

The logo for Evercommerce, featuring the word "Evercommerce" in a white sans-serif font. The "e" in "commerce" is replaced by a teal infinity symbol.

Evercommerce

# Earnings Call Presentation

Q3 2025 – November 6, 2025

## SAFE HARBOR

This presentation contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this press release may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "forecasts," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this presentation include, but are not limited to statements regarding our future results of operations and financial position, industry and business trends, business strategy, including our Transformation and Optimization program plans, market growth, changes to our EverPro and EverHealth platforms, including through our acquisition of ZyraTalk and expansion of our AI capabilities, expectations regarding the recently announced sale of our marketing technologies businesses, capital expenditures, and our objectives for future operations.

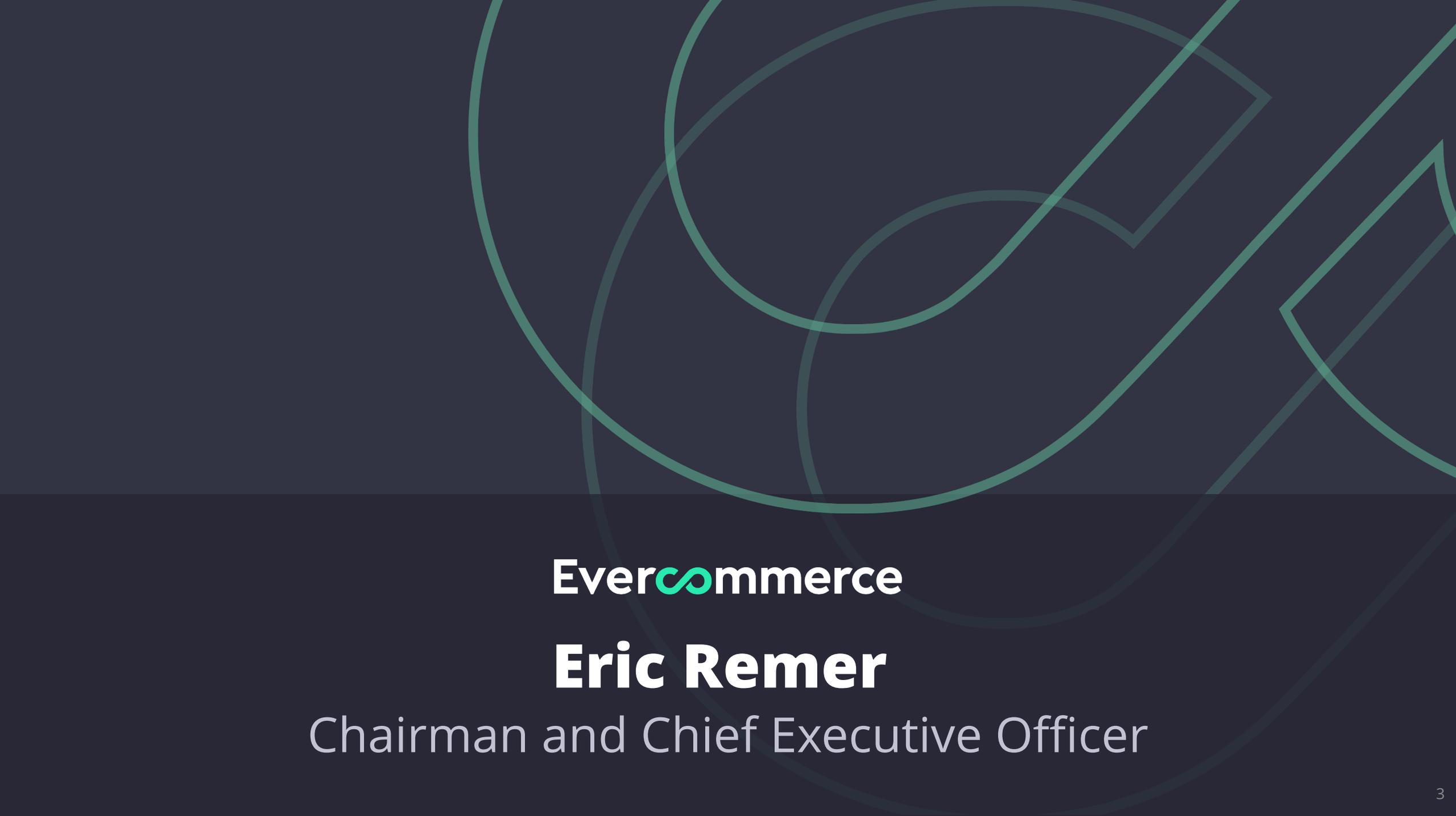
The forward-looking statements in this presentation are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the important factors discussed in Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024. The forward-looking statements in this presentation are based upon information available to us as of the date of this presentation, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this presentation with the understanding that our actual future results, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this presentation. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this presentation, whether as a result of any new information, future events or otherwise.

This presentation may also contain estimates and other statistical data prepared by independent parties and by the Company relating to market size and growth and other data about the Company's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither the Company nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk. In light of the foregoing, you are urged not to rely on any forward-looking statement or third-party data in reaching any conclusion or making any investment decision about any securities of the Company.

This presentation includes certain financial measures that are not presented in accordance with generally accepted accounting principles in the United States, ("GAAP"), such as Pro Forma Revenue, Pro Forma Revenue Growth Rate, Pro Forma Subscription and Transaction Revenue, Pro Forma Subscription and Transaction Revenue growth rate, adjusted EBITDA, adjusted EBITDA margin, adjusted gross profit, adjusted gross margin, adjusted sales & marketing expense, adjusted product development expense, adjusted general & administrative expense, levered free cash flow, levered free cash flow margin, adjusted unlevered free cash flow, adjusted unlevered free cash flow margin, credit facility leverage and debt, net of cash and cash equivalents, to supplement financial information presented in accordance with GAAP. There are limitations to the use of non-GAAP financial measures and such non-GAAP financial measures should not be construed as alternatives to financial measures determined in accordance with GAAP. The non-GAAP measures as defined by the Company may not be comparable to similar non-GAAP measures presented by other companies. The Company's presentation of such 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 stated in accordance with GAAP.

The Company cannot provide a reconciliation between forecasted Adjusted EBITDA and Adjusted EBITDA margin to net income and net income margin, respectively, the most directly comparable GAAP measures, without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to certain charges excluded from these non-GAAP measures; in particular, the measures and efforts of stock-based compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in our stock price. It is important to note that these charges could be material to EverCommerce's results computed in accordance with GAAP.

The background features a dark blue-grey gradient with several overlapping, hand-drawn style teal lines. These lines form various shapes, including circles, ovals, and angular, somewhat abstract forms, creating a dynamic and modern aesthetic.

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**Eric Remer**

Chairman and Chief Executive Officer

# Q3 2025 Highlights

- > Revenue of **\$147.5M** within the guidance range represented growth of **5.3%** YoY.
- > Adjusted EBITDA **beat** the top end of the guidance range; **31.5%** margin expanded **140 bps** YoY.
- > Payments Revenue grew **6.0%** YoY, driven by continued growth in Total Payments Volume (TPV).
- > Closed on the acquisition of AI agent **ZyraTalk**, an AI agentic platform, vaulting EverCommerce into a leading position of providing AI-forward solutions for service SMBs
- > Closed on the sale of the Marketing Technology Solutions

**725,000+ Global Customers**  
**1,700+ Global Employees**

**\$585.1M**

PF LTM REVENUE

**7.6%**

PF LTM YoY  
REVENUE  
GROWTH

**31.0%**

LTM ADJ. EBITDA  
MARGIN

**\$13.0B**

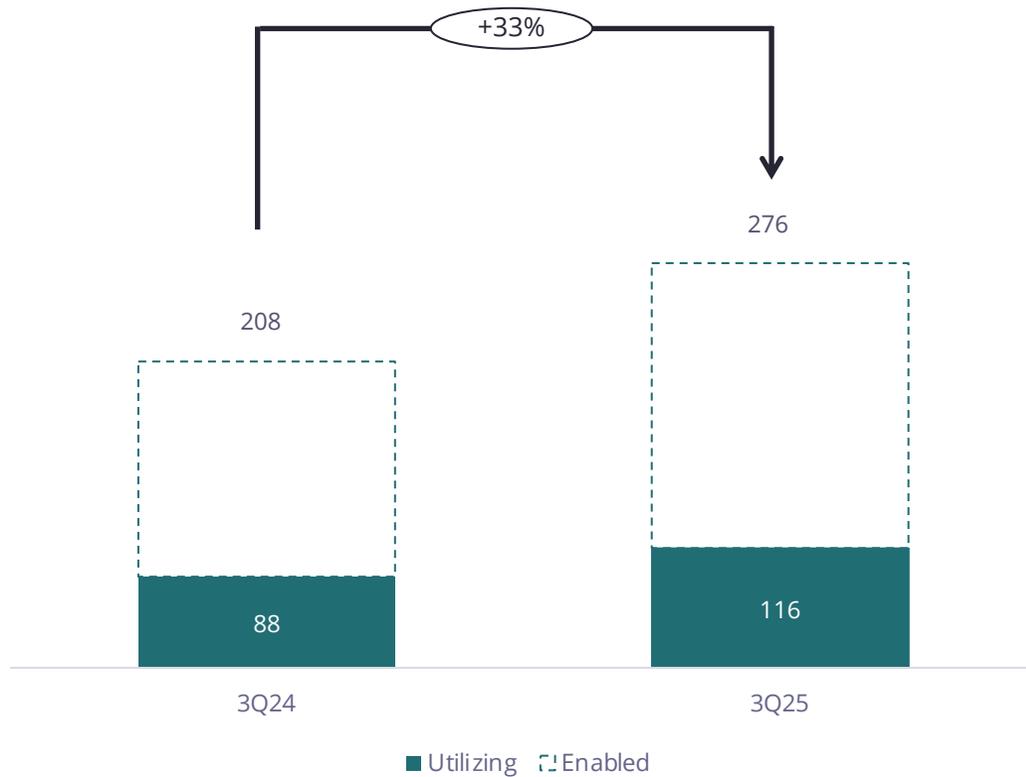
EST. PF  
ANNUALIZED  
TPV

**Simplifying and empowering the lives of business owners  
whose services support us every day**

Note: PF metrics exclude the divested fitness assets and Marketing Technology discontinued operations and include the estimated revenue associated with ZyraTalk prior to the September 15, 2025 acquisition date

# Continued Acceleration in Cross Sell Motions

## Customers Enabled / Utilizing More Than One Solution (000s)<sup>1</sup>



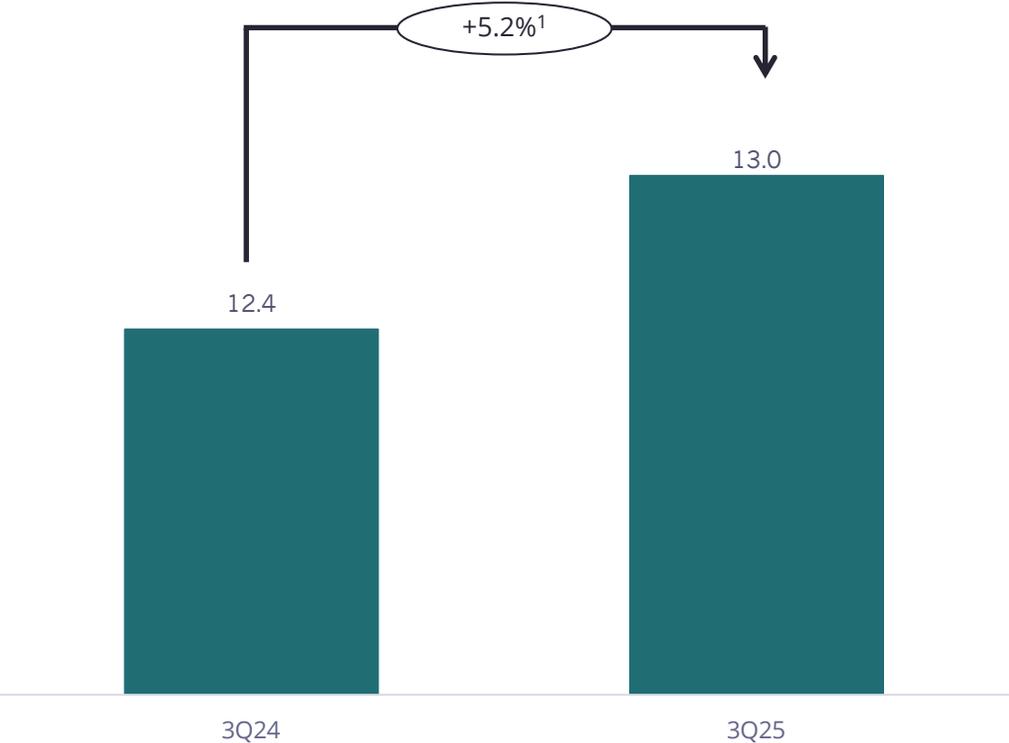
**276k** total customers enabled more than one solution, representing **33%** YoY growth

**116k** customers actively utilize more than one solution reflecting **32%** YoY growth

<sup>1</sup> Amounts are estimated as of the end of the most recent quarter and shown on a pro forma basis (excluding the divested fitness solutions and discontinued operations). Customers enabled for more than one solution include system of action solution customers that have been onboarded for payments, system of action solution customers that are using other value add solutions such as customer engagement solutions, and currently processing payments customers that are enabled for other solutions.

# 6% Payments Revenue Growth YoY

Total Payments Volume (TPV, \$B)



Payments revenue growth of **6.0%** growth supported by continued TPV growth and take rate expansion YoY.

Growth of embedded payments continues to be a key lever to drive customer expansion.

<sup>1</sup> \$12.36B in 3Q24  
Note: minor rounding differences may exist in the figures presented

# Introducing ZyraTalk

## Existing Features

### AI RECEPTIONIST / CSR

#### Never miss a call again.

This AI can answer customer inquiry instantly - booking jobs, answering questions, and routing important calls with no one on hold. It's like your best front-desk employee that never takes a lunch break.

### AI SCHEDULE

#### Your 24/7 booking assistant.

Customers can schedule, reschedule, or cancel appointments anytime via phone, text, or online. No human intervention required. It keeps your calendar full and your customers happy.

### AI DISPATCHER

#### The master of logistics.

This agent sends the right technician to the right job, based on skill, location, availability, and job type - autonomously. It makes sure your team is where they're needed most.

### AI ESTIMATOR

#### Accurate quotes in seconds.

This AI can generate instant estimates based on job scope, materials, and past pricing - helping close deals faster and boost win rates.

### AI INVOICING & BILLING

#### Instant, accurate billing - done for you.

After every job, this AI creates and sends invoices automatically. No chasing paperwork. No end-of-day stress.

### AI PAYMENTS AGENT

#### Get paid faster.

This agent collects payments on the spot, follows up on unpaid invoices, and sends easy payment links. It makes cash flow smoother than ever.

# Introducing ZyraTalk

Features in development...

## AI PROJECT MANAGER

### Every job, perfectly managed.

From first call to final review, this AI is intended to keep customers and technicians aligned. It updates everyone in real-time and handles job notes, changes, and expectations.

## AI TRAINING & QA

### Real-time coaching for your team.

It listens to how your techs speak with customers and automatically suggests improvements, identifies knowledge gaps, and celebrates what they do well. It's like having a secret manager riding along.

## AI FOLLOW-UP & SALES

### More reviews. More revenue.

After every job, this AI sends review requests, customer satisfaction surveys, and upsell offers. Turns happy customers into repeat buyers and raving fans.

## AI BUSINESS COACH

### Built-in growth advisor.

This agent recommends tools and strategies to help grow your business. Things like adding payments, review tools, or job costing. It can even pull best practices from top-performing companies in networks like Service Nation.

## AGENTIC ONBOARDING

### Streamline payment & rebates onboarding.

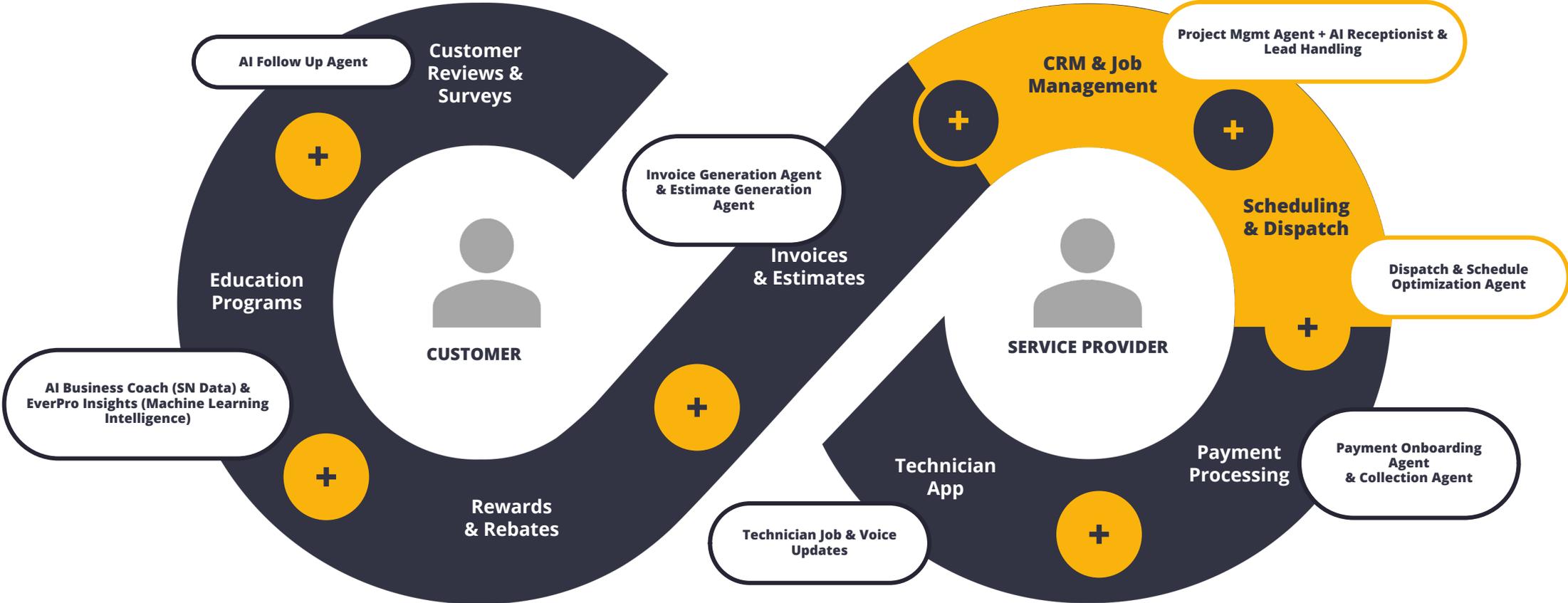
This agent streamlines onboarding with payment systems and rebate providers, simplifying sign-ups and boosting adoption by quickly pulling required user info.

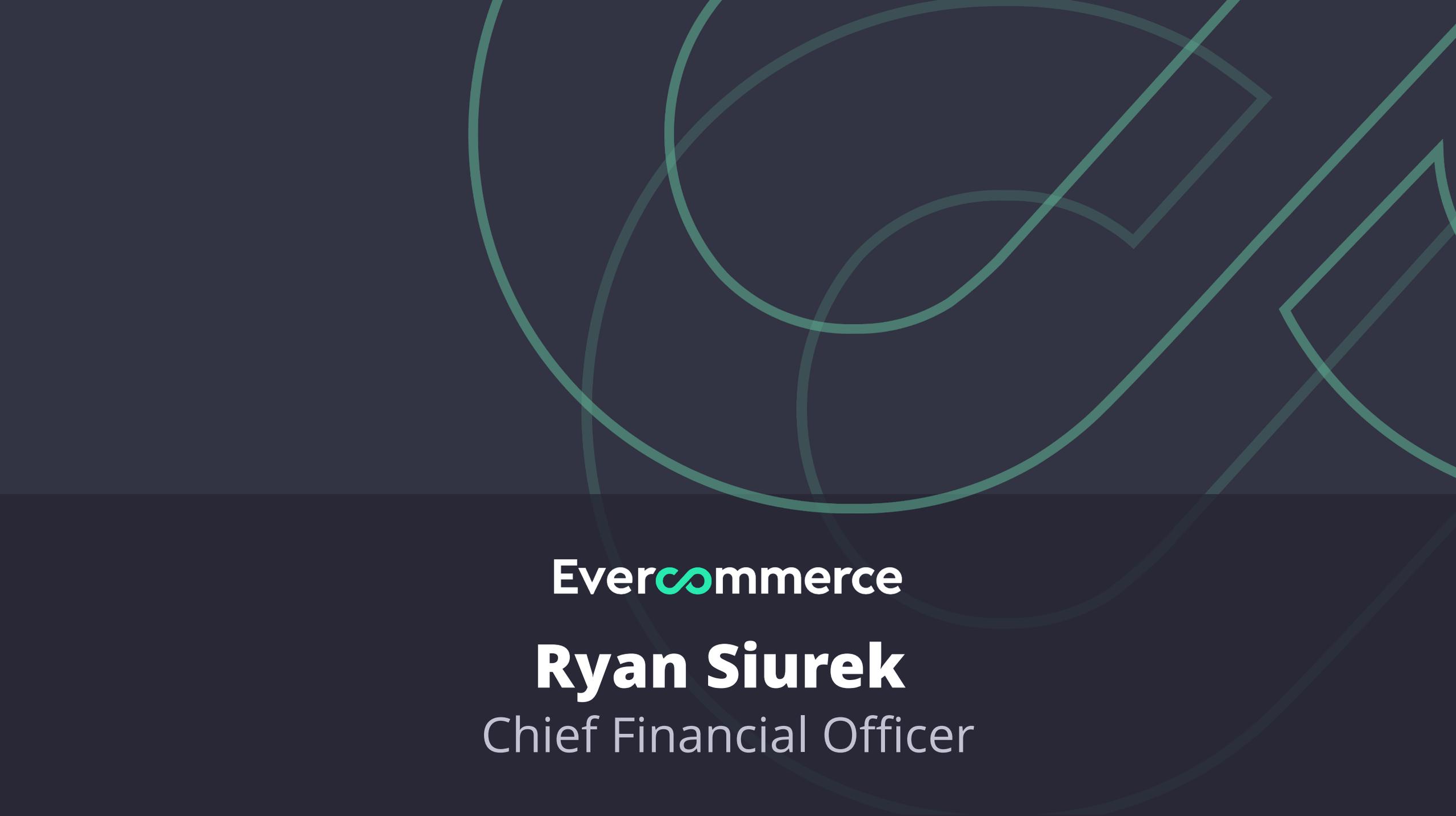
## AI SCHEDULE OPTIMIZER

### Scheduling genius.

This agent optimizes technician and dispatch schedules to reduce downtime and boost efficiency, factoring in travel time, job value, fuel use, and user-defined priorities.

# ZyraTalk Becomes the AI Engine for the EverCommerce Ecosystem



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**Ryan Siurek**

Chief Financial Officer

# 5.3% Revenue Growth Despite Non-SaaS Headwinds

**GAAP Reported Revenue (\$M)**



**\$147.5M** in reported revenue, **5.3%** 3Q25 YoY Revenue growth

Results include a Q325 YoY revenue decline of **\$1.6M** related to rebates from group purchasing programs

<sup>1</sup>See Appendix for definition of Pro Forma Revenue Growth Rate, which was also 5.3%.  
<sup>2</sup>Growth rate calculations and Pro Forma revenue include estimated ZyraTalk pre-acquisition revenue.

# Strong aEBITDA Growth Highlights Efficiency Efforts

**Adjusted EBITDA (\$M)**



	3Q24	4Q24	1Q25	2Q25	3Q25
Adj. Gross Profit Margin <sup>1</sup>	78.1%	78.4%	78.1%	77.4%	77.3%
Adj. EBITDA Margin <sup>1</sup>	30.1%	30.7%	31.6%	30.4%	31.5%

**10.3%** YoY growth in Adjusted EBITDA

aEBITDA margin upward trend largely driven by cost optimization efforts, but also aided by timing of investments

<sup>1</sup> See Appendix for definition. Margins are calculated using reported GAAP revenue

# Slight LFCF Decline YOY Driven by Capitalized Product Investments

### Levered Free Cash Flow<sup>1</sup> (LFCF, \$M)



3Q25 LFCF of **\$23.3M**, **1.3%** growth YoY

**\$111.1M** LTM LFCF, a **15.7%** margin

### Adjusted Unlevered Free Cash Flow<sup>1</sup> (aUFCF, \$M)



3Q25 aUFCF of **\$32.3M**, **8.8%** decline YoY<sup>2</sup>

LTM aUFCF of **\$140.6M**, a **19.8%** margin

<sup>1</sup> See Appendix for definition. Amounts shown here are inclusive of continuing and discontinued operations cash flows

<sup>2</sup> YoY decline primarily impacted by investments in software development costs and an increase in third party costs associated with transaction related activities.

# Strong Balance Sheet with Ample Liquidity

(\$mm)	Q3 2025
<b>BALANCE SHEET</b>	
Cash and cash equivalents	\$107
Debt, gross <sup>1</sup>	\$528
Debt, net of cash and cash equivalents	\$421
<b>LEVERAGE</b>	
Credit Facility Leverage <sup>2</sup>	2.1x

Repurchased **2.6M shares** for **\$29.1M** during the third quarter

**\$22.3M** of the **\$250M** share repurchase authorization remaining as of 9/30/2025

**\$155M** undrawn revolver capacity which will step down to **\$125M** in July 2026

Increased share repurchase authorization by **\$50M** to a total of **\$300M** through 12/31/2026

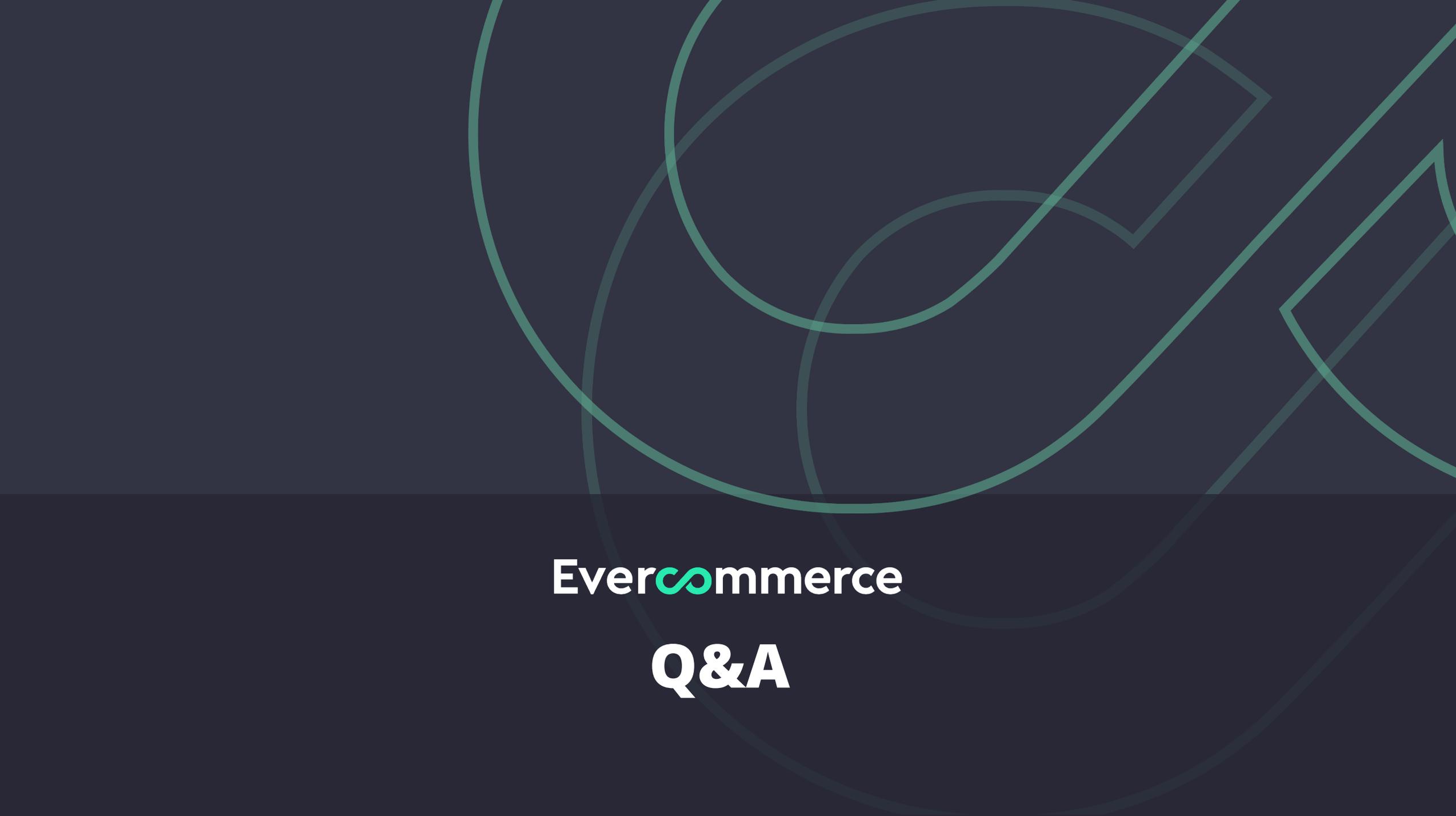
<sup>1</sup> \$425M notional interest rate swaps to fix the floating rate components at weighted average rate of 3.91% through October 2027

<sup>2</sup> Credit Facility leverage is calculated using additional addbacks to Adjusted EBITDA allowed per the Company's Credit Agreement

# Outlook

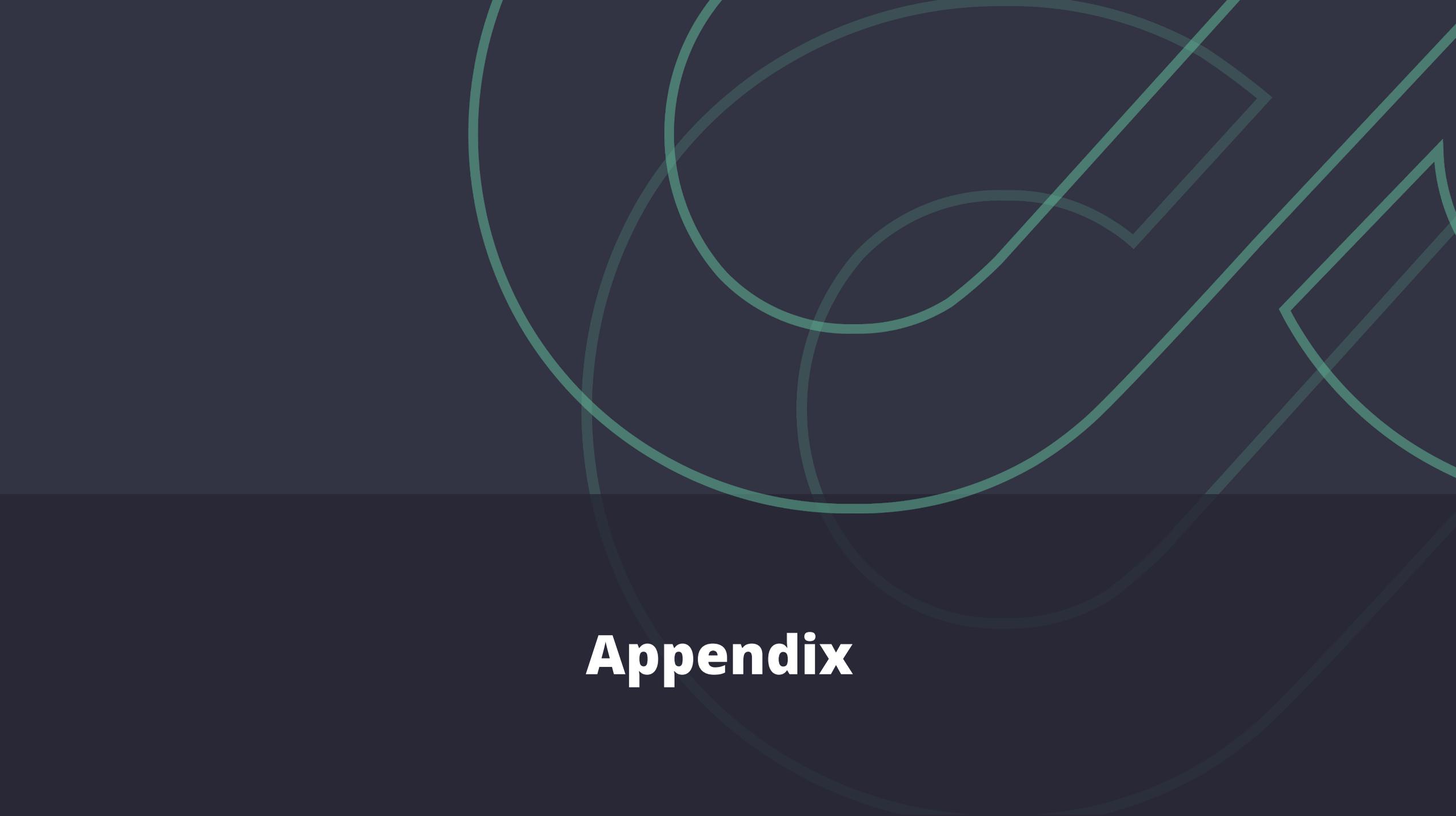
Q4 and 2025 Guidance Excludes Marketing Technology Solutions

	Q4 2025	FY 2025
Total Revenue	\$148M - 152M	\$584 - 592M
Adjusted EBITDA	\$39.5M - 41.5M	\$174.5 - 179.5M

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**Q&A**

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# **Appendix**

# GAAP to Non-GAAP Adj EBITDA Reconciliation

## Adjusted EBITDA

(\$ in 000s)

	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	LTM	
						Q3 2024	Q3 2025
Net Income (Loss) from Continuing Operations	(\$9,115)	\$12,480	\$934	\$5,761	\$5,804	(\$51,593)	\$24,979
<b>Adjusted to Exclude the Following:</b>							
Interest and Other Expense, Net	18,332	1,885	12,759	8,798	8,902	53,467	32,344
Income Tax Expense (Benefit)	938	(1,725)	512	1,243	1,247	10,484	1,277
Depreciation and Amortization	19,951	19,894	16,768	16,589	16,763	84,667	70,014
Other Amortization	1,370	1,417	1,482	1,541	1,590	5,197	6,030
Stock-based Compensation Expense	7,950	6,123	6,755	8,072	6,724	25,424	27,674
Transaction-Related and Other Non-Recurring or Unusual Costs	2,698	4,075	5,735	2,953	5,423	31,831	18,186
<b>Adjusted EBITDA from Continuing Operations</b>	<b>\$42,124</b>	<b>\$44,149</b>	<b>\$44,945</b>	<b>\$44,957</b>	<b>\$46,453</b>	<b>\$159,477</b>	<b>\$180,504</b>
<i>Adjusted EBITDA Margin</i> <sup>1</sup>	30.1%	30.7%	31.6%	30.4%	31.5%	28.7%	31.0%

<sup>1</sup>Calculated as a percentage of GAAP Revenue as of the respective period presented  
Note: minor rounding differences may exist in the figures presented

# GAAP to Non-GAAP Adj Gross Profit Reconciliation

## Adjusted Gross Profit

(\$ in 000s)						LTM	
	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q3 2024	Q3 2025
Gross Profit from Continuing Operations	\$104,234	\$107,342	\$106,433	\$110,067	\$109,145	\$408,388	\$432,987
<b>Adjusted to Exclude the Following:</b>							
Depreciation and Amortization	5,247	5,262	4,652	4,553	4,846	21,485	19,313
<b>Adjusted Gross Profit from Continuing Operations</b>	<b>\$109,481</b>	<b>\$112,604</b>	<b>\$111,085</b>	<b>\$114,620</b>	<b>\$113,991</b>	<b>\$429,873</b>	<b>\$452,300</b>
Adjusted Gross Profit Margin	78.1%	78.4%	78.1%	77.4%	77.3%	77.3%	77.8%

<sup>1</sup>Gross profit is calculated as total revenues less cost of revenues (exclusive of depreciation and amortization), amortization of developed technology, amortization of capitalized software and depreciation expense (allocated to cost of revenues). Note: minor rounding differences may exist in the figures presented

# LFCF and aUFCF Reconciliations<sup>1</sup>

## Levered and Adjusted Unlevered Free Cash Flow

(\$ in 000s)

	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Cash Flow from Operations	\$27,534	\$48,413	\$30,678	\$26,981	\$32,524
<b>Adjusted for the Following:</b>					
Purchase of PP&E	(172)	(254)	(493)	(499)	(941)
Capitalized Software Costs	(4,353)	(4,374)	(5,065)	(7,603)	(8,268)
<b>Levered Free Cash Flow</b>	<b>\$23,009</b>	<b>\$43,785</b>	<b>\$25,120</b>	<b>\$18,879</b>	<b>\$23,315</b>
LFCF Margin	13.1%	25.0%	14.7%	10.3%	12.9%

Adjusted EBITDA	\$44,511	\$50,385	\$47,699	\$47,736	\$50,308
<b>Adjusted for the Following:</b>					
Transaction-Related and Other Non-Recurring or Unusual Costs	(2,634)	(4,304)	(5,961)	(3,169)	(5,659)
Purchase of PP&E	(172)	(254)	(493)	(499)	(941)
Capitalized Software Costs	(4,353)	(4,374)	(5,065)	(7,603)	(8,268)
Capitalized Commissions	(1,895)	(2,326)	(1,930)	(1,574)	(3,109)
<b>Adjusted Unlevered Free Cash Flow</b>	<b>\$35,457</b>	<b>\$39,127</b>	<b>\$34,250</b>	<b>\$34,891</b>	<b>\$32,331</b>
Adjusted aUFCF Margin	20.1%	22.4%	20.0%	19.1%	17.9%

## LTM

	Q3 2024	Q3 2025
Cash Flow from Operations	\$100,768	\$138,596
Purchase of PP&E	(2,105)	(2,187)
Capitalized Software Costs	(18,387)	(25,310)
<b>Levered Free Cash Flow</b>	<b>\$80,276</b>	<b>\$111,099</b>
LFCF Margin	11.6%	15.7%

Adjusted EBITDA	\$169,695	\$196,128
Transaction-Related and Other Non-Recurring or Unusual Costs	(15,028)	(19,093)
Purchase of PP&E	(2,105)	(2,187)
Capitalized Software Costs	(18,387)	(25,310)
Capitalized Commissions	(9,070)	(8,939)
<b>Adjusted Unlevered Free Cash Flow</b>	<b>\$125,105</b>	<b>\$140,599</b>
Adjusted aUFCF Margin	18.0%	19.8%

<sup>1</sup>These metrics are inclusive of continuing and discontinued operations.  
Note: minor rounding differences may exist in the figures presented

# Non-GAAP Operating Expense Reconciliation

(\$ in 000s)	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	LTM	
						Q3 2024	Q3 2025
Sales and Marketing as reported	\$28,545	\$29,030	\$28,783	\$30,611	\$26,526	\$114,460	\$114,950
<b>Adjusted for the Following:</b>							
Stock-based Compensation Expense	(290)	(173)	(320)	(393)	(435)	(1,377)	(1,321)
Other Amortization	(1,370)	(1,417)	(1,482)	(1,541)	(1,590)	(5,197)	(6,030)
Transaction-Related and Other Non-Recurring or Unusual Costs	(102)	(318)	(64)	(5)	(16)	(619)	(403)
<b>Adjusted Sales and Marketing</b>	<b>\$26,783</b>	<b>\$27,122</b>	<b>\$26,917</b>	<b>\$28,672</b>	<b>\$24,485</b>	<b>\$107,267</b>	<b>\$107,196</b>
Product Development as reported	\$19,135	\$18,510	\$19,963	\$19,497	\$19,387	\$76,120	\$77,357
<b>Adjusted for the Following:</b>							
Stock-based Compensation Expense	(458)	(436)	(460)	(653)	(693)	(1,946)	(2,242)
Transaction-Related and Other Non-Recurring or Unusual Costs	(368)	368	(1,282)	(490)	256	(888)	(1,148)
<b>Adjusted Product Development</b>	<b>\$18,309</b>	<b>\$18,442</b>	<b>\$18,221</b>	<b>\$18,354</b>	<b>\$18,950</b>	<b>\$73,286</b>	<b>\$73,967</b>
General and Administrative as reported	\$31,625	\$32,621	\$31,281	\$32,121	\$35,362	\$125,306	\$131,385
<b>Adjusted for the Following:</b>							
Stock-based Compensation Expense	(7,200) <sup>1</sup>	(5,514) <sup>1</sup>	(5,975) <sup>1</sup>	(7,026) <sup>1</sup>	(5,596) <sup>1</sup>	(22,099) <sup>1</sup>	(24,111) <sup>1</sup>
Transaction-Related and Other Non-Recurring or Unusual Costs	(2,158)	(4,216)	(4,304)	(2,458)	(5,663)	(13,362)	(16,641)
<b>Adjusted General and Administrative</b>	<b>\$22,267</b>	<b>\$22,891</b>	<b>\$21,002</b>	<b>\$22,637</b>	<b>\$24,103</b>	<b>\$89,845</b>	<b>\$90,633</b>
<b>Total Adjusted Operating Expenses</b>	<b>\$67,359</b>	<b>\$68,455</b>	<b>\$66,140</b>	<b>\$69,663</b>	<b>\$67,538</b>	<b>\$270,398</b>	<b>\$271,796</b>
% of Revenue	48.1%	47.6%	46.5%	47.1%	45.8%	48.6%	46.7%

<sup>1</sup> Includes approximately \$0.1M of stock-based compensation expense recorded to cost of revenues  
Note: minor rounding differences may exist in the figures presented

# Pro Forma Revenue

Pro Forma Revenue <i>(\$ in 000s)</i>	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	LTM	
						Q3 2024	Q3 2025
Revenue as reported	\$140,106	\$143,704	\$142,273	\$148,015	\$147,466	\$555,931	\$581,458
Plus acquisition revenue / less disposition revenue	709	810	921	1,018	874	(12,170)	3,623
<b>Pro Forma Revenue</b>	<b>\$140,815</b>	<b>\$144,514</b>	<b>\$143,194</b>	<b>\$149,033</b>	<b>\$148,340</b>	<b>\$543,761</b>	<b>\$585,081</b>
<b>Pro Forma Revenue Growth (YoY)</b>	<b>7.8%</b>	<b>9.6%</b>	<b>7.8%</b>	<b>7.8%</b>	<b>5.3%</b>	<b>7.6%</b>	

Note: minor rounding differences may exist in the figures presented

Acquisition revenue includes the estimated revenue associated with ZyraTalk prior to the September 15, 2025 acquisition date while the divestiture revenue adjustment excludes revenue associated with fitness solutions (see Pro Forma Revenue and Pro Forma Revenue Growth Rate definition under Non-GAAP financial measures).

# Pro Forma Subscription and Transaction Fees Revenue

Pro Forma Subscription and Transaction Fees Revenue						LTM	
	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q3 2024	Q3 2025
<i>(\$ in 000s)</i>							
Subscription and Transaction Fees Revenue as reported	\$136,263	\$137,648	\$137,779	\$142,841	\$142,184	\$537,419	\$560,452
Plus acquisition revenue / less disposition revenue	709	810	921	1,018	874	(11,981)	3,623
<b>Pro Forma Subscription and Transaction Fees Revenue</b>	<b>\$136,972</b>	<b>\$138,458</b>	<b>\$138,700</b>	<b>\$143,859</b>	<b>\$143,058</b>	<b>\$525,438</b>	<b>\$564,075</b>
<b>Pro Forma Subscription and Transaction Fees Revenue Growth (YoY)</b>	<b>8.6%</b>	<b>9.3%</b>	<b>8.0%</b>	<b>7.8%</b>	<b>4.4%</b>		<b>7.4%</b>

Note: minor rounding differences may exist in the figures presented

Acquisition revenue includes the estimated revenue associated with ZyraTalk prior to the September 15, 2025 acquisition date while the divestiture revenue adjustment excludes revenue associated with fitness solutions (see Pro Forma Revenue and Pro Forma Revenue Growth Rate definition under Non-GAAP financial measures).

# Definitions

Unless otherwise noted, all amounts, percentages and discussions below and in the following reconciliations reflect only the results of operations and financial condition of our continuing operations (i.e., excluding Marketing Technology Solutions, which qualifies as discontinued operations). In each case, the most directly comparable GAAP metric is presented from continuing operations only.

**Adjusted EBITDA:** Adjusted EBITDA is calculated as net income (loss) adjusted to exclude interest and other expense, net, income tax expense (benefit), depreciation and amortization, other amortization, stock-based compensation expense and transaction-related and other non-recurring or unusual costs. Other amortization includes amortization for capitalized contract acquisition costs. Transaction-related costs are specific deal-related costs such as legal fees, financial and tax due diligence, consulting and escrow fees. Other non-recurring or unusual costs are expenses such as impairment charges, (gains) losses from divestitures, system implementation costs including amortization of cloud-based software implementation costs, including amortization of cloud-based software implementation costs, executive separation costs, severance expense related to planned restructuring activities, and costs associated with integration and transformation improvements. Transaction-related and other non-recurring or unusual costs are excluded as they are not representative of our underlying operating performance.

**Adjusted Gross Profit:** Adjusted Gross Profit is calculated as gross profit adjusted to exclude depreciation and amortization allocated to cost of revenues. Gross profit is calculated as total revenues less cost of revenues (exclusive of depreciation and amortization), amortization of developed technology, amortization of capitalized software and depreciation expense (allocated to cost of revenues).

**Annualized Net Revenue Retention:** The percentage of recurring revenue retained from existing customers over a 12 month period. It takes into account revenue increases from upsell and cross-sell, as well as revenue decreases from downgrades and cancellation.

**Adjusted Operating Expenses:** Adjusted Operating Expenses (Sales and Marketing, Product Development, and General and Administrative) are calculated as reported operating expense, adjusted to exclude stock-based compensation expense, other amortization, and transaction-related and other non-recurring or unusual costs. Other amortization includes amortization for capitalized contract acquisition costs. Transaction-related costs are specific deal-related costs such as legal fees, financial and tax due diligence, consulting and escrow fees. Other non-recurring or unusual costs are expenses such as system implementation costs, including amortization of cloud-based software implementation costs, executive separation costs, and severance related to planned restructuring activities. Transaction-related costs and other non-recurring or unusual costs are excluded as they are not representative of our underlying operating performance.

**Adjusted Unlevered Free Cash Flow:** Adjusted Unlevered Free Cash Flow (aUFCF) is inclusive of continuing and discontinued operations for all periods presented and is calculated as Adjusted EBITDA, less transaction-related and other non-recurring or unusual costs, purchases of PP&E, capitalized software costs, and capitalized commissions. Transaction-related and other non-recurring or unusual costs, capitalized software costs and capitalized commissions are costs that are excluded from Adjusted EBITDA but are cash costs and as such are included in the aUFCF calculation. Transaction-related costs are specific deal-related costs such as legal fees, financial and tax due diligence, consulting and escrow fees. Other non-recurring or unusual costs are expenses such as system implementation costs, executive separation costs, and severance related to planned restructuring activities.

# Definitions

**Levered Free Cash Flow:** Levered Free Cash Flow (LFCF) is inclusive of continuing and discontinued operations for all periods presented and is calculated as Cash Flow from Operations, adjusted for purchases of PP&E and capitalized software costs. Purchases of PP&E and capitalized software costs are cash expenses unrelated to financing activities and as such are included in the definition of LFCF.

**Pro Forma Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate:** Pro Forma Revenue, Pro Forma Payments Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, Pro Forma Payments Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate are key performance measures that our management uses to assess our consolidated operating performance from continuing operations over time. Management also uses these metrics for planning and forecasting purposes.

Our year-over-year Pro Forma Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate are calculated as though all acquisitions and divestitures closed as of the end of the latest period were completed as of the first day of the prior year period presented. In calculating Pro Forma Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate, we add the revenue from acquisitions for the reporting periods prior to the date of acquisition (including estimated purchase accounting adjustments) and exclude revenue from divestitures for the reporting periods prior to the date of divestiture, and then calculate our revenue growth rate between the two reported periods. As a result, Pro Forma Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate includes pro forma revenue from businesses acquired and excludes revenue from businesses divested of during the period, including revenue generated during periods when we did not yet own the acquired businesses and excludes revenue prior to the divestiture of the business. In including such pre-acquisition revenue and excluding pre-divestiture revenue, Pro Forma Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate allow us to measure the underlying revenue growth of our business as it stands as of the end of the respective period, which we believe provides insight into our then-current operations. Pro Forma Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate do not represent organic revenue generated by our business as it stood at the beginning of the respective period. Pro Forma Revenue, Pro Forma Subscription and Transaction Revenue, Pro Forma Revenue Growth Rate, and Pro Forma Subscription and Transaction Revenue Growth Rate are not necessarily indicative of either future results of operations or actual results that might have been achieved had the acquisitions and divestitures been consummated on the first day of the prior year period presented. We believe that these metrics are useful to investors in analyzing our financial and operational performance period over period and evaluating the growth of our business, normalizing for the impact of acquisitions and divestitures. These metrics are particularly useful to management due to the number of acquired entities.

**Total Payments Volume (“TPV”):** Total Payments Volume is the annualized run rate volume of payments processed by an EverCommerce customer through an EverCommerce solution.