



Q4 2023 Earnings Call

2:00 pm PST
February 20, 2024



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**



Q4 Financial Results Highlights



\$71.4M

Revenue increased
by 9% Y/Y



\$281M

Up \$8 million from the end of
the 3rd quarter



\$2.3M / \$1.5M

Cash Flow from Operations /
Free Cash Flow



A reconciliation of GAAP to Non-GAAP results is available in the appendix of this presentation.



Spenser Skates

CEO & Co-founder | **Amplitude**



Plus Plan

The screenshot shows the Amplitude Plus plan landing page. At the top, the Amplitude logo is on the left, and navigation links for Platform, Solutions, Resources, Pricing, Login, Contact sales, and Get started are on the right. The main content area has a blue background on the left and a light blue background on the right. The text on the left reads: "Amplitude Plus plan", "How small teams drive growth", and "Find your product-market fit, your growth drivers, and personalize experiences with integrated customer insights. Plus is one scalable analytics platform with everything you need to grow." Below this text are two buttons: "Get Plus" and "Start for free". On the right, there is a video player showing a "Checkout Experience" with a play button overlay. The video content includes a "Cohort Definition" interface and a "Checkout Experience" interface with a "Complete Purchase" button and a value of "48.5%".

Session Replay

Play Session

The screenshot displays a video player interface for a session replay. The video content shows a product page for 'Steak' on the AmpliStore website. The page includes a navigation bar with 'amplistore' and search, login, and cart icons. Below the navigation are category icons for Produce, Dairy, Protein, Pantry Essentials, and Home Goods. The main content area features a promotional banner for a delivery app, a product image of a steak, and a product card with the following details: SKU: 001932, Trademark: Norwegian, Preserving type: Frozen, Price: \$18.00 (620.00), and an 'ADD TO CART' button. The product description is partially visible, starting with 'There is a widespread belief that beef with high saturated fat content is the main cause of high blood cholesterol levels. In fact, Australian beef...'. The video player interface includes a progress bar from 00:14 to 00:33, a volume icon, and playback speed controls (1x, 2x, 8x) and a 'skip inactive' button.

Product Highlights

Ask Amplitude

Data Assistant

CDP Connections

Personalized Homepage

Dashboard Templates

Team Workspaces



Francois Ajenstat

Chief Product Officer



Q4 2023 Customer Highlights



Q4 2023 Customer Highlights



Large
AeroSpace
Company





Spenser Skates

CEO & Co-founder | **Amplitude**





Criss Harms

CFO | **Amplitude**



Revenue and Customer Metrics

	Q4 2023 Result
Revenue	\$71.4M +9% Y/Y
Annual Recurring Revenue (ARR)	\$281M +10% Y/Y
Total Paying Customers	2,723 +37% Y/Y
TTM Dollar-Based Net Retention Rate as of December 31, 2023	101%
Dollar-Based Net Retention Rate as of December 31, 2023	98%



Non-GAAP Financial Results*

	Q4 2023 Result	FY23 Result
Gross Margin	77.4%	77.1%
Operating Margin	3.2%	(1.3%)
Net Income Per Share, Diluted	\$0.04 129.2 million diluted shares	\$0.06 127.4 million diluted shares
Free Cash Flow Margin	2%	8%

* 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

	Q1 2024	FY 2024
Revenue	\$72.1 – \$72.7M +8% to +9% Y/Y	\$291.5– \$294.5M +6% to +7% Y/Y
Non-GAAP Operating Income (Loss)	\$(2.8) – \$(2.2)M	\$(1.0) – \$2.0M
Non-GAAP Net Income (Loss) Per Share, Diluted	\$(0.01) – \$0.00	\$0.06 – \$0.08
Weighted Average Shares Outstanding	120.5M basic shares	133.0M diluted 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 income (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, GAAP net income (loss), 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

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

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Reconciliation of gross profit and gross margin				
GAAP gross profit	\$ 53,138	\$ 46,015	\$ 204,361	\$ 167,625
Plus: stock-based compensation expense and related employer payroll taxes ¹	1,874	2,084	7,300	6,468
Plus: amortization of acquired intangible assets	273	500	1,238	2,017
Non-GAAP gross profit	\$ 55,285	\$ 48,599	\$ 212,899	\$ 176,110
GAAP gross margin ²	74.4%	70.5%	74.0%	70.4%
Non-GAAP adjustments	3.0%	4.0%	3.1%	3.6%
Non-GAAP gross margin ²	77.4%	74.5%	77.1%	74.0%
Reconciliation of operating loss and operating margin				
GAAP loss from operations	\$ (21,537)	\$ (25,798)	\$ (102,520)	\$ (96,562)
Plus: stock-based compensation expense and related employer payroll taxes ¹	23,589	20,638	89,472	68,297
Plus: amortization of acquired intangible assets	317	500	1,413	2,017
Plus: restructuring and other related charges	(52)	—	8,142	—
Non-GAAP income (loss) from operations	\$ 2,317	\$ (4,660)	\$ (3,493)	\$ (26,248)
GAAP operating margin	(30.2%)	(39.5%)	(37.1%)	(40.6%)
Non-GAAP adjustments	33.4%	32.4%	35.8%	29.5%
Non-GAAP operating margin	3.2%	(7.1%)	(1.3%)	(11.0%)
Reconciliation of net income (loss)				
GAAP net income (loss)	\$ (18,543)	\$ (24,045)	\$ (90,363)	\$ (93,377)
Plus: stock-based compensation expense and related employer payroll taxes ¹	23,589	20,638	89,472	68,297
Plus: amortization of acquired intangible assets	317	500	1,413	2,017
Plus: restructuring and other related charges	(52)	—	8,142	—
Less: income tax effect of non-GAAP adjustments	(578)	—	(708)	—
Non-GAAP net income (loss)	\$ 4,733	\$ (2,907)	\$ 7,956	\$ (23,063)
Reconciliation of net income (loss) per share				
GAAP net income (loss) per share, basic	\$ (0.16)	\$ (0.21)	\$ (0.77)	\$ (0.84)
Non-GAAP adjustments to net income (loss)	0.20	0.19	0.85	0.63
Non-GAAP net income (loss) per share, basic	\$ 0.04	\$ (0.03)	\$ 0.07	\$ (0.21)
Non-GAAP net income (loss) per share, diluted	\$ 0.04	\$ (0.03)	\$ 0.06	\$ (0.21)
Weighted-average shares used in GAAP and non-GAAP per share calculation, basic	119,249	113,104	116,938	111,437
Weighted-average shares used in GAAP and non-GAAP per share calculation, diluted ³	129,158	113,104	127,364	111,437

Note: Certain figures may not sum due to rounding

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

² Margin represents percentage of GAAP revenue

³ For the three and twelve months ended December 31, 2023, the weighted average shares used in the GAAP per share calculation excludes 9.9 million shares and 10.4 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 December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Reconciliation of operating expenses				
GAAP research and development	\$ 22,198	\$ 22,192	\$ 90,138	\$ 80,589
Less: stock-based compensation expense and related employer payroll taxes ¹	(9,591)	(8,815)	(37,519)	(28,476)
Non-GAAP research and development	<u>\$ 12,607</u>	<u>\$ 13,377</u>	<u>\$ 52,619</u>	<u>\$ 52,113</u>
GAAP research and development as percentage of revenue	31.1%	34.0%	32.6%	33.9%
Non-GAAP research and development as percentage of revenue	17.7%	20.5%	19.0%	21.9%
GAAP sales and marketing	\$ 37,780	\$ 35,169	\$ 153,714	\$ 129,962
Less: stock-based compensation expense and related employer payroll taxes ¹	(7,854)	(5,760)	(30,206)	(17,386)
Less: amortization of acquired intangible assets	(44)	—	(175)	—
Non-GAAP sales and marketing	<u>\$ 29,882</u>	<u>\$ 29,409</u>	<u>\$ 123,333</u>	<u>\$ 112,576</u>
GAAP sales and marketing as percentage of revenue	52.9%	53.9%	55.6%	54.6%
Non-GAAP sales and marketing as percentage of revenue	41.8%	45.1%	44.6%	47.3%
GAAP general and administrative	\$ 14,749	\$ 14,452	\$ 54,887	\$ 53,636
Less: stock-based compensation expense and related employer payroll taxes ¹	(4,270)	(3,979)	(14,447)	(15,967)
Non-GAAP general and administrative	<u>\$ 10,479</u>	<u>\$ 10,473</u>	<u>\$ 40,440</u>	<u>\$ 37,669</u>
GAAP general and administrative as percentage of revenue	20.7%	22.1%	19.9%	22.5%
Non-GAAP general and administrative as percentage of revenue	14.7%	16.0%	14.6%	15.8%

Note: Certain figures may not sum due to rounding

¹ 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 December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Net cash provided by (used in) operating activities	\$ 2,321	\$ (4,598)	\$ 25,630	\$ (5,384)
Less:				
Purchases of property and equipment	(284)	(620)	(1,279)	(3,632)
Capitalization of internal-use software costs	(555)	(654)	(1,904)	(2,177)
Free cash flow	\$ 1,482	\$ (5,872)	\$ 22,447	\$ (11,193)
Net cash provided by (used in) operating activities margin	3.3%	(7.0%)	9.3%	(2.3%)
Non-GAAP adjustments	(1.2%)	(2.0%)	(1.2%)	(2.4%)
Free cash flow margin ¹	2.1%	(9.0%)	8.1%	(4.7%)

Note: Certain figures may not sum due to rounding

¹ Margin represents percentage of GAAP revenue

