



# Investor Presentation

Winter 2025



# Forward-Looking Statements & Other Disclaimers

This presentation contains forward-looking statements within the meaning of within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “anticipate,” “believe,” “estimate,” “expect,” “goal,” “intend,” “likely,” “may,” “plan,” “project,” “seek,” “should,” “strategy,” “will,” and similar expressions. All statements other than statements of historical fact could be deemed forward looking, including, but not limited to, statements regarding our future performance, our market opportunity, and long term operating model. These forward-looking statements are based on our management’s current beliefs, expectations, and assumptions regarding future events and are therefore subject to a number of known and unknown risks, uncertainties, assumptions, and other factors that may cause actual results, performance, or achievements to differ materially from results expressed or implied in this presentation. Investors are cautioned not to place undue reliance on these statements. Among the factors that could cause actual results to differ materially from those indicated in the forward-looking statements are risks and uncertainties described from time to time in the Company’s filings with the Securities and Exchange Commission. All forward-looking statements are based on information and estimates available to the Company at the time of this presentation and are not guarantees of future performance. Except as required by law, we assume no obligation to update any of these forward-looking statements.

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on the Company’s internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. The Company has not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, the Company makes no representations as to the accuracy or completeness of that data nor does it undertake to update such data after the date of this presentation.

The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the platform and products of the Company or this proposed offering.

## Non-GAAP Financial Measures

This presentation includes certain financial measures not presented in accordance with generally accepted accounting principles in the United States (“GAAP”), including non-GAAP platform gross profit, non-GAAP platform gross margin, non-GAAP professional services and other gross profit margin, non-GAAP professional services and other gross profit margin, non-GAAP gross profit, non-GAAP gross margin, non-GAAP sales and marketing expenses, non-GAAP research and development expenses, non-GAAP general and administrative expenses, non-GAAP income (loss) from operations, non-GAAP operating margin, and non-GAAP operating margin expansion, which are used by management for financial and operational decision-making and as a means to assist in evaluating period-to-period comparisons. These non-GAAP financial measures have certain limitations and should be considered in addition to, not as a substitute for or in isolation from, financial measures prepared in accordance with GAAP. Any non-GAAP financial measure as defined by the Company may not be comparable to similar non-GAAP financial measures presented by other companies. Presentation of such financial measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that the Company’s future results will be unaffected by other unusual or non-recurring items. A reconciliation is provided elsewhere in this presentation for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with GAAP. Please refer to pages pages 31-47 for definitions and a reconciliation of non-GAAP metrics to the nearest GAAP figure.



# ServiceTitan Q3'FY25 Highlights

**\$199.3M**

Q3'FY25 Total Revenue

**24%**

Q3'FY25 YoY Revenue  
Growth

**\$17.8B**

Q3'FY25 GTV

**20%**

Q3'FY25 YoY GTV  
Growth

**26%**

Q3'FY25 YoY Platform  
Revenue Growth

**>110%**

Q3'FY25 Net Dollar  
Retention Rate

**77%**

Q3'FY25 Non-GAAP  
Platform Gross Margin

**1%**

Q3'FY25 Non-GAAP  
Operating Margin





# The Operating System that **Powers the Trades**

# **BORN IN THE TRADES, *BUILT FOR THE TRADES***



**We are maniacally focused on the success of our customers**

# Investment Highlights

**1** Massive, Durable Market

---

**2** Platform Leadership

---

**3** Expanding Moat

---

**4** Multiple Growth Vectors

---

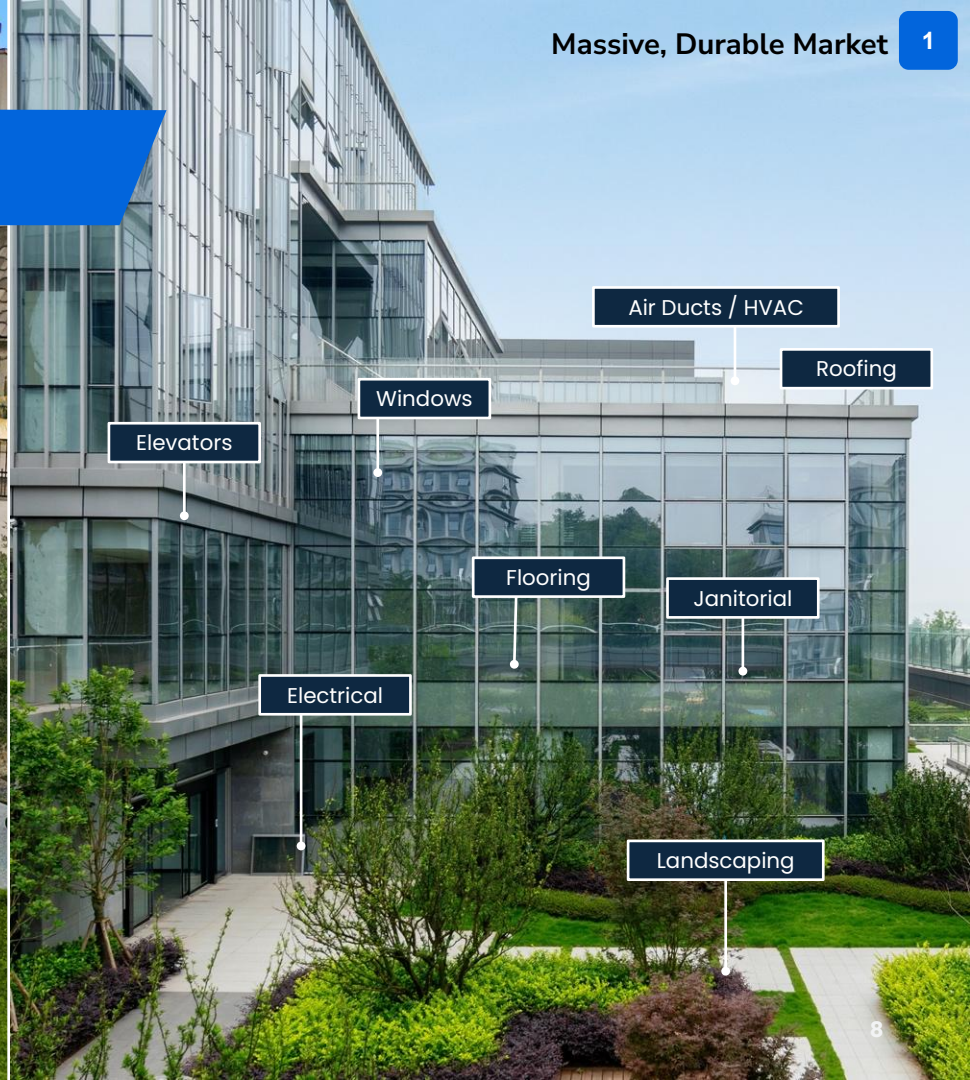
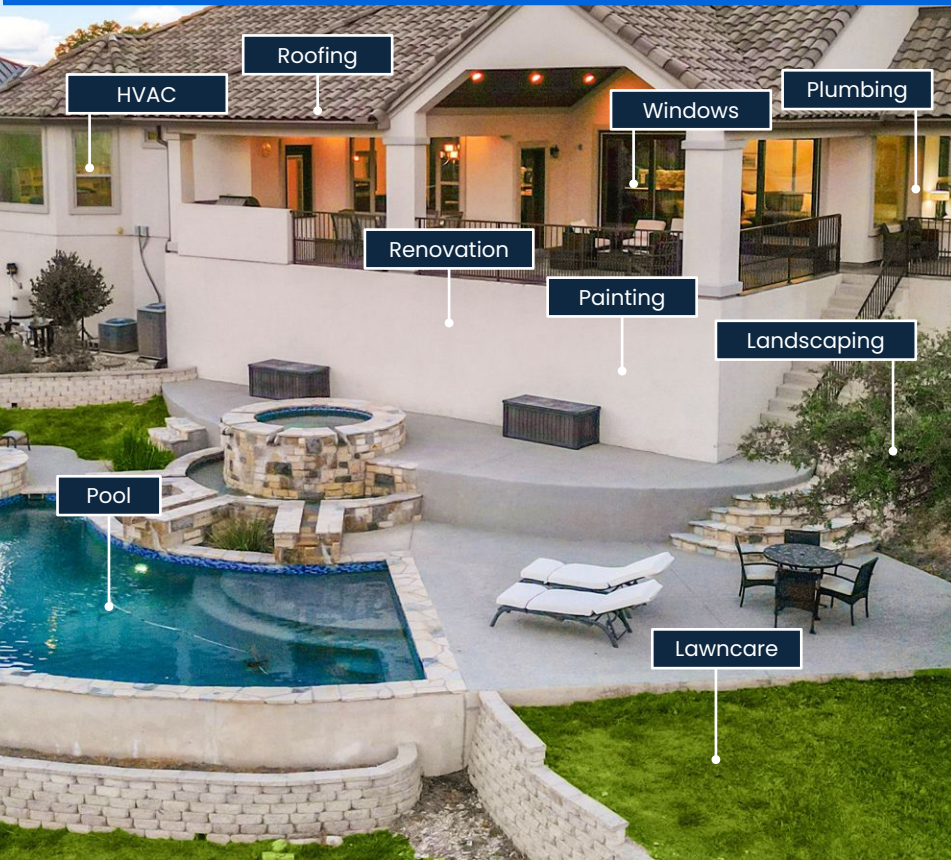
**5** Efficient Operating Model





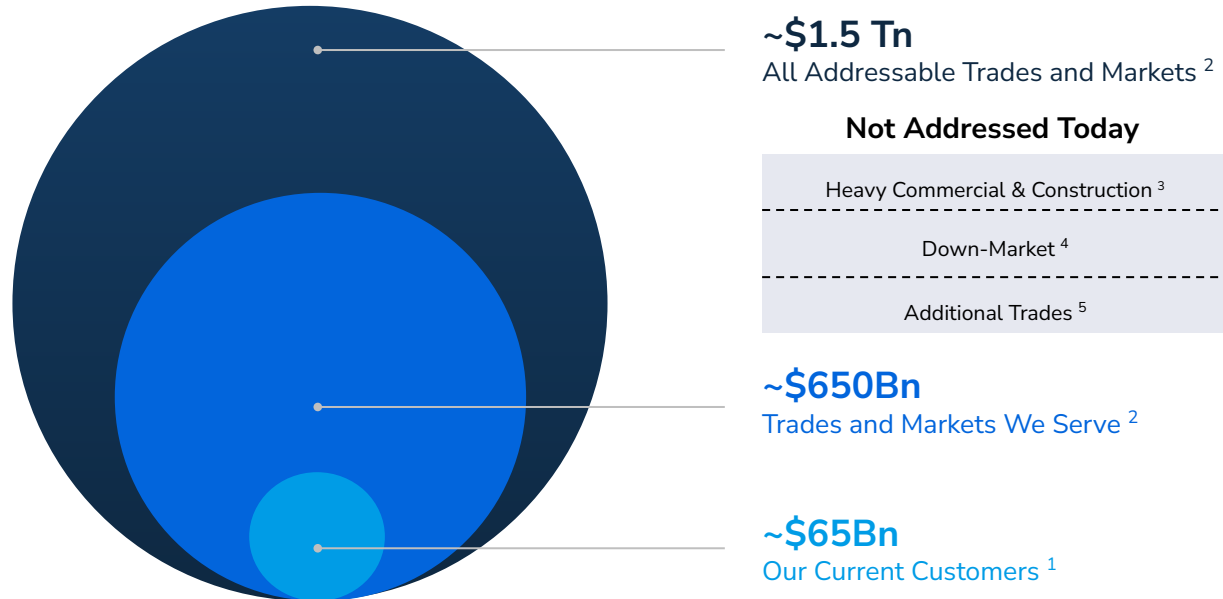
Massive, Durable Market

# The Trades Keep Society Running



# We Address ~\$650Bn of the Trades Industry Spend

## Approximate Revenue Generated by Trades Businesses (GTV):



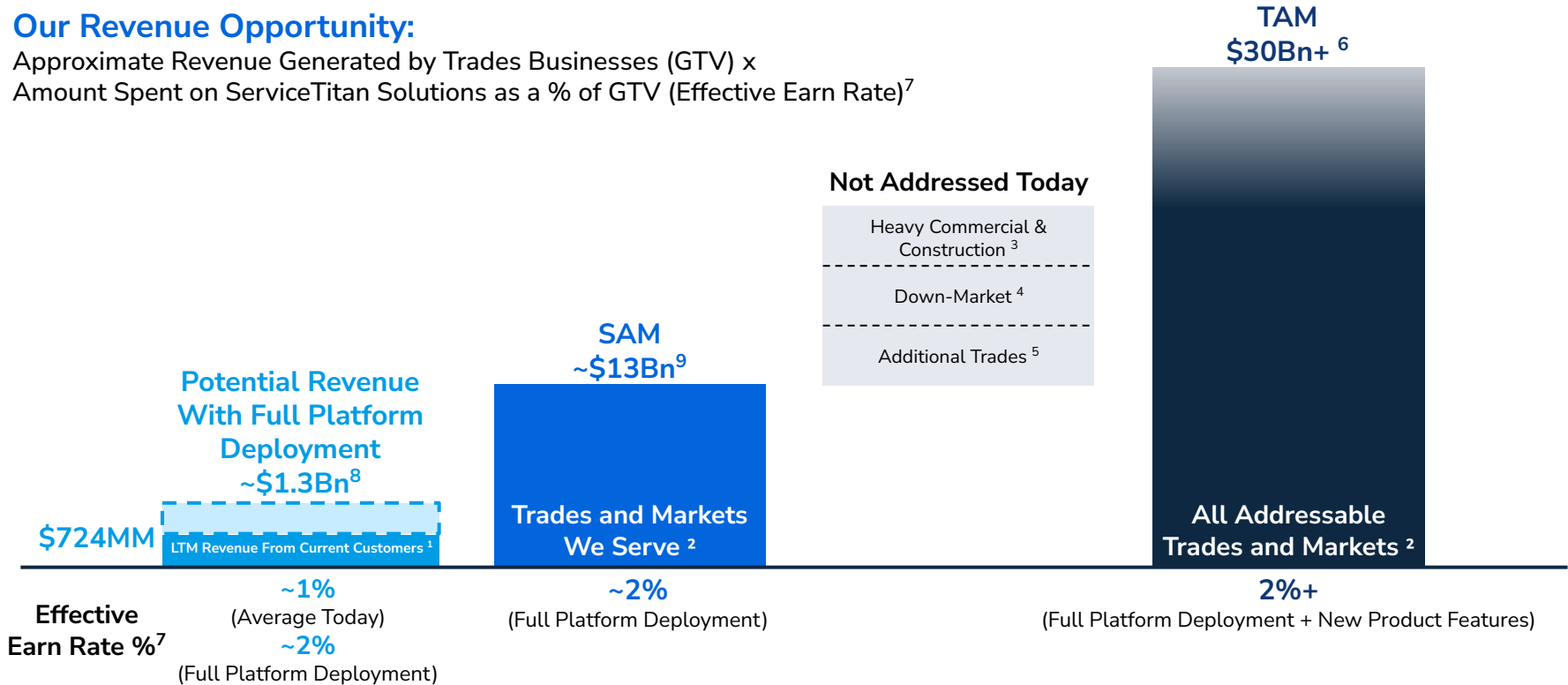
1. GTV for the last 12 months from the end of Q3'FY25. 2. Per IBISWorld Inc. Industry Reports covering over 50 trades in the U.S., published between December 2020 and March 2023; U.S. Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW) by NAICS report as of Q1 2022; and internal ServiceTitan estimates based on analyses of both internal and third-party data. Please refer to pages 31-33 for definitions and methodologies. 3. Represents our estimate of the segments or proportions of segments of commercial and construction that are not currently supported by ServiceTitan. 4. Down-market refers to businesses with less than 5 technicians. 5. Represents trades not currently serviced by ServiceTitan.



# We Have a Substantial Revenue Opportunity in our Current SAM and TAM

## Our Revenue Opportunity:

Approximate Revenue Generated by Trades Businesses (GTV) x  
Amount Spent on ServiceTitan Solutions as a % of GTV (Effective Earn Rate)<sup>7</sup>



1. \$724MM represents Q3FY25 LTM Revenue. 2. Per IBISWorld Inc. Industry Reports covering over 50 trades in the U.S., published between December 2020 and March 2023; U.S. Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW) by NAICS report as of Q1 2022; and internal ServiceTitan estimates based on analyses of both internal and third-party data. Please refer to pages 31-33 for definitions and methodologies. 3. Represents our estimate of the segments or proportions of segments of commercial and construction that are not currently supported by ServiceTitan. 4. Down-market refers to businesses with less than 5 technicians. 5. Represents trades not currently serviced by ServiceTitan. 6. Represents the revenue opportunity from our customers' full subscription to our suite of FinTech offerings and Pro products ("Full Platform Deployment") and new product features (~2% or more Effective Earn Rate) by all customers across the \$15Tn TAM. 7. Based on our current suite of products, we capture on average approximately 1% of our customers' GTV as revenue. We estimate that we could capture up to approximately 2% of our customers' GTV as revenue with Full Platform Deployment. 8. Represents the revenue opportunity with Full Platform Deployment by all customers across \$65Bn GTV for the last 12 months from the end of Q3FY25. 9. Represents the revenue opportunity of Full Platform Deployment (~2% Effective Earn Rate) across the ~\$65Bn SAM.





# Platform Leadership & Moat

# Our Platform Helps Our Customers Widen the Top of the Funnel and Accelerate Progress Through the Funnel

**Residential**

**Commercial**

**Win More Business**

Lead Targeting  
Marketing Optimization

**Lead Generation  
Book Job**

Estimate Efficiently  
Create Proposals

**Operate Efficiently**

Smart Dispatching  
Field Quote Creation

**Dispatch Tech(s)  
Perform Job**

Project, Job, Equipment Info  
Purchasing/Inventory

**Maximize Cash Flow**

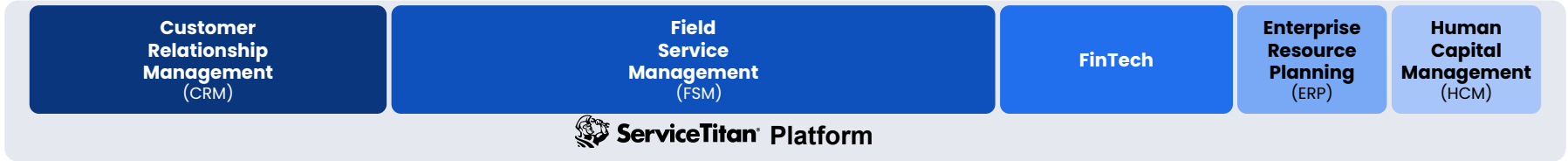
Payment Processing  
Invoice Automation

**Invoice  
Payment**

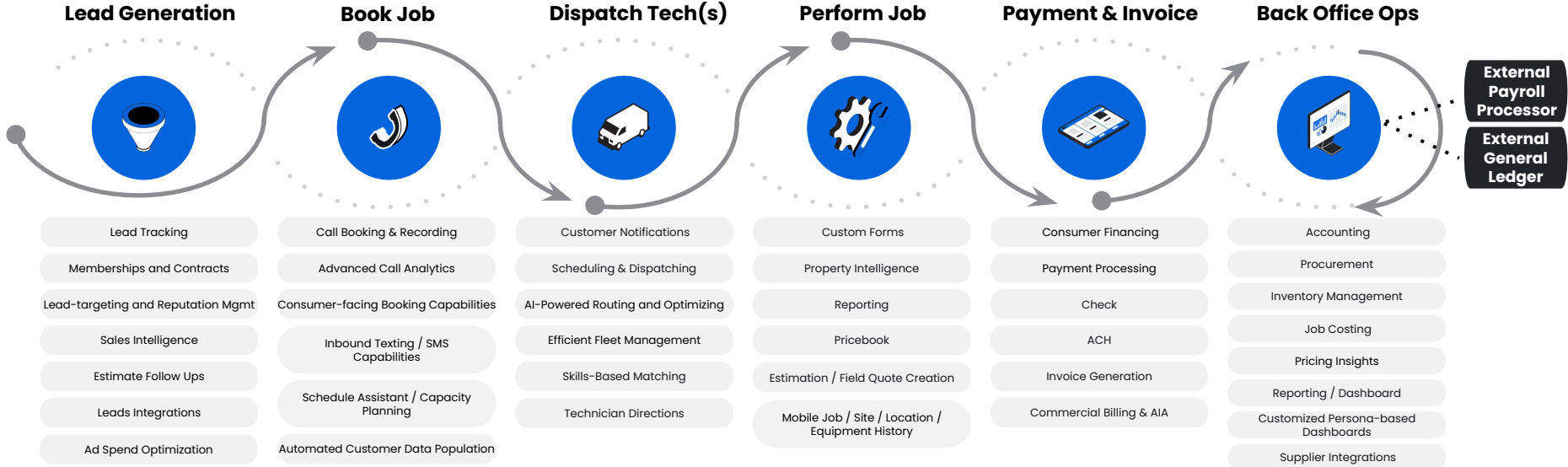
Customized Statements  
Job Costing



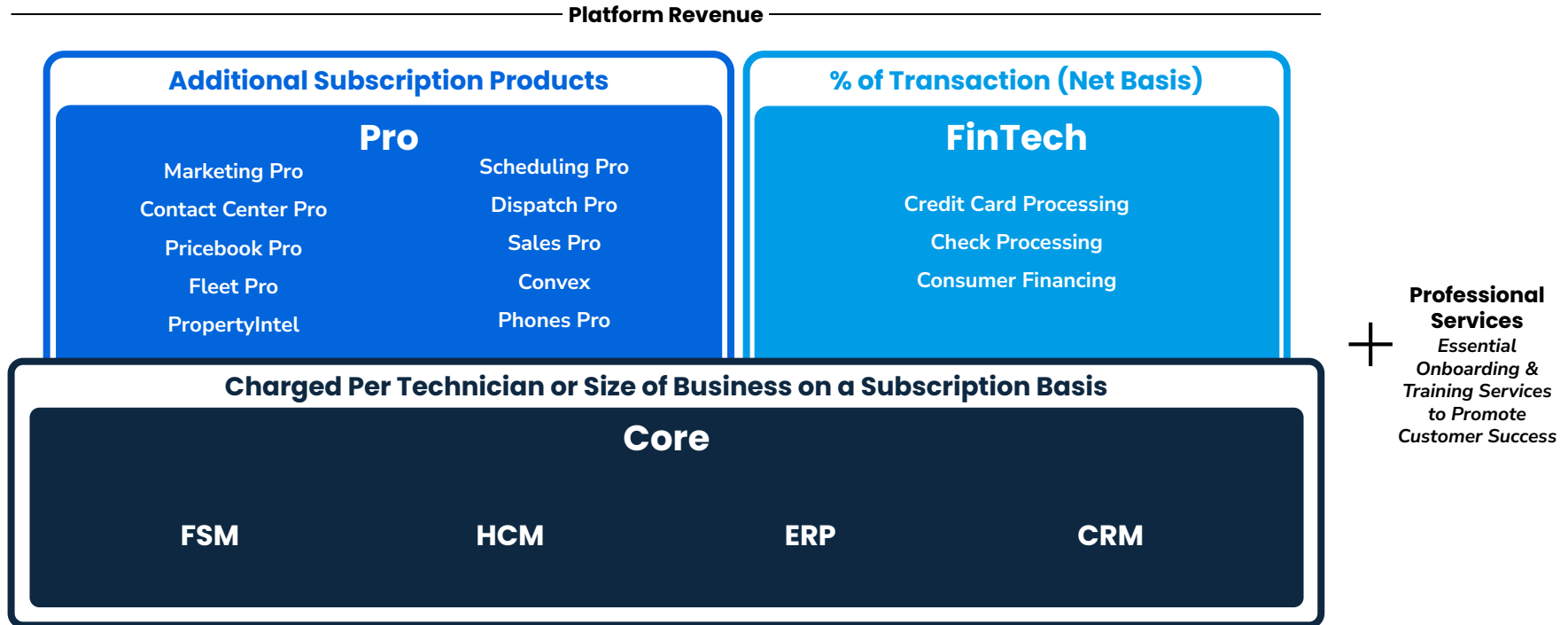
# We Solve Key Workflows with Our Full-Service Platform



## Workflows We Address



# Every Customer Starts with Our Core Product, and We Have Several High-ROI Add-On Products



**95%+ of Our Revenue is Platform Revenue <sup>1</sup>**

1. For the quarter ended Q3'FY25



# We Sit At the Center of the Trades Ecosystem



# We Empower Some of the Largest Players in the Industry



**>8,000**  
Active Customers <sup>1</sup>

**>1,000**  
Customers > \$100K Annualized Billings <sup>1</sup>

**>50%**  
Total Annualized Billings from Customers > \$100K Annualized Billings <sup>1</sup>

## Trends in the Industry

### PE Consolidation of Trades Contractors

- Benefits ServiceTitan as they standardize on our platform
- Pulls us into new trades

### Large Getting Larger

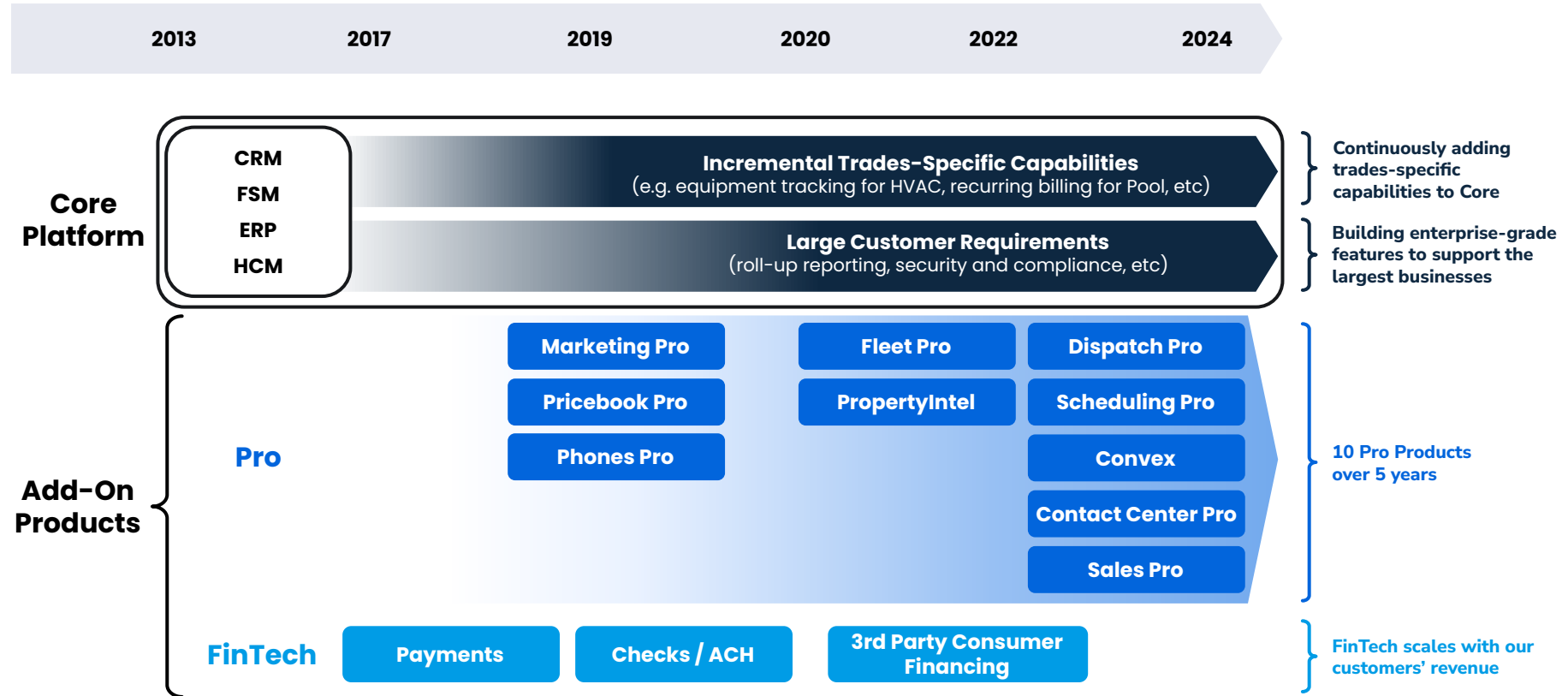
- Increasing # of locations, technicians
- Benefits ServiceTitan because we charge per technician

<sup>1</sup>. As of January 31, 2024. Please refer to pages 31-33 for definitions and methodologies.

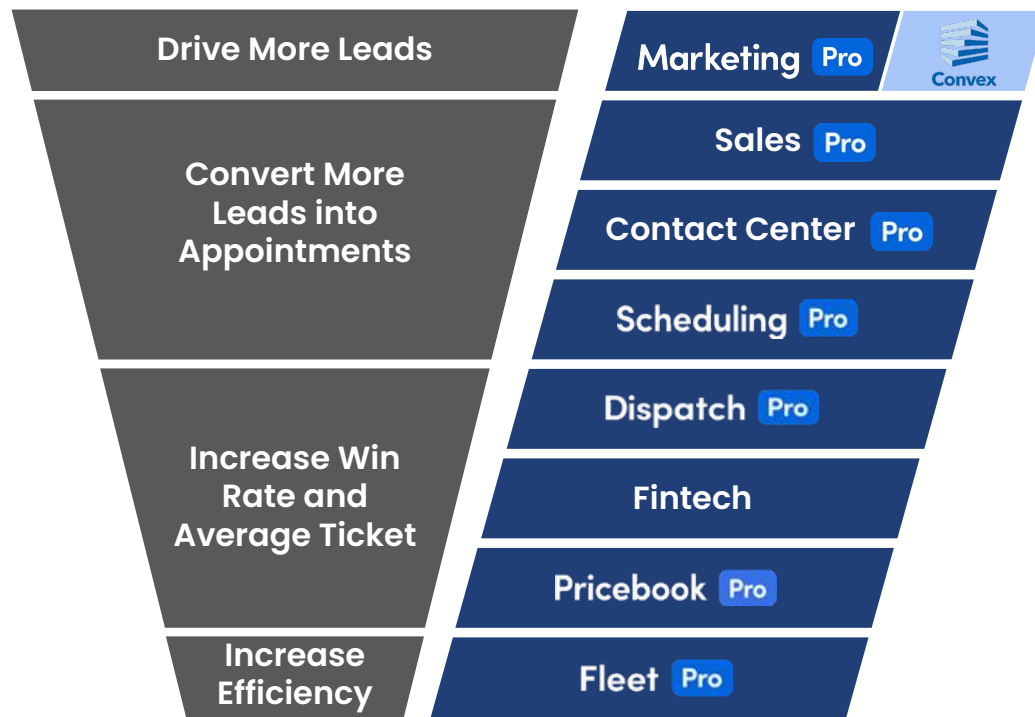
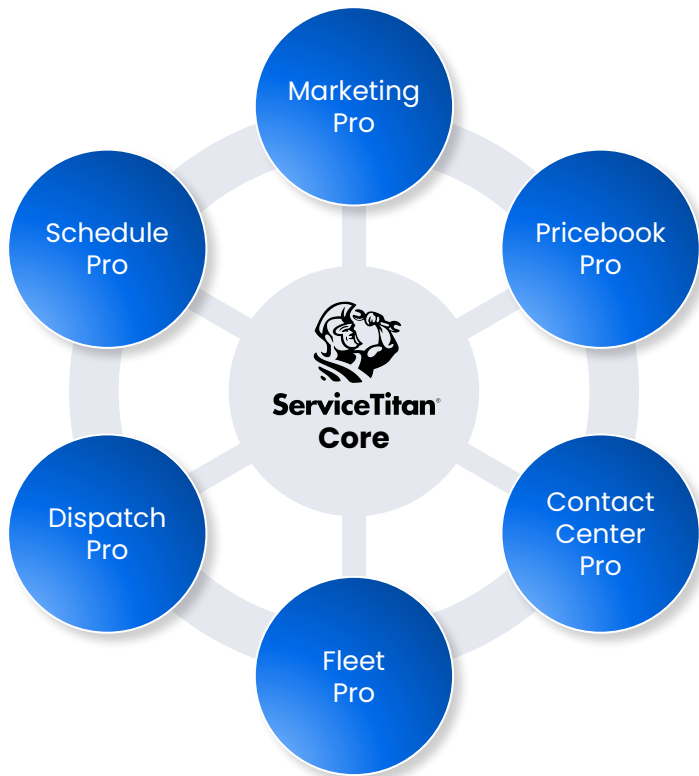


# Multiple Vectors for Growth

# We Have Consistently Added Capabilities and Products That Are Increasingly Hard to Replicate



# The Magic is in the Integration



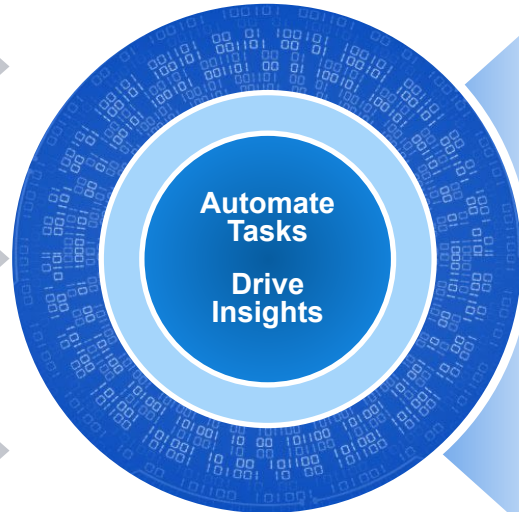
# Our AI Capabilities Drive Significant ROI and Monetization

## 3 Pillars of Our AI Strategy

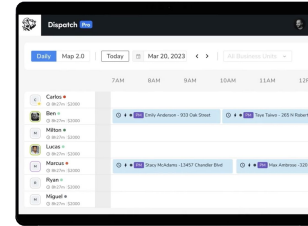
Proprietary Data

End-to-End Platform

Common Customers with Common Workflows

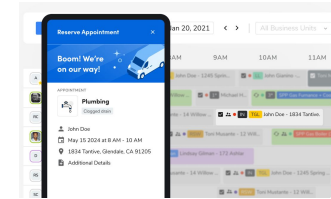


**Titan Intelligence**



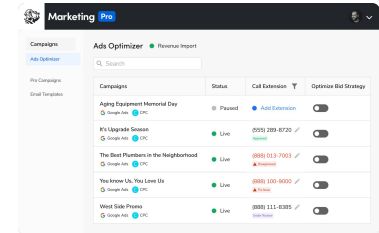
### Dispatch Pro

Analyzes technician skill, sales performance, and proximity to the job to maximize profit



### Scheduling Pro

Leverages customer data and analytics to demonstrate real-time availability



### Marketing Pro

Utilizes Ads Optimizer to increase ROI and lower cost-per-lead

**Increasing Customer ROI Through Automation**



# Our Go to Market Engine is Tailored to Grow Efficiently

## Acquire

### Inbound

- High Velocity
- Marketing-Driven
- Referrals
- Community evangelism

### Outbound

- Targeted

**Strategic Partners and  
Private Equity Networks**

## Activate

**Investment to promote success  
on platform**

**Wall-to-wall core deployment**

**Required for every customer**

**Adoption of FinTech offerings**

## Expand

**Increase number of techs**

**Price increases**

**Dedicated Pro product sales  
team to attach**

**Purposeful introduction of  
add-on products**





# Efficient Operating Model

# Efficient and Scalable Operating Model

## Gross Margin

- Less customer support as customers have longer tenure on the platform
- High margin profile of Pro & FinTech products
- Improvements in efficiency through R&D investments

**~77%**  
Q3'FY25 Non-GAAP  
Platform Gross Margin

## Unit Economics

- >110% Net Dollar Retention Rate <sup>1</sup>
- High incremental margin from Pro and FinTech

**21 Months**  
CAC Payback Period <sup>2</sup>

## OpEx

- Disciplined investment approach
- Team and infrastructure in place to support next phase of growth

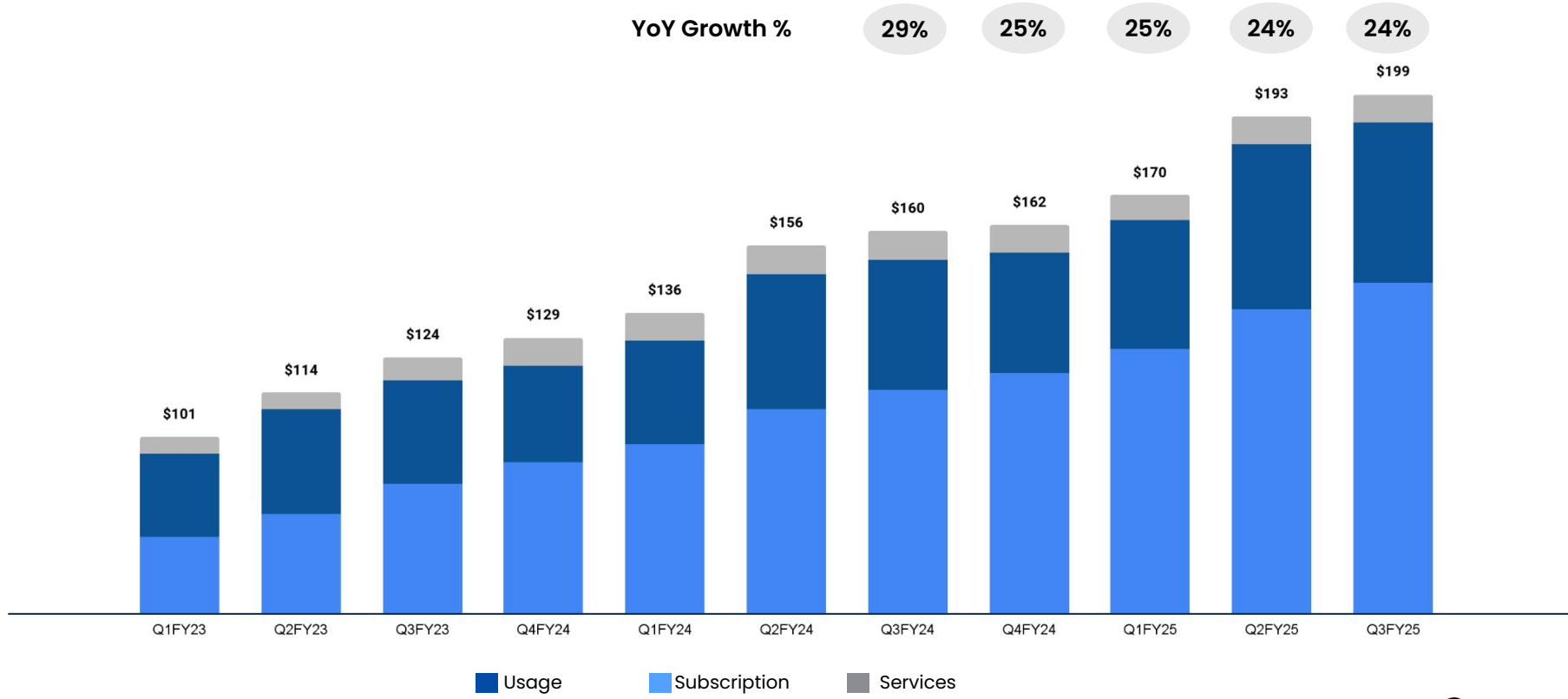
**~3.5%**  
YoY Non-GAAP Op Margin  
Expansion in Q3'FY25 <sup>3</sup>

1. For the quarter ended Q3'FY25. 2. Data range from Q4'FY23 through Q3'FY25; includes professional services. 3. Represents the last 12 months from the end of Q3'FY25.  
Note: Please refer to pages 31-47 for definitions and a reconciliation of non-GAAP metrics to the nearest GAAP figure and other metrics referenced on this page.



# Strong Annual Total Revenue Growth

In \$MM

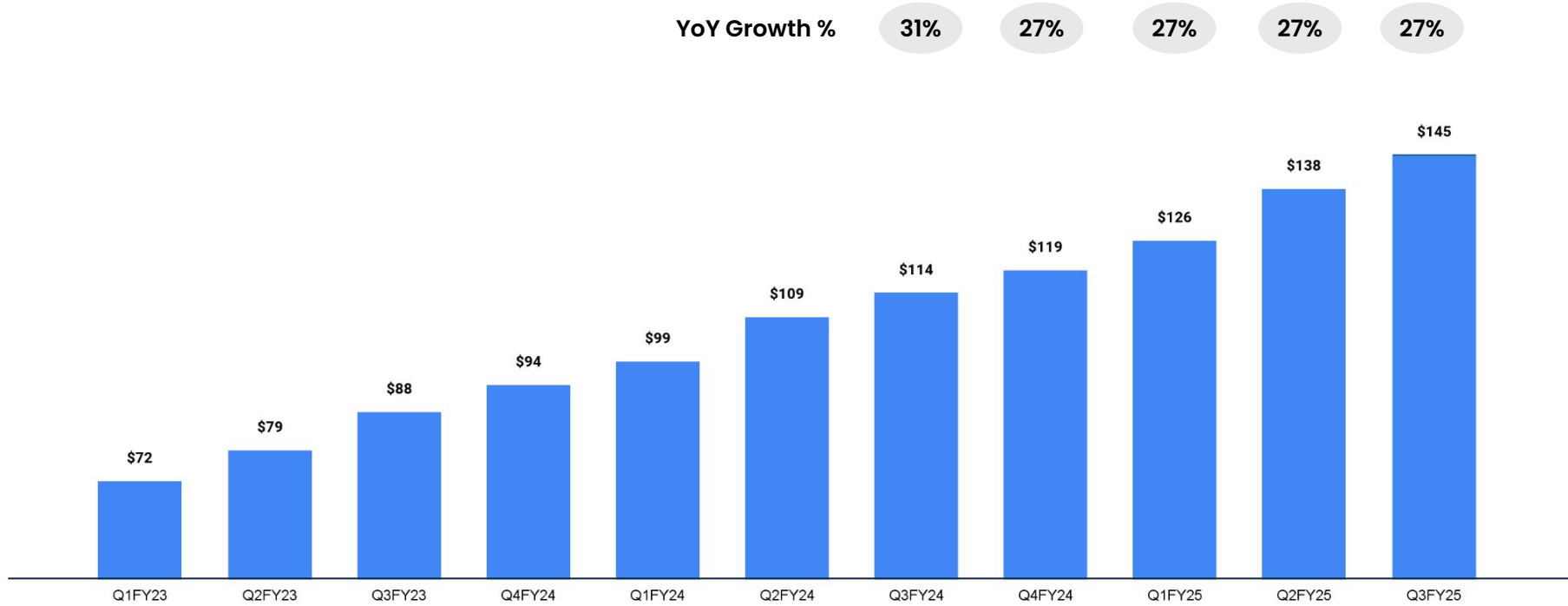


Note: Please refer to pages 31-33 for definitions and methodologies.



# Consistent Subscription Revenue Growth

In \$MM

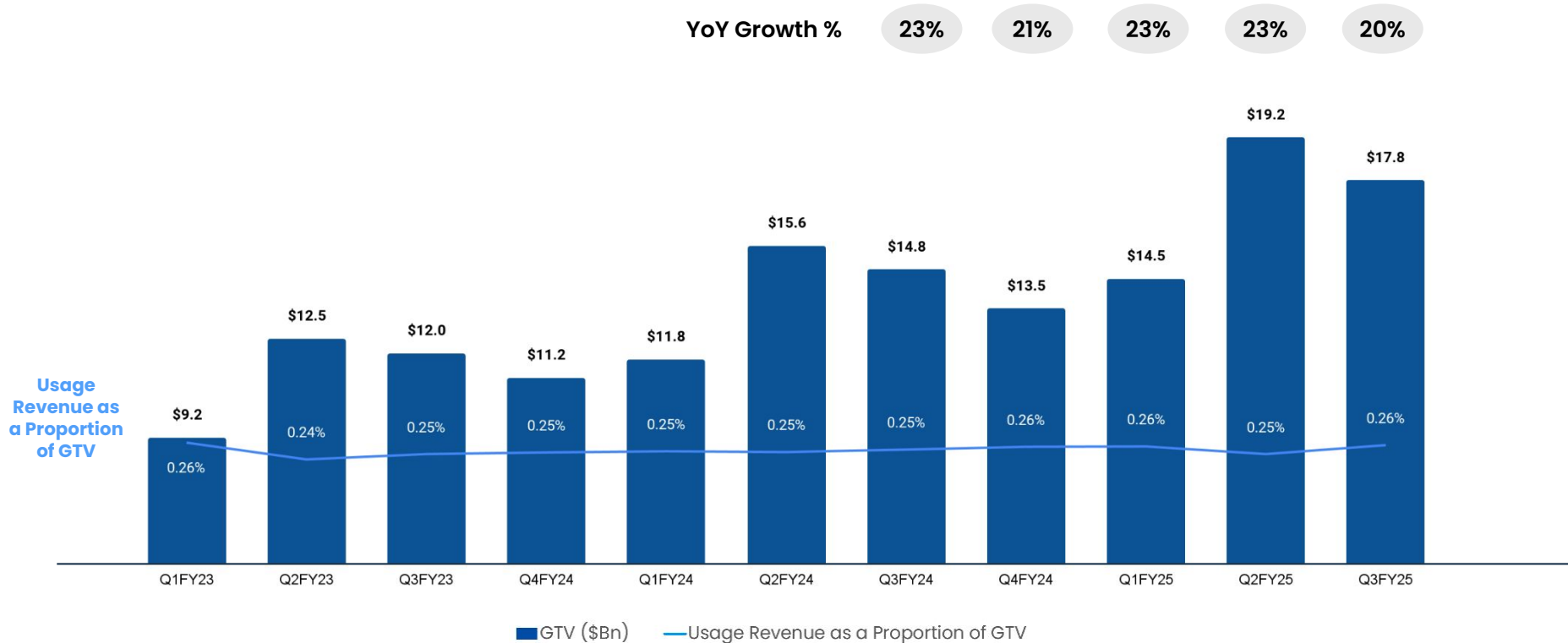


Note: Please refer to pages 31-33 for definitions and methodologies.



# Steady YoY GTV Growth With Seasonal Impact in Q2

## Steady Usage Revenue as a % of GTV



Note: Please refer to pages 31-33 for definitions and methodologies.



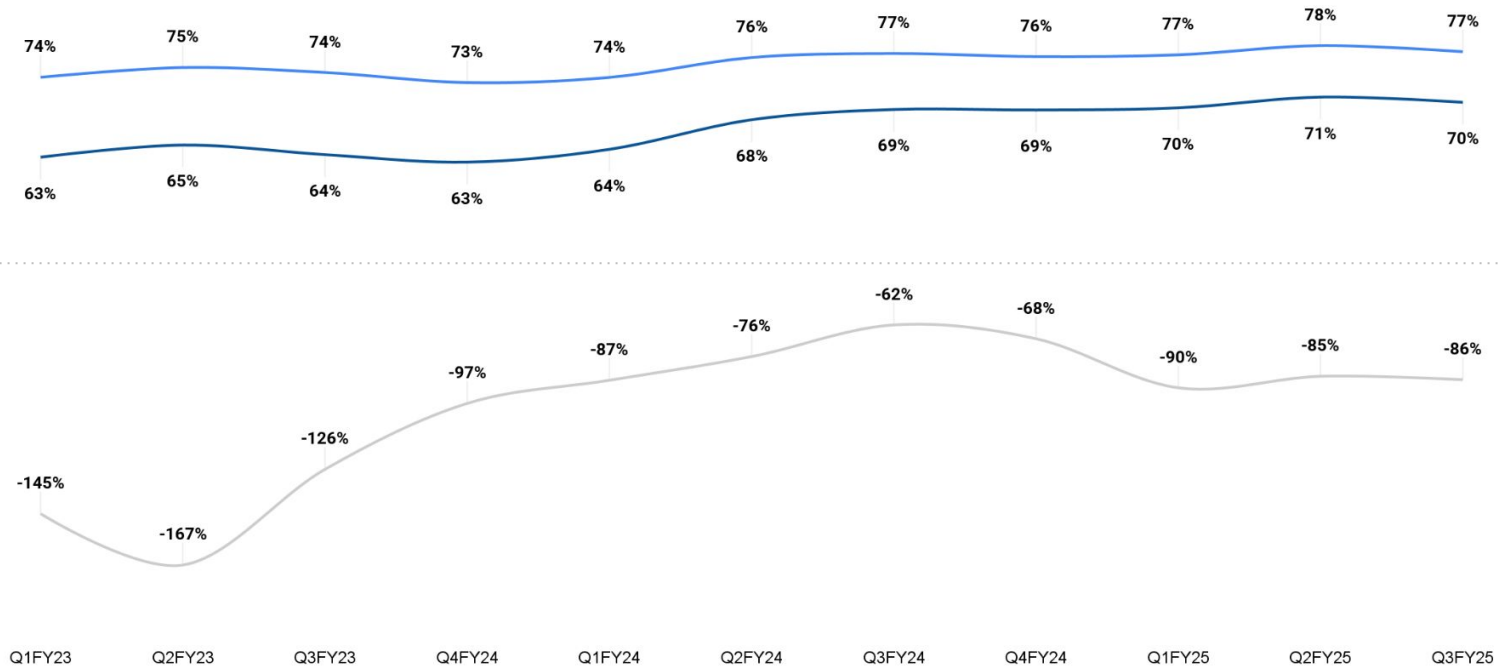
# Expanding Overall Gross Margins as Platform Revenue Grows Faster than Services Revenue

**Non-GAAP  
Platform  
Gross Margin**

**Total  
Non-GAAP  
Gross Margin**

0%

**Non-GAAP  
Professional  
Services and  
Other  
Gross Margin**

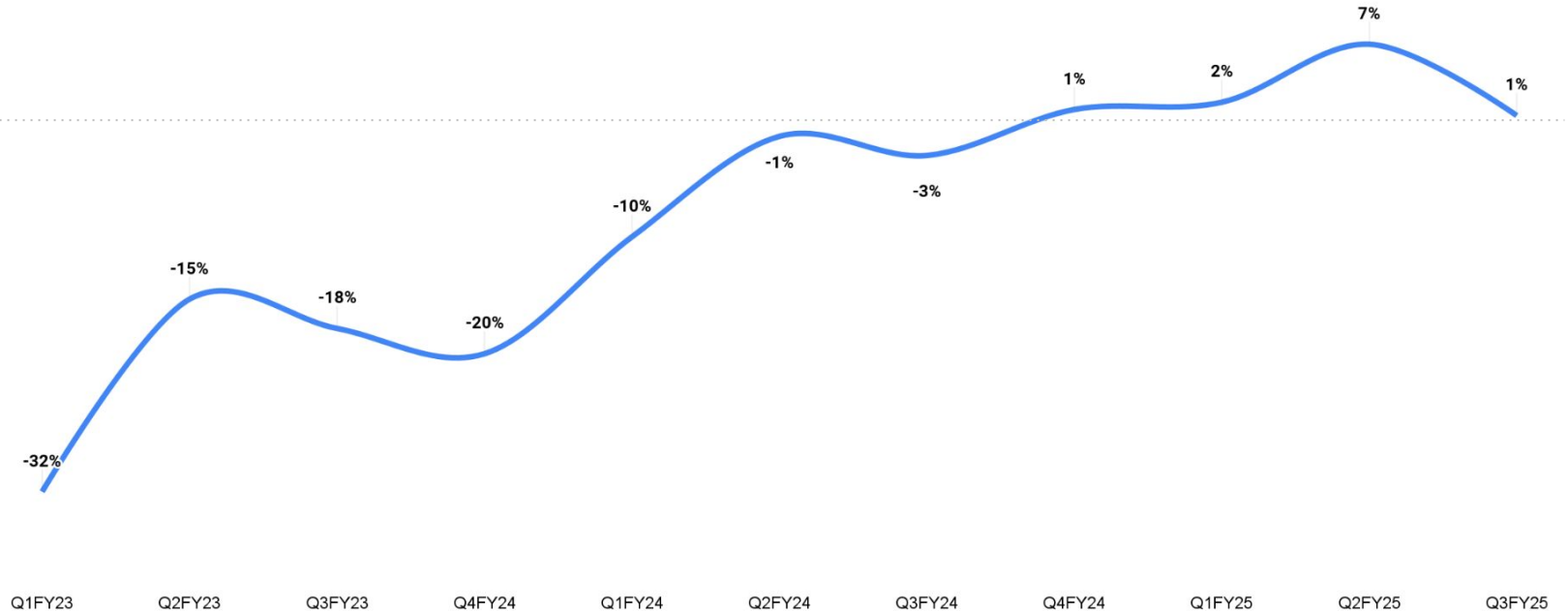


Note: Please refer to pages 31-47 for definitions and a reconciliation of non-GAAP metrics to the nearest GAAP figure.



# Consistent Non-GAAP Operating Margin Expansion

Non-GAAP Operating Margin (%)



Note: Please refer to pages 31-47 for definitions and a reconciliation of non-GAAP metrics to the nearest GAAP figure.



# Long Term Non-GAAP Target Operating Model

	FY2024	Q3'FY25	Long Term
<b>Non-GAAP Gross Margin (%)</b>	68%	70%	~75%
<b>Non-GAAP Sales &amp; Marketing (% of Rev.)</b>	28%	28%	18-20%
<b>Non-GAAP Research &amp; Development (% of Rev.)</b>	27%	27%	20-22%
<b>Non-GAAP General &amp; Administrative (% of Rev.)</b>	15%	14%	~10%
<b>Non-GAAP Operating Margin (%)</b>	(3%)	1%	~25%

Note: All years referenced are Fiscal Year. The forward looking long term non-GAAP targets stated on this page reflect our current operating plan as of January 10, 2025 and are subject to change as future events and opportunities arise. Please refer to pages 31-47 for definitions and a reconciliation of non-GAAP metrics to the nearest GAAP figure.





# Appendix

# Definitions

## Active Customers

We define a customer as a parent organization, which may have multiple locations, brands or subsidiaries, that has been billed in the prior three months. Active Customers are customers with over \$10,000 of Annualized Billings.

## Annualized Billings

We define Annualized Billings for a given quarter as the annualized value of the quarterly amount invoiced for our Core and Pro products, net of reserves, and the quarterly revenue recognized for our FinTech products. Contracts for our platform solutions range from monthly to multi-year. While monthly subscribers as a group have historically maintained or increased their subscriptions over time, there is no guarantee that any particular customer on a monthly subscription will renew its subscription in any given month, and therefore the calculation of Annualized Billings for these monthly subscriptions may not accurately reflect revenue to be received over a 12-month period from such customers. There may be seasonal fluctuations in Annualized Billings as a result of heightened demand for our customers during peak times. Annualized Billings should be viewed independently of, and not as a replacement for, revenue and does not represent our revenue on an annualized basis.

## Gross Dollar Retention Rate

To calculate our gross dollar retention rate as of a given quarter, we first calculate Annualized Billings from the cohort of all customers billed in the same quarter in the prior year, or the prior period Annualized Billings. We then identify the value of Annualized Billings from any customers whose billings were zero in the current period (excluding the impact of one-time credits), which we refer to as churn. We then divide (a) the prior period Annualized Billings minus churn by (b) the prior period Annualized Billings to calculate the gross dollar retention rate.

## Gross Transaction Volume

Gross Transaction Volume ("GTV") represents the sum of total dollars invoiced by our customers to end customers through the ServiceTitan platform in a given period, which is intended to be a proxy for the total revenue our customers generate from end customers.

## Net Dollar Retention Rate

Our net dollar retention rate measures the increase in Annualized Billings across our existing customer base by comparing the Annualized Billings from the same set of customers across comparable periods. To calculate our net dollar retention rate as of a given quarter, we first calculate Annualized Billings from the cohort of all customers billed in the same quarter in the prior year, or the prior period Annualized Billings. We then calculate Annualized Billings from these same customers as of the current quarter, or the current period Annualized Billings. Current period Annualized Billings includes the effect of any expansion, contraction or churn over the trailing 12 months. We divide (a) current period Annualized Billings by (b) prior period Annualized Billings to arrive at the net dollar retention rate. When calculating net dollar retention, we do not include the billings from any customers that were acquired as the result of our acquisition of a business until the completion of the first full quarter following the one-year anniversary of the acquisition.

## Subscription Revenue

Revenue generated from access to and use of the ServiceTitan platform, including subscriptions to the Core and certain Pro products.

## Usage-based Revenue

Revenue generated from transactions using FinTech solutions and usage of certain Pro products.

## Platform Revenue

Revenue generated through (a) Subscription Revenue (b) Usage-based Revenue.



# Definitions (Cont'd)

## **Non-GAAP Gross Profit**

Non-GAAP gross profit represents GAAP gross profit, excluding stock-based compensation expense and related employer payroll taxes, amortization of acquired intangible assets, restructuring charges, loss on operating lease assets and acquisition-related items.

## **Non-GAAP Gross Margin**

Non-GAAP gross margin represents non-GAAP gross profit as a percentage of revenue.

## **Non-GAAP Platform Gross Profit**

Non-GAAP platform gross profit represents GAAP platform gross profit, excluding stock-based compensation expense and related employer payroll taxes, amortization of acquired intangible assets, restructuring charges, loss on operating lease assets and acquisition-related items.

## **Non-GAAP Platform Gross Margin**

Non-GAAP platform gross margin represents non-GAAP platform gross profit as a percentage of platform revenue.

## **Non-GAAP Professional Services and Other Gross Margin**

Non-GAAP professional services and other gross margin represents non-GAAP professional services and other gross profit as a percentage of professional services and other revenue.

## **Non-GAAP Sales and Marketing Expenses**

Non-GAAP sales and marketing expenses represents GAAP sales and marketing expenses, excluding stock-based compensation expense and related employer payroll taxes, amortization of acquired intangible assets, restructuring charges, loss on operating lease assets and acquisition-related items.

## **Non-GAAP Research and Development Expenses**

Non-GAAP research and development expenses represents GAAP research and development expenses, excluding stock-based compensation expense and related employer payroll taxes, amortization of acquired intangible assets, restructuring charges, loss on operating lease assets and acquisition-related items.

## **Non-GAAP General and Administrative Expenses**

Non-GAAP general and administrative expenses represents GAAP general and administrative expenses, excluding stock-based compensation expense and related employer payroll taxes, amortization of acquired intangible assets, restructuring charges, loss on operating lease assets and acquisition-related items.

## **Non-GAAP Income (Loss) From Operations**

Non-GAAP income (loss) from operations represents GAAP income (loss) from operations, excluding stock-based compensation expense and related employer payroll taxes, amortization of acquired intangible assets, restructuring charges, acquisition-related costs, loss on operating lease assets, and write-off of deferred offering costs.



# Definitions (Cont'd)

## Non-GAAP Operating Margin

Non-GAAP operating margin represents GAAP operating margin, excluding stock-based compensation expense and related employer payroll taxes, amortization of acquired intangible assets, restructuring charges, acquisition-related costs, loss on operating lease assets, and write-off of deferred offering costs.

## Non-GAAP Operating Margin Expansion

Total increase in Non-GAAP operating margin over the period presented.

## Addressable U.S./Canada Trades Industry Spend (All Addressable Trades and Markets)

Addressable U.S./Canada Trades Industry Spend refers to our estimate of the combined total annual spend on over 50 different trades in the U.S. and Canada using data published between December 2020 and March 2023. U.S. trades industry spend is calculated by taking the annual revenue generated for each such trade in the U.S. according to the most recent full-year actual data in each applicable IBISWorld Inc. report, mapping those trades by the NAICS codes utilized by ServiceTitan and by internal ServiceTitan estimates based on analyses of both internal and third-party data (including the 2021 data on HVAC expenditures in the Improving America's Housing 2023 report by the Harvard Joint Center for Housing Studies), and eliminating any deprioritized business segment focuses (e.g., government). Canadian trades industry spend is estimated by multiplying the U.S. trades industry spend by the approximate percentage that Canadian GDP represents of U.S. GDP in 2023.

## Serviceable U.S./Canada Trades Industry Spend (Trades and Markets We Serve)

Serviceable U.S./Canada Trades Industry Spend is calculated by reducing the total annual spend on each trade that comprises the Addressable U.S./Canada Trades Industry Spend figure based on our estimate of the proportion of any trade not currently serviced or supported by ServiceTitan, and further reduced based on our estimate of the proportion of any segment of a trade (e.g., residential construction, commercial construction) not currently serviced or supported by ServiceTitan, and further reduced by deducting a proportion of businesses with fewer than five employees. Such employee data is derived from the BLS Quarterly Census of Employment and Wages as of Q1 2022.

## ServiceTitan Serviceable Market Opportunity

ServiceTitan Serviceable Market Opportunity is calculated by multiplying the Serviceable U.S./Canada Trades Industry Spend by 2%, which is the aggregate percentage of our customers' GTV that we estimate we could capture if each customer subscribed to all of our offerings (i.e. Core, Pro and FinTech products) based on our historical customer data.

## Customer Acquisition Costs (CAC)

Includes up-front sales and marketing costs to acquire the customer and costs of implementation services to complete onboarding.

## CAC Payback Period

CAC payback period represents the Customer Acquisition Costs for the trailing four quarters divided by the non-GAAP platform gross margin for the trailing four quarters minus the non-GAAP platform gross profit for the prior four quarters, multiplied by 12 to arrive at the CAC Payback Period in months.



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
(In Thousands)											
<b>GAAP Platform Gross Profit</b>	<b>\$ 64,789</b>	<b>\$ 75,465</b>	<b>\$ 80,257</b>	<b>\$ 82,091</b>	<b>\$ 87,090</b>	<b>\$ 105,141</b>	<b>\$ 109,619</b>	<b>\$ 110,135</b>	<b>\$ 115,468</b>	<b>\$ 135,761</b>	<b>\$ 138,986</b>
Stock-based compensation expense and related employer payroll taxes	808	980	1,284	1,132	950	2,012	1,399	1,333	1,142	1,385	1,634
Amortization of acquired intangible assets	5,161	5,161	5,502	5,502	5,502	5,502	5,502	5,338	5,303	5,533	5,533
Acquisition-related items	92	-	-	-	-	-	-	-	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	798	2,828	1,373	1,189
Restructuring charges	-	-	-	-	1,135	25	-	57	386	-	-
<b>Non-GAAP Platform Gross Profit</b>	<b>\$ 70,850</b>	<b>\$ 81,606</b>	<b>\$ 87,043</b>	<b>\$ 88,725</b>	<b>\$ 94,677</b>	<b>\$ 112,680</b>	<b>\$ 116,520</b>	<b>\$ 117,661</b>	<b>\$ 125,127</b>	<b>\$ 144,052</b>	<b>\$ 147,342</b>



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
<b>GAAP Platform Gross Margin</b>	<b>67%</b>	<b>69%</b>	<b>69%</b>	<b>68%</b>	<b>68%</b>	<b>71%</b>	<b>72%</b>	<b>72%</b>	<b>71%</b>	<b>73%</b>	<b>73%</b>
Stock-based compensation expense and related employer payroll taxes	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Amortization of acquired intangible assets	5%	5%	5%	5%	4%	4%	4%	3%	3%	3%	3%
Acquisition-related items	-	-	-	-	-	-	-	-	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	1%	2%	1%	1%
Restructuring charges	-	-	-	-	1%	-	-	-	-	-	-
<b>Non-GAAP Platform Gross Margin</b>	<b>74%</b>	<b>75%</b>	<b>74%</b>	<b>73%</b>	<b>74%</b>	<b>76%</b>	<b>77%</b>	<b>76%</b>	<b>77%</b>	<b>78%</b>	<b>77%</b>

\* Percentages may not foot due to rounding



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
(In Thousands)											
<b>GAAP Professional Services and Other Gross Profit</b>	<b>\$ (8,017)</b>	<b>\$ (8,932)</b>	<b>\$ (10,423)</b>	<b>\$ (9,206)</b>	<b>\$ (10,160)</b>	<b>\$ (8,421)</b>	<b>\$ (6,851)</b>	<b>\$ (9,923)</b>	<b>\$ (9,488)</b>	<b>\$ (8,935)</b>	<b>\$ (9,041)</b>
Stock-based compensation:	696	814	1,572	1,030	873	1,461	1,102	988	869	1,137	1,159
Restructuring	-	-	-	-	1,850	119	-	212	129	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	347	1,318	675	563
Amortization of acquired intangible assets	150	150	484	484	484	484	484	3,032	784	334	334
Acquisition-related items	166	-	-	-	-	-	-	-	-	-	-
<b>Non-GAAP Professional Services and Other Gross Profit</b>	<b>\$ (7,005)</b>	<b>\$ (7,968)</b>	<b>\$ (8,367)</b>	<b>\$ (7,692)</b>	<b>\$ (6,953)</b>	<b>\$ (6,357)</b>	<b>\$ (5,265)</b>	<b>\$ (5,344)</b>	<b>\$ (6,388)</b>	<b>\$ (6,789)</b>	<b>\$ (6,985)</b>



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
<b>GAAP Professional Services and Other Gross Profit Margin</b>	<b>-166%</b>	<b>-188%</b>	<b>-156%</b>	<b>-116%</b>	<b>-127%</b>	<b>-101%</b>	<b>-81%</b>	<b>-127%</b>	<b>-134%</b>	<b>-112%</b>	<b>-112%</b>
Stock-based compensation:	14%	17%	24%	13%	11%	18%	13%	13%	12%	14%	14%
Restructuring	-	-	-	-	23%	1%	-	3%	2%	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	4%	19%	8%	7%
Amortization of acquired intangible assets	3%	3%	7%	6%	6%	6%	6%	39%	11%	4%	4%
Acquisition-related items	3%	-	-	-	-	-	-	-	-	-	-
<b>Non-GAAP Professional Services and Other Gross Profit Margin</b>	<b>-145%</b>	<b>-167%</b>	<b>-126%</b>	<b>-97%</b>	<b>-87%</b>	<b>-76%</b>	<b>-62%</b>	<b>-68%</b>	<b>-90%</b>	<b>-85%</b>	<b>-86%</b>

\* Percentages may not foot due to rounding



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
(In Thousands)											
<b>GAAP Gross Profit</b>	<b>\$ 56,772</b>	<b>\$ 66,533</b>	<b>\$ 69,834</b>	<b>\$ 72,885</b>	<b>\$ 76,930</b>	<b>\$ 96,720</b>	<b>\$ 102,768</b>	<b>\$ 100,212</b>	<b>\$ 105,980</b>	<b>\$ 126,826</b>	<b>\$ 129,945</b>
Stock-based compensation expense and related employer payroll taxes	1,504	1,794	2,856	2,162	1,823	3,473	2,501	2,321	2,011	2,522	2,793
Amortization of acquired intangible assets	5,311	5,311	5,986	5,986	5,986	5,986	5,986	8,370	6,087	5,867	5,867
Acquisition-related items	258	-	-	-	-	-	-	-	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	1,145	4,146	2,048	1,752
Restructuring charges	-	-	-	-	2,985	144	-	269	515	-	-
<b>Non-GAAP Gross Profit</b>	<b>\$ 63,845</b>	<b>\$ 73,638</b>	<b>\$ 78,676</b>	<b>\$ 81,033</b>	<b>\$ 87,724</b>	<b>\$ 106,323</b>	<b>\$ 111,255</b>	<b>\$ 112,317</b>	<b>\$ 118,739</b>	<b>\$ 137,263</b>	<b>\$ 140,357</b>



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
<b>GAAP Gross Margin</b>	<b>56%</b>	<b>59%</b>	<b>56%</b>	<b>56%</b>	<b>56%</b>	<b>62%</b>	<b>64%</b>	<b>62%</b>	<b>62%</b>	<b>66%</b>	<b>65%</b>
Stock-based compensation expense and related employer payroll taxes	1%	2%	2%	2%	1%	2%	2%	1%	1%	1%	1%
Amortization of acquired intangible assets	5%	5%	5%	5%	4%	4%	4%	5%	4%	3%	3%
Acquisition-related items	-	-	-	-	-	-	-	-	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	1%	2%	1%	1%
Restructuring charges	-	-	-	-	2%	-	-	-	-	-	-
<b>Non-GAAP Gross Margin</b>	<b>63%</b>	<b>65%</b>	<b>64%</b>	<b>63%</b>	<b>64%</b>	<b>68%</b>	<b>69%</b>	<b>69%</b>	<b>70%</b>	<b>71%</b>	<b>70%</b>

\* Percentages may not foot due to rounding



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
(In Thousands)											
<b>GAAP Sales and Marketing Expenses</b>	<b>\$ 50,353</b>	<b>\$ 43,568</b>	<b>\$ 50,877</b>	<b>\$ 51,977</b>	<b>\$ 50,410</b>	<b>\$ 52,798</b>	<b>\$ 60,097</b>	<b>\$ 56,689</b>	<b>\$ 57,601</b>	<b>\$ 58,218</b>	<b>\$ 67,795</b>
Stock-based compensation expense and related employer payroll taxes	(2,880)	(3,319)	(3,794)	(3,886)	(3,282)	(6,604)	(4,419)	(7,028)	(3,575)	(4,069)	(4,132)
Amortization of acquired intangible assets	(5,483)	(5,459)	(5,940)	(5,882)	(5,883)	(5,603)	(5,547)	(5,456)	(5,450)	(5,606)	(5,606)
Acquisition-related items	(594)	-	-	-	-	-	-	-	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	(980)	(3,649)	(1,784)	(1,467)
Restructuring charges	-	-	-	-	(1,626)	(21)	-	(27)	(292)	-	-
<b>Non-GAAP Sales and Marketing Expenses</b>	<b>\$ 41,396</b>	<b>\$ 34,790</b>	<b>\$ 41,143</b>	<b>\$ 42,209</b>	<b>\$ 39,619</b>	<b>\$ 40,570</b>	<b>\$ 50,131</b>	<b>\$ 43,198</b>	<b>\$ 44,635</b>	<b>\$ 46,759</b>	<b>\$ 56,590</b>



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
<b>GAAP Sales and Marketing Expenses (% of Revenue)</b>	<b>50%</b>	<b>38%</b>	<b>41%</b>	<b>40%</b>	<b>37%</b>	<b>34%</b>	<b>38%</b>	<b>35%</b>	<b>34%</b>	<b>30%</b>	<b>34%</b>
Stock-based compensation expense and related employer payroll taxes	-3%	-3%	-3%	-3%	-2%	-4%	-3%	-4%	-2%	-2%	-2%
Amortization of acquired intangible assets	-5%	-5%	-5%	-5%	-4%	-4%	-3%	-3%	-3%	-3%	-3%
Acquisition-related items	-1%	-	-	-	-	-	-	-	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	-1%	-2%	-1%	-1%
Restructuring charges	-	-	-	-	-1%	-	-	-	-	-	-
<b>Non-GAAP Sales and Marketing Expenses (% of Revenue)</b>	<b>41%</b>	<b>31%</b>	<b>33%</b>	<b>33%</b>	<b>29%</b>	<b>26%</b>	<b>31%</b>	<b>27%</b>	<b>26%</b>	<b>24%</b>	<b>28%</b>

\* Percentages may not foot due to rounding



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
(In Thousands)											
<b>GAAP Research and Development Expenses</b>	<b>\$35,526</b>	<b>\$37,610</b>	<b>\$41,348</b>	<b>\$44,386</b>	<b>\$45,701</b>	<b>\$54,319</b>	<b>\$49,094</b>	<b>\$54,420</b>	<b>\$58,613</b>	<b>\$62,449</b>	<b>\$65,935</b>
Stock-based compensation expense and related employer payroll taxes	(4,224)	(4,925)	(5,874)	(6,516)	(5,965)	(11,437)	(7,621)	(9,385)	(7,758)	(9,851)	(10,451)
Amortization of acquired intangible assets	-	-	-	-	-	-	-	-	-	-	-
Acquisition-related items	(761)	-	-	-	-	-	-	-	-	(250)	-
Loss on operating lease assets	-	-	-	-	-	-	-	(1,007)	(3,478)	(1,765)	(1,468)
Restructuring charges	-	-	-	-	(1,411)	(7)	-	(128)	(991)	-	-
<b>Non-GAAP Research and Development Expenses</b>	<b>\$30,541</b>	<b>\$32,685</b>	<b>\$35,474</b>	<b>\$37,870</b>	<b>\$38,325</b>	<b>\$42,875</b>	<b>\$41,473</b>	<b>\$43,900</b>	<b>\$46,386</b>	<b>\$50,583</b>	<b>\$54,016</b>



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
<b>GAAP Research and Development Expenses (% of Revenue)</b>	<b>35%</b>	<b>33%</b>	<b>33%</b>	<b>34%</b>	<b>33%</b>	<b>35%</b>	<b>31%</b>	<b>34%</b>	<b>34%</b>	<b>32%</b>	<b>33%</b>
Stock-based compensation expense and related employer payroll taxes	-4%	-4%	-5%	-5%	-4%	-7%	-5%	-6%	-5%	-5%	-5%
Amortization of acquired intangible assets	-	-	-	-	-	-	-	-	-	-	-
Acquisition-related items	-1%	-	-	-	-	-	-	-	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	-1%	-2%	-1%	-1%
Restructuring charges	-	-	-	-	-1%	-	-	-	-1%	-	-
<b>Non-GAAP Research and Development Expenses (% of Revenue)</b>	<b>30%</b>	<b>29%</b>	<b>29%</b>	<b>29%</b>	<b>28%</b>	<b>27%</b>	<b>26%</b>	<b>27%</b>	<b>27%</b>	<b>26%</b>	<b>27%</b>

\* Percentages may not foot due to rounding



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
(In Thousands)											
<b>GAAP General and Administrative Expenses</b>	<b>\$ 32,683</b>	<b>\$ 30,920</b>	<b>\$ 30,619</b>	<b>\$ 38,013</b>	<b>\$ 30,157</b>	<b>\$ 38,892</b>	<b>\$ 29,723</b>	<b>\$ 37,194</b>	<b>\$ 43,194</b>	<b>\$ 38,769</b>	<b>\$ 40,263</b>
Stock-based compensation expense and related employer payroll taxes	(3,697)	(5,247)	(6,274)	(5,623)	(6,554)	(14,370)	(5,789)	(12,460)	(7,228)	(7,964)	(8,408)
Acquisition-related items	(4,882)	(2,289)	(375)	(103)	887	(4)	10	199	(2,054)	127	(6)
Loss on operating lease assets	-	-	-	-	-	-	-	(1,725)	(8,808)	(4,490)	(3,660)
Restructuring charges	-	-	-	-	(1,402)	(47)	-	(115)	(698)	-	-
Write-off of deferred offering costs	-	-	-	(5,563)	-	-	-	-	-	-	-
<b>Non-GAAP General and Administrative Expenses</b>	<b>\$ 24,104</b>	<b>\$ 23,384</b>	<b>\$ 23,970</b>	<b>\$ 26,724</b>	<b>\$ 23,088</b>	<b>\$ 24,471</b>	<b>\$ 23,944</b>	<b>\$ 23,093</b>	<b>\$ 24,406</b>	<b>\$ 26,442</b>	<b>\$ 28,189</b>



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
<b>GAAP General and Administrative Expenses (% of Revenue)</b>	<b>32%</b>	<b>27%</b>	<b>25%</b>	<b>29%</b>	<b>22%</b>	<b>25%</b>	<b>19%</b>	<b>23%</b>	<b>25%</b>	<b>20%</b>	<b>20%</b>
Stock-based compensation expense and related employer payroll taxes	-4%	-5%	-5%	-4%	-5%	-9%	-4%	-8%	-4%	-4%	-4%
Acquisition-related items	-5%	-2%	-	-	1%	-	-	-	-1%	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	-1%	-5%	-2%	-2%
Restructuring charges	-	-	-	-	-1%	-	-	-	-	-	-
Write-off of deferred offering costs	-	-	-	-4%	-	-	-	-	-	-	-
<b>Non-GAAP General and Administrative Expenses (% of Revenue)</b>	<b>24%</b>	<b>21%</b>	<b>19%</b>	<b>21%</b>	<b>17%</b>	<b>16%</b>	<b>15%</b>	<b>14%</b>	<b>14%</b>	<b>14%</b>	<b>14%</b>

\* Percentages may not foot due to rounding



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25
(In Thousands)											
<b>GAAP Income (Loss) From Operations</b>	<b>\$ (61,790)</b>	<b>\$ (45,565)</b>	<b>\$ (53,010)</b>	<b>\$ (61,491)</b>	<b>\$ (49,338)</b>	<b>\$ (49,289)</b>	<b>\$ (36,146)</b>	<b>\$ (48,091)</b>	<b>\$ (53,428)</b>	<b>\$ (32,610)</b>	<b>\$ (44,048)</b>
Stock-based compensation expense and related employer payroll taxes	12,305	15,285	18,798	18,187	17,624	35,884	20,330	31,194	20,572	24,406	25,784
Amortization of acquired intangible assets	10,794	10,770	11,926	11,868	11,869	11,589	11,533	13,826	11,537	11,473	11,473
Acquisition-related items	6,495	2,289	375	103	(887)	4	(10)	(199)	2,054	123	6
Loss on operating lease assets	-	-	-	-	-	-	-	4,857	20,081	10,087	8,347
Restructuring charges	-	-	-	-	7,424	219	-	539	2,496	-	-
Write-off of deferred offering costs	-	-	-	5,563	-	-	-	-	-	-	-
<b>Non-GAAP Income (Loss) From Operations</b>	<b>\$ (32,196)</b>	<b>\$ (17,221)</b>	<b>\$ (21,911)</b>	<b>\$ (25,770)</b>	<b>\$ (13,308)</b>	<b>\$ (1,593)</b>	<b>\$ (4,293)</b>	<b>\$ 2,126</b>	<b>\$ 3,312</b>	<b>\$ 13,479</b>	<b>\$ 1,562</b>



# GAAP to Non-GAAP Reconciliation

Fiscal Period	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24	Q2 FY'24	Q3 FY'24	Q4 FY'24	Q1 FY'25	Q2 FY'25	Q3 FY'25	LTM
<b>GAAP Operating Margin</b>	<b>-61%</b>	<b>-40%</b>	<b>-43%</b>	<b>-47%</b>	<b>-36%</b>	<b>-32%</b>	<b>-23%</b>	<b>-30%</b>	<b>-31%</b>	<b>-17%</b>	<b>-22%</b>	<b>-25%</b>
Stock-based compensation expense and related employer payroll taxes	12%	13%	15%	14%	13%	23%	13%	19%	12%	13%	13%	14%
Amortization of acquired intangible assets	11%	9%	10%	9%	9%	7%	7%	9%	7%	6%	6%	7%
Acquisition-related items	6%	2%	-	-	-1%	-	-	-	1%	-	-	-
Loss on operating lease assets	-	-	-	-	-	-	-	3%	12%	5%	4%	6%
Restructuring charges	-	-	-	-	5%	-	-	-	1%	-	-	-
Write-off of deferred offering costs	-	-	-	4%	-	-	-	-	-	-	-	-
<b>Non-GAAP Operating Margin</b>	<b>-32%</b>	<b>-15%</b>	<b>-18%</b>	<b>-20%</b>	<b>-10%</b>	<b>-1%</b>	<b>-3%</b>	<b>1%</b>	<b>2%</b>	<b>7%</b>	<b>1%</b>	<b>3%</b>

\* Percentages may not foot due to rounding

