %	26.1 %	26.5 %	26.3 %	24.1 %	27.4 %	26.3 %	24.5 %	24.7 %	27.6 %	26.3 %	26.6 %	23.5 %

GAAP to Non-GAAP OpEx Reconciliation

Q1'22 – Q2'23

	Quarter Ended					
	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
GAAP S&M	\$ 64,611	\$ 64,098	\$ 67,353	\$ 65,928	\$ 76,314	\$ 74,077
% of revenue	35.3 %	33.8 %	34.0 %	31.6 %	34.9 %	33.2 %
Depreciation & amortization	(1)	(1)	(1)	(1)	(1)	(1)
Stock-based compensation	(13,424)	(14,963)	(15,761)	(15,152)	(17,045)	(17,391)
Acquisition-related transaction costs and one-time integration costs	(46)	(23)	—	—	—	—
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—
COVID-19 relief bonus for	—	—	—	—	—	—
Non-GAAP S&M	\$ 51,140	\$ 49,111	\$ 51,591	\$ 50,775	\$ 59,268	\$ 56,685
% of revenue	28.0 %	25.9 %	26.0 %	24.4 %	27.1 %	25.4 %

GAAP to Non-GAAP OpEx Reconciliation

Q1'18 – Q4'21

	Quarter Ended															
	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
GAAP G&A	\$ 9,103	\$ 9,833	\$ 10,746	\$ 10,766	\$ 11,762	\$ 12,042	\$ 12,146	\$ 13,496	\$ 14,658	\$ 16,129	\$ 16,724	\$ 18,258	\$ 22,245	\$ 22,909	\$ 26,790	\$ 21,972
% of revenue	15.5 %	16.1 %	16.5 %	14.9 %	15.8 %	15.6 %	14.5 %	14.6 %	15.4 %	16.2 %	14.9 %	14.3 %	16.1 %	15.9 %	17.4 %	12.7 %
Depreciation & amortization	(303)	(322)	(338)	(372)	(385)	(406)	(443)	(477)	(563)	(624)	(853)	(899)	(1,079)	(1,096)	(1,117)	(1,288)
Stock-based compensation	(2,408)	(3,295)	(4,044)	(3,794)	(3,738)	(4,122)	(4,334)	(4,511)	(4,893)	(5,343)	(5,380)	(5,504)	(6,269)	(6,760)	(5,996)	(7,597)
Legal settlement	—	—	—	—	—	(420)	—	—	—	—	—	—	—	—	—	—
Legal and indemnification fees related to settlement	—	(241)	(258)	(93)	(292)	(64)	—	—	—	—	—	—	—	—	—	—
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	—	—	(338)	(329)	(1,220)	(1,563)	(1,964)	(716)	(278)	(8,139)	(1,204)
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
COVID-19 relief bonus for employees	—	—	—	—	—	—	—	—	—	(238)	—	—	—	—	—	—
Contingent consideration expense	—	—	—	—	—	—	—	—	—	—	—	—	(2,500)	(2,700)	(60)	(380)
Reversal of contingent sales tax liability	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reversal of interest & penalties on accrued fed. fees	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Accrued FCC charge	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Out of period adj. for sales tax liability	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP G&A	\$ 6,392	\$ 5,975	\$ 6,106	\$ 6,507	\$ 7,347	\$ 7,030	\$ 7,369	\$ 8,170	\$ 8,873	\$ 8,704	\$ 8,928	\$ 9,891	\$ 11,681	\$ 12,075	\$ 11,478	\$ 11,503
% of revenue	10.9 %	9.8 %	9.4 %	9.0 %	9.9 %	9.1 %	8.8 %	8.9 %	9.3 %	8.7 %	8.0 %	7.7 %	8.5 %	8.4 %	7.4 %	6.6 %

GAAP to Non-GAAP OpEx Reconciliation

Q1'22 – Q2'23

	Quarter Ended					
	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
GAAP G&A	\$ 24,314	\$ 23,824	\$ 24,496	\$ 22,509	\$ 28,258	\$ 30,477
% of revenue	13.3 %	12.6 %	12.4 %	10.8 %	12.9 %	13.7 %
Depreciation & amortization	(1,469)	(2,088)	(1,542)	(1,449)	(1,567)	(1,586)
Stock-based compensation	(8,032)	(9,467)	(9,810)	(8,235)	(11,983)	(13,075)
Legal settlement	—	—	—	—	—	—
Legal and indemnification fees related to settlement	—	—	—	—	—	—
Acquisition-related transaction costs and one-time integration costs	(888)	(304)	(103)	(70)	2	(877)
Exit costs related to closure and relocation of Russian operations	(218)	(152)	(121)	(141)	(98)	(222)
COVID-19 relief bonus for employees	—	—	—	—	—	—
Contingent consideration expense	(260)	—	—	—	—	—
Reversal of contingent sales tax liability	—	—	—	—	—	—
Reversal of interest & penalties on accrued fed. fees	—	—	—	—	—	—
Accrued FCC charge	—	—	—	—	—	—
Out of period adj. for sales tax liability	—	—	—	—	—	—
Non-GAAP G&A	\$ 13,447	\$ 11,813	\$ 12,920	\$ 12,614	\$ 14,612	\$ 14,717
% of revenue	7.4 %	6.2 %	6.5 %	6.1 %	6.7 %	6.6 %

GAAP to Non-GAAP COR and OpEx Reconciliation

2014 – 2022

	Year Ended																	
	2014	2015	2016	2017	2018	2019	2020	2021	2022									
GAAP COR	\$	54,661	\$	59,495	\$	66,934	\$	83,104	\$	104,034	\$	134,511	\$	180,284	\$	271,099	\$	367,501
% of revenue		53.0 %		46.2 %		41.3 %		41.5 %		40.4 %		41.0 %		41.5 %		44.5 %		47.2 %
Depreciation & amortization		(5,138)		(5,950)		(6,573)		(6,300)		(7,808)		(10,856)		(20,179)		(30,870)		(34,955)
Stock-based compensation		(542)		(866)		(1,375)		(2,202)		(3,333)		(6,334)		(9,422)		(17,734)		(33,297)
Acquisition-related transaction costs and one-time integration costs		—		—		—		—		—		—		—		(112)		(401)
Exit costs related to closure and relocation of Russian operations		—		—		—		—		—		—		—		—		(698)
Refund for prior year overpayment of USF fees		—		—		—		—		—		—		—		—		3,511
Reversal of accrued federal fees		—		—		3,114		—		—		—		—		—		—
Out of period adj. for accrued federal fees		(235)		—		—		—		—		—		—		—		—
COVID-19 relief bonus for employees		—		—		—		—		—		—		(618)		—		—
Non-GAAP COR	\$	48,746	\$	52,679	\$	62,100	\$	74,602	\$	92,893	\$	117,321	\$	150,065	\$	222,383	\$	301,661
% of revenue		47.3 %		40.9 %		38.3 %		37.3 %		36.1 %		35.8 %		34.5 %		36.5 %		38.7 %
GAAP R&D	\$	22,110	\$	22,659	\$	23,878	\$	27,120	\$	34,172	\$	45,190	\$	68,747	\$	106,897	\$	141,794
% of revenue		21.4 %		17.6 %		14.7 %		13.5 %		13.3 %		13.8 %		15.8 %		17.5 %		18.2 %
Depreciation & amortization		(229)		(455)		(737)		(795)		(1,036)		(1,801)		(1,962)		(3,277)		(3,164)
Stock-based compensation		(1,931)		(1,790)		(2,059)		(3,042)		(5,303)		(7,658)		(14,041)		(29,179)		(44,367)
Acquisition-related transaction costs		—		—		—		—		—		—		(1,019)		(2,125)		(5,066)
Exit costs related to closure and COVID-19 relief bonus for employees		—		—		—		—		—		—		(365)		—		(5,860)
Non-GAAP R&D	\$	19,950	\$	20,414	\$	21,082	\$	23,283	\$	27,833	\$	35,731	\$	51,360	\$	72,316	\$	83,337
% of revenue		19.3 %		15.8 %		13.0 %		11.6 %		10.8 %		10.9 %		11.8 %		11.9 %		10.7 %
GAAP S&M	\$	37,445	\$	42,042	\$	52,748	\$	66,570	\$	72,001	\$	95,592	\$	132,413	\$	193,929	\$	261,990
% of revenue		36.3 %		32.6 %		32.5 %		33.2 %		27.9 %		29.1 %		30.4 %		31.8 %		33.6 %
Depreciation & amortization		(196)		(206)		(221)		(120)		(95)		(6)		(7)		(4)		(4)
Stock-based compensation		(1,510)		(1,800)		(2,363)		(4,364)		(6,307)		(11,368)		(20,164)		(35,270)		(59,300)
Acquisition-related transaction costs		—		—		—		—		—		—		(240)		(1,003)		(69)
COVID-19 relief bonus for employees		—		—		—		—		—		—		(596)		—		—
Non-GAAP S&M	\$	35,739	\$	40,036	\$	50,164	\$	62,086	\$	65,599	\$	84,218	\$	111,406	\$	157,652	\$	202,617
% of revenue		34.7 %		31.1 %		30.9 %		31.0 %		25.5 %		25.7 %		25.6 %		25.9 %		26.0 %

Note: Historical results prior to 2018 based on ASC 605

GAAP to Non-GAAP OpEx Reconciliation

2014 – 2022

	Year Ended										
	2014	2015	2016	2017	2018	2019	2020	2021	2022		
GAAP G&A	\$ 24,416	\$ 25,822	\$ 25,072	\$ 29,151	\$ 40,448	\$ 49,446	\$ 65,769	\$ 93,916	\$ 95,143		
% of revenue	23.7 %	20.0 %	15.5 %	14.6 %	15.7 %	15.1 %	15.1 %	15.4 %	12.2 %		
Depreciation & amortization	(900)	(777)	(859)	(1,099)	(1,335)	(1,711)	(2,939)	(4,581)	(6,548)		
Stock-based compensation	(2,770)	(3,274)	(3,846)	(5,735)	(13,541)	(16,705)	(21,120)	(26,622)	(35,543)		
Legal settlement	—	—	—	(1,700)	—	(420)	—	—	—		
Legal and indemnification fees related	—	—	—	(135)	(592)	(356)	—	—	—		
Acquisition-related transaction costs and one-time integration costs	—	—	—	—	—	(338)	(5,076)	(10,336)	(1,365)		
Exit costs related to closure and COVID-19 relief bonus for employees	—	—	—	—	—	—	(238)	—	(632)		
Contingent consideration expense	—	—	—	—	—	—	—	(5,640)	(260)		
Reversal of contingent sales tax	2,766	—	—	—	—	—	—	—	—		
Reversal of interest & penalties on	—	—	—	2,133	—	—	—	—	—		
Accrued FCC charge	(2,000)	—	—	—	—	—	—	—	—		
Out of period adj. for sales tax liability	(183)	(765)	—	—	—	—	—	—	—		
Non-GAAP G&A	\$ 21,329	\$ 21,006	\$ 20,367	\$ 22,615	\$ 24,980	\$ 29,916	\$ 36,396	\$ 46,737	\$ 50,795		
% of revenue	20.7 %	16.3 %	12.6 %	11.3 %	9.7 %	9.1 %	8.4 %	7.7 %	6.5 %		

Note: Historical results prior to 2018 based on ASC 605

GAAP to Non-GAAP Net Income (Loss) Reconciliation

	Three Months Ended		Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
GAAP net loss	\$ (21,739)	\$ (23,670)	\$ (48,987)	\$ (57,790)
Non-GAAP adjustments:				
Stock-based compensation	53,367	44,786	104,110	84,179
Intangibles amortization	2,845	2,935	5,691	5,882
Amortization of discount and issuance costs on convertible senior notes	931	922	1,839	1,852
Acquisition-related transaction costs and one-time integration costs	877	1,714	2,332	3,352
Exit costs related to closure and relocation of Russian operations	1,110	1,125	1,851	3,874
Contingent consideration expense	—	—	—	260
Refund for prior year overpayment of USF fees	—	(3,511)	—	(3,511)
Tax provision associated with acquired companies	—	—	—	1,830
Non-GAAP net income	<u>\$ 37,391</u>	<u>\$ 24,301</u>	<u>\$ 66,836</u>	<u>\$ 39,928</u>
GAAP net loss per share:				
Basic	<u>\$ (0.30)</u>	<u>\$ (0.34)</u>	<u>\$ (0.69)</u>	<u>\$ (0.83)</u>
Diluted	<u>\$ (0.30)</u>	<u>\$ (0.34)</u>	<u>\$ (0.69)</u>	<u>\$ (0.83)</u>
Non-GAAP net income per share:				
Basic	<u>\$ 0.52</u>	<u>\$ 0.35</u>	<u>\$ 0.94</u>	<u>\$ 0.58</u>
Diluted	<u>\$ 0.52</u>	<u>\$ 0.34</u>	<u>\$ 0.92</u>	<u>\$ 0.56</u>
Shares used in computing GAAP net loss per share:				
Basic	<u>71,627</u>	<u>69,748</u>	<u>71,444</u>	<u>69,363</u>
Diluted	<u>71,627</u>	<u>69,748</u>	<u>71,444</u>	<u>69,363</u>
Shares used in computing non-GAAP net income per share:				
Basic	<u>71,627</u>	<u>69,748</u>	<u>71,444</u>	<u>69,363</u>
Diluted	<u>72,600</u>	<u>71,083</u>	<u>72,474</u>	<u>70,869</u>

Capital Expenditure and Free Cash Flow (Q1'21 - Q2'23)

\$ in Thousands					12 mo					12 mo		
	Q1'21	Q2'21	Q3'21	Q4'21	ended 12/31/2021	Q1'22	Q2'22	Q3'22	Q4'22	ended 12/31/2022	Q1'23	Q2'23
Net cash provided by operating activities	\$ 13,765	\$ 11,392	\$ (4,808)	\$ 8,649	\$ 28,998	\$ 28,724	\$ (3,125)	\$ 30,526	\$ 32,740	\$ 88,865	\$ 33,412	\$ 21,852
(Refer to cash flows from operating activities in cash flow stmt)												
Capital expenditure												
Purchases of property and equipment	8,229	11,248	9,001	13,738	42,216	12,398	22,076	11,554	6,244	52,272	9,928	6,714
(Refer to cash flows from investing activities in cash flow stmt)												
Equipment obtained under capital lease	—	—	—	—	—	—	—	—	—	—	—	—
(Refer to non-cash investing and financing activities in cash flow stmt)												
Capitalization of software development costs	—	—	—	—	—	569	823	1,028	1,479	3,899	1,806	1,759
Equipment purchased and unpaid at period-end:												
Beginning balance	7,491	7,515	7,818	13,705	7,491	13,871	22,365	16,141	13,372	13,871	12,332	8,310
Ending balance	7,515	7,818	13,705	13,871	13,871	22,365	16,141	13,372	12,332	12,332	8,310	5,849
(Refer to non-cash investing and financing activities in cash flow stmt)												
Change in equipment purchased and unpaid during period	24	303	5,887	166	6,380	8,494	(6,224)	(2,769)	(1,040)	(1,539)	(4,022)	(2,461)
Total capital expenditure	\$ 8,253	\$ 11,551	\$ 14,888	\$ 13,904	\$ 48,596	\$ 21,461	\$ 16,675	\$ 9,813	\$ 6,683	\$ 54,632	\$ 7,712	\$ 6,012
Free cash flow	\$ 5,536	\$ 144	\$ (13,809)	\$ (5,089)	\$ (13,218)	\$ 15,757	\$ (26,024)	\$ 17,944	\$ 25,017	\$ 32,694	\$ 21,678	\$ 13,379
(operating cash flow less capex paid in cash and capitalized software)												

Note 1: Revised original cash flow presentation to include restricted cash, which resulted in the following changes in net cash from operating activities from the originally reported disclosures: (1) Q4'21 changed from \$8,136K to \$8,649K; (2) FY22 changed from \$28,485k to \$28,998k; (3) Q2'22 changed from \$(3,103k) to \$(3,125k); and (4) Q3'22 changed from \$30,504k to \$30,526k.

GAAP to Non-GAAP Net Income (Loss) Reconciliation

Guidance⁽¹⁾

	Three Months Ended September 30, 2023		Twelve Months Ended December 31, 2023	
	Low	High	Low	High
GAAP net loss	\$ (29,086)	\$ (25,512)	\$ (107,060)	\$ (99,128)
Non-GAAP adjustments:				
Stock-based compensation ⁽²⁾	55,016	53,016	210,914	206,914
Intangibles amortization	2,884	2,884	11,459	11,459
Amortization of discount and issuance costs on convertible senior notes	954	954	4,189	4,189
Acquisition-related transaction costs and one-time integration costs ⁽³⁾	585	485	8,367	7,367
Exit costs related to closure and relocation of Russian operations	600	600	3,051	3,051
Income tax expense effects ⁽⁴⁾	—	—	—	—
Non-GAAP net income	\$ 30,953	\$ 32,427	\$ 130,920	\$ 133,852
GAAP net loss per share, basic and diluted	\$ (0.40)	\$ (0.35)	\$ (1.48)	\$ (1.37)
Non-GAAP net income per share:				
Basic	\$ 0.43	\$ 0.45	\$ 1.81	\$ 1.85
Diluted	\$ 0.42	\$ 0.44	\$ 1.79	\$ 1.83
Shares used in computing GAAP net loss per share and non-GAAP net income per share:				
Basic	72,400	72,400	72,200	72,200
Diluted	73,700	73,700	73,300	73,300

(1) Represents guidance discussed on 8/7/2023. Reader shall not construe presentation of this information after 8/7/2023 as an update or reaffirmation of such guidance.

(2) Stock-based compensation expense are based on a range of probable significance, assuming market price for our common stock that is approximately consistent with current levels.

(3) Acquisition-related transaction and one-time integration costs are based on a range of probable significance for pending acquisition.

(4) Non-GAAP adjustments do not have an impact on our federal income tax provision due to past non-GAAP losses, and state taxes are immaterial.

Thank You

