

Concentrix Historical Financial Results
(in thousands)

GAAP Consolidated Income Statement	Unaudited 2020					Audited	Unaudited 2021				
	Q1	Q2	Q3	Q4	YTD 2020		Q1	Q2	Q3	Q4	YTD 2021
Revenue											
Industry vertical:											
Technology and consumer electronics	\$ 323,913	\$ 327,997	\$ 360,365	\$ 410,542	\$1,422,817		\$ 412,818	\$ 417,277	\$ 448,104		\$1,278,199
Communications and media	263,564	210,684	240,718	239,268	954,234		248,790	254,860	256,461		760,111
Retail, travel and ecommerce	198,914	168,380	191,118	237,912	796,324		239,001	231,966	241,662		712,629
Banking, financial services and insurance	192,703	168,283	165,961	185,522	712,469		209,084	228,816	210,730		648,630
Healthcare	97,325	84,965	91,838	118,558	392,686		125,224	115,418	113,749		354,391
Other	112,201	106,053	113,693	109,056	441,004		118,361	121,541	126,545		366,447
Total revenue	\$1,188,619	\$1,066,363	\$1,163,694	\$1,300,858	\$4,719,534		\$1,353,278	\$1,369,878	\$1,397,251		\$4,120,407
Revenue	\$1,188,619	\$1,066,363	\$1,163,694	\$1,300,858	\$4,719,534		\$1,353,278	\$1,369,878	\$1,397,251		\$4,120,407
Cost of revenue	743,429	721,193	751,161	842,226	3,058,009		867,228	887,149	915,910		2,670,287
Gross profit	445,190	345,170	412,533	458,632	1,661,525		486,050	482,729	481,341		1,450,120
Selling, general and administrative expenses	356,979	321,590	335,770	338,425	1,352,764		351,161	354,505	329,962		1,035,628
Operating income	88,211	23,580	76,763	120,207	308,761		134,889	128,224	151,379		414,492
Interest expense and finance charges, net	17,585	12,928	9,002	8,798	48,313		7,703	6,745	4,868		19,316
Other (income) expense, net	(3,235)	(1,641)	593	(3,164)	(7,447)		3,803	(3,546)	(5,858)		(5,601)
Income before income taxes	73,861	12,293	67,168	114,573	267,895		123,383	125,025	152,369		400,777
Provision for income taxes	21,544	9,823	21,771	49,946	103,084		34,572	42,121	42,615		119,308
Net income	\$ 52,317	\$ 2,470	\$ 45,397	\$ 64,627	\$ 164,811		\$ 88,811	\$ 82,904	\$ 109,754		\$ 281,469
Basic earnings per share	\$ 1.01	\$ 0.05	\$ 0.88	\$ 1.25	\$ 3.19		\$ 1.72	\$ 1.59	\$ 2.10		\$ 5.41
Diluted earnings per share	\$ 1.01	\$ 0.05	\$ 0.88	\$ 1.25	\$ 3.19		\$ 1.69	\$ 1.57	\$ 2.08		\$ 5.35

	Unaudited 2020					Unaudited 2021				
Non-GAAP Financial information *	Q1	Q2	Q3	Q4	YTD 2020	Q1	Q2	Q3	Q4	YTD 2021
Operating income	\$ 88,211	\$ 23,580	\$ 76,763	\$ 120,207	\$ 308,761	\$ 134,889	\$ 128,224	\$ 151,379		\$ 414,492
Acquisition-related and integration expenses	14,352	3,198	3,880	6,552	27,982	—	—	—		—
Spin-off related expenses	1,000	506	283	7,694	9,483	—	—	—		—
Amortization of intangibles	36,978	36,379	36,833	37,093	147,283	34,601	34,597	33,997		103,195
Share-based compensation	4,262	3,840	3,929	3,883	15,914	7,118	9,283	9,457		25,858
Gain on divestitures and related transaction costs	—	—	—	—	—	—	—	(13,197)		(13,197)
Non-GAAP operating income	\$ 144,803	\$ 67,503	\$ 121,688	\$ 175,429	\$ 509,423	\$ 176,608	\$ 172,104	\$ 181,636		\$ 530,348
Net income	\$ 52,317	\$ 2,470	\$ 45,397	\$ 64,627	\$ 164,811	\$ 88,811	\$ 82,904	\$ 109,754		\$ 281,469
Interest expense and finance charges, net	17,585	12,928	9,002	8,798	48,313	7,703	6,745	4,868		19,316
Provision for income taxes	21,544	9,823	21,771	49,946	103,084	34,572	42,121	42,615		119,308
Other (income) expense	(3,235)	(1,641)	593	(3,164)	(7,447)	3,803	(3,546)	(5,858)		(5,601)
Acquisition-related and integration expenses	14,352	3,198	3,880	6,552	27,982	—	—	—		—
Spin-off related expenses	1,000	506	283	7,694	9,483	—	—	—		—
Gain on divestitures and related transaction costs	—	—	—	—	—	—	—	(13,197)		(13,197)
Amortization of intangibles	36,978	36,379	36,833	37,093	147,283	34,601	34,597	33,997		103,195
Share-based compensation	4,262	3,840	3,929	3,883	15,914	7,118	9,283	9,457		25,858
Depreciation (excluding accelerated depreciation included in acquisition-related and integration expenses above)	31,661	30,161	31,509	35,795	129,126	35,999	36,226	33,146		105,371
Adjusted EBITDA	\$ 176,464	\$ 97,664	\$ 153,197	\$ 211,224	\$ 638,549	\$ 212,607	\$ 208,330	\$ 214,782		\$ 635,719
Operating margin	7.4 %	2.2 %	6.6 %	9.2 %	6.5 %	10.0 %	9.4 %	10.8 %		10.1 %
Non-GAAP operating margin	12.2 %	6.3 %	10.5 %	13.5 %	10.8 %	13.1 %	12.6 %	13.0 %		12.9 %
Adjusted EBITDA margin	14.8 %	9.2 %	13.2 %	16.2 %	13.5 %	15.7 %	15.2 %	15.4 %		15.4 %
Net income	\$ 52,317	\$ 2,470	\$ 45,397	\$ 64,627	\$ 164,811	\$ 88,811	\$ 82,904	\$ 109,754		\$ 281,469
Acquisition-related and integration expenses	14,352	3,198	3,880	6,552	27,982	—	—	—		—
Spin-off related expenses	1,000	506	283	7,694	9,483	—	—	—		—
Amortization of intangibles	36,978	36,379	36,833	37,093	147,283	34,601	34,597	33,997		103,195
Share-based compensation	4,262	3,840	3,929	3,883	15,914	7,118	9,283	9,457		25,858
Gain on divestitures and related transaction costs	—	—	—	—	—	—	—	(13,197)		(13,197)
Income taxes related to the above**	(13,469)	(11,125)	(11,379)	(13,037)	(49,010)	(10,567)	(1,860)	(8,315)		(20,742)
Non-GAAP net income	\$ 95,440	\$ 35,268	\$ 78,943	\$ 106,812	\$ 316,463	\$ 119,963	\$ 124,924	\$ 131,696		\$ 376,583

	Unaudited 2020					Unaudited 2021				
Non-GAAP Financial information *	Q1	Q2	Q3	Q4	YTD 2020	Q1	Q2	Q3	Q4	YTD 2021
Net income	\$ 52,317	\$ 2,470	\$ 45,397	\$ 64,627	\$ 164,811	\$ 88,811	\$ 82,904	109,754		\$ 281,469
Less: net income allocated to participating securities	—	—	—	—	—	(1,047)	(1,254)	(1,649)		(3,945)
Net income attributable to common stockholders	52,317	2,470	45,397	64,627	164,811	87,764	81,650	108,105		277,524
Acquisition-related, integration, and spin-off related expenses allocated to common stockholders	14,352	3,198	3,880	6,552	27,982	—	—	—		—
Spin-off related expenses allocated to common stockholders	1,000	506	283	7,694	9,483	—	—	—		—
Amortization of intangibles allocated to common stockholders	36,978	36,379	36,833	37,093	147,283	34,193	34,074	33,486		101,749
Share-based compensation allocated to common stockholders	4,262	3,840	3,929	3,883	15,914	7,034	9,143	9,315		25,496
Gain on divestitures and related transaction costs allocated to common stockholders	—	—	—	—	—	—	—	(12,999)		(13,012)
Income taxes related to the above allocated to common stockholders**	(13,469)	(11,125)	(11,379)	(13,037)	(49,010)	(10,442)	(1,832)	(8,190)		(20,450)
Non-GAAP net income attributable to common stockholders	\$ 95,440	\$ 35,268	\$ 78,943	\$ 106,812	\$ 316,463	\$ 118,549	\$ 123,035	\$ 129,717		\$ 371,307
Non-GAAP diluted earnings per share	\$ 1.85	\$ 0.68	\$ 1.53	\$ 2.07	\$ 6.13	\$ 2.29	\$ 2.37	\$ 2.49		\$ 7.15
Cash Flow Data	Q1	Q2	Q3	Q4	YTD 2020	Q1	Q2	Q3	Q4	YTD 2021
Net cash provided by operating activities	\$ 54,886	\$ 242,315	\$ 91,376	\$ 119,037	\$ 507,614	\$ 35,884	\$ 203,231	\$ 93,010		\$ 332,125
Purchases of property and equipment	(43,888)	(25,353)	(37,008)	(65,083)	(171,332)	(41,950)	(28,808)	(42,111)		(112,869)
Free cash flow (a non-GAAP measure)	\$ 10,998	\$ 216,962	\$ 54,368	\$ 53,954	\$ 336,282	\$ (6,066)	\$ 174,423	\$ 50,899		\$ 219,256

	Unaudited 2020			
Balance sheet data	Q1	Q2	Q3	Q4
SELECTED CONSOLIDATED BALANCE SHEET DATA				
Cash and cash equivalents	\$ 83,620	\$ 94,749	\$ 93,341	\$ 152,656
Working capital	(1,458,411)	(1,404,146)	(1,299,933)	414,714
Total assets	5,159,793	4,955,479	5,119,394	5,177,556
Borrowings, current	—	—	—	33,750
Total equity	\$1,509,122	\$1,492,540	\$1,627,967	\$2,302,085

	Audited			
CONSOLIDATED BALANCE SHEET				
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 83,620	\$ 94,749	\$ 93,341	\$ 152,656
Accounts receivable, net	968,750	868,831	940,091	1,081,481
Receivable from SYNEX Corporation ("former parent")	19,191	20,725	26,298	—
Loan receivable from former parent	58,456	62,183	73,425	—
Assets held for sale	—	—	—	—
Other current assets	200,266	174,114	233,029	189,239
Total current assets	1,330,283	1,220,602	1,366,184	1,423,376
Property and equipment, net	416,675	403,720	423,438	451,649
Goodwill	1,825,113	1,815,692	1,835,526	1,836,050
Intangible assets, net	895,743	855,810	835,776	798,959
Deferred tax assets	71,998	71,773	72,956	47,423
Other assets	619,981	587,882	585,514	620,099
Total assets	\$5,159,793	\$4,955,479	\$5,119,394	\$5,177,556

LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable	\$ 106,252	\$ 102,610	\$ 117,796	\$ 140,575
Current portion of long-term debt	—	—	—	33,750
Payable to former parent	86,204	83,248	87,016	22,825
Loans payable to former parent	1,964,146	1,768,449	1,721,207	—
Accrued compensation and benefits	273,104	304,727	360,609	419,715
Other accrued liabilities	320,636	358,384	354,040	371,072
Income taxes payable	38,352	7,330	25,449	20,725
Liabilities held for sale	—	—	—	—
Total current liabilities	2,788,694	2,624,748	2,666,117	1,008,662

	Unaudited 2021			
	Q1	Q2	Q3	Q4
Cash and cash equivalents	\$ 117,576	\$ 131,249	\$ 154,193	
Working capital	529,728	587,259	572,034	
Total assets	5,120,849	5,102,240	5,009,440	
Borrowings, current	—	—	—	
Total equity	\$2,389,278	\$2,529,768	\$2,565,755	

Cash and cash equivalents	\$ 117,576	\$ 131,249	\$ 154,193	
Accounts receivable, net	1,129,008	1,089,387	1,131,416	
Receivable from SYNEX Corporation ("former parent")	—	—	—	
Loan receivable from former parent	—	—	—	
Assets held for sale	—	83,010	—	
Other current assets	160,720	173,226	175,217	
Total current assets	1,407,304	1,476,872	1,460,826	
Property and equipment, net	445,286	399,422	397,841	
Goodwill	1,837,921	1,837,900	1,822,642	
Intangible assets, net	769,149	736,877	695,285	
Deferred tax assets	49,480	41,582	43,007	
Other assets	611,709	609,587	589,839	
Total assets	\$5,120,849	\$5,102,240	\$5,009,440	

Accounts payable	\$ 101,215	\$ 109,506	78,618	
Current portion of long-term debt	—	—	—	
Payable to former parent	—	—	—	
Loans payable to former parent	—	—	—	
Accrued compensation and benefits	365,272	363,948	418,329	
Other accrued liabilities	373,180	356,665	342,908	
Income taxes payable	37,909	29,141	48,937	
Liabilities held for sale	—	30,353	—	
Total current liabilities	877,576	889,613	888,792	

	Unaudited 2020				Unaudited 2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Long-term debt, net	—	—	—	1,111,362	1,113,218	959,158	865,837	
Other long-term liabilities	675,813	655,957	653,567	601,887	598,314	595,619	579,746	
Deferred tax liabilities	186,164	182,234	171,743	153,560	142,463	128,082	109,310	
Total liabilities	3,650,671	3,462,939	3,491,427	2,875,471	2,731,571	2,572,472	2,443,685	
Commitments and contingencies								
Equity:								
Preferred stock	—	—	—	—	—	—	—	
Common stock	—	—	—	—	5	5	5	
Additional paid-in capital	—	—	—	—	2,314,996	2,327,025	2,338,108	
Treasury stock	—	—	—	—	(409)	(527)	(13,964)	
Retained earnings	—	—	—	—	88,811	171,715	281,469	
Former parent company investment	1,578,184	1,588,748	1,638,529	2,305,899	—	—	—	
Accumulated other comprehensive loss	(69,062)	(96,208)	(10,562)	(3,814)	(14,125)	31,550	(39,863)	
Total stockholders' equity	1,509,122	1,492,540	1,627,967	2,302,085	2,389,278	2,529,768	2,565,755	
Total liabilities and stockholders' equity	\$5,159,793	\$4,955,479	\$5,119,394	\$5,177,556	\$5,120,849	\$5,102,240	\$5,009,440	

* Non-GAAP Financial Measures

In addition to disclosing financial results that are determined in accordance with GAAP, we also disclose certain non-GAAP financial information, including:

- Non-GAAP operating income, which is operating income, adjusted to exclude acquisition-related and integration expenses, including related restructuring costs, spin-off related expenses, amortization of intangible assets, share-based compensation and gain on divestitures and related transaction costs.
- Non-GAAP operating margin, which is non-GAAP operating income, as defined above, divided by revenue.
- Adjusted earnings before interest, taxes, depreciation, and amortization, or adjusted EBITDA, which is non-GAAP operating income, as defined above, plus depreciation.
- Adjusted EBITDA margin, which is adjusted EBITDA, as defined above, divided by revenue.
- Non-GAAP net income, which is net income excluding the tax effected impact of acquisition-related and integration expenses, including related restructuring costs, spin-off related expenses, amortization of intangible assets, share-based compensation and gain on divestitures and related transaction costs.
- Free cash flow, which is cash flows from operating activities less capital expenditures. We believe that free cash flow is a meaningful measure of cash flows since capital expenditures are a necessary component of ongoing operations. However, free cash flow has limitations because it does not represent the residual cash flow available for discretionary expenditures. For example, free cash flow does not incorporate payments for business acquisitions.
- Non-GAAP diluted earnings per common share ("EPS"), which is diluted EPS excluding the per share, tax effected impact of acquisition-related and integration expenses, including related restructuring costs, spin-off related expenses, amortization of intangible assets, share-based compensation and gain on divestitures and related transaction costs.

We believe that providing this additional information is useful to the reader to better assess and understand our base operating performance, especially when comparing results with previous periods and for planning and forecasting in future periods, primarily because management typically monitors the business adjusted for these items in addition to GAAP results. Management also uses these non-GAAP measures to establish operational goals and, in some cases, for measuring performance for compensation purposes. These non-GAAP financial measures exclude amortization of intangible assets. Although intangible assets contribute to our revenue generation, the amortization of intangible assets does not directly relate to the services performed for our clients. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of our acquisition activity. Accordingly, we believe excluding the amortization of intangible assets, along with the other non-GAAP adjustments which neither relate to the ordinary course of our business nor reflect our underlying business performance, enhances our and our investors' ability to compare our past financial performance with its current performance and to analyze underlying business performance and trends. These non-GAAP financial measures also exclude share-based compensation expense. Given the subjective assumptions and the variety of award types that companies can use when calculating share-based compensation expense, management believes this additional information allows investors to make additional comparisons between our operating results and those of our peers. As these non-GAAP financial measures are not calculated in accordance with GAAP, they may not necessarily be comparable to similarly titled measures employed by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures and should be used as a complement to, and in conjunction with, data presented in accordance with GAAP.

** The tax effect of taxable and deductible non-GAAP adjustments was calculated using the tax deductible portion of the expenses and applying the entity-specific, statutory tax rates applicable to each item during the respective fiscal years.