



PROS Holdings, Inc. Q2 2025 Investor Presentation

Updated July 31, 2025

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Disclaimer / Forward-Looking Statements



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about our financial outlook; expectations; ability to achieve future growth and profitability goals; ability to achieve "Rule of 40"; management's confidence and optimism; positioning; customer successes; demand for our software solutions; pipeline; business expansion; revenue; subscription revenue; subscription ARR; non-GAAP earnings (loss) per share; adjusted EBITDA; free cash flow; shares outstanding and effective tax rate. The forward-looking statements contained in this presentation are based upon our historical performance and our current plans, estimates and expectations and are not a representation that such plans, estimates or expectations will be achieved. Factors that could cause actual results to differ materially from those described herein include, among others, risks related to: (a) cyberattacks, data breaches and breaches of security measures within our products, systems and infrastructure or products, systems and infrastructure of third parties upon whom we rely, (b) the macroeconomic environment and geopolitical uncertainty and events, (c) increasing business from customers, maintaining subscription renewal rates and capturing customer IT spend, (d) managing our growth and profit objectives effectively, (e) disruptions from our third party data center, software, data, and other unrelated service providers, (f) implementing our solutions, (g) cloud operations, (h) intellectual property and third-party software, (i) acquiring and integrating businesses and/or technologies, (j) catastrophic events, (k) operating globally, including economic and commercial disruptions, (l) potential downturns in sales and lengthy sales cycles, (m) software innovation, (n) competition, (o) market acceptance of our software innovations, (p) maintaining our corporate culture, (q) personnel risks including loss of any key employees and competition for talent, (r) expanding and training our direct and indirect sales force, (s) evolving data privacy, cyber security and data localization laws, (t) the rapid adoption, evolution, and understanding of AI, (u) our debt repayment obligations, (v) the timing of revenue recognition and cash flow from operations, and (w) returning to profitability. Additional information relating to the risks and uncertainties affecting our business is contained in our filings with the SEC. These forward-looking statements represent our expectations as of the date hereof. Subsequent events may cause these expectations to change, and PROS disclaims any obligations to update or alter these forward-looking statements in the future, whether as a result of new information, future events or otherwise.

This presentation includes certain supplemental non-GAAP financial measures, that we believe are useful to investors as tools for assessing the comparability between periods as well as company by company. Our computation of these measures may not be comparable to other similarly titled measures computed by other companies. These non-GAAP financial measures should be considered in addition to, but not as a substitute for, our financial information and results prepared in accordance with U.S. GAAP included in our periodic filings made with the SEC.

Investors are encouraged to review the reconciliation of our historical non-GAAP financial measures to the comparable GAAP results, which can be found, along with other financial information, on the investor relations' page of our website at [PROS.com](https://pros.com). We are unable to reconcile forward-looking non-GAAP financial measures to their directly comparable GAAP financial measures because the information needed to complete a reconciliation is unavailable at this time without unreasonable effort.

PROS at a Glance



\$343mm

Total Revenue
Q2 '25 TTM



12%

Subscription Revenue Growth
Q2 '25 TTM



85%

Recurring Revenue as a %
of Q2 '25 TTM Total Revenue



\$29mm⁺

Free Cash Flow¹ Q2 '25 TTM
25% Improvement YoY



\$38B⁺

Underpenetrated,
Addressable Market



93%⁺

Customer Gross Revenue
Retention Rate Q2 '25 TTM



80⁺

Countries with Customers



4.5T⁺

Transactions Processed
Q2 '25 TTM, Up 12% YoY

1. For definitions of non-GAAP measures or reconciliation of GAAP to non-GAAP measures, please refer to the appendix of this presentation.

Business Overview

Businesses Face Many Challenges Today



Business uncertainty
is here to stay.

Everything is in a **constant state of rapid change** – costs, currencies, supply chains, prices, demand patterns – and in response, businesses must constantly change what they sell, how they sell, and how they price.

Customers have
increasingly higher
expectations.

Buyers expect every buying experience to be as magical as the best one they have ever had (“the Amazon effect”). Self-serve, transparency, and accuracy driven by **convenience**, **value**, and **confidence** across all touchpoints.

The way we work is
evolving.

Manual business processes and disconnected digital tools cause more time to be spent on process than on driving business forward. **Digitization**, **automation**, and **AI** are critical for keeping up and driving a better employee experience.

to optimize *every* shopping
and selling experience.

The PROS Platform Powers Intelligent Commerce



Revenue
Management

Digital
Marketing

Pricing

Sales

Finance

IT

MANY INDUSTRIES INCLUDING

Manufacturing

Distribution

Services

Airlines

THE PROS PLATFORM



PLAN

Analyze market signals and define your commercial strategy.



MARKET

Create and capture more demand with dynamic digital offers.



OFFER

Create optimized product and price combinations to win business.



WIN

Deliver winning offers to any channel to drive conversion.



Revenue Management



Offer Marketing



Pricing



Selling

AI at the Core

Proprietary AI Model Library — Predictive, Prescriptive, Generative and Agentic — Extensible, Transparent and Explainable

Data Advantaged

Interoperable — Faster Integrations
— Unique Insights

Built for Enterprise

High Performance — Always On
— Digital-First

Secure & Compliant

Certified Protection — Proven Security Standards —
Compliance You Can Trust

Seamless & Flexible

Certified Connectors — Modern APIs
— Configuration, Not Code

PROS Drives Proven Measurable Business Outcomes



+8%

Average Revenue Uplift



+67%

Average Efficiency Gain



+200-500 bps

Margin Improvement



9 months

Payback

Source: PROS study of 131 customers' self-reported results, 2022. Forrester Total Economic Impact Report, 2023.

Trusted by the World's Leading Enterprises



Automotive & Industrial



Chemicals & Energy



Food & Consumables



Healthcare



Services



Technology



Travel



Real-Time AI is at the Core of the PROS Platform

PROS

**4.5T+
Transactions
Processed¹**

(+12% YoY)

**99.97%
Uptime^{1,2}**

**Sub-300ms
Response
Time**

**~8.7M
Transactions
Per Minute¹**

PROS

**Predictive,
Prescriptive,
Generative,
Agentic**

**Self-Learning,
Trainable**

**Explainable,
Trustworthy,
Responsible**

**Enterprise-
Grade
Performance**



AI



Real-Time



Secure



Data Core



Scalable



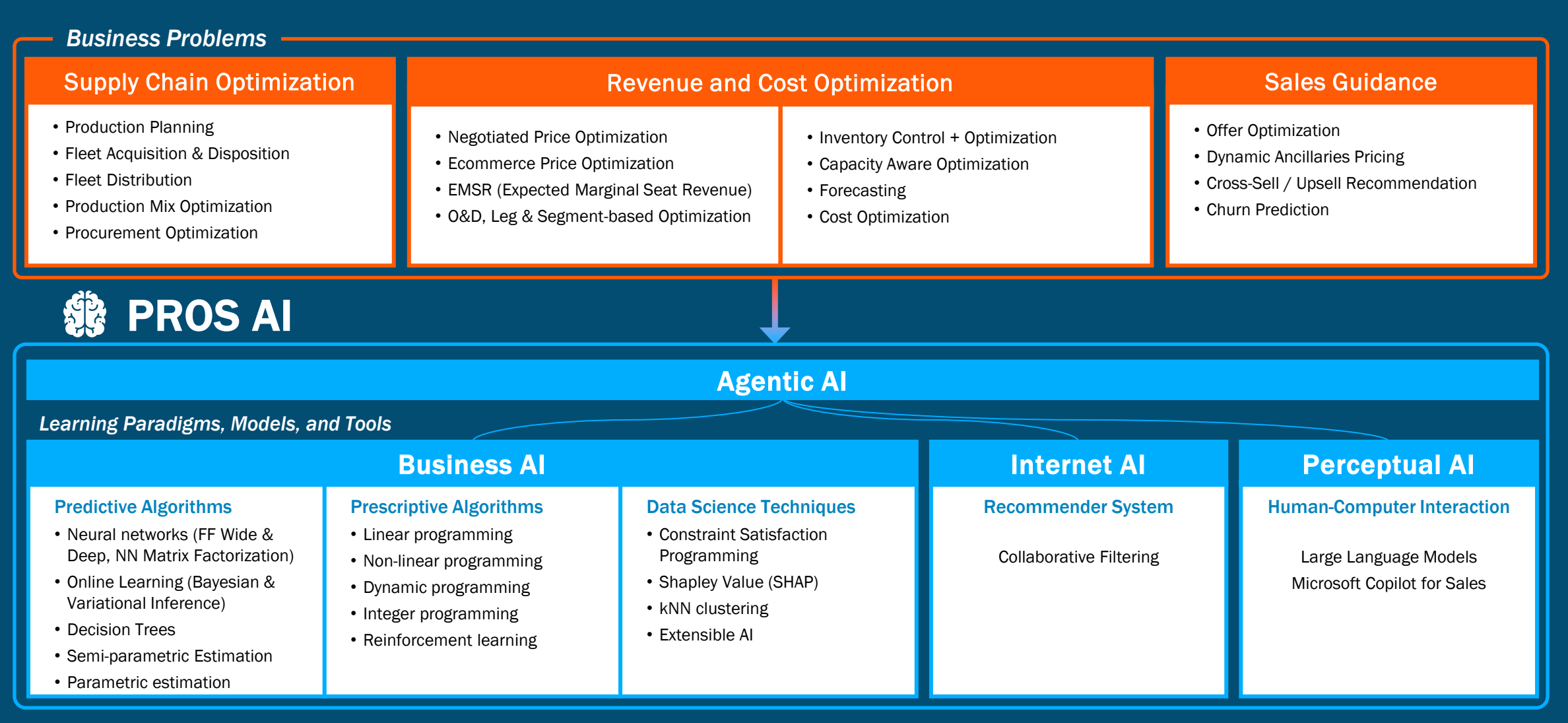
High Availability



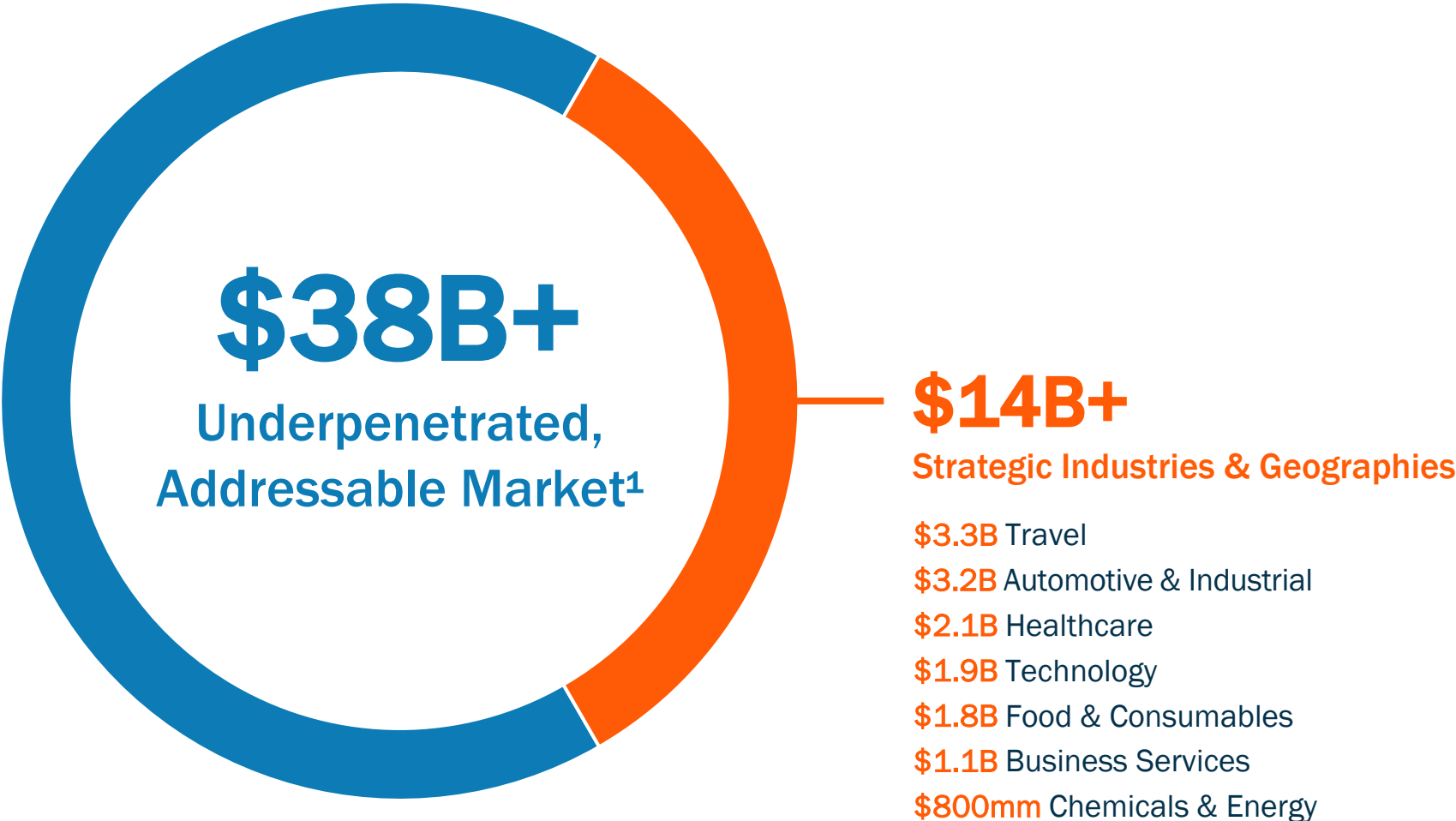
Extensible

1. Trailing twelve-month measurement as of 06/30/2025. Transactions per minute is an average over the period.
2. Excludes impact from the CrowdStrike outage.

PROS Rich History and Continued Innovation in AI Contribute to a Sustainable and Expanding Competitive Moat

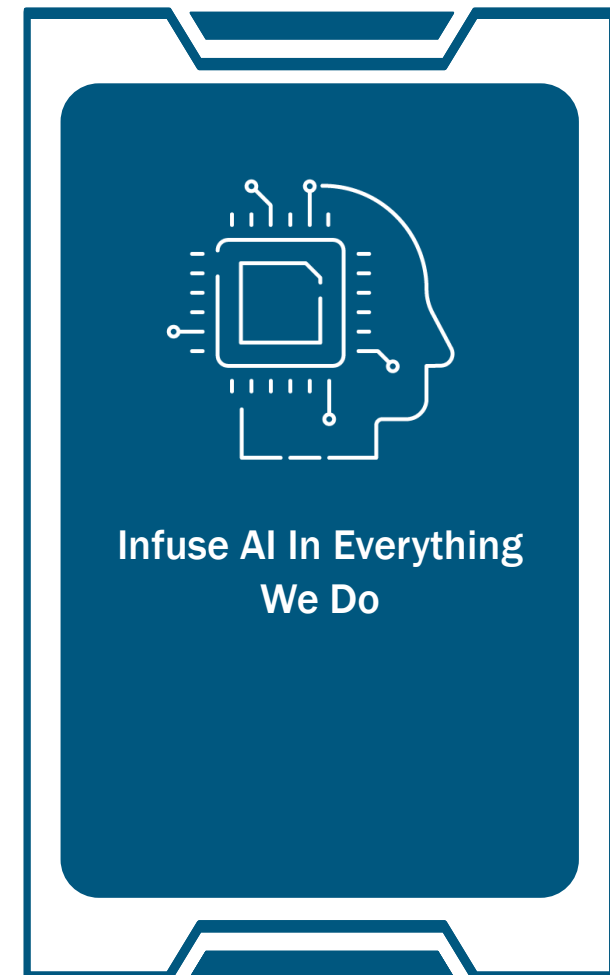


PROS TAM is Massive, Global, and Growing



1.TAM represents our estimated global total revenue and market opportunity but does not represent the actual market opportunity that we may target or ultimately service or otherwise derive revenue from. Our estimate of TAM may be revised in the future depending on a variety of factors, including competitive dynamics, our sales efforts, customer needs, industry shifts and other economic factors.

Strategic Focus Areas



An Ecosystem of Partners Help Position Us to Win



Systems Integrators



accenture

ANI·XE

ArticulateIT

avanade



Capgemini

Deloitte.

EVALUESERVE



HORVÁTH

Infosys

ISB
Software & Lösungen

LTIMindtree

Openjaw

SIMPHONIS

SolutionSpace

tcs
TATA
CONSULTANCY
SERVICES



WALPOLE
PARTNERSHIP

GTM Partners

Commerce™

Hitit

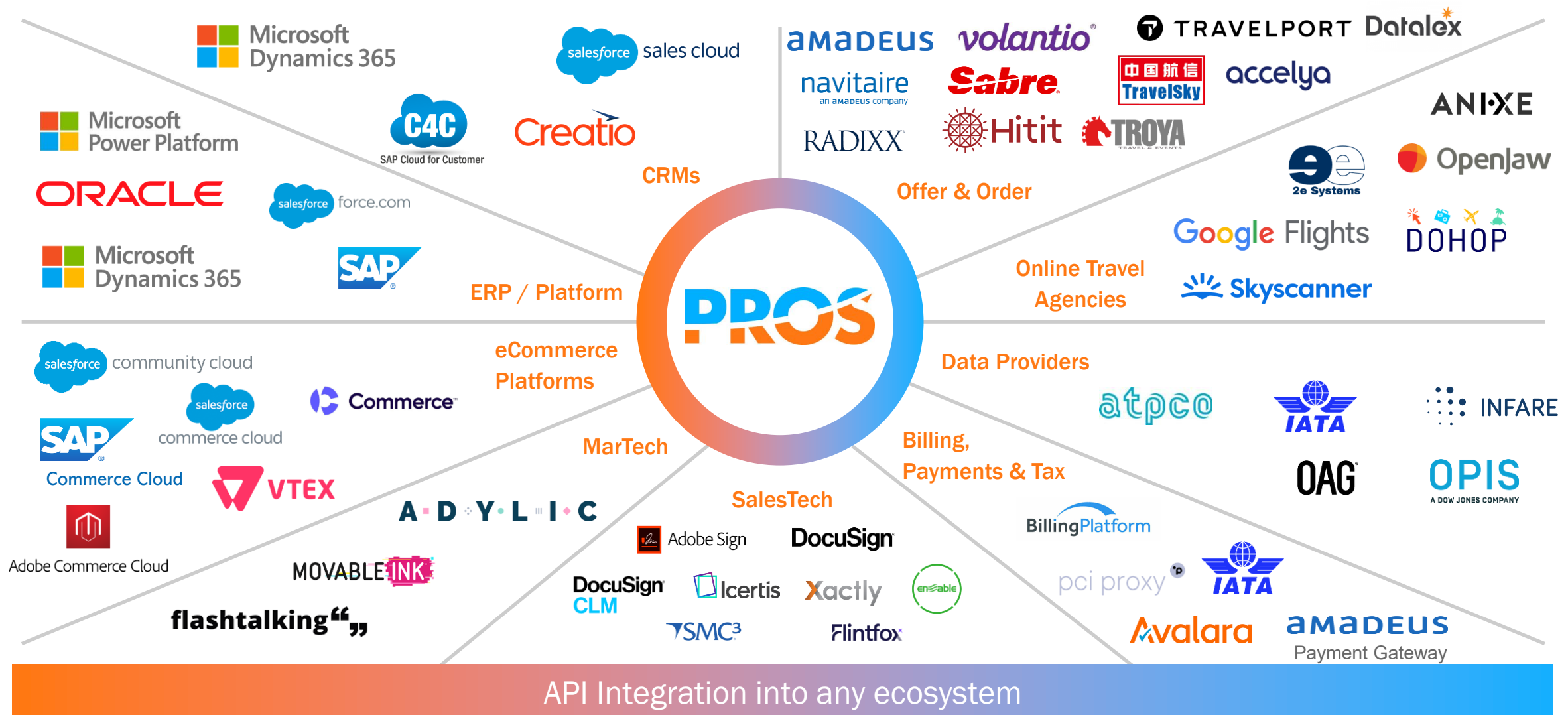


Kiu
Airline Solutions Suite

Microsoft

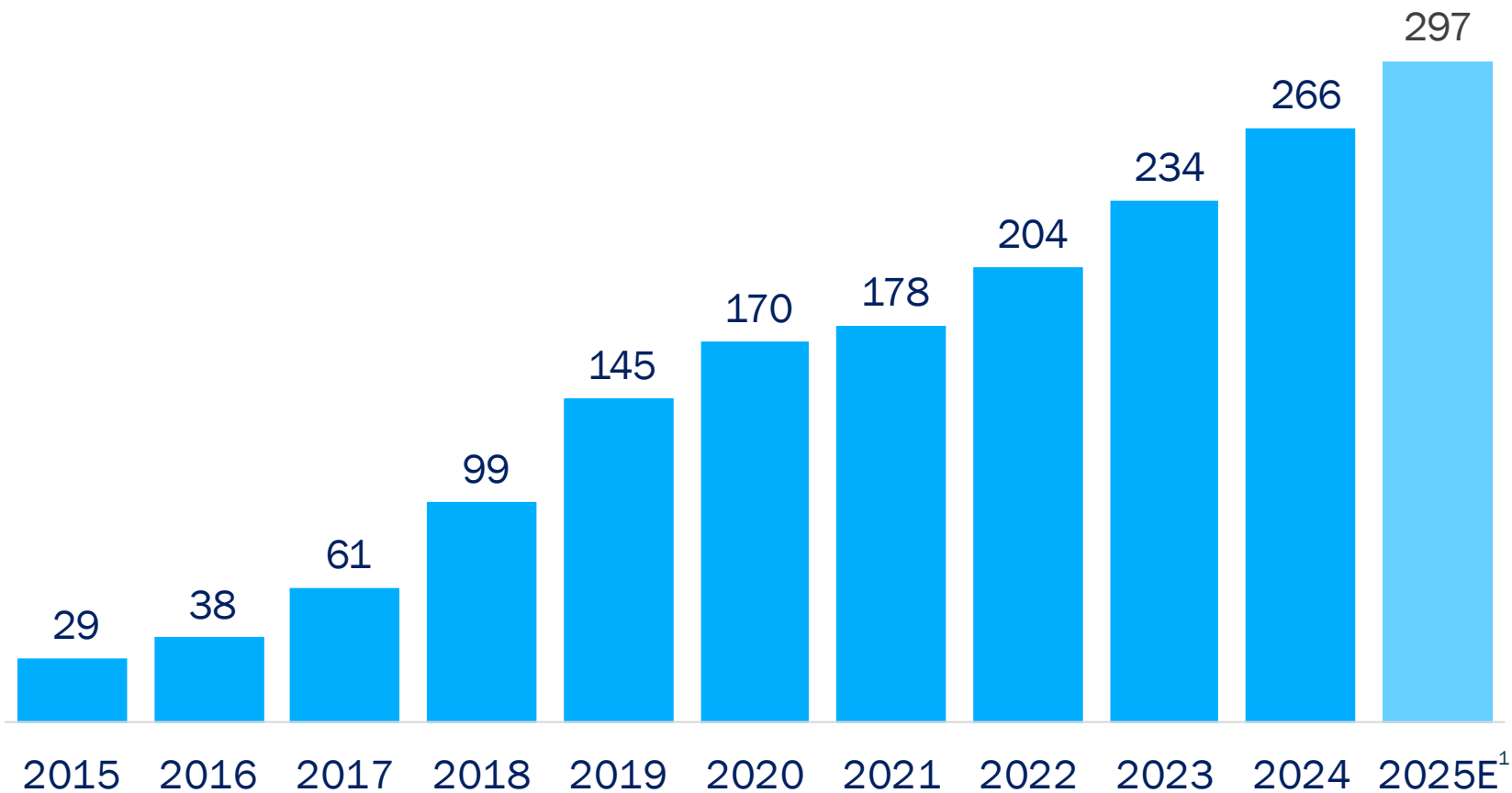
tti
Travel
Technology
Interactive

Extensive Integrations & Technology Partners



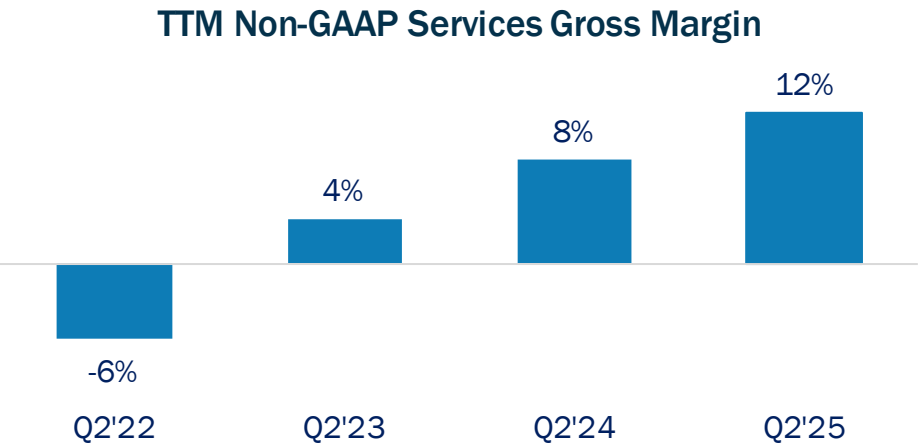
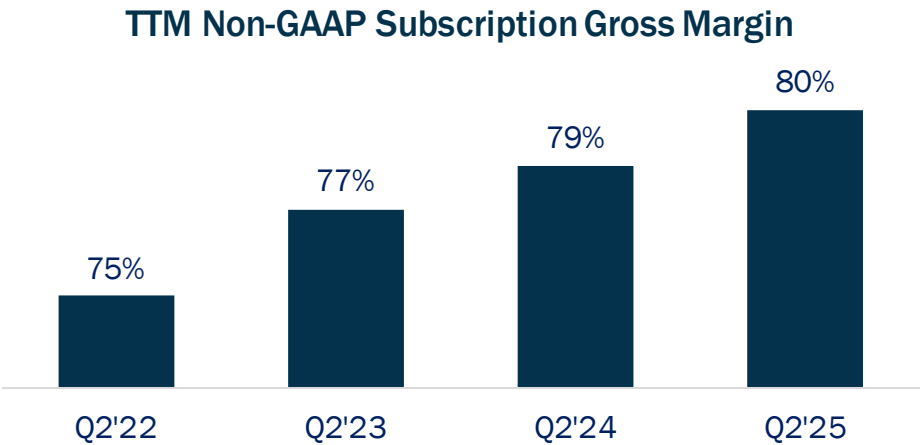
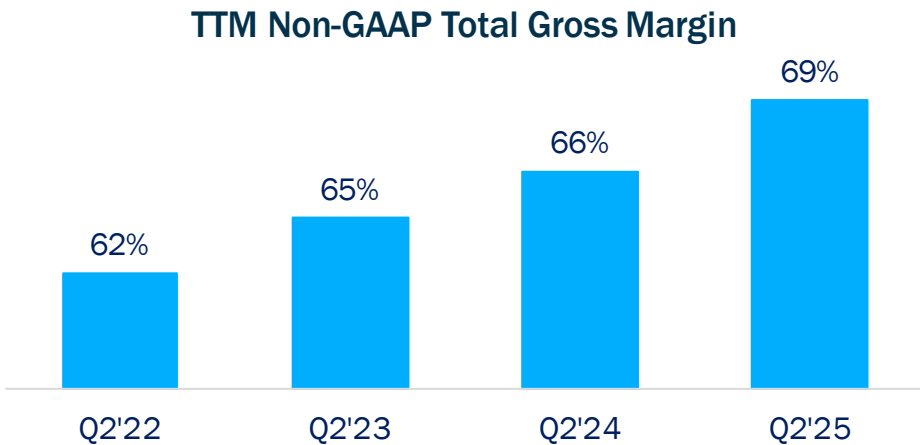
Financial Overview

Subscription Revenue Growth Trajectory (\$mm)



1. The 2025 dollar value is based on the \$296.5mm mid-point of the Subscription Revenue 2025 Guidance. 2025 expectations are forward-looking statements. Given the risks, uncertainties and assumptions related to PROS business and operations, PROS actual future results may differ materially from these expectations. Investors should review the Company's cautionary statements and risk factors referred to in this presentation.

Driving Consistent Margin Expansion

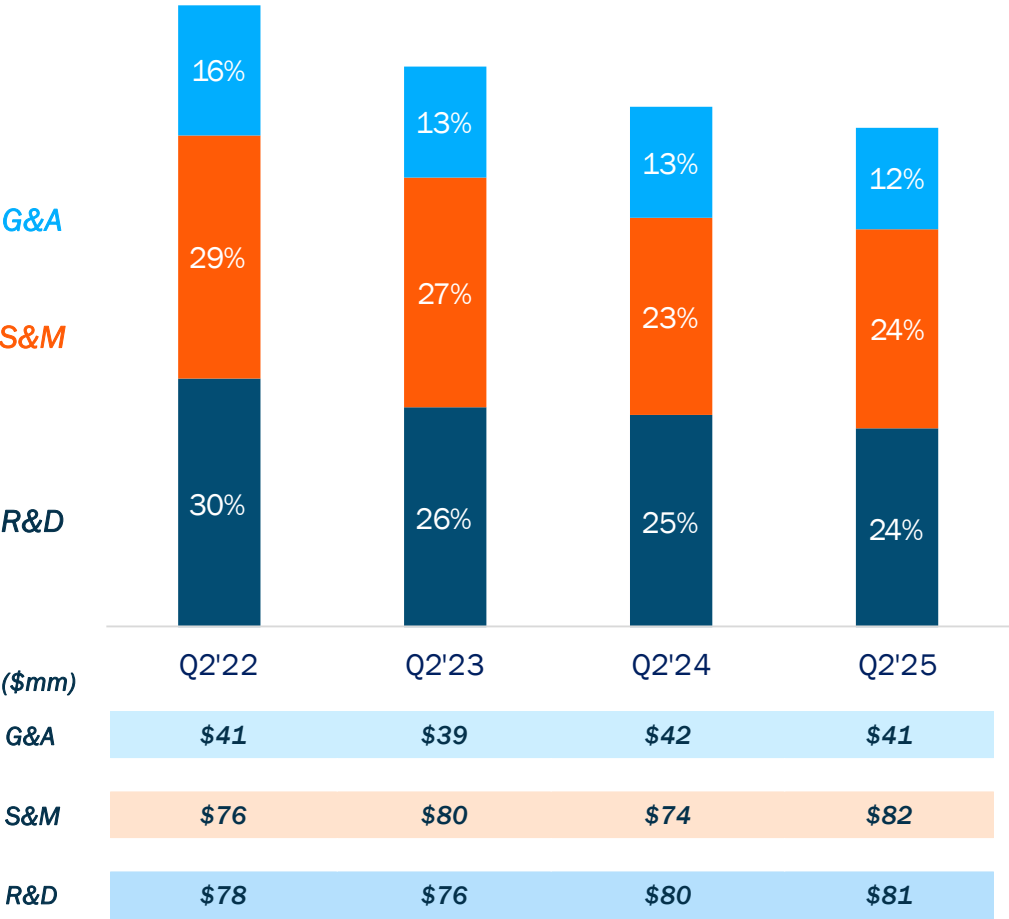


For definitions of non-GAAP measures or reconciliation of GAAP to non-GAAP measures, please refer to the appendix of this presentation.

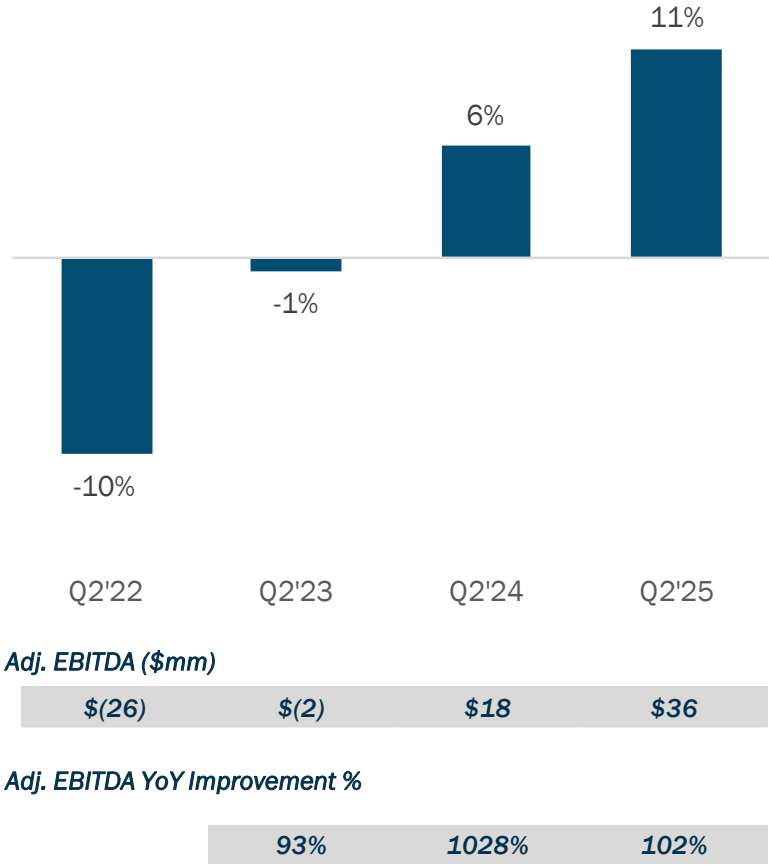
Expanding Profitability Margin



TTM Operating Expense to Revenue Ratios

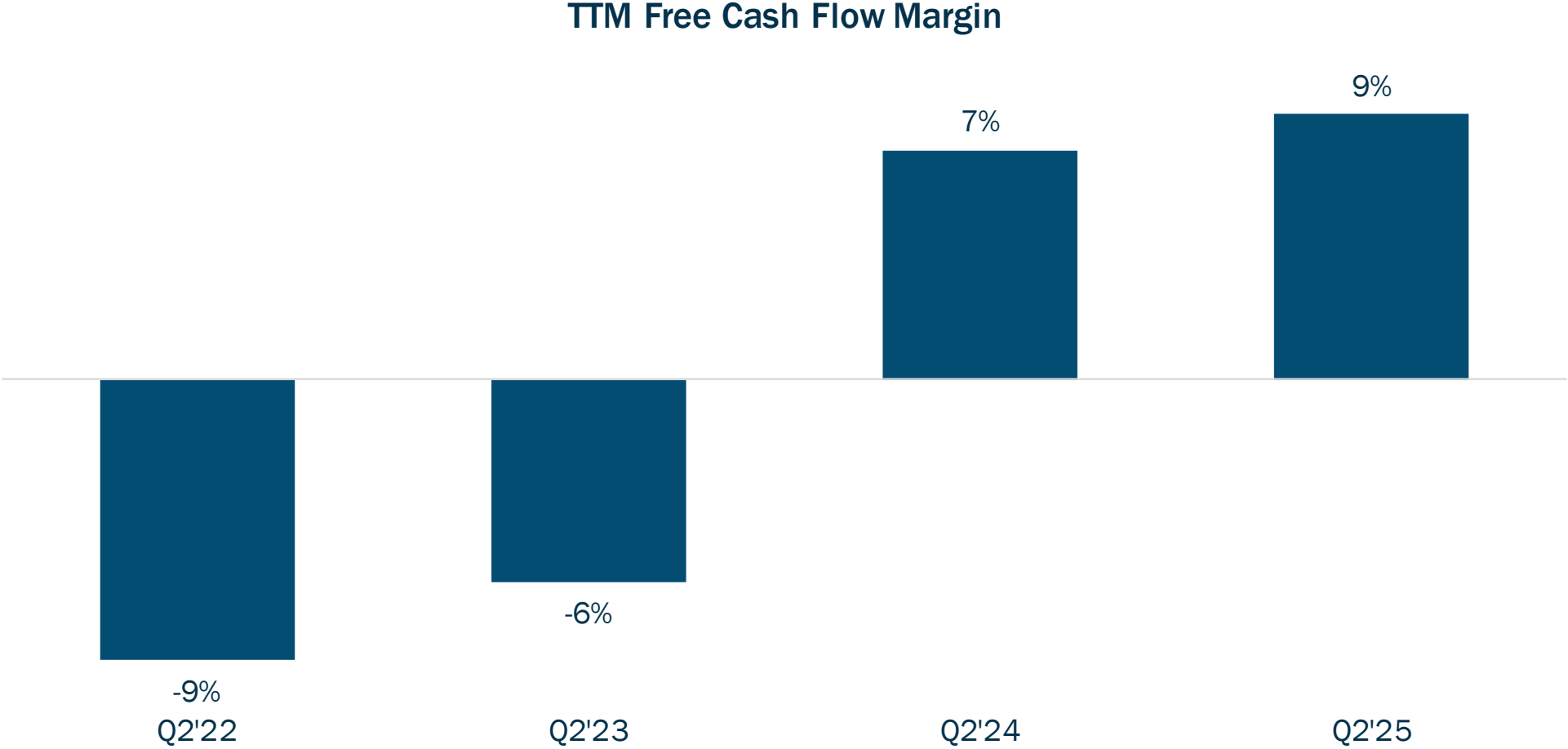


TTM Adjusted EBITDA Margin



For definitions of non-GAAP measures or reconciliation of GAAP to non-GAAP measures, please refer to the appendix of this presentation.
For purposes of the E/R ratios presented, historical non-GAAP expense was utilized. For reconciliations of GAAP operating expenses to non-GAAP, refer to the supplemental tables in PROS [earnings press releases](#).

Improving Free Cash Flow Generation



For definitions of non-GAAP measures or reconciliation of GAAP to non-GAAP measures, please refer to the appendix of this presentation.

Second Quarter Earnings Recap



\$mm (Except Per Share)	Q2 2025	Q2 2024	Delta	TTM 06/30/2025	TTM 06/30/2024	Delta
Total Revenue	\$88.7	\$82.0	8%	\$342.7	\$317.4	8%
Subscription Revenue	\$73.3	\$65.6	12%	\$280.5	\$250.7	12%
Adjusted EBITDA ¹	\$7.4	\$5.2	\$2.2	\$36.3	\$18.0	\$18.4
Free Cash Flow ¹	\$3.2	\$6.2	\$(3.0)	\$29.2	\$23.4	\$5.8
Non-GAAP Earnings Per Share ²	\$0.13	\$0.07	\$0.06	\$0.56	\$0.22	\$0.34

1. For definitions of non-GAAP measures or reconciliation of GAAP to non-GAAP measures, please refer to the appendix of this presentation.

2. For definition of non-GAAP EPS or reconciliation of GAAP EPS to non-GAAP EPS, please refer to PROS [earnings press release](#).

Guidance Summary



\$mm (Except Per Share)	Q3 2025 Guidance	v. Q3 2024 at Mid-Point	Full Year 2025 Guidance	v. Prior Year at Mid-Point
Total Revenue	\$90.5 to \$91.5	10%	\$360.0 to \$362.0	9%
Subscription Revenue	\$74.8 to \$75.3	12%	\$295.5 to \$297.5	11%
Subscription ARR	n/a	n/a	\$310.0 to \$313.0	11%
Non-GAAP Earnings Per Share	\$0.15 to \$0.17	\$0.02	n/a	n/a
Adjusted EBITDA	\$11.0 to \$12.0	24%	\$42.0 to \$44.0	43%
Free Cash Flow	n/a	n/a	\$40.0 to \$44.0	61%

The 2025 guidance shown here are forward-looking statements. Given the risks, uncertainties and assumptions related to PROS business and operations, PROS actual future results may differ materially from these expectations. Investors should review the Company's cautionary statements and risk factors referred to in this presentation. Based on an estimated 48.3 million diluted weighted average shares outstanding for the third quarter of 2025 and a 22% non-GAAP estimated tax rate for the third quarter and full year 2025. Please see appendix for a reconciliation of GAAP metrics to non-GAAP metrics.

Long-Term Goal To Be A “Rule of 40” Company¹



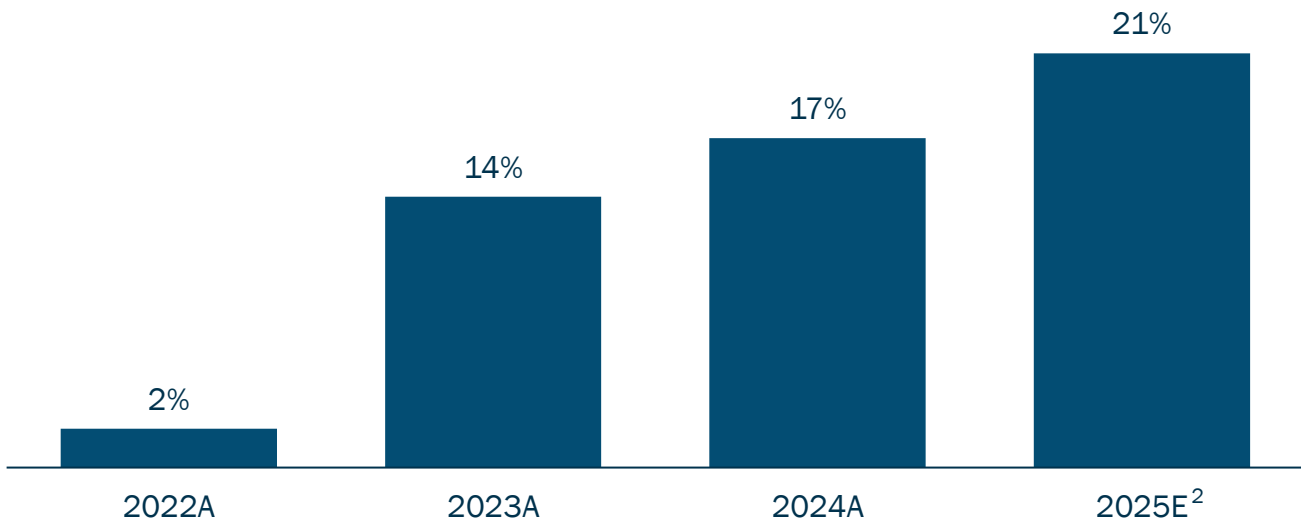
16-21%

Total Revenue Growth

19-24%

Free Cash Flow Margin

Progress towards "Rule of 40"



1. These revenue growth and free cash flow margin targets are forward-looking statements. Given the risks, uncertainties and assumptions related to PROS business and operations, PROS actual future results may differ materially from these targets. Investors should review the Company's cautionary statements and risk factors referred to in this presentation and contained in the Company's SEC filings.
2. The estimated 2025 total revenue growth rate and free cash flow margin are based on the mid-point of the respective 2025 guidance ranges for these metrics. 2025 expectations are forward-looking statements. Given the risks, uncertainties and assumptions related to PROS business and operations, PROS actual future results may differ materially from these expectations. Investors should review the Company's cautionary statements and risk factors referred to in this presentation and contained in the Company's SEC filings.

Supplemental Business Metrics



\$ in 000s

Revenue	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
Subscription	\$ 59,987	\$ 60,764	\$ 64,349	\$ 65,600	\$ 67,068	\$ 69,255	\$ 70,830	\$ 73,333
Maintenance and Support	\$ 4,693	\$ 4,460	\$ 3,595	\$ 3,385	\$ 3,361	\$ 3,153	\$ 2,730	\$ 2,567
Recurring Revenue	\$ 64,680	\$ 65,224	\$ 67,944	\$ 68,985	\$ 70,429	\$ 72,408	\$ 73,560	\$ 75,900
Services	\$ 12,570	\$ 12,260	\$ 12,744	\$ 13,028	\$ 12,273	\$ 12,561	\$ 12,762	\$ 12,815
Total Revenue	\$ 77,250	\$ 77,484	\$ 80,688	\$ 82,013	\$ 82,702	\$ 84,969	\$ 86,322	\$ 88,715
Recurring Revenue %	84%	84%	84%	84%	85%	85%	85%	86%

Revenue by Geography	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
United States	\$ 26,925	\$ 26,623	\$ 26,933	\$ 27,990	\$ 29,251	\$ 29,334	\$ 30,880	\$ 31,435
Europe	\$ 25,691	\$ 26,082	\$ 25,671	\$ 25,835	\$ 25,391	\$ 26,089	\$ 25,995	\$ 26,900
Rest of World	\$ 24,634	\$ 24,779	\$ 28,084	\$ 28,188	\$ 28,060	\$ 29,546	\$ 29,447	\$ 30,380

Supplemental Business Metrics



\$ in 000s

Financial & Operating Metrics	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
Non-GAAP Gross Margin ¹	66%	66%	67%	67%	68%	70%	70%	69%
Non-GAAP Subscription Gross Margin ¹	78%	78%	79%	80%	80%	81%	81%	80%
Non-GAAP Recurring Revenue Gross Margin ¹	77%	77%	78%	78%	79%	79%	79%	79%
Adjusted EBITDA ¹	\$ 5,640	\$ 2,517	\$ 4,585	\$ 5,214	\$ 9,278	\$ 10,900	\$ 8,702	\$ 7,429
Total Cash and Cash Equivalents*	\$ 169,080	\$ 178,747	\$ 166,423	\$ 149,086	\$ 150,564	\$ 171,983	\$ 170,023	\$ 188,958
Recurring Deferred Revenue	\$ 107,667	\$ 114,987	\$ 123,590	\$ 116,644	\$ 108,670	\$ 126,790	\$ 142,594	\$ 132,122
Total Deferred Revenue	\$ 116,522	\$ 124,624	\$ 132,648	\$ 124,930	\$ 117,213	\$ 136,415	\$ 151,146	\$ 139,696
TTM Recurring Calculated Billings ¹	\$ 250,319	\$ 263,501	\$ 265,998	\$ 271,789	\$ 273,585	\$ 291,569	\$ 304,386	\$ 307,775
Remaining Performance Obligations ²	\$ 403,900	\$ 469,600	\$ 447,600	\$ 450,300	\$ 429,300	\$ 475,700	\$ 488,200	\$ 494,700
Remaining Performance Obligations - Current	\$ 199,000	\$ 227,500	\$ 227,400	\$ 232,700	\$ 231,000	\$ 246,700	\$ 250,200	\$ 252,700
Free Cash Flow ¹	\$ 8,494	\$ 13,632	\$ (4,884)	\$ 6,164	\$ 1,363	\$ 23,516	\$ 1,112	\$ 3,174
Total Headcount (including contractors)	1,486	1,486	1,499	1,502	1,494	1,501	1,482	1,480

1. For definitions of non-GAAP measures or reconciliation of GAAP to non-GAAP measures, please refer to the appendix of this presentation.

2. Remaining performance obligations represent contractually committed revenue that has not yet been recognized, which includes deferred revenue and unbilled amounts that will be recognized as revenue in future periods.

*Total Cash and Cash Equivalents includes \$10 million of restricted cash.

Our Values

Our Commitment to Sustainable Business Practices



Values



We are OWNERS

Looking for every opportunity to create a better PROS and a better experience for our customers, and we hold ourselves accountable.

We are INNOVATORS

Thinking creatively to find new paths to success for our people, our customers, and our business.

We CARE

Putting people first - our customers, employees, partners, and community - it's how our company was started, and how we'll always run it.



Governance

PROS Board of Directors and Executive team are committed to adhering to the highest ethical values and promoting transparency.

For more detail and a complete list of governance documents and charters, [visit the governance page of our website](#).



Security

At PROS, security is the responsibility of everyone. We take data security and privacy seriously.

- ✓ ISO 27001 Certified
- ✓ ISO 27018 Certified
- ✓ SOC1 Type 2 Certified
- ✓ SOC2 Type 2 Certified
- ✓ Cloud Security Alliance Compliant
- ✓ GDPR Compliant

For more detail on security and compliance, including detail on all certifications we hold, [visit the trust and security page of our website](#).



Environmental Sustainability

- LEED Silver certified global HQ
- Sustainable data centers worldwide through our partnership with Microsoft
- Recycling program in all offices



Our Responsible Approach to AI



Safeguards

PROS isolates each customer's data, giving them full control over pricing decisions. Our pricing algorithms are uniquely trained on each customer's own transactional data to ensure confidentiality and prevent cross-customer influence.



No Surveillance Pricing

PROS solutions are designed to be fair and unbiased and do not use any personal information for pricing.



Transparent & Explainable

PROS 'glass-box' approach ensures transparency, with clear explanations of outcomes and accessible insights into data usage. We enable auditability of customer inputs to pricing.



Accurate & Reliable

PROS algorithms use real-time data and smart processes to deliver accurate, reliable pricing that creates value for both sellers and buyers.

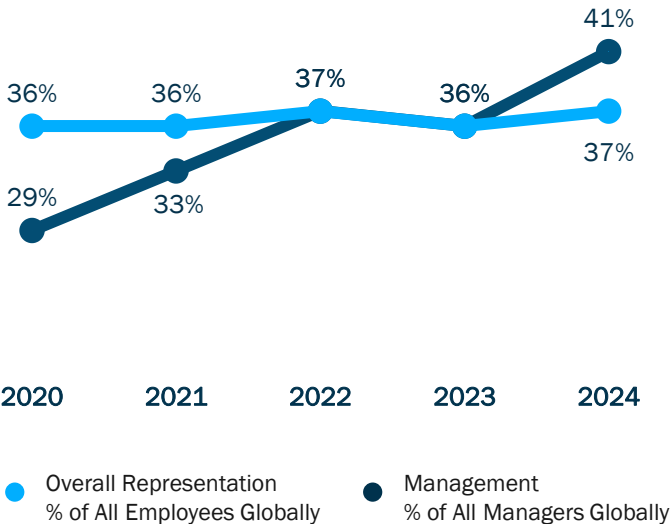
Diversity, Equity & Inclusion



Committed to a Diverse & Inclusive Environment

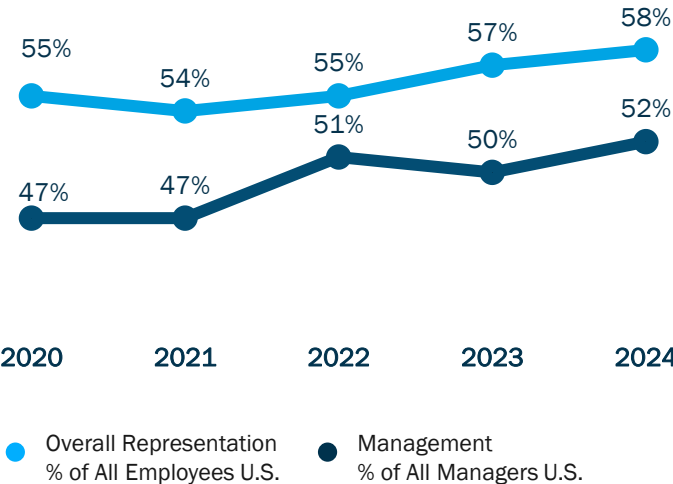
We welcome and celebrate diverse perspectives, cultures and experiences. We are truly a ‘people first’ culture where every person is encouraged to bring their authentic selves to work and feel they belong and are valued. Our diversity in thought and action is what makes PROS a special place. [Learn more](#)

Women at PROS



Note: 2024 figures based on 1,343 global employees as of 12/31/24.

Racial & Ethnic Minorities in the U.S.



Note: 2024 figures based on 729 employees in the U.S. as of 12/31/24. Racial & Ethnic Minorities include AA, Asian, Hispanic and Multicultural.

PROS Employee Resource Groups (ERGs)

Our ERGs are formed and led by employees, with company support, and any interested employee may join any group. Organized around common life experiences and backgrounds, they serve to champion our diversity initiatives and facilitate a workplace culture of equity and inclusion.



For further disclosures on DEI at PROS, [read our ESG report.](#)



Appendix

Supplemental Information – Explanation of Non-GAAP Measures



PROS has provided certain financial information that has not been prepared in accordance with GAAP. This information includes non-GAAP gross profit, non-GAAP gross margin, non-GAAP subscription gross margin, non-GAAP recurring revenue gross margin, adjusted EBITDA and free cash flow. PROS uses these non-GAAP financial measures internally in analyzing its financial results and believes they are useful to investors, as a supplement to GAAP measures, in evaluating PROS ongoing operational performance.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measure. A reconciliation of GAAP to the non-GAAP financial measures has been provided in these tables and in the earnings press release. PROS use of non-GAAP financial measures may not be consistent with the presentations by similar companies in PROS industry.

Non-GAAP gross profit: Non-GAAP gross profit is defined as GAAP gross profit less amortization of acquisition-related intangibles and share-based compensation costs allocated to cost of subscription, maintenance and support, and services. Non-GAAP gross margin is calculated as the percentage of non-GAAP gross profit divided by total revenue. Non-GAAP subscription gross margin and recurring revenue gross margin are similarly calculated to compare the non-GAAP gross profit of subscription revenue and recurring revenue (subscription, maintenance and support revenue), respectively, to total subscription and recurring revenue, respectively. In calculating the non-GAAP gross profit of subscription revenue, the total costs of subscription are adjusted to reduce such costs by the portion of amortization of acquisition-related intangibles and share-based compensation costs allocated to cost of subscription. In calculating the non-GAAP gross profit of recurring revenue, the total costs of subscription, maintenance and support are adjusted to reduce such costs by the portion of amortization of acquisition-related intangibles and share-based compensation costs allocated to cost of subscription and cost of maintenance and support.

Adjusted EBITDA: Adjusted EBITDA is defined as GAAP net income (loss) before interest expense, provision for income taxes, depreciation and amortization, as adjusted to eliminate the effect of stock-based compensation cost, amortization of acquisition-related intangibles, depreciation and amortization, severance and capitalized internal-use software development costs. Adjusted EBITDA should not be considered as an alternative to net loss as an indicator of our operating performance.

Free Cash Flow: Free cash flow is a non-GAAP financial measure which is defined as net cash provided by (used in) operating activities, excluding severance payments, less capital expenditures and capitalized internal-use software development costs.

Calculated Billings: Calculated billings is defined as total subscription, maintenance and support revenue plus the change in recurring deferred revenue in a given period.

Supplemental Reconciliation of GAAP to Non-GAAP Financial Measures – Guidance (In thousands, Unaudited)



Q3 2025 Guidance

	Low	High
Adjusted EBITDA		
GAAP Loss from Operations	\$ (4,800)	\$ (3,800)
Amortization of acquisition-related intangibles	1,000	1,000
Share-based compensation	13,900	13,900
Depreciation and other amortization	900	900
Adjusted EBITDA	\$ 11,000	\$ 12,000

Full Year 2025 Guidance

	Low	High
Adjusted EBITDA		
GAAP Loss from Operations	\$ (16,447)	\$ (14,447)
Amortization of acquisition-related intangibles	3,800	3,800
Severance	1,147	1,147
Share-based compensation	49,900	49,900
Depreciation and other amortization	3,600	3,600
Adjusted EBITDA	\$ 42,000	\$ 44,000

Supplemental Information - GAAP to Non-GAAP Reconciliations (In thousands, Unaudited)



Gross Profit	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
GAAP Gross Profit	\$ 48,786	\$ 48,748	\$ 51,855	\$ 53,194	\$ 54,404	\$ 57,590	\$ 58,390	\$ 59,520
Amortization of acquisition-related intangibles	1,099	953	953	953	738	629	629	632
Share-based compensation	1,033	1,073	1,068	1,151	1,177	1,180	977	1,104
Non-GAAP Gross Profit	\$ 50,918	\$ 50,774	\$ 53,876	\$ 55,298	\$ 56,319	\$ 59,399	\$ 59,996	\$ 61,256
Non-GAAP Gross Margin	66%	66%	67%	67%	68%	70%	70%	69%
Subscription Gross Profit	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
GAAP Subscription Gross Profit	\$ 45,477	\$ 46,214	\$ 49,736	\$ 51,030	\$ 52,598	\$ 55,026	\$ 56,281	\$ 57,897
Amortization of acquisition-related intangibles	1,099	953	953	953	738	629	629	632
Share-based compensation	201	208	202	235	244	239	247	258
Non-GAAP Subscription Gross Profit	\$ 46,777	\$ 47,375	\$ 50,891	\$ 52,218	\$ 53,580	\$ 55,894	\$ 57,157	\$ 58,787
Non-GAAP Subscription Gross Margin	78%	78%	79%	80%	80%	81%	81%	80%
Recurring Revenue Gross Profit	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
GAAP Recurring Revenue Gross Profit	\$ 48,401	\$ 48,898	\$ 51,469	\$ 52,664	\$ 54,261	\$ 56,463	\$ 57,310	\$ 58,821
Amortization of acquisition-related intangibles	1,099	953	953	953	738	629	629	632
Share-based compensation	294	301	339	331	342	341	342	351
Non-GAAP Recurring Revenue Gross Profit	\$ 49,794	\$ 50,152	\$ 52,761	\$ 53,948	\$ 55,341	\$ 57,433	\$ 58,281	\$ 59,804
Non-GAAP Recurring Revenue Gross Margin	77%	77%	78%	78%	79%	79%	79%	79%
Services Gross Profit	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
GAAP Services Gross Profit	\$ 385	\$ (150)	\$ 386	\$ 530	\$ 143	\$ 1,127	\$ 1,080	\$ 699
Share-based compensation	739	772	729	820	835	839	635	753
Non-GAAP Services Gross Profit	\$ 1,124	\$ 622	\$ 1,115	\$ 1,350	\$ 978	\$ 1,966	\$ 1,715	\$ 1,452
Non-GAAP Services Gross Margin	9%	5%	9%	10%	8%	16%	13%	11%

Supplemental Information - GAAP to Non-GAAP Reconciliations (In thousands, Unaudited)



Adjusted EBITDA	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
GAAP Income (Loss) From Operations	\$ (7,842)	\$ (10,609)	\$ (10,302)	\$ (7,184)	\$ 31	\$ (1,567)	\$ (3,825)	\$ (7,599)
Amortization of acquisition-related intangibles	1,446	1,301	1,301	1,300	1,074	953	953	956
Severance	-	-	-	-	-	-	-	1,147
Share-based compensation	10,933	10,768	12,700	10,248	7,271	10,535	10,669	12,010
Depreciation and other amortization	1,103	1,105	903	891	902	979	905	915
Capitalized internal-use software development costs	-	(48)	(17)	(41)	-	-	-	-
Adjusted EBITDA	\$ 5,640	\$ 2,517	\$ 4,585	\$ 5,214	\$ 9,278	\$ 10,900	\$ 8,702	\$ 7,429

Free Cash Flow	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
Cash Flow From Operations	\$ 8,718	\$ 13,844	\$ (4,644)	\$ 6,420	\$ 1,594	\$ 24,013	\$ 1,215	\$ 3,215
Severance	121	211	-	-	-	-	-	-
Purchase of property and equipment	(345)	(375)	(223)	(215)	(231)	(497)	(103)	(41)
Capitalized internal-use software development costs	-	(48)	(17)	(41)	-	-	-	-
Free Cash Flow	\$ 8,494	\$ 13,632	\$ (4,884)	\$ 6,164	\$ 1,363	\$ 23,516	\$ 1,112	\$ 3,174

