

## Q3 2023 Earnings Call

2:00 pm PST November 7, 2023



### Yaoxian Chew

Investor Relations | **Amplitude** 



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This presentation also contains estimates and other statistical data made by third parties and by the Company relating to market size and growth and other data about the Company's industry. These estimates and other statistical data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates and other statistical data. The Company has not independently verified the statistical and other industry data generated by third parties and contained in this presentation and, accordingly, it cannot guarantee their accuracy or completeness. In addition, expectations, assumptions, estimates and projections of the Company's 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.

This presentation also includes certain non-GAAP financial measures (including on a forward-looking basis) such as Free Cash Flow, Free Cash Flow Margin, non-GAAP Gross Profit, non-GAAP Gross Margin, non-GAAP Income (Loss) from Operations, non-GAAP Operating Margin, non-GAAP Sales and Marketing Expenses, non-GAAP Research and Development Expenses, non-GAAP General and Administrative Expenses, non-GAAP Net Income (Loss), and non-GAAP Net Income (Loss) Per Share. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company's non-GAAP financial measures as tools for comparison. The Company has provided a reconciliation of those historic measures to the most directly comparable GAAP measures, which is available in the appendix to this presentation.

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## Spenser Skates

CEO & Co-founder | Amplitude



### Q3 Financial Results Highlights



\$70.6M Revenue increased by 15% Y/Y



**2,471**Paying customers increased by 29% Y/Y



\$8.0M / \$7.5M
Cash Flow from Operations /
Free Cash Flow





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## **Product Updates**



## Session Replay

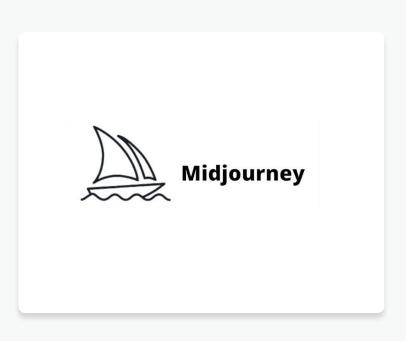




# Plus plan



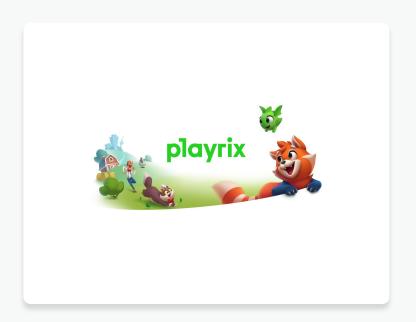
### Q3 2023 Customer Highlights



character.ai



### Q3 2023 Customer Highlights



## GLOBAL SPORTS ORGANIZATION





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## Criss Harms CFO | Amplitude



### Strong Revenue and Customer Metrics

	Q3 2023 Result
Revenue	\$70.6M +15% Y/Y
Annual Recurring Revenue (ARR)	\$273M +12% Y/Y
Total Paying Customers	<b>2,471</b> +29% Y/Y
TTM Dollar-Based Net Retention Rate as of September 30, 2023	105%
Dollar-Based Net Retention Rate as of September 30, 2023	99%



### Non-GAAP Financial Results\*

	Q3 2023 Result
Gross Margin	78.7%
Operating Margin	4%
Net Income Per Share, Diluted	\$0.05 128.1 million diluted shares
Free Cash Flow Margin	11%



<sup>\*</sup> Unless otherwise noted, all metrics are Non-GAAP. Gross margin, operating margin and free cash flow margin are calculated as gross profit, income from operations, and free cash flow, respectively, divided by total revenue. A reconciliation of GAAP to Non-GAAP results is available in the appendix of this presentation.

### Guidance

	Q4 2023	FY 2023
Revenue	\$71.3 - \$71.9M +9% to +10% Y/Y	\$276.2- \$276.8M +16% Y/Y
Non-GAAP Operating Income (Loss)	\$1.3 - \$1.9M	\$(4.5) - \$(3.9)M
Non-GAAP Net Income Per Share, Diluted	\$0.02 - \$0.03	\$0.05 - \$0.06
Weighted Average Shares Outstanding, Diluted	129.8M shares	127.8M shares

An outlook for GAAP income (loss) from operations, GAAP net income (loss), and GAAP net income (loss) per share, and a reconciliation to GAAP loss from operations, GAAP net income (loss), and GAAP net income (loss) per share has not been provided as the quantification of certain items included in the calculation of GAAP income (loss) from operations, and GAAP net income (loss) per share cannot be reasonably calculated or predicted at this time without unreasonable efforts. For example, the non-GAAP adjustment for stock-based compensation expense requires additional inputs such as the number and value of awards granted that are not currently ascertainable, and the non-GAAP adjustment for amortization of acquired intangible assets depends on the timing and value of intangible assets acquired that cannot be accurately forecasted.



## Sell-Side Analyst Q&A



## GAAP to Non-GAAP Reconciliation



### GAAP to Non-GAAP Reconciliation

	Three Months Ended September 30,				Nine Months Ended September 30,			
		2023	2022		2023		2022	
Reconciliation of gross profit and gross margin								
GAAP gross profit	\$	53,346	\$	43,538	\$	151,223	\$	121,610
Plus: stock-based compensation expense and related employer payroll taxes <sup>1</sup>		1,947		1,793		5,426		4,384
Plus: amortization of acquired intangible assets		273		534		965		1,517
Non-GAAP gross profit	\$	55,566	\$	45,865	\$	157,614	\$	127,511
GAAP gross margin <sup>2</sup>		75.5%		70.7%		73.8%		70.49
Non-GAAP adjustments		3.1%		3.8%		3.1%		3.4%
Non-GAAP gross margin <sup>2</sup>		78.7%		74.4%		76.9%	-00	73.8%
Reconciliation of operating loss and operating margin								
GAAP loss from operations	\$	(20,923)	s	(24,190)	s	(80,983)	s	(70,764
Plus: stock-based compensation expense and related employer payroll taxes <sup>1</sup>		23,450		18,793		65,883		47,659
Plus: amortization of acquired intangible assets		317		534		1,096		1,517
Plus: restructuring and other related charges						8,194		_
Non-GAAP income (loss) from operations	\$	2,844	\$	(4,863)	\$	(5,810)	\$	(21,588
GAAP operating margin	-	(29.6%)	03	(39.3%)		(39.5%)		(40.9%
Non-GAAP adjustments		33.6%		31.4%		36.7%		28.5%
Non-GAAP operating margin		4.0%		(7.9%)		(2.8%)		(12.5%
Reconciliation of net income (loss)			-					
GAAP net income (loss)	\$	(17,747)	S	(22,544)	S	(71,820)	\$	(69,332
Plus: stock-based compensation expense and related employer payroll taxes <sup>1</sup>		23,450		18,793		65,883		47,659
Plus: amortization of acquired intangible assets		317		534		1,096		1,517
Plus: restructuring and other related charges				_		8,194		_
Less: income tax effect of non-GAAP adjustments		(130)		_		(130)		_
Non-GAAP net income (loss)	\$	5,890	\$	(3,217)	\$	3,223	\$	(20,156
Reconciliation of net income (loss) per share			-					
GAAP net income (loss) per share, basic	\$	(0.15)	s	(0.20)	s	(0.62)	s	(0.63
Non-GAAP adjustments to net income (loss)		0.20		0.17		0.65		0.44
Non-GAAP net income (loss) per share, basic	\$	0.05	\$	(0.03)	\$	0.03	\$	(0.19
Non-GAAP net income (loss) per share, diluted	\$	0.05	\$	(0.03)	S	0.03	\$	(0.19
Weighted-average shares used in GAAP and non-GAAP per share calculation, basic		117.902		112,016		116,160	-	110,876
Weighted-average shares used in GAAP and non-GAAP per share calculation, diluted <sup>3</sup>		128,140		112,016		126,759		110.876



<sup>&</sup>lt;sup>1</sup>Stock-based compensation expense-related charges include employer payroll tax-related expenses on employee stock transaction

<sup>2</sup> Margin represents percentage of GAAP revenue

<sup>&</sup>lt;sup>3</sup> For the three and nine months ended September 30, 2023, the weighted average shares used in the GAAP per share calculation excludes 10.2 million shares and 10.6 million shares, respectively, as the effect is anti-dilutive in the period

### GAAP to Non-GAAP Reconciliation

### AMPLITUDE, INC. Reconciliation of GAAP to Non-GAAP Data (In thousands, except percentages and per share amounts) (unaudited)

	Three Months Ended September 30,					Nine Months Ended September 30,			
		2023	2022		2023		2022		
Reconciliation of operating expenses	100		0,5	-20.	100		82		
GAAP research and development	\$	21,797	\$	21,590	\$	67,940	\$	58,397	
Less: stock-based compensation expense and related employer payroll taxes <sup>1</sup>		(9,395)		(7,646)		(27,928)		(19,661)	
Non-GAAP research and development	\$	12,402	\$	13,944	\$	40,012	\$	38,736	
GAAP research and development as percentage of revenue	20	30.9%	-	35.0%		33.2%		33.8%	
Non-GAAP research and development as percentage of revenue		17.6%		22.6%		19.5%		22.4%	
GAAP sales and marketing	\$	38,475	\$	32,528	\$	115,934	\$	94,793	
Less: stock-based compensation expense and related employer payroll taxes <sup>1</sup>		(8,011)		(5,126)		(22,352)		(11,626)	
Less: amortization of acquired intangible assets		(44)		_		(131)		_	
Non-GAAP sales and marketing	\$	30,420	\$	27,402	\$	93,451	\$	83,167	
GAAP sales and marketing as percentage of revenue	10.	54.5%		52.8%		56.6%		54.9%	
Non-GAAP sales and marketing as percentage of revenue		43.1%		44.5%		45.6%		48.1%	
GAAP general and administrative	\$	13,997	\$	13,610	\$	40,138	\$	39,184	
Less: stock-based compensation expense and related employer payroll taxes <sup>1</sup>		(4,097)		(4,228)		(10,177)		(11,988)	
Non-GAAP general and administrative	\$	9,900	\$	9,382	\$	29,961	\$	27,196	
GAAP general and administrative as percentage of revenue		19.8%		22.1%		19.6%		22.7%	
Non-GAAP general and administrative as percentage of revenue		14.0%		15.2%		14.6%		15.7%	
Note: Certain figures may not sum due to rounding									

<sup>1</sup>Stock-based compensation expense-related charges include employer payroll tax-related expenses on employee stock transaction



## GAAP Cash Flows from Operating Activities to Free Cash Flow

#### AMPLITUDE, INC.

Reconciliation of GAAP Cash Flows from Operations to Free Cash Flows (In thousands, except for percentages) (unaudited)

	Three Months Ended September 30,					Nine Months Ended September 30,					
Net cash provided by (used in) operating activities	100	2023		2022		2023	2022				
	\$	7,964	\$	(3,139)	\$	23,309	\$	(786)			
Less:											
Purchases of property and equipment		-		(487)		(995)		(3,012)			
Capitalization of internal-use software costs		(476)		(260)		(1,349)		(1,523)			
Free cash flow	\$	7,488	\$	(3,886)	\$	20,965	\$	(5,321)			
Net cash provided by (used in) operating activities margin		11.3%		(5.1%)	ile.	11.4%		(0.5%)			
Non-GAAP adjustments		(0.7%)		(1.2%)		(1.1%)		(2.6%)			
Free cash flow margin <sup>1</sup>	4.0	10.6%		(6.3%)		10.2%	9.00	(3.1%)			
Note: Certain figures may not sum due to rounding	3 2	<del>-</del>	(	- 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10				- 12 8			



